

QNB Finance Ltd

Issue of U.S.\$1,000,000,000 Floating Rate Notes due 2029

(the "Notes")

Guaranteed by Qatar National Bank

(Q.P.S.C.) under the

**U.S.\$22,500,000,000 Medium Term Note
Programme**

Issue Price: 100 per cent.

Issue Date: 2 April 2024

This information package includes the base prospectus dated 18 March 2024 in relation to the U.S.\$22,500,000,000 Medium Term Note Programme of QNB Finance Ltd (the "**Issuer**") (the "**Prospectus**") and the Final Terms dated 25 March 2024 in respect of the Notes (the "**Final Terms**", and together with the Prospectus, the "**Information Package**").

The Notes will be issued by the Issuer and guaranteed by Qatar National Bank (Q.P.S.C.).

Application will be made by the Issuer for the Notes to be listed on (i) the Taipei Exchange ("**TPEX**") in the Republic of China (the "**ROC**") and (ii) on the Official List of the Financial Conduct Authority and admitted to trading on the main market of the London Stock Exchange plc (the "**LSE**").

The Notes will be listed on TPEX pursuant to the applicable rules of TPEX and on the LSE pursuant to the applicable rules of the LSE. The effective date of the listing and trading of the Notes is on or about 2 April 2024.

TPEX is not responsible for the content of the Information Package and no representation is made by TPEX as to the accuracy or completeness of the Information Package. TPEX expressly disclaims any and all liability for any losses arising from, or as a result of the reliance on, all or part of the contents of this Information Package. The admission to listing and trading of the Notes on TPEX shall not be taken as an indication of the merits of the Issuer or the Notes.

LSE is not responsible for the content of the Information Package and no representation is made by LSE as to the accuracy or completeness of the Information Package. LSE expressly disclaims any and all liability for any losses arising from, or as a result of the reliance on, all or part of the contents of this Information Package. The admission to listing and trading of the Notes on LSE shall not be taken as an indication of the merits of the Issuer or the Notes.

The Notes have not been, and shall not be, offered, sold or re-sold, directly or indirectly, to investors other than "professional investors" as defined under Paragraph 1 of Article 2-1 of the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International

Bonds of the ROC ("**Professional Investors**"). Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a Professional Investor.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the benefit of, U.S. persons (as defined under the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act.

There are no manufacturers for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**") or Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK MiFIR**"). Any person offering, selling or recommending the Notes (a "**distributor**") should consider (i) the target market for the Notes to be eligible counterparties and professional clients only, each as defined in MiFID II or the FCA Handbook Conduct of Business Sourcebook and UK MiFIR (as applicable), and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients to be appropriate. However, a distributor subject to MiFID II or the FCA Handbook Product Intervention and Product Governance Sourcebook (as applicable) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

ROC TAXATION

The following is a summary of certain taxation provisions under ROC law and is based on current law and practice and that the Notes will be issued, offered, sold and re-sold, directly or indirectly, to professional investors as defined under Paragraph 1 of Article 2-1 of the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds of the ROC only. It does not purport to be comprehensive and does not constitute legal or tax advice. Investors (particularly those subject to special tax rules, such as banks, dealers, insurance companies and tax-exempt entities) should consult with their own tax advisers regarding the tax consequences of an investment in the Notes. Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below.

Interest on the Notes

As the Issuer of the Notes is not an ROC statutory tax withholder, there is no ROC withholding tax on the interest or deemed interest to be paid by the Issuer on the Notes.

Payments of any interest or deemed interest under the Notes to an ROC individual holder are not subject to ROC income tax as such payments received by him/her are not considered to be ROC sourced income. However, such holder must include the interest or deemed interest received in calculating his/her basic income for the purpose of calculating his/her alternative minimum tax ("**AMT**"), unless the sum of the interest or deemed interest and other non-ROC sourced income received by such holder and the person(s) who is (are) required to jointly file the ROC income tax return in a calendar year is below \$1 million New Taiwan Dollars ("**NT\$**"). If the amount of the AMT exceeds the annual income tax calculated pursuant to the ROC Income Basic Tax Act (also known as the AMT Act), the excess becomes such holder's AMT payable.

ROC corporate holders must include any interest or deemed interest receivable under the Notes as

part of their taxable income and pay income tax at a flat rate of 20 per cent. (unless the total taxable income for a fiscal year is NT\$120,000 or under), as they are subject to income tax on their worldwide income on an accrual basis. The AMT is not applicable.

Sale of the Notes

In general, the sale of corporate bonds or financial bonds is subject to 0.1 per cent. securities transaction tax ("**STT**") on the transaction price. However, Article 2-1 of the Securities Transaction Tax Act prescribes that STT will cease to be levied on the sale of corporate bonds and financial bonds from 1 January 2010 to 31 December 2026. Therefore, the sale of the Notes will be exempt from STT if the sale is conducted on or before 31 December 2026. Starting from 1 January 2027, any sale of the Notes will be subject to STT at 0.1 per cent. of the transaction price, unless otherwise provided by the tax laws that may be in force at that time.

Capital gains generated from the sale of bonds are exempt from ROC income tax. Accordingly, ROC individual or corporate holders are not subject to ROC income tax on any capital gains generated from the sale of the Notes. In addition, ROC individual holders are not subject to AMT on any capital gains generated from the sale of the Notes. However, ROC corporate holders should include such capital gains in calculating their basic income for the purpose of calculating their AMT. If the amount of the AMT exceeds the annual income tax calculated pursuant to the ROC Income Basic Tax Act, the excess becomes the ROC corporate holders' AMT payable. Capital losses, if any, incurred from the sale of the Notes by such holders could be carried over 5 years to offset against capital gains of same category of income for the purposes of calculating their AMT.

Non-ROC corporate holders with a fixed place of business (e.g., a branch) or a business agent in the ROC are not subject to ROC income tax on any capital gains generated from the sale of the Notes. However, their fixed place of business or business agent should include any such capital gains in calculating their basic income for the purpose of calculating AMT.

As to non-ROC corporate holders without a fixed place of business and a business agent in the ROC, they are not subject to ROC income tax or AMT on any capital gains generated from the sale of the Notes.

ROC SETTLEMENT AND TRADING

The Issuer has not entered into any settlement agreement with Taiwan Depository & Clearing Corporation ("**TDCC**") and has no intention to do so.

In the future, if the Issuer enters into a settlement agreement with TDCC, an investor, if it has a securities book-entry account with a Taiwan securities broker and a foreign currency deposit account with a Taiwanese bank, may settle the Notes through the account of TDCC with Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") if it applies to TDCC (by filling in a prescribed form) to transfer the Notes in its own account with Euroclear or Clearstream, Luxembourg to such TDCC account with Euroclear or Clearstream, Luxembourg for trading in the domestic market or vice versa for trading in overseas markets. For settlement through TDCC, TDCC will allocate the respective Notes position to the securities book-entry account designated by such investor in the ROC. The Notes will be traded and settled pursuant to the applicable rules and operating procedures of TDCC and the TPEX as domestic bonds. For such investors who hold their interest in the Notes through an account opened and held by

TDCC with Euroclear or Clearstream, Luxembourg, distributions of principal and/or interest for the Notes to such holders may be made by payment services banks whose systems are connected to TDCC to the foreign currency deposit accounts of the holders. Such payment is expected to be made on the second Taiwanese business day following TDCC's receipt of such payment (due to time difference, the payment is expected to be received by TDCC one Taiwanese business day after the distribution date). However, when the holders actually receive such distributions may vary depending upon the daily operations of the Taiwanese banks with which the holder has the foreign currency deposit account.

ADDITIONAL RISK FACTOR

Application will be made for the listing of the Notes on the TPEX. No assurance can be given as to whether the Notes will be, or will remain, listed on the TPEX. If the Notes fail to or cease to be listed on the TPEX, certain investors may not invest in, or continue to hold or invest in, the Notes.

Lead Manager

HSBC Bank (Taiwan) Limited

Manager

Standard Chartered Bank (Taiwan) Limited

Co-Managers

Bank SinoPac Co. Ltd.

Cathay United Bank Co., Ltd.

CTBC Bank Co., Ltd.

KGI Securities Co. Ltd.

President Securities Corporation

SinoPac Securities Corporation

Taipei Fubon Commercial Bank Co., Ltd.

Taishin International Bank Co., Ltd.

Yuanta Securities Co., Ltd.

Final Terms dated 25 March 2024

QNB Finance Ltd
(LEI: 549300MY0DXTHQEX5057)

Issue of U.S.\$1,000,000,000 Floating Rate Notes due 2029
Guaranteed by Qatar National Bank (Q.P.S.C.)
under the U.S.\$22,500,000,000
Medium Term Note Programme

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and are Excluded Investment Products (as defined in MAS Notice SFA 04 N12: Notice on the Sale of Investment Products and MAS Notice FAA N16: Notice on Recommendations on Investment Products).

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “Conditions”) set forth in the prospectus dated 18 March 2024, which constitutes a base prospectus (the “Prospectus”) for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Prospectus in order to obtain all the relevant information. The Prospectus is available for viewing at the market news section of the London Stock Exchange website (<http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>) and during normal business hours at the registered offices of the Issuer at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.

1	(a) Issuer:	QNB Finance Ltd
	(b) Guarantor:	Qatar National Bank (Q.P.S.C.)
2	(a) Series Number:	489
	(b) Tranche Number:	1
3	Specified Currency or Currencies:	United States dollars (“U.S.\$”)
4	Aggregate Nominal Amount of Notes:	U.S.\$1,000,000,000
	(a) Series:	U.S.\$1,000,000,000
	(b) Tranche:	U.S.\$1,000,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	(a) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof

	(b) Calculation Amount:	U.S.\$1,000
7	(a) Issue Date:	2 April 2024
	(b) Interest Commencement Date:	Issue Date
8	Maturity Date:	2 April 2029
9	Interest Basis:	Compounded SOFR Average + 1.20 per cent. Floating Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	(a) Status of the Notes:	Senior
	(b) Status of the Guarantee:	Senior
	(c) Date Board approval for issuance of Notes and Guarantee obtained:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions:	Not Applicable
15	Floating Rate Note Provisions:	Applicable
	(a) Interest Period(s):	As per the Conditions The end date of each Interest Period shall be subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e)
	(b) Specified Interest Payment Dates:	2 January, 2 April, 2 July and 2 October in each year commencing on and including the First Interest Payment Date, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below
	(c) First Interest Payment Date:	2 July 2024, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below
	(d) Interest Period Date:	As per the Conditions
	(e) Business Day Convention:	Modified Following Business Day Convention

(f) Business Centre(s):	London, New York, Taipei
(g) Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(h) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent):	The Fiscal Agent shall be the Calculation Agent
(i) Screen Rate Determination:	Applicable – SOFR Benchmark
— Reference Rate:	SOFR
	Amounts payable under the Notes will be calculated by reference to SOFR which is provided by the Federal Reserve Bank of New York. As at the date hereof, the Federal Reserve Bank of New York does not appear in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of the domestic law by virtue of the EUWA (the “ UK Benchmarks Regulation ”). As far as the Issuer is aware, the Federal Reserve Bank of New York, as administrator of SOFR, is not required to be registered by virtue of Article 2 of the UK Benchmarks Regulation.
— Interest Determination Date(s):	Five U.S. Government Securities Business Days prior to each Interest Period Date
— Relevant Time:	Not Applicable
— Relevant Screen Page:	Not Applicable
— Relevant Financial Centre:	Not Applicable
— SONIA Benchmark:	Not Applicable
— SOFR Benchmark:	Compounded SOFR Average
— SARON Benchmark:	Not Applicable
— Compounded SOFR Average:	SOFR Observation Lag
— Lookback Days:	Five U.S. Government Securities Business Days
— SOFR Observation Shift Days:	Not Applicable
— Interest Payment Delay Days:	Not Applicable
— SOFR Rate Cut-Off Date:	Not Applicable
— SOFR Index _{Start} :	Not Applicable
— SOFR Index _{End} :	Not Applicable

— D:	Not Applicable
— Fallback Provisions:	Condition 5(j)(2) (Benchmark Discontinuation (SOFR))
(j) ISDA Determination:	Not Applicable
(k) Linear Interpolation:	Not Applicable
(l) Margin(s):	+ 1.20 per cent. per annum
(m) Minimum Rate of Interest:	0 per cent. per annum
(n) Maximum Rate of Interest:	Not Applicable
(o) Day Count Fraction:	Actual / 360, Adjusted
(p) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	As per the Conditions

16 Zero Coupon Note Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

17 Call Option: Not Applicable

18 Put Option: Not Applicable

19 Change of Control Put: Not Applicable

20 Final Redemption Amount of each Note: U.S.\$1,000 per Calculation Amount

21 Early Redemption Amount: Applicable

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): U.S.\$1,000

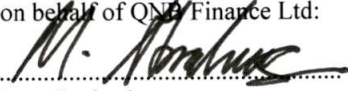
GENERAL PROVISIONS APPLICABLE TO THE NOTES

22 Form of Notes: Registered Notes:

Regulation S Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg

23	Financial Centre(s) or other special provisions relating to payment dates:	London, New York, Taipei
24	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
25	Prohibition of Sales to EEA Retail Investors:	Not Applicable
26	Prohibition of Sales to UK Retail Investors:	Not Applicable

Signed on behalf of QNB Finance Ltd:

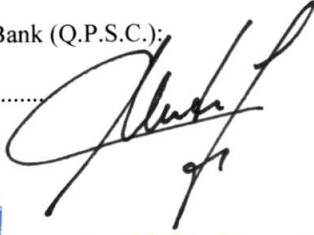
By: 
Duly authorised


Mark Abrahams
Executive Vice President
Group Treasury Trading

Signed on behalf of Qatar National Bank (Q.P.S.C.):

By: 
Duly authorised


Ramaiya Senthilnathan
Head of Group Financial Business Support
Group Financial Control Dept.


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PART B — OTHER INFORMATION

1 Listing

- (a) Listing: London and Taipei
- (b) Admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on both (i) the London Stock Exchange's Main Market with effect from the Issue Date and (ii) the Taipei Exchange ("TPEX") in the Republic of China (Taiwan) ("ROC") for the listing and trading of the Notes on the TPEX. The Notes will be traded on the TPEX pursuant to the applicable rules of the TPEX. Effective date of listing of the Notes on the TPEX is expected on or about the Issue Date.
- The TPEX is not responsible for the content of this document and the Prospectus and any supplement or amendment thereto and no representation is made by the TPEX as to the accuracy or completeness of this document and the Prospectus and any supplement or amendment thereto. The TPEX expressly disclaims any and all liability for any losses arising from, or as a result of the reliance on, all or part of the contents of this document and the Prospectus and any supplement or amendment thereto. Admission to the listing and trading of the Notes on the TPEX shall not be taken as an indication of the merits of the Issuer, the Guarantor or the Notes.
- (c) Estimate of total expenses related to admission to trading: GPB6,050 + VAT in relation to admission to trading of the Notes on the London Stock Exchange's Main Market and NTD70,000 in relation to the listing and trading of the Notes on the TPEX

2 Ratings:

The Notes to be issued have been rated:

S&P: A+

S&P defines obligations with a rating of "A" as those "somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories". The modifier "+" has been appended to the rating to denote relative standing within the rating category

3 Interests of Natural and Legal Persons Involved in the Issue/Offer

Save as discussed in "*Subscription and Sale/General Information*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 Reasons for the Offer and Estimated Net Proceeds

(a) Reasons for the offer: General corporate purposes
(b) Estimated net proceeds: U.S.\$998,933,000

6 Operational Information

ISIN: XS2793223475
Common Code: 279322347
Trade Date: 20 March 2024
CMU Instrument Number: Not Applicable
CFI: DTVUFR, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the National Numbering Agency that assigned the ISIN
FISN: QNB FINANCE LIM/VAREMTN 20290402, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the National Numbering Agency that assigned the ISIN
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the CMU Service and the relevant identification number(s): Not Applicable
Names and addresses of initial Paying Agent(s): The Bank of New York Mellon, acting through its London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom
Names and addresses of additional Paying Agent(s) (if any): Not Applicable

7 Distribution

(a) Method of distribution: Syndicated
(b) If syndicated, names of Managers: HSBC Bank (Taiwan) Limited, Standard Chartered Bank (Taiwan) Limited, Bank SinoPac Co. Ltd., Cathay United Bank Co., Ltd., CTBC Bank Co., Ltd., KGI Securities Co. Ltd., President Securities Corporation, SinoPac Securities Corporation, Taipei Fubon Commercial Bank Co., Ltd., Taishin International Bank Co., Ltd. and Yuanta Securities Co., Ltd.
(c) Stabilisation Manager(s) (if any): Not Applicable
(d) If non-syndicated, name of Dealer: Not Applicable
(e) US Selling Restrictions: Reg. S Compliance Category 2;
TEFRA not applicable

(f) Singapore Sales to Institutional Investors and Accredited Investors only:

Applicable

(g) Additional selling restrictions:

ROC Selling Restriction:

The Notes have not been, and shall not be, offered, sold or re-sold, directly or indirectly, to investors other than “professional investors” as defined under Paragraph 1 of Article 2-1 of the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds (“**Professional Investors**”). Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a Professional Investor.



QNB Finance Ltd

(an exempted company incorporated in the Cayman Islands with limited liability)

U.S.\$22,500,000,000

Medium Term Note Programme

guaranteed by

Qatar National Bank (Q.P.S.C.)

(incorporated as a Qatari public shareholding company in Qatar)

Under the Medium Term Note Programme described in this Prospectus (the “**Programme**”), QNB Finance Ltd (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Medium Term Notes (the “**Notes**”) guaranteed (the “**Guarantee**”) by Qatar National Bank (Q.P.S.C.) (the “**Guarantor**” or “**QNB**”) and, together with its subsidiaries and associates, “**QNB Group**”). Notes to be issued under the Programme may comprise senior Notes (the “**Senior Notes**”) and subordinated Notes (the “**Subordinated Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$22,500,000,000 (or the equivalent in other currencies).

This Prospectus has been approved by the United Kingdom (the “**UK**”) Financial Conduct Authority (the “**FCA**”), as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK Prospectus Regulation**”). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer, the Guarantor or the quality of the Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

Application has been made for such Notes (other than PR Exempt Instruments (as defined below)) to be admitted to the official list (the “**Official List**”) of the FCA and to the London Stock Exchange plc (the “**London Stock Exchange**”) for such Notes to be admitted to trading on the London Stock Exchange’s Main Market (the “**Market**”). References in this Prospectus to Notes (other than PR Exempt Instruments) being “**listed**” (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market. The Market is a regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the “**UK MiFIR**”). The relevant Final Terms in respect of the issue of any Notes (other than PR Exempt Instruments) will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Market (or any other stock exchange). If any Notes (other than PR Exempt Instruments) are to be admitted to trading on any other stock exchange, such admission will be in addition (rather than as an alternative) to their admission to trading on the Market. In the case of PR Exempt Instruments, the relevant Notes will not be listed and/or admitted to trading on the Market, and the relevant pricing supplement document (the “**Pricing Supplement**”) will state whether or not the relevant Notes will be listed and/or admitted to trading on an unregulated market. Accordingly, in the case of PR Exempt Instruments, each reference in this Prospectus to the relevant Final Terms shall be read and construed as a reference to the relevant Pricing Supplement, unless the context requires otherwise.

References in this Prospectus to “PR Exempt Instruments” are to instruments for which no prospectus is required to be published under the UK Prospectus Regulation. For the purposes of any PR Exempt Instruments issued pursuant to this Programme, this document does not constitute a base prospectus for the purposes of the UK Prospectus Regulation and will constitute listing particulars. This Prospectus does not constitute listing particulars that the FCA has reviewed or approved pursuant to Listing Rule 4 of the FCA Handbook. Information contained in this Prospectus regarding PR Exempt Instruments and any Pricing Supplement relating thereto shall not be deemed to form part of this Prospectus, and the FCA has neither approved nor reviewed information contained in this Prospectus in connection with the offering and sale of PR Exempt Instruments or in the related Pricing Supplement to which the PR Exempt Instruments are subject.

References in this Prospectus to “CMU Notes” are to Notes denominated in any lawful currency which the Central Moneymarkets Unit Service (the “CMU Service”) accepts for settlement from time to time that are, or are intended to be, cleared through the CMU Service.

Each Series (as defined in “*Overview of the Programme—Method of Issue*”) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a “**temporary Global Note**”) or a permanent global note in bearer form (each a “**permanent Global Note**”). Notes in registered form will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Global Notes and Certificates may be deposited on the issue date with (a) a common depositary on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) (the “**Common Depositary**”) or (b) in respect of CMU Notes, a sub-custodian for the CMU Service operated by the Hong Kong Monetary Authority (the “**HKMA**”). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in “*Summary of Provisions Relating to the Notes while in Global Form*”.

The Programme has been rated by Moody’s Investors Service Cyprus Limited (“**Moody’s**”), Fitch Ratings Limited (“**Fitch**”) and S&P, Global Ratings Europe Limited (“**S&P**”) subject to the Final Terms in respect of each issuance of Notes hereunder. Moody’s has assigned Senior Notes and Subordinated Notes issued under the Programme the rating of (P)Aa3 and (P)A2, respectively. Fitch has assigned Notes of a long-term senior unsecured nature the rating of A and Notes of a short-term senior unsecured nature the rating of F1 under the Programme. S&P has assigned the rating of A+ to senior unsecured Notes with a maturity of one year or more and A-1 for senior unsecured Notes with a maturity of less than one year.

Moody’s is established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such, Moody’s is included in the list of credit rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA

Regulation. Moody's is not established in the United Kingdom and has not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). The ratings issued by Moody's have been endorsed by Moody's Investors Service Ltd in accordance with the UK CRA Regulation. Moody's Investors Service Ltd is established in the United Kingdom and is registered in accordance with the UK CRA Regulation.

Fitch is established in the United Kingdom and is registered in accordance with the UK CRA Regulation. Fitch is not established in the European Union and has not applied for registration under the CRA Regulation. The ratings issued by Fitch have been endorsed by Fitch Ratings Ireland Limited in accordance with the CRA Regulation. Fitch Ratings Ireland Limited is established in the European Union and registered under the CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.

S&P is established in the European Union and is registered under the CRA Regulation. As such, S&P is included in the list of credit rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. The ratings issued by S&P have been endorsed by S&P Global Ratings UK Limited. S&P Global Ratings UK Limited is established in the United Kingdom and is registered in accordance with the UK CRA Regulation.

Whether or not a rating has been given in relation to any Tranche (as defined in "*Overview of the Programme—Method of Issue*") of Notes will be disclosed in the relevant Final Terms. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus.

This Prospectus will be valid as a base prospectus under the UK Prospectus Regulation for 12 months from 18 March 2024 in relation to Notes which are to be admitted to trading on the Market and/or offered to the public in the UK other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply following the expiry of that period.

The Notes to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Prospectus, you should consult an authorised financial adviser.

Arrangers

Barclays

QNB Capital LLC

Standard Chartered Bank

Dealers

**ANZ
Citigroup
DBS Bank Ltd.
J.P. Morgan
MUFG
Société Générale**

**Barclays
Crédit Agricole CIB
Deutsche Bank
Mizuho
QNB Capital LLC
Standard Chartered Bank**

**BofA Securities
Daiwa Capital Markets Europe
HSBC
Morgan Stanley
SMBC Nikko
UBS Investment Bank**

Corporate & Investment Banking

The date of this Prospectus is 18 March 2024

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IMPORTANT NOTICES

This Prospectus comprises a base prospectus for the purposes of the UK Prospectus Regulation. The Issuer and the Guarantor each accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer and the Guarantor, the information contained in this Prospectus is in accordance with the facts and this Prospectus as completed by the Final Terms makes no omission likely to affect its import.

This Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein (see “*Documents Incorporated by Reference*”) and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. Other than in relation to the documents which are incorporated by reference herein, the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the FCA.

Certain information under the headings “*Risk Factors*”, “*Overview of Qatar*”, “*Banking Industry and Regulation in Qatar*” and “*Business Description of QNB Group*” has been extracted from industry sources and information provided by third-party sources that the Guarantor believes to be reliable (including Moody’s, S&P and Fitch) and, in each case, the relevant source of such information is specified where it appears under those headings. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant sources referred to, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Dealers or the Arrangers (as defined in “*Overview of the Programme*”). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Notes which are to be admitted to trading on the Market or offered to the public in the UK in circumstances which require the publication of a prospectus under the UK Prospectus Regulation, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

MiFID II product governance / target market – The Final Terms in respect of any Notes (or Pricing Supplement, in the case of PR Exempt Instruments) may include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance/target market – The Final Terms in respect of any Notes (or Pricing Supplement, in the case of PR Exempt Instruments) may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product**

Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each Tranche of Notes about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor, the Dealers and the Arrangers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S of the Securities Act). For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see “*Subscription and Sale*”.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arrangers accept any responsibility for the contents of this Prospectus or for any other statement made or purported to be made by an Arranger or a Dealer or on its behalf in connection with the Issuer, the Guarantor or the issue and offering of the Notes. Each Arranger and Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement. No representation or warranty is made or implied by the Arrangers or the Dealers or any of their respective affiliates, and neither the Arrangers, the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for any acts or omissions of the Issuer, the Guarantor or any other person in connection with this Prospectus or the issue and offering of any Notes under the Programme. Neither this Prospectus nor any financial statements of the Issuer or the Guarantor are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arrangers or the Dealers that any recipient of this Prospectus or any financial statements of the Issuer or the Guarantor should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review the financial condition or affairs of the Issuer or the Guarantor during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arrangers.

In making an investment decision, investors must rely on their own independent examination of the Issuer and the Guarantor and the terms of the Notes being offered, including the merits and risks involved. None of the Arrangers, the Dealers or any of their respective affiliates, the Issuer or the Guarantor makes any representation to any investor regarding the legality of its investment under any applicable laws. Any investor should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Notes may not be a suitable investment for all investors. Accordingly, each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (1) the Notes are legal investments for it; (2) the Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Neither the Arrangers nor any of the Dealers makes any representation as to the suitability of any Green Bonds, Social Bonds or Sustainability Bonds (each as defined below), including the listing or admission to trading thereof on any dedicated ‘green’, ‘environmental’, ‘sustainable’, ‘social’ or other equivalently-labelled segment of any stock exchange or securities market, to fulfil any green, social, environmental or sustainability criteria required by any prospective investors. The Arrangers and the Dealers have not undertaken, nor are they responsible for, any assessment of the eligibility criteria for Eligible Projects (as defined below), any verification of whether the Eligible Projects meet such criteria, the monitoring of the use of proceeds of any Green Bonds, Social Bonds or Sustainability Bonds (or amounts equal thereto) or the allocation of the proceeds by the Issuer or the Guarantor to particular Eligible Projects. Investors should refer to the Framework (as defined below) which the Guarantor may publish from time to time, any second party opinion delivered in respect thereof, and any public reporting by or on behalf of the Issuer or the Guarantor in respect of the application of the proceeds of any issue of Green Bonds, Social Bonds or Sustainability Bonds for further information. Any such sustainability framework and/or second party opinion and/or public reporting will not be incorporated by reference in this Prospectus and neither the Arrangers nor any of the Dealers makes any representation as to the suitability or contents thereof.

PROHIBITION ON SALES TO EEA RETAIL INVESTORS

IF THE FINAL TERMS (OR PRICING SUPPLEMENT, AS THE CASE MAY BE) IN RESPECT OF ANY NOTES INCLUDES A LEGEND ENTITLED “PROHIBITION OF SALES TO EEA RETAIL INVESTORS”, THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO, AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO, ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (THE “IDD”), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR

SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

PROHIBITION ON SALES TO UK RETAIL INVESTORS

IF THE FINAL TERMS (OR PRICING SUPPLEMENT, AS THE CASE MAY BE) IN RESPECT OF ANY NOTES INCLUDES A LEGEND ENTITLED “PROHIBITION OF SALES TO UK RETAIL INVESTORS”, THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO, AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO, ANY RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE “FSMA”) AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT THE IDD, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF THE UK PROSPECTUS REGULATION. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE “UK PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/2011 (the “Benchmarks Regulation”) or the Benchmarks Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the “UK Benchmarks Regulation”). If any such reference rate does constitute such a benchmark, the Final Terms or Pricing Supplement will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation or the FCA pursuant to Article 36 (*Register of administrators and benchmarks*) of the UK Benchmarks Regulation. Administrators of certain benchmarks are not required to be registered by virtue of Article 2 of each of the Benchmarks Regulation and the UK Benchmarks Regulation and transitional provisions in the Benchmarks Regulation and the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms or Pricing Supplement. The registration status of any administrator under the Benchmarks Regulation and/or the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms or Pricing Supplement to reflect any change in the registration status of the administrator.

STABILISATION

In connection with the issue of any Tranche of Notes, a Dealer or Dealers (if any) appointed as the stabilisation manager(s) (the “Stabilisation Manager(s)”) (or person(s) acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

NOTICE TO RESIDENTS OF QATAR

Any Notes to be issued under the Programme will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar (“Qatar”) (including the Qatar Financial Centre), in a manner that would constitute a public offering. This Prospectus has not been and will not be reviewed or approved by or registered with the Qatar Central Bank (the “QCB”), the Qatar Financial Markets Authority (the “QFMA”), the Qatar Financial Centre Regulatory Authority (the “QFCRA”) or the Qatar Stock Exchange (the “QSE”) in accordance with their regulations or any other regulations in Qatar (including the Qatar Financial Centre). The Notes are not and will not be traded on the QSE. The Notes and interests therein will not be offered to investors domiciled or resident in Qatar and do not constitute an issue of bonds by a Qatari company under the Qatar Commercial Companies Law No. (11) of 2015 or otherwise under the laws of Qatar.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain (“Bahrain”), Notes issued in connection with this Prospectus and related offering documents may only be offered in registered form to existing accountholders and accredited investors as defined by the Central Bank of Bahrain (the “CBB”) in Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.

This Prospectus does not constitute an offer of securities in Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase, nor will this Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Notes, whether directly or indirectly, to persons in Bahrain, other than to accredited investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered this Prospectus or related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Prospectus. No offer of Notes will be made to the public in Bahrain, and this Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority of the Kingdom of Saudi Arabia (the “CMA”).

The CMA does not make any representations as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial adviser.

NOTICE TO CAYMAN ISLANDS RESIDENTS

No invitation, whether directly or indirectly, may be made to any member of the public of the Cayman Islands to subscribe for the Notes, and this Prospectus shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for the Notes.

CAYMAN ISLANDS DATA PROTECTION

The Issuer has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the “DPA”) based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with the Issuer and its affiliates and/or delegates, or by virtue of providing the Issuer with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Issuer and its affiliates and/or delegates with certain personal information which constitutes personal data within the meaning of the DPA. The Issuer shall act as a data controller in respect of this personal data and its affiliates and/or delegates, may act as data processors (or data controllers in their own right in some circumstances).

By investing in the Notes, the Noteholders shall be deemed to acknowledge that they have read in detail and understood the Privacy Notice set out below and that such Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in the Notes.

Oversight and enforcement of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Issuer could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

Privacy Notice

Introduction

The purpose of this notice is to provide Noteholders with information on the Issuer's use of their personal data in accordance with the DPA.

Investor Data

By virtue of making an investment in the Issuer and a Noteholder's associated interactions with the Issuer (including any subscription (whether past, present or future), including the recording of electronic communications or phone calls where applicable) or by virtue of a Noteholder otherwise providing the Issuer with personal information on individuals connected with the Noteholder as an investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), the Noteholder will provide the Issuer with certain personal information which constitutes personal data within the meaning of the DPA ("**Investor Data**"). The Issuer may also obtain Investor Data from other public sources. Investor Data includes, without limitation, the following information relating to a Noteholder and/or any individuals connected with a Noteholder as an investor: name, residential address, email address, contact details, corporate contact information, signature, nationality, place of birth, date of birth, tax identification, credit history, correspondence records, passport number, bank account details, source of funds details and details relating to the Noteholder's investment activity.

In the Issuer's use of Investor Data, the Issuer will be characterised as a "data controller" for the purposes of the DPA. The Issuer's affiliates and delegates may act as "data processors" for the purposes of the DPA.

Who this Affects

If a Noteholder is a natural person, this will affect such Noteholder directly. If a Noteholder is a corporate investor (including, for these purposes, legal arrangements such as trusts or exempted limited partnerships) that provides the Issuer with Investor Data on individuals connected to such Noteholder for any reason in relation to such Noteholder's investment with the Issuer, this will be relevant for those individuals and such Noteholder should transmit the content of this Privacy Notice to such individuals or otherwise advise them of its content.

How the Issuer May Use a Noteholder's Personal Data

The Issuer, as the data controller, may collect, store and use Investor Data for lawful purposes, including, in particular:

- (i) where this is necessary for the performance of the Issuer's rights and obligations under any subscription agreements or purchase agreements;

- (ii) where this is necessary for compliance with a legal and regulatory obligation to which the Issuer is subject (such as compliance with anti-money laundering and FATCA/CRS (each as defined below) requirements); and/or
- (iii) where this is necessary for the purposes of the Issuer's legitimate interests and such interests are not overridden by the Noteholder's interests, fundamental rights or freedoms.

Should the Issuer wish to use Investor Data for other specific purposes (including, if applicable, any purpose that requires a Noteholder's consent), the Issuer will contact the applicable Noteholders.

Why the Issuer May Transfer a Noteholder's Personal Data

In certain circumstances the Issuer and/or its authorised affiliates or delegates may be legally obliged to share Investor Data and other information with respect to a Noteholder's interest in the Issuer with the relevant regulatory authorities such as the Cayman Islands Monetary Authority or the Tax Information Authority. They, in turn, may exchange this information with foreign authorities, including tax authorities.

The Issuer anticipates disclosing Investor Data to those who provide services to the Issuer and their respective affiliates (which may include certain entities located outside the Cayman Islands or the European Economic Area), who will process a Noteholder's personal data on the Issuer's behalf.

The Data Protection Measures the Issuer Takes

Any transfer of Investor Data by the Issuer or its duly authorised affiliates and/or delegates outside of the Cayman Islands shall be in accordance with the requirements of the DPA.

The Issuer and its duly authorised affiliates and/or delegates shall apply appropriate technical and organisational information security measures designed to protect against unauthorised or unlawful processing of Investor Data, and against accidental loss or destruction of, or damage to, Investor Data.

The Issuer shall notify a Noteholder of any Investor Data breach that is reasonably likely to result in a risk to the interests, fundamental rights or freedoms of either such Noteholder or those data subjects to whom the relevant Investor Data relates.

NOTICE TO RESIDENTS OF JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). The Notes will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

NOTICE TO RESIDENTS OF ONTARIO

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The

purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

NOTICE TO RESIDENTS OF SINGAPORE

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

QNB prepared its audited consolidated financial statements as at and for the years ended 31 December 2023 and 2022 (the "**2023 Financial Statements**" and the "**2022 Financial Statements**", respectively) in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and applicable QCB regulations.

The Issuer prepared its audited financial statements as at and for the years ended 31 December 2023 and 2022 in accordance with IFRS as issued by the IASB.

The financial information of QNB as at and for the financial year ended 31 December 2023 included in this Prospectus has been derived from the 2023 Financial Statements (including the related notes thereto), the financial information of QNB as at and for the financial year ended 31 December 2022 included in this Prospectus has been derived from the 2022 Financial Statements (including the related notes thereto)¹, the financial information of QNB as at and for the financial year ended 31 December 2021 included in this Prospectus has been derived from the comparative information as at and for the financial year ended 31 December 2021 contained in the 2022 Financial Statements (including the related notes thereto).

For further information regarding International Accounting Standard 29 (*Financial Reporting in Hyperinflationary Economies*), please see note 3(ab) of the 2023 Financial Statements.

Currency

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, all references to the "**PRC**" and "**China**" are to the People's Republic of China, excluding Taiwan, Hong Kong and Macau, all references to "**QR**", "**Qatari riyals**" and "**riyals**" are to the lawful currency for the time being of Qatar, all references to "**dollars**", "**U.S. dollars**", "**\$**", "**USD**" and "**U.S.\$**" are to the lawful currency for the time being of the United States of America, all references to "**EUR**", "**euro**" or "**€**" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time, all references to "**GBP**", "**sterling**" and "**£**" are to the lawful currency for the time being of the United Kingdom, all references to "**JPY**" are to the lawful currency for the time being of Japan, all references to "**HKD**" are to the lawful currency for the time being of Hong Kong, all references to "**CHF**" are to the lawful currency for the time being of Switzerland, all references to "**CNY**", "**RMB**" and "**Renminbi**" are to the lawful currency for the time being of the People's Republic of China and all references to "**AUD**" and "**Australian dollar**" are to the lawful currency for the time being of Australia. Translations of amounts from riyals to U.S. dollars in this Prospectus are solely for the convenience of the reader. The riyal currently is, and since 1981 has been, pegged to the U.S. dollar at a fixed

¹ Save as set out in Note 3(ab) and Note 40 of the 2023 Financial Statements, the comparative financial information as at and for the financial year ended 31 December 2022 contained in the 2023 Financial Statements does not restate or reclassify any of the financial information as at and for the financial year ended 31 December 2022 contained in the 2022 Financial Statements.

exchange rate of 3.64 riyals per U.S. dollar and, accordingly, translations of amounts from riyals to U.S. dollars have been made at this exchange rate for all periods presented in this Prospectus.

Certain figures and percentages included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

References to a “**billion**” are to a thousand million.

PRESENTATION OF CERTAIN RESERVES INFORMATION

All natural resources within Qatar, including hydrocarbons, are owned by the State of Qatar. Through the Concession (Decree Law No. 10 of 1974 (as amended) and Law No. 3 of 2007) (as amended) (the “**Concession**”), the State of Qatar has granted to QatarEnergy, formerly Qatar Petroleum (“**QE**”), the exclusive right to explore, negotiate, contract for, develop and produce Qatar’s hydrocarbon resources. Unless otherwise indicated, any reference in this Prospectus to reserves of crude oil and condensate, natural gas or other hydrocarbons are reserves owned by the State of Qatar that QE has the exclusive right to operate and develop through the Concession. The Concession granted to QE has an unlimited term, it remains valid as long as QE remains in existence.

All reserves are defined in this Prospectus as initial reserves prior to any field production minus cumulative production as of 31 December 2022.

Proven reserves

The “proven” reserve classification used in this Prospectus is similar to, but does not directly correspond with, the definition of “proved” reserves used by the Society of Petroleum Engineers. Proven reserves are defined in this Prospectus as reserves that are equal to proven ultimate recovery minus cumulative production. Proven ultimate recovery includes:

- (i) the ultimate recovery that is assigned to areas defined by wells that have penetrated the reservoirs in locations falling within areas defined by existing and committed developments, geological and engineering information, provided that there is no reasonable doubt as to their productivity;
- (ii) the ultimate recovery to be obtained from reservoirs which have proved to be productive by production tests, but which are not yet developed to the stage of production; and
- (iii) the ultimate recovery to be obtained from successful application of supplementary recovery methods, based on experience gained from pilot tests or actual practices in similar reservoir conditions.

Confirmed reserves

QE employs the “confirmed” reserves classification, which does not correspond with any definition used by the Society of Petroleum Engineers, to delineate the recoverable hydrocarbon volumes in the productive layers of the North Field and other fields in Qatar. This includes the proven reserves as outlined above. In addition, the “confirmed” reserves classification is based on QE’s detailed appraisal of field volumes based on technical data from multiple appraisal wells and flow tests to surface in undeveloped parts of the fields which indicate the presence of volumes from hydrocarbon-bearing layers and bounded areas.

Certain reserves information presented in this Prospectus is based on an annual review of reserves and resources compiled by QE. As of the date of this Prospectus, the most recent annual review of reserves and resources was dated as at 31 December 2022. In addition, QE also reviews its reserves and resources classification from time to time.

PRESENTATION OF HYDROCARBON DATA

Barrel measurements for volumes sold will vary from volumes produced and will differ between the oil produced onshore, which is lighter and sweeter, and the oil produced offshore, which is heavier and more sour.

For information on dry gas, normal cubic metres have been converted to standard cubic feet, with one actual cubic metre equivalent to 37.32584 standard cubic feet. This is not a straight volumetric conversion, as normal cubic metres are measured at one bar and zero degrees Celsius, while standard cubic feet are measured at one bar and 60 degrees Fahrenheit.

The information provided in this Prospectus on production capacity includes an allowance for plant reliability and as a result does not represent peak throughput capacity for the relevant plant or equipment. Production capacity data is consistent with expected typical average production rates. Volumes presented for production capacity following completion of certain projects are forward-looking projections based upon engineering estimates and actual performance may vary.

References in this Prospectus to “**tonnes**” are to metric tonnes. One tonne in this Prospectus equals 1,000 kilograms. References in this Prospectus to “**bcf**” are to billion standard cubic feet and references to “**tcf**” are to trillion standard cubic feet. References in this Prospectus to “**boe**” are to barrels of oil equivalent.

PRESENTATION OF CERTAIN OTHER DATA RELATED TO QATAR

Unless otherwise stated, all annual information contained in this Prospectus has been prepared on the basis of calendar years. Certain figures included in this Prospectus have been rounded and, as a result, the totals of the figures presented may vary slightly from the actual arithmetic totals of such figures.

Statistical data and other information presented herein related to Qatar, in particular information presented under “*Overview of Qatar*”, “*Banking Industry and Regulation in Qatar*” and “*Business Description of QNB Group*”, is based on information made available by governmental agencies and entities of Qatar, including the Ministry of Finance, QE, QCB and the Planning and Statistics Authority (the “**PSA**”). In addition, all references in this document to “**Qatar**” or the “**State**” are to the State of Qatar. References to the “**Government**” are to the Government of the State of Qatar.

All of the data relating to Qatar appearing in this Prospectus under “*Overview of Qatar*” and the market, industry and competitive position appearing in this Prospectus under “*Banking Industry and Regulation in Qatar*” has been obtained from: (i) the 2019, 2020, 2021 and 2022 Annual Reports issued by the QCB; Statistical Bulletins issued by the QCB; BP’s annual “Statistical Review of World Energy”; the CIA Factbook; and reports issued by the PSA; (ii) third-party industry expert reports; (iii) Qatari press reports and publications, edicts and resolutions of Qatar; and (iv) published financial statements of certain commercial banks in Qatar. In the case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. The Issuer and QNB have relied on the accuracy of such aforementioned information without carrying out an independent verification thereof and cannot guarantee their accuracy. The Issuer and QNB confirm that such information has been accurately reproduced, and, as far as the Issuer and QNB are aware and able to ascertain from information published by such sources, no facts have been omitted from the information in this Prospectus that would render it inaccurate or misleading. See “*Presentation of Financial and Other Information*”, “*Presentation of Certain Reserves Information*”, and “*Presentation of Hydrocarbon Data*”.

Prospective investors in the Notes should review the description of the economy of Qatar set forth in this Prospectus in light of the following observations. Statistics contained in this Prospectus, including those in relation to nominal gross domestic product (“**GDP**”), have been obtained from, among others, the Ministry of Finance, the QCB and the PSA. Such statistics, and the component data on which they are based, may be unreliable and may not have been compiled in the same manner as data provided by similar sources in Western Europe and the United States. Similar statistics may be obtainable from other sources, although the underlying assumptions, methodology and consequently the resulting data may vary from source to source. There may also be material variances between preliminary or estimated data set forth in this Prospectus and actual results, and between the data set forth in this Prospectus and corresponding data previously published by or on behalf of Qatar. In addition, due to deficiencies in the currency of certain data, some information for recent years is not available as at the date of this Prospectus. Consequently, the statistical data contained in this Prospectus should be treated with caution by prospective investors.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche, the applicable Final Terms. The Issuer, the Guarantor and any relevant Dealer(s) may agree that Notes shall be issued in a form other than that contemplated in the terms and conditions of the Notes (the “**Conditions**”), in which event, in the case of listed Notes only, if appropriate, a supplemental prospectus will be published.

Issuer	QNB Finance Ltd
Legal Entity Identifier of the Issuer	549300MY0DXTHQEX5O57
Guarantor	Qatar National Bank (Q.P.S.C.)
Legal Entity Identifier of the Guarantor	549300FFSRVBS0SQXY75
Website of the Guarantor	http://www.qnb.com
Description	Guaranteed Medium Term Note Programme.
Size	Up to U.S.\$22,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arrangers	Barclays Bank PLC, QNB Capital LLC and Standard Chartered Bank.
Dealers	Australia and New Zealand Banking Group Limited, Barclays Bank PLC, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Daiwa Capital Markets Europe Limited, DBS Bank Ltd., Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Mizuho International plc, Morgan Stanley & Co. International plc, MUFG Securities EMEA plc, QNB Capital LLC, SMBC Nikko Capital Markets Limited, Société Générale, Standard Chartered Bank and UBS AG London Branch. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Prospectus to “ Permanent Dealers ” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “ Dealers ” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent and Principal Paying Agent ...	The Bank of New York Mellon, acting through its London Branch, and, in respect of CMU Notes only, The Bank of New York Mellon, Hong Kong Branch.
CMU Lodging and Paying Agent, CMU Transfer Agent and CMU Registrar	The Bank of New York Mellon, Hong Kong Branch
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ Series ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first

payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) issued on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “**Final Terms**”).

- Issue Price** Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The price and amount of Notes to be issued will be determined by the Issuer, QNB and the relevant Dealer(s).
- Form of Notes** The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) only. Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “*Selling Restrictions*” below); otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “**Global Certificates**”.
- Clearing Systems** With respect to Notes other than CMU Notes, Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and Principal Paying Agent and the relevant Dealer. With respect to CMU Notes, the CMU Service operated by the HKMA.
- Initial Delivery of Notes** .. On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Certificate representing Registered Notes may be (a) deposited with a common depositary for Euroclear and Clearstream, Luxembourg or (b) in respect of CMU Notes, a sub-custodian for the CMU Service operated by the HKMA. Global Notes or Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and Principal Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
- Currencies** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer, the Guarantor and the relevant Dealers.
- Maturities** Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s). Unless otherwise permitted by then-current laws, regulations and directives, Subordinated Notes will have a maturity of not less than five years.
- Specified Denomination** .. Definitive Notes will be in such denominations as may be specified in the relevant Final Terms save that: (i) in the case of any Notes which are to be admitted to trading on the Market or offered to the public in the UK in circumstances which require the publication of a prospectus under the UK Prospectus Regulation, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) unless otherwise permitted by then-current laws and

regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise would constitute a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Fixed Rate Notes..... Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes Floating Rate Notes (as defined in “*Terms and Conditions of the Notes*”) will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating (a) the 2006 ISDA Definitions or (b) the 2021 ISDA Interest Rate Derivatives Definitions, each as published by the International Swaps and Derivatives Association, Inc.; or
- (ii) by reference to the relevant Reference Rate, subject to adjustment according to Condition 5 (*Interest and other Calculations*).

Interest periods will be specified in the relevant Final Terms.

Zero Coupon Notes Zero Coupon Notes (as defined in “*Terms and Conditions of the Notes*”) may be issued at their nominal amount or at a discount to it and will not bear interest.

Interest Periods and

Interest Rates..... The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Redemption..... The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then-current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Optional Redemption..... The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such redemption.

Guarantee..... Payment obligations of the Issuer under the Senior Notes will be unconditionally and irrevocably guaranteed by the Guarantor.

Subordinated Guarantee Payment obligations of the Issuer under the Subordinated Notes will (subject as provided in the Subordinated Guarantee) be unconditionally and irrevocably guaranteed by the Guarantor on a subordinated basis.

Status of the Senior

Notes and Guarantee..... The Senior Notes and Guarantee will constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and the Guarantor, respectively, and will rank *pari*

passu among themselves and (save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*)) at least equally with all other unsecured and unsubordinated obligations of the Issuer and the Guarantor, respectively, from time to time outstanding.

- Status of the Subordinated Notes** The Subordinated Notes are direct, conditional and unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. Payments in respect of the Subordinated Notes will be subordinated as described in Condition 3(d) (*Status of the Subordinated Notes*).
- Negative Pledge**..... The Senior Notes will have the benefit of a negative pledge as described in Condition 4 (*Negative Pledge*).
- Cross-Default**..... The Senior Notes will have the benefit of a cross-default provision as described in Condition 10 (*Events of Default*).
- Ratings**..... The Programme has been rated by Moody's, Fitch and S&P, subject to the Final Terms in each case. Fitch has assigned Notes of a long-term senior unsecured nature the rating of A and Notes of a short-term senior unsecured nature the rating of F1 under the Programme. Moody's has assigned Senior Notes and Subordinated Notes issued under the Programme the rating of (P)Aa3 and (P)A2, respectively. S&P has assigned the rating of A+ to senior unsecured Notes with a maturity of one year or more and A-1 for senior unsecured Notes with a maturity of less than one year. Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Final Terms.
- A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
- Early Redemption** Except as provided in "*Optional Redemption*" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See Condition 6 (*Redemption, Purchase and Options*).
- Withholding Tax**..... All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Cayman Islands or Qatar, unless the withholding is required by law. In such event, the Issuer or the Guarantor shall (subject to the exceptions in Condition 8 (*Taxation*)) pay such additional amounts as shall result in receipt by the Noteholder of such amounts as would have been received by it had no such withholding been required, all as described in Condition 8 (*Taxation*).
- Governing Law** English law (save for the provisions of Conditions 3(b) (*Status of Senior Notes and Senior Guarantee*) and 3(d) (*Status of Subordinated Notes*) relating to subordination and waiver of set-off of the Subordinated Notes, which are governed by Qatari law).
- Listing and Admission to Trading**..... Application has been made to list Notes (other than PR Exempt Instruments) issued under the Programme on the Official List and to admit them to trading on the Market. In the case of PR Exempt Instruments, the relevant Notes will not be listed and/or admitted to trading on the Market, and the applicable Pricing Supplement will state whether or not the relevant Notes will be listed and/or admitted to trading on an unregulated market.

Information contained in this Prospectus regarding PR Exempt Instruments shall not be deemed to form part of this Prospectus, and the FCA has neither

approved nor reviewed information contained in this Prospectus in connection with PR Exempt Instruments.

Immunity..... To the extent that the Issuer or the Guarantor, respectively, may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, the Issuer and the Guarantor will agree in the Notes not to claim and will irrevocably and unconditionally waive such immunity in relation to any legal proceedings or disputes. Further, the Issuer and the Guarantor, respectively, will irrevocably and unconditionally consent to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment, proceedings and injunctions in connection with any legal proceedings or disputes.

Selling Restrictions..... The United States, the EEA, the UK, the Cayman Islands, Qatar, the Dubai International Financial Centre (“**DIFC**”), the United Arab Emirates (the “**UAE**”) (excluding the DIFC), the Kingdom of Bahrain, the Kingdom of Saudi Arabia, Japan, Singapore, Hong Kong, the PRC and Switzerland. See “*Subscription and Sale*”.

The Issuer is Category 2 for the purposes of Regulation S under the Securities Act.

Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)) (the “**D Rules**”) unless (i) the relevant Final Terms states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. Bearer Notes with a term of more than 365 days (taking into account any unilateral extensions and rollovers) that are held through the CMU Service must be issued in compliance with TEFRA C, unless at the time of issuance the CMU Service and the CMU Lodging and Paying Agent have procedures in place so as to enable the Issuer to comply with the certification requirements under TEFRA D.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with:

- the 2022 Financial Statements and the 2023 Financial Statements, in each case, of the Guarantor. These documents are available for viewing on the following websites:

2022 Financial Statements:

<https://www.qnb.com/sites/qnb/qnbqatar/document/en/enFinancialResultsQ42022>

2023 Financial Statements:

<https://www.qnb.com/sites/qnb/qnbqatar/document/en/enFinancialResultsQ42023>; and

- the audited financial statements of the Issuer as at and for the years ended 31 December 2022 and 2023. These documents are available for viewing on the following websites:

Financial statements of the Issuer as at and for the year ended 31 December 2022:

<https://www.qnb.com/sites/qnb/qnbqatar/document/en/QNBFinance2022>

Financial statements of the Issuer as at and for the year ended 31 December 2023:

<https://www.qnb.com/sites/qnb/qnbqatar/document/en/enIssueFinancial23>

Each of the above has been previously published and filed with the Financial Conduct Authority.

This Prospectus should also be read and construed in conjunction with the Terms and Conditions set out on pages 45 to 76 of the prospectus dated 7 November 2016 relating to the Programme, the Terms and Conditions set out on pages 49 to 80 of the prospectus dated 2 November 2017 relating to the Programme, the Terms and Conditions set out on pages 51 to 86 of the prospectus dated 6 September 2018 relating to the Programme, the Terms and Conditions set out on pages 50 to 85 of the prospectus dated 17 July 2019 relating to the Programme (as supplemented by the base prospectus supplement dated 9 January 2020), the Terms and Conditions set out on pages 53 to 92 of the prospectus dated 18 March 2020 relating to the Programme, the Terms and Conditions set out on pages 57 to 105 of the prospectus dated 17 March 2021 relating to the Programme, the Terms and Conditions set out on pages 62 to 120 of the prospectus dated 18 March 2022 relating to the Programme, and the Terms and Conditions set out on pages 61 to 119 of the prospectus dated 17 March 2023 relating to the Programme, each of which are available for viewing on the following website: <https://www.qnb.com/sites/qnb/qnbqatar/page/en/endebtinvestor.html>. Such documents shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered office of the Issuer or the Principal Paying Agent, or the website of the Regulatory News Service operated by the London Stock Exchange at: <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to Article 23 of the UK Prospectus Regulation, the Issuer will prepare and make available an appropriate amendment or supplement to this Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Market, shall constitute a prospectus supplement as required by Article 23 of the UK Prospectus Regulation.

Each of the Issuer and the Guarantor has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Guarantor, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Prospectus or publish a replacement Prospectus for use in connection with any subsequent offering of the Notes, and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

RISK FACTORS

Each of the Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under the Notes and the Deed of Guarantee, as the case may be. In addition, factors that the Issuer and the Guarantor believe are material for the purpose of assessing the market risks associated with the Notes are described below.

Each of the Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer or the Guarantor to pay interest, principal or other amounts on or in respect of the Notes may occur for other reasons which may not be considered significant risks by the Issuer and the Guarantor based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. Prospective investors should also consult their own financial and legal advisers about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances, without relying on the Issuer, the Guarantor, the Arrangers or the Dealers. Prospective investors are advised to make, and will be deemed by the Arrangers, the Dealers, the Issuer and the Guarantor to have made, their own investigations in relation to such factors before making any investment decision.

Risks Related to the Issuer's and/or QNB's Financial Situation

The Issuer is a special purpose company that is entirely dependent on QNB to service its payment obligations under the Notes

The Issuer is an exempted company with limited liability incorporated under the laws of the Cayman Islands for the principal purpose of providing funding, through the international capital markets, to QNB. The first of such funding activities was undertaken on 16 November 2010 when the Issuer issued its U.S.\$1.5 billion 3.125 per cent. notes due 2015. Since such date, the Issuer has from time to time issued Notes under the Programme. See "*Business Description of the Issuer*". In the case of each such issuance under the Programme, the notes are guaranteed by QNB and the proceeds of each issuance made available to QNB pursuant to one or more loan agreements (each, a "**Notes Loan Agreement**"), whereby QNB will be obligated to make payments to the Issuer that match the payment obligations of the Issuer under the Notes.

As the Issuer does not have any business operations, the Issuer will be entirely dependent on QNB to service its payment obligations under the Notes. Therefore, the Issuer's ability to fulfil its payment obligations under the Notes is entirely dependent on QNB's performance, and thus the Issuer is subject to all the risks to which QNB is subject, including to the extent that such risks could limit QNB's ability to satisfy in full and on a timely basis its obligations under the Deed of Guarantee. See "*—Risks Related to QNB's Business Activities and Industry*" for a further description of certain of these risks.

A downgrade in QNB's credit ratings could limit its ability to negotiate new loan facilities, access the debt capital markets and may increase its borrowing costs and/or adversely affect its relationship with creditors

QNB's credit ratings, which are intended to measure its ability to meet its debt obligations as they mature, are an important factor in determining QNB's cost of borrowing funds. The interest rates on QNB's borrowings are partly dependent on its credit ratings. As at the date of this Prospectus, QNB's long-term credit rating was assessed by Fitch at A with a stable outlook, Moody's at Aa2 with a stable outlook, S&P at A+ with a stable outlook and Capital Intelligence at AA with a stable outlook. See "*Overview of Qatar—Qatar's Indebtedness*" for further details on the downgrade of Qatar's sovereign rating.

A further downgrade of QNB's credit ratings may increase its cost of borrowing and materially adversely affect its business, financial condition, results of operations or prospects. This may thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee. While QNB's financial performance may be affected in the short term, QNB has the ability to transfer the increased cost of borrowing to customers when the underlying interest-bearing assets reprice in the next cycle.

A further downgrade of QNB's credit ratings or the sovereign credit ratings of Qatar may also limit QNB's or its associates' ability to raise capital. Moreover, actual or anticipated changes in QNB's credit ratings or the credit ratings of the Notes generally may affect the market value of the Notes. In addition, ratings assigned to the Notes may not reflect the potential impact of all risks related to the transaction, the market or any additional factors discussed in this Prospectus, and other factors may affect the value of the Notes. A securities rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation, and each rating should be evaluated independently of any other rating.

Fluctuations in foreign exchange rates may adversely affect QNB's profitability

QNB maintains its accounts, and reports its results, in Qatari riyals. The Qatari riyal has been pegged at a fixed exchange rate of QR3.64 per U.S. dollar since 1981. QNB is exposed to the potential impact of any alteration to, or abolition of, this foreign exchange rate peg. Also, as a financial intermediary, QNB is exposed to foreign exchange rate risk. This risk includes the possibility that the value of a foreign currency asset or liability will vary due to changes in currency exchange rates, as well as the possibility that QNB may have to close out any long or short open position in a foreign currency at a loss due to an adverse movement in exchange rates. QNB generally employs cross-currency forwards, options and swaps to match the currencies of its assets and liabilities. However, where QNB is not so hedged, QNB is exposed to fluctuations in foreign exchange rates, and any such hedging activity may not in all cases protect QNB against such risks. QNB's exposure to foreign exchange risk is also significant, as a result of a number of QNB's material subsidiaries being located in jurisdictions that do not use the Qatari riyal, international growth and the further diversification of QNB's business activities and geographical coverage.

Adverse movements in foreign exchange rates may also adversely impact the revenues and financial condition of QNB's depositors and borrowers which, in turn, may impact QNB's deposit base and the quality of its exposures to certain borrowers. Any volatility in foreign exchange rates, including the re-fixing of the Qatari riyal-U.S. dollar exchange rate, could have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Risks Related to QNB's Business Activities and Industry

QNB's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic and political conditions

Due to the existing monetary policy framework adopted by the QCB, which involves a currency peg with the U.S. dollar, local policy rates have generally followed the direction set by the U.S. Federal Reserve (the "Fed"). Hence, there has been a significant tightening of monetary conditions since March 2022, when the U.S. started to raise interest rates in order to tackle above target inflation, taking Fed fund rates from 0-0.25 per cent. in March 2022 to 5.25-5.5 per cent. in August 2023. During this period, QCB's lending, repo and deposit rates increased to 6.25 per cent., 6 per cent. and 5.75 per cent., respectively. Changes in interest rates and/or widening credit spreads can create a less favourable environment for certain of QNB Group's businesses and could lead to a decrease in the demand for certain loans and other products and services offered by QNB Group. In addition, fluctuations in interest rates and credit spreads have affected the fair value of financial instruments held by QNB.

QNB's operations are concentrated in economies that are relatively dependent on the price of crude oil. International oil prices have been volatile since 2014 with prices steadily rising after sharp falls between the second half of 2014 and 2016, after the onset of the COVID-19 pandemic in 2020 and against the backdrop of rising global political tensions, such as those arising from the ongoing geopolitical conflicts between Russia and Ukraine and between Israel and Hamas. Brent crude oil prices averaged over U.S.\$100 per barrel for the period 2011 to 2013 and for the first half of 2014, but then fell sharply to reach lows of an average U.S.\$32 per barrel in January 2016, before recovering to an average of U.S.\$45 per barrel throughout 2016, U.S.\$55 per barrel in 2017, U.S.\$72 per barrel in 2018 and U.S.\$64 per barrel in 2019. The COVID-19 pandemic caused the decline of Brent crude oil prices to a low of U.S.\$27 per barrel in April 2020, before a recovery boosted the average price of Brent crude oil in 2020 to U.S.\$43 per barrel. Oil prices were relatively stable in the second half of 2020, on the back of unprecedented coordinated supply actions from major oil producers. Recovering oil demand, and continued supply discipline from producers, enabled the price of Brent crude oil to recover to U.S.\$71 per barrel in 2021, an increase of 69 per cent. as compared to the average price in 2020. In 2022, amid the conflict in Eastern Europe, Brent crude oil prices spiked to U.S.\$128 per barrel in March 2022, before

moderating significantly to close the year averaging U.S.\$99 per barrel, a 39 per cent. increase as compared to the average price in 2021. Oil prices started to decline towards the end of 2022 as additional supply came into the market, and have remained fairly stable since the start of 2023, with the OPEC Reference Basket stabilizing between U.S.\$75 and U.S.\$92 for the year of 2023, and closing the year with an average of U.S.\$83 per barrel. If oil prices were to decline on a persistent basis, economic activities in the countries where QNB operates could be adversely affected, impacting the demand for loans and other products and services offered by QNB. Non-performing loans as a share of total loans were 3.7 per cent. in 2022, up slightly from 2.4 per cent. in 2021 according to the QCB, an increase from 1.3 per cent. in 2016. If volatility in the oil market recurs, QNB Group may experience reductions in business activity, increased funding costs and funding pressures, decreased asset values, credit losses, write-downs and impairment charges, and lower profitability and cash flows. QNB's business and financial performance may also be affected by future recovery rates on assets and the historical assumptions underlying asset recovery rates, which may not be as accurate given the unprecedented market volatility and disruption during the past several years.

Accordingly, as a result of the foregoing, QNB's business, financial condition, results of operations or prospects may be adversely affected by conditions in global and regional financial markets and by global and regional economic and political conditions which may, in turn, affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Slower economic growth in the countries where QNB Group operates could adversely impact QNB

QNB Group's net loans and advances to customers have increased in recent years, growing by: (i) 5.6 per cent. to QR853.0 billion (U.S.\$234.3 billion) as at 31 December 2023 from QR807.6 billion (U.S.\$221.9 billion) as at 31 December 2022; and (ii) 5.8 per cent. to QR807.6 billion (U.S.\$221.9 billion) as at 31 December 2022 from QR763.7 billion (U.S.\$209.8 billion) as at 31 December 2021. The growth in QNB's assets and loan portfolio over the past several years has been supported by the rapid growth of the economy in Qatar. The economies of Qatar and the other Gulf Cooperation Council ("GCC") countries are dependent on oil and gas and related industries, as well as the prices and quantities of these commodities. Although over the past few years Qatar has made efforts to develop its non-hydrocarbon economy, a significant portion of government revenue is dominated by oil and gas, contributing an estimated U.S.\$70 billion, or 85 per cent., of total revenues for the year ended 31 December 2022. Furthermore, declines in global crude oil prices such as those seen in 2011 to 2013, the first half of 2014, early 2016, late 2018 and early 2020 could potentially adversely affect economic activity in Qatar and the other GCC countries.

QNB's financial performance has been and will continue to remain closely linked to the rate of economic growth in Qatar and the other countries in which QNB Group operates. Any deterioration in economic conditions in Qatar or the other countries in which QNB Group operates, due to a deterioration in the oil and gas or related industries or due to other factors, could materially adversely affect many of QNB's borrowers and contractual counterparties which may, in turn, adversely affect QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee. See "*—QNB's investment and loan portfolios and deposit base are concentrated in Qatar and the MENA region, in Qatari riyals and U.S. dollars, in oil and gas and related industries and in sovereign and public sector entities*".

QNB does not have an extended track record of operating its recently established and acquired international businesses, which are located in emerging markets and are thus subject to various risks relating to emerging markets generally

QNB has made significant investments since 2005 to implement its international expansion plan. For example, QNB has acquired a 38.6 per cent. stake in the Jordan-based Housing Bank for Trade & Finance, a 50.8 per cent. stake in QNB-Syria and a 82.59 per cent. stake in QNB Indonesia (known as QNB Kesawan until November 2014), among other acquisitions and investments made outside Qatar since 2005. Also, in line with its international expansion strategy, QNB has increased the stake it holds in a number of institutions in the Eastern Europe, Middle East and Africa (including Türkiye) ("EEMEA") region to include increasing its stake from 23.8 per cent. to 40.0 per cent. in the UAE-based Commercial Bank International ("CBI") and from 23.1 per cent. to 54.2 per cent. in the Iraq-based Al-Mansour Investment Bank. On 2 June 2014, QNB increased its stake in QNB Indonesia to 78.59 per cent. and on 7 November 2014, QNB further increased its stake in QNB Indonesia to 82.59 per cent. During the first quarter of 2018, QNB increased its stake in QNB Indonesia to 90.96 per cent. and increased this further to 92.48 per cent. during the first half of 2019. In 2023, QNB further increased its shareholding in QNB Indonesia to 95.6 per cent. On 4 September 2014, QNB acquired 12.5 per

cent. (taking into account the convertible preference shares acquired by QNB) of Ecobank Transnational Incorporated (“**Ecobank**”), a leading pan-African bank, and later acquired an additional 11.0 per cent. on 15 September 2014, increasing the total stake held by QNB in Ecobank to 23.5 per cent. (taking into account the convertible preference shares acquired by QNB). Subsequently, in October 2014, Nedbank Group Ltd (“**Nedbank**”) exercised its right to increase its stake in Ecobank to 20.0 per cent., reducing QNB’s stake to 19.4 per cent. (taking into account the convertible preference shares held by QNB). In January 2015, QNB increased its stake in Ecobank in various tranches, resulting in QNB holding a stake of 20.0 per cent. in Ecobank (taking into account the convertible preference shares held by QNB). On 13 October 2016, QNB exercised its option to convert its preference shares in Ecobank into ordinary shares. In May 2017, QNB increased its stake in Ecobank to 20.1 per cent. On 31 March 2013, QNB acquired 97.12 per cent. of Société Générale’s Egyptian unit, National Société Générale Bank (now known as QNB ALAHLI Egypt). During the second quarter of 2018, QNB reduced its holdings in QNB ALAHLI Egypt from 97.12 per cent. to 95.0 per cent. in order to comply with local stock exchange regulations relating to free float requirements in Egypt. On 15 June 2016, QNB Group completed the acquisition of 99.81 per cent. of the shares of Finansbank A.Ş. (now known as “**QNB Finansbank**”) from National Bank of Greece S.A. (“**NBG**”). QNB has subsequently increased its ownership stake in QNB Finansbank from 99.81 per cent. to 99.88 per cent. by purchasing shares from minority shareholders for a total cost of QR12.3 million (U.S.\$3.4 million). On 25 January 2021, QNB increased its holding in Housing Bank for Trade & Finance from 34.5 per cent. to 38.6 per cent.

QNB has announced its commitment to expand internationally by carefully selecting markets in the GCC and EEMEA region as well as the Southeast Asia region. See also “*Business Description of QNB Group—Competitive Strengths—Leading Regional Presence and Growing International Network*”.

QNB’s projected growth over the coming years is, to a certain extent, dependent on the success and performance of these international acquisitions and investments in certain emerging markets, including, among others, Egypt, Iraq, India, China, Jordan, Syria, Indonesia, Sudan, South Sudan, Türkiye, Hong Kong and Yemen. Moreover, given the recent political turmoil, civil unrest and violence in Egypt, Iraq, Sudan, Syria, Türkiye and Yemen, QNB Group’s investments in these markets, as well as other emerging markets, along with its related growth prospects and economic performance, could be materially adversely affected. There can be no assurance that such events in these countries or other countries in which QNB Group operates will not escalate or occur in the future or that the governments of such countries will be successful in maintaining domestic order and stability. See “—*Factors relating to Qatar—Investing in securities involving emerging markets generally involves a higher degree of risk*”.

In addition, QNB does not have a long history of operating in some of the countries in which QNB Group now operates, and its ability to manage its existing businesses and its future growth depends upon a number of factors, including its ability to: (i) effectively increase the scope of its operational and financial systems and controls to handle the increased complexity and expanded geographic area of its operations; (ii) recruit, train and retain qualified personnel to manage and operate its growing business; and (iii) explore new markets and operate new businesses. There can be no assurance that QNB will be able to effectively implement its international expansion strategy, nor that the interests of QNB and its associates or the other shareholders of its associates will not conflict from time to time.

QNB will continue to consider and review potential acquisition targets as well as other investment opportunities, both within and outside Qatar, if and when they present themselves. QNB evaluates and, in certain cases, engages in discussions and negotiations regarding these types of opportunities on an ongoing basis, some of which, if they are acted upon and are not ultimately successful, could have an adverse effect on QNB’s business, financial condition, results of operations or prospects and thereby affect the Issuer’s ability to perform its obligations under the Notes and QNB’s ability to perform its obligations under the Deed of Guarantee.

QNB is subject to the risk that liquidity may not always be readily available; this risk may be exacerbated by conditions in global financial markets and rising global political tensions

Liquidity risk is the risk that QNB will be unable to meet its obligations, including funding commitments, as they become due. This risk is inherent in banking operations and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding (including, for example, short-term and overnight funding), changes in credit ratings, political concerns or market-wide phenomena such as market dislocation and major disasters. Credit markets worldwide have, since the final quarter of 2008, experienced a severe reduction in liquidity and term-funding in the aftermath of events in the U.S. sub-prime residential

mortgage market and the resulting severe market dislocation. Since then, market fundamentals have improved, although a level of risk aversion still remains.

Perception of counterparty risk between banks during times of market stress can lead to reductions of certain traditional sources of liquidity, such as the debt markets, asset sales and redemption of investments. QNB's access to these traditional sources of liquidity may be restricted or available only at a higher cost, and there can be no assurance that the State will continue to provide the levels of support that it has provided to date, either to the Qatari banking sector generally or to QNB in particular.

In addition, uncertainty or volatility in the capital and credit markets may limit QNB's ability to refinance maturing liabilities with long-term funding and increase the cost of such funding. The availability to QNB of any additional financing it may need will depend on a variety of factors, such as market conditions, the availability of credit generally and to borrowers in the financial services industry specifically, the funding policies and positions of key depositors and QNB's financial condition, credit ratings and credit capacity.

In extreme market stress, QNB may be exposed to situations whereby it is unable to realise its high quality liquid assets in the market. If QNB is unable to realise its stock of high quality liquid assets to manage its liquidity requirements, this could affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Further, the above risks may be exacerbated by rising global political tensions such as those arising from the ongoing Russia-Ukraine and Israel-Hamas crises, which have the potential to adversely affect global capital and credit markets and may contribute to global economic instability which, in turn, could have an adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

QNB has historically relied on corporate, retail and Qatari sovereign or public sector entity (PSE) deposits to meet most of its funding needs. Such deposits are subject to fluctuation due to certain factors outside QNB's control, such as any possible loss of confidence and competitive pressures, which could result in a significant outflow of deposits within a short period of time. As at 31 December 2023, 74.6 per cent. of QNB's funding (which includes amounts due to banks, customer deposits, debt securities and other borrowings) had remaining maturities of one year or less or were payable on demand. Moreover, QNB is reliant on certain large deposits from a limited group of government-related and private sector corporate customers. It should be noted that the Government, through the Qatar Investment Authority (the "QIA"), holds a 50 per cent. stake in QNB, and QNB is categorised as a Domestic Systemically Important Bank ("DSIB"). As at 31 December 2023, QNB's top 20 depositors accounted for 25.9 per cent. of its total deposits. If a substantial portion of QNB's depositors withdraw their demand deposits or do not roll over their time deposits at maturity, QNB may need to seek other sources of funding to meet its funding requirements, and there can be no assurance that QNB will be able to obtain additional funding on commercially reasonable terms as and when required, or at all. If QNB is unable to refinance or replace such deposits with alternative sources of funding or meet its liquidity needs, through deposits, the interbank markets or international capital markets, it could have an adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Current market conditions in certain markets have increased the risk of loans being impaired, and loan losses have generally increased in the global banking sector

QNB Group is exposed to the risk that borrowers may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. QNB continuously reviews and analyses its loan portfolio and credit risks, and QNB's provision for losses on loans is based on, among other things, its analysis of current and historical delinquency rates and loan management and the valuation of the underlying assets, as well as numerous other management assumptions.

QNB conducts regular stress tests of its credit portfolio under scenarios of differing severity in order to identify key vulnerabilities and to measure resultant impacts on asset quality and performance. However, these stress-testing activities do not provide assurance against impacts that may be realised through external shocks.

A material increase in loan losses could have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

The growth and diversification of QNB's loan portfolio has resulted in an increase in its credit exposure and risk profile

As QNB continues to grow and diversify its loan portfolio in both Qatar and the other markets in which QNB Group operates, its management team will be required to continually monitor the credit quality of its loan portfolio. See "*Risk Management and Compliance*". QNB's overall growth strategy may further increase its exposure to credit risk, particularly as QNB expands its lending to a greater range of customers in markets outside Qatar.

In March 2011, the QCB launched the Qatar Credit Bureau, the purpose of which is to collate information about customers based in Qatar and their credit history. However, the availability of accurate and comprehensive financial and general credit information on individuals and small businesses in Qatar and the Middle East and North Africa ("MENA") region remains limited. As a result, it is likely to be more difficult for QNB Group to accurately assess the credit risk associated with such lending.

As a result, retail and small business customers may be overextended by virtue of other credit obligations about which QNB Group does not have knowledge. QNB is therefore exposed to retail and small business credit risks that it may not be able to accurately assess and provide for, particularly in those jurisdictions in which QNB Group operates with complex rules relating to recoveries of problem loans. These factors may result in QNB Group facing credit delinquencies in its loan portfolio. Although QNB has policies to deal with problem loans, there can be no assurance that these policies will result in full or partial recovery of these loans.

QNB's failure to maintain the growth of its loan portfolio through effective risk management policies could lead to higher loan loss provisioning and result in higher levels of defaults and write-offs, which, in turn, could have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

QNB is exposed to declining property values in Qatar on the collateral supporting residential and commercial real estate loans

QNB's total loans and advances to customers (including accrued interest but before deducting specific provisions for impairment of loans and advances to customers, expected credit losses and deferred profits) (see "*Business Description of QNB Group—Competitive Strengths—Strong Qatari Government Support*") as at 31 December 2023 and 31 December 2022 was QR887.3 billion (U.S.\$243.8 billion) and QR837.5 billion (U.S.\$230.1 billion), respectively, of which real estate and contracting amounted to 9.3 per cent., or QR82.4 billion (U.S.\$22.6 billion), and 9.8 per cent., or QR82.0 billion (U.S.\$22.5 billion), respectively. Residential property prices and commercial property prices in Qatar and some other markets in which QNB Group operates were generally volatile over the last decade. Property prices in Qatar rallied strongly between 2010 and 2015 as the population continued to increase. However, the property market has weakened since 2016. The QCB's real estate index declined by 23.6 per cent. between December 2015 and December 2022, but has rallied by 11.6 per cent. since the post-pandemic lows in February 2021. Property prices are generally subject to fluctuation and volatility. Economic and other factors impacting Qatar's property market could lead to contraction in the residential mortgage and commercial lending market and to decreases in residential and commercial property prices which would impact on QNB's profitability.

Market fluctuations and volatility may adversely affect the value of QNB's positions in certain securities and make it more difficult to assess the fair value of certain of its assets

Volatility in financial markets can result in significant changes in the value of financial assets such as bonds, equities and other securities that QNB holds. This can be influenced by external factors such as the tightening and/or loosening of monetary policy in the U.S. and capital outflows from emerging markets which may result in sharp changes in asset values and a tightening of financial market conditions. Any deterioration in economic and financial market conditions could lead to future impairment charges and markdowns of QNB's investment portfolio. Moreover, market volatility and illiquidity may make it difficult to value certain investment exposures. Valuations in future periods, reflecting then-prevailing market conditions, may result in significant

changes in the fair values of QNB's exposure. In addition, the value ultimately realised by QNB may be materially different from the current or estimated fair value. Any of these factors could require QNB to recognise valuation losses or realise impairment charges, any of which may adversely affect its business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

QNB's investment and loan portfolios and deposit base are concentrated in Qatar and the MENA region, in Qatari riyals and U.S. dollars, in oil and gas and related industries and in sovereign and public sector entities

QNB's investment securities and loans and advances to customers are concentrated, geographically, in Qatar and the MENA region. QNB's loans and advances to customers constituted 69.3 per cent. of total assets, or QR853.0 billion (U.S.\$234.3 billion), as at 31 December 2023, and 79.4 per cent. of these loans and advances to customers were concentrated in Qatar. Amounts due from banks constituted 7.0 per cent. of total assets, or QR86.5 billion (U.S.\$23.8 billion), as at 31 December 2023. QNB's investment securities and investments in associates constituted 14.7 per cent. of total assets, or QR180.6 billion (U.S.\$49.6 billion), as at 31 December 2023. QNB's customer deposits constituted 76.5 per cent. of total liabilities, or QR857.1 billion (U.S.\$235.5 billion), as at 31 December 2023, and 57.9 per cent. of these deposits were concentrated in Qatar. QNB's top 20 loans constituted 60.8 per cent. of its total loan portfolio as at 31 December 2023. Any deterioration in general economic conditions in Qatar or the MENA region or the failure of QNB to manage effectively its risk concentrations could have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

In particular, QNB's loans and advances to customers as at 31 December 2023 is also concentrated in government and government agencies, accounting for 34.9 per cent. of the total loans and advances to customers.

QNB's investment securities and loans and advances to customers are primarily concentrated, in terms of currencies, in Qatar riyals and U.S. dollars. The total value of QNB's Qatar riyal-denominated assets was QR301.3 billion (U.S.\$82.8 billion) as at 31 December 2023, or 24.5 per cent. of total assets. The total value of QNB's U.S. dollar-denominated assets was QR566.1 billion (U.S.\$155.5 billion) as at 31 December 2023, or 46 per cent. of total assets. Any volatility in the values of these currencies could have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Furthermore, the economy of Qatar is driven by oil and gas and related industries. Some of QNB's corporate customers engage in the production and/or export of oil and gas, or provide related businesses and services (such as construction services) to the oil and gas industry. See "*—Slower economic growth in the countries where QNB Group operates could adversely impact QNB*". A prolonged and material downturn in hydrocarbon demand and/or related prices will likely slow economic growth and may adversely affect the business of QNB's customers and may result in reduced profits, liquidity and cash flow, a fall in loan growth and asset values, and an increase in loan defaults, in each case, of QNB. Additional factors, such as the price and availability of new technologies, including renewable energy and unconventional oil and gas extraction methods, and the global geopolitical climate and other relevant conditions, may have an indirect impact on hydrocarbon demand and natural gas prices. Long-term effects may occur as a result of international regulatory efforts to curb greenhouse gas emissions and limit climate change. There can be no assurances that these factors, in combination with others, will not result in a prolonged or further decline in hydrocarbon demand, which may have an adverse effect on, among other things, Qatar's GDP growth, fiscal revenues, balance of payments and foreign trade.

QNB could be adversely affected by the soundness or the perceived soundness of other financial institutions and counterparties, which could result in significant systemic liquidity problems, losses or defaults

QNB is subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial institutions. Within the financial services industry, the default of any one institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by QNB or other institutions. This risk is sometimes

referred to as “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom QNB interacts on a daily basis. Systemic risk could have a material adverse effect on QNB’s ability to raise new funding and on its business, financial condition, results of operations or prospects and thereby affect the Issuer’s ability to perform its obligations under the Notes and QNB’s ability to perform its obligations under the Deed of Guarantee.

A substantial increase in new impairment allowances or losses greater than the level of previously recorded impairment allowances for doubtful loans and advances to customers would adversely affect QNB’s results of operations and financial condition

In connection with lending activities, QNB periodically establishes impairment allowances for loan losses, which are recorded in its income statement. QNB’s overall level of impairment allowances is based upon its assessment of prior loss experience, the volume and type of lending being conducted, collateral held, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although QNB endeavours to establish an appropriate level of impairment allowances based on incurred loss, it might be possible, for example due to economic stress situations or changes in the regulatory environment, that QNB has to significantly increase its impairment allowances for loan losses.

The Group’s net impairment losses on loans and advances to customers decreased by 1.1 per cent. to QR8.7 billion (U.S.\$2.4 billion) for the year ended 31 December 2023 from QR8.8 billion (U.S.\$2.4 billion) for the year ended 31 December 2022. The impairment charge on loans and advances to customers are principally driven by credit conditions in QNB’s operating geographies including Qatar and Egypt, and QNB’s proactive policy of recognising loans which require immediate remedial action to protect the interests of the Group in the long-term.

Any significant increase in impairment allowances for loan losses or a significant change in QNB’s estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the impairment allowances allocated with respect thereto, would have an adverse effect on its business, results of operations, financial condition and prospects.

Any mandatory change to QNB’s impairment calculation models imposed as a result of further accounting standards or regulatory changes may adversely impact impairment allowances established by QNB, which would have an adverse effect on its business, results of operations, financial condition and prospects.

QNB’s financial condition and results of operations could be affected by market risks

QNB’s financial condition and results of operations could be affected by market risks that are outside QNB’s control, including, without limitation, volatility in interest rates, prices of securities and currency exchange rates. Fluctuations in interest rates could adversely affect QNB’s financial condition and results of operations in a number of different ways. An increase in interest rates generally may decrease the value of QNB’s fixed-rate loans and raise QNB’s funding costs. Such an increase could also generally decrease the value of fixed-rate debt securities in QNB’s securities portfolio. Volatility in interest rates may also result in a re-pricing gap between QNB’s interest-rate sensitive assets and liabilities. As a result, QNB may incur additional costs. See “*Risk Management and Compliance—Interest Rate Risk*”. Interest rates are sensitive to many factors beyond QNB’s control, including the policies of central banks, such as the QCB and the U.S. Federal Reserve Bank, political factors and domestic and international economic conditions. Furthermore, there is market risk relating to the possible de-pegging of various GCC currencies from the dollar, although the effect of such an event would depend on the level of open positions and exposure to the U.S. dollar of QNB Group. QNB’s operations could be adversely affected if Qatar (or any country where QNB Group operates and which also pegs its currency to the U.S. dollar) should de-peg their currencies. Ultimately, there can be no assurance that QNB will be able to protect itself from any adverse effects of a currency revaluation or future interest rate fluctuations or the de-pegging from the U.S. dollar, which could have a material adverse effect on QNB’s business, financial condition, results of operations or prospects and thereby affect the Issuer’s ability to perform its obligations under the Notes and QNB’s ability to perform its obligations under the Deed of Guarantee.

QNB’s financial condition and results of operations may also be affected by changes in the market value of QNB’s securities portfolio. QNB’s income from securities operations depends on numerous factors beyond its control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility. Although QNB has risk management processes that review and monitor the market risk aspects of investment proposals and investment portfolios, including overall structure and investment

limits, market price fluctuations may still adversely affect the value of QNB's securities portfolio. See "*Risk Management and Compliance—Market Risk*".

QNB also engages in foreign currency transactions and maintains open currency positions in relation to the Qatari riyal, U.S. dollar and other currencies, which give rise to currency risks. Although QNB's foreign currency-related risks are controlled by QNB's market risk and structural risk management policies, future changes in currency exchange rates (including de-pegging of currencies to the U.S. dollar) may adversely affect QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Increasing competition may adversely affect QNB's results of operations

QNB Group faces high levels of competition for all of its products and services, particularly with respect to retail banking. QNB competes with other domestic banks in Qatar and such competition may increase. In addition, QNB believes that the Qatari banking sector faces increased pressure for consolidation and that its current competition in Qatar may consider acquiring or merging with each other in order to compete with QNB. In addition to domestic banks, international banks are increasing their presence in Qatar, either directly or through strategic investments, and compete with QNB for its wholesale corporate and government clients. As at 31 December 2023, there were a total of 16 banks registered with the QCB in Qatar. In addition to the existing retail banks in Qatar, more international banks are expected to commence business through the Qatar Financial Centre ("**QFC**"), which would allow them to compete for large corporate and government business. See "*Banking Industry and Regulation in Qatar*". The competitive nature of the Qatari banking market and QNB's potential failure to continue to compete successfully may adversely affect QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee. Increased competition in the countries where QNB Group currently operates could similarly adversely affect QNB Group's businesses in those countries.

The Government, with its 50.0 per cent. shareholding, exerts significant control over QNB, and its interests may, in certain circumstances, conflict with those of Noteholders and/or of QNB itself

The Government, through the QIA, is QNB's most significant shareholder, owning 50.0 per cent. of QNB's outstanding voting shares. As a result of QNB's Articles of Association and the Government's shareholding, the Government has the power to appoint five of the 10 members of QNB's Board of Directors. A proposal at an extraordinary general assembly of shareholders of QNB requires a vote of two-thirds of the shareholders present at the meeting to be passed, while a simple majority vote is required to pass a proposal at an annual general assembly. As a result, the Government may be able to block certain actions or resolutions proposed at QNB's annual or extraordinary assembly of shareholders. Consequently, investors should note that the interests of the Government may, in certain circumstances, be different from those of QNB Group's creditors (including the holders of the Notes). See "*Business Description of QNB Group—Ownership and Operational Structure of QNB Group*".

QNB has significant credit-related contingent items and commitments that may lead to potential losses

As part of its normal banking business, QNB issues loan commitments, guarantees, letters of credit and other financial facilities, all of which are accounted for off QNB's balance sheet until such time as they are actually funded or cancelled. Although these commitments are contingent and therefore off-balance sheet, they nonetheless subject QNB to related credit and liquidity risks. Credit-related commitments are subject to the same credit approval terms and compliance procedures as loans and advances, and commitments to extend credit are contingent on customers maintaining required credit standards. Although QNB anticipates that only a portion of QNB's obligations in respect of these commitments will be triggered, QNB may become obligated to make payments in respect of a greater portion of such commitments, which could have a material adverse effect on QNB's funding needs and credit risks. As at 31 December 2023, QNB had QR263.1 billion (U.S.\$72.3 billion) in such contingent liabilities and other commitments.

From time to time, QNB may be a defendant in various legal proceedings and may, from time to time, be subject to inspections by tax and other authorities

QNB may, from time to time, be a defendant in legal proceedings incidental to its business activities. QNB has established a reserve for litigation and other contingent liabilities, which amounted to QR148.8 million (U.S.\$ 40.9 million) as at 31 December 2023. QNB may also, from time to time, be subject to inspections by tax and other authorities. However, QNB is not able to predict the ultimate outcome of any of the claims currently pending against it or future claims or investigations that may be brought against it, which may be in excess of its existing reserves. Adverse outcomes in existing or future proceedings, claims or investigations could have an adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Legal and Regulatory Risks

QNB's ability to achieve its strategic objectives could be impaired if it is unable to maintain or obtain required licences, permits, approvals and consents

In order to carry out and expand its businesses, it is necessary for QNB Group to maintain or obtain a variety of licences, permits, approvals and consents from various regulatory, legal, administrative, tax and other governmental authorities and agencies. The processes for obtaining these licences, permits, approvals and consents are often lengthy, complex, unpredictable and costly. If QNB Group is unable to maintain or obtain the relevant licences, permits, approvals and consents, QNB's ability to achieve its strategic objectives could be impaired, with a consequent adverse effect on the market value of the Notes and/or on the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

QNB may be subject to increased capital requirements or standards due to new governmental or regulatory requirements and changes in perceived levels of adequate capitalisation, and may also need additional capital in the future due to worsening economic conditions

Regulators in the markets in which QNB Group operates have increased, and may in the future determine to increase, the capital requirements for QNB Group's operations. Various other regulatory regimes to which QNB and its associates are subject, such as Basel III and Basel III reforms (commonly referred as Basel IV), which are being, or are to be, implemented may affect capital adequacy ratios (and the level of capital required) applicable to financial institutions. QNB has implemented Basel III reforms effective from 1st of January 2024 complying with the QCB's guidelines on implementation of Basel III framework. QNB is categorised as a DSIB in Qatar and is required to hold an additional capital buffer as a consequence. For additional information regarding the QCB's Basel III requirements and QNB's procedures and controls implemented in respect of such requirements, please see "*Risk Management and Compliance*" and "*Banking Industry and Regulation in Qatar*". An increase in capital requirements may also arise due to market perception of adequate capitalisation levels and perceptions of rating agencies. QNB may also require additional capital in the future in the event that it experiences higher-than-expected increases in losses in QNB's operations or declines in asset quality resulting in higher-than-expected risk-weighted asset growth. QCB has issued Basel III reforms requirements that took effect on 1 January 2024.

It therefore cannot be ruled out that QNB may need to obtain additional capital in the future. Such capital, whether in the form of debt financing or additional equity, may not be available on commercially favourable terms, or at all. Moreover, any such development may expose QNB to additional costs and liabilities requiring it to change how it conducts its business, including by reducing the risk and leverage of certain activities, or otherwise have an adverse effect on its business, the products and services it offers and the value of its assets. If QNB is unable to increase its capital adequacy ratios sufficiently, its credit ratings may be lowered and its cost of funding may increase.

QNB is a highly regulated entity, and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have a material adverse effect on QNB

QNB is subject to a number of prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure their compliance with economic and other objectives and limit their exposure to risk. These

controls include Qatari laws and regulations (particularly those of the QCB, the QFMA and the QSE), as well as the laws and regulations of the other countries in which QNB Group operates. Relevant regulatory authorities may impose penalties and fines for any non-compliance with such controls.

These and other regulations may limit QNB's ability to increase its loan portfolio or raise capital. Changes in these regulations may also increase QNB's cost of doing business. Increased regulations or changes in laws and regulations and the manner in which they are interpreted or enforced may have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

Increased regulations or changes in laws and regulations (such as Basel III or Basel IV) and the manner in which they are interpreted or enforced may have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

The QCB's minimum recommended capital adequacy ratio under Basel III is currently 12.5 per cent. (including a capital conservation buffer of 2.5 per cent.). Furthermore, banks identified as DSIBs are subject to an additional buffer, as determined by the QCB for each identified DSIB. As part of the internal capital adequacy assessment process ("ICAAP") (Pillar II) framework, the QCB introduced the minimum ICAAP capital charge of 1.0 per cent., which constitutes part of the minimum capital requirement over and above the Pillar I minimum capital requirement. QNB's minimum capital adequacy requirement (including the capital conservation buffer, the applicable DSIB buffer and the ICAAP capital charge) was 16.0 per cent. until 31 January 2024. In February 2024, QCB increased the applicable DSIB buffer from 2.5 per cent. to 3.5 per cent., which resulted in the increase in QNB's minimum capital adequacy requirement from 16.0 per cent to 17.0 per cent, effective from February 2024.

Any breach by QNB of minimum capital requirements or additional capital buffers may lead to constraints on distributions and/or other potential business impacts such as the infusion of additional capital into, or a reduction in assets of, QNB. In addition, the QCB retains the discretion to apply a higher capital requirement for banks (or specific banks) as it deems appropriate or necessary.

QNB Group is also required to comply with applicable risk mitigation, anti-money laundering and anti-terrorism laws and other regulations in Qatar and other jurisdictions where it has operations, including those related to countries subject to sanctions by the United Nations, United States Office of Foreign Assets Control ("OFAC"), similar regulations of the European Union (the "EU"), the United Kingdom and other jurisdictions, and the United Kingdom Bribery Act 2010 and other similar regulations of other jurisdictions such as the United States Foreign Account Tax Compliance Act ("FATCA"), automatic exchange of information requirements in particular with respect to the Common Reporting Standard, Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories and the United Kingdom Criminal Finance Act 2017. To the extent that QNB Group fails, or is perceived to fail, to fully comply with applicable laws and regulations, the regulatory agencies having authority over QNB Group have the power and authority to impose fines and other penalties on QNB Group. In addition, QNB's business and reputation could suffer if customers use QNB for money laundering, illegal or improper purposes.

Internal Control Risks

QNB is at risk of fraud from both internal and external parties

QNB is exposed to the risk of financial loss due to fraud, bribery and corruption by various parties including, without limitation, crime syndicates. While QNB maintains training programmes, codes of conduct and other safeguards to prevent the occurrence of fraud, bribery and corruption, including by employees, members of the Boards or other key personnel, directly or indirectly, whether under duress, undue influence or acting in collusion with third parties (e.g. organised crime), it may not be possible for QNB to detect or prevent every such instance of this type of activity on every occasion. QNB may therefore be subject to losses or civil and criminal penalties where its employees engage in any impermissible or illegal activity, which may have a materially adverse impact on QNB's reputation, business, financial condition, results of operations and prospects.

QNB's compliance systems might not be fully effective

QNB's ability to comply with all applicable legal restrictions and QCB regulations is largely dependent on its maintenance of compliance, audit and reporting systems and procedures, and its ability to attract and retain personnel qualified to manage and monitor such systems and procedures. QNB cannot ensure that these systems and procedures are fully effective. QNB Group is subject to extensive oversight by regulatory authorities, including regular examination activity. In addition, QNB performs regular internal audits and employs an external auditor to monitor and test its compliance systems. In the case of actual or alleged non-compliance with applicable laws and regulations, QNB could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits for damages. Any of these could have a material adverse effect on QNB's business, financial condition, results of operations or prospects. Notwithstanding the foregoing, QNB believes that its risk management and internal control policies and procedures are sufficient to ensure compliance with the requirements of the QCB and the Disclosure and Transparency Rules made by the Financial Conduct Authority in the UK applicable to the Issuer and QNB. Notwithstanding anything discussed in this risk factor, this risk factor should not be taken as implying that any of the Issuer, the Guarantor or QNB Group will be unable to comply with the obligations of a company with securities admitted to the Official List.

QNB's risk management policies and procedures may leave it exposed to unidentified or unanticipated risks

In the course of its business activities, QNB Group is exposed to a variety of risks, the most significant of which are credit risk, market risk, liquidity risk and operational risk. Credit risk refers to the potential risk of loss arising due to non-receipt of contractual amounts that are due from the customer loan portfolio. Market risk refers to the potential risk of loss arising from adverse movement in market values. Operational risk refers to potential risk of loss that may arise due to failure of internal control systems or processes or human error. Liquidity risk refers to potential risk of losses that could arise if QNB is unable to honour its liquidity commitments on a timely basis. Investors should note that any failure to adequately control these risks could result in adverse effects on QNB's business, financial condition, results of operations or prospects, as well as its reputation, and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee.

QNB is subject to risks relating to its information technology systems

QNB depends on its information technology ("IT") systems to process a large number of transactions on an accurate and timely basis, and to store and process substantially all of QNB's business and operating data. The proper functioning of QNB's financial control, risk management, credit analysis and reporting, accounting, customer service and other IT systems, as well as the communication networks between its branches and main data processing centres, are critical to QNB's business and ability to compete effectively. QNB's business activities would be materially disrupted if there is a partial or complete failure of any of these IT systems or communications networks. Such failures can be caused by a variety of external factors, including natural disasters, extended utility failures and cyber-attacks. The proper functioning of QNB's IT systems also depends on accurate and reliable data, third party service providers and other system input, which are subject to human errors. Any failure or delay in recording or processing QNB's transaction data could subject it to claims for losses and regulatory fines and penalties. QNB has implemented and tested detailed business continuity plans and processes as well as disaster recovery procedures, but there can be no assurance that these safeguards will be fully effective, and any failure may have a material adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee. In addition, QNB's business and reputation could suffer if it fails to maintain the privacy and security of its customers' confidential and sensitive information or to prevent significant data breaches. Any failure to prevent unauthorised access to QNB's internal and customer data could subject it to claims for losses and regulatory fines and penalties.

QNB may not receive future support from the Government, or it may not receive future support that is commensurate with the support that it has received in the past

In light of the 2008-2009 global financial crisis and its impact on the Qatari banking sector, the Government initiated several plans to support domestic banks, and these banks (including QNB) have benefited from this support. QNB is currently, and has always been, 50.0 per cent. owned by the Government. See "*Business Description of QNB Group—Competitive Strengths—Strong Qatari Government Support*". Although the Government did support the domestic banking industry (including QNB) during the 2008-2009 global financial

crisis, there can be no assurance that the Government will provide any additional support to the domestic banking industry (including QNB) if another major economic disruption occurs in the future.

Factors relating to Qatar

Investing in securities involving emerging markets generally involves a higher degree of risk

Investing in securities involving emerging markets, such as Qatar, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. These higher risks include, but are not limited to, higher volatility, limited liquidity and changes in the political environment. Qatar's economy is susceptible to future adverse effects similar to those suffered by other emerging market countries. In any event, there can be no assurance that the market for securities bearing emerging market risk, such as the Notes, will not be affected negatively by events elsewhere, especially in emerging markets.

Specific risks in Qatar and the EEMEA region that could have a material adverse effect on QNB's business, financial condition, results of operations or prospects include, without limitation, the following:

- political, economic or social instability;
- external acts of warfare, civil clashes or other hostilities or conflict;
- domestic unrest or violence;
- increases in inflation and the cost of living;
- changing tax regimes and tax laws, including the imposition of taxes in tax-free jurisdictions or the increase of taxes in low-tax jurisdictions;
- a slowing global and regional economic environment;
- a material curtailment of the industrial and economic infrastructure development that is currently underway across the MENA region;
- government interventions, including expropriation or nationalisation of assets, and protectionism;
- arbitrary, inconsistent or unlawful government action;
- potential adverse changes in laws and regulatory practices, including legal structures and tax laws;
- difficulties in staffing and managing operations;
- legal systems which could make it difficult for QNB to enforce its intellectual property and contractual rights;
- restrictions on the right to convert or repatriate currency or export assets;
- greater risk of uncollectible accounts and longer collection cycles;
- currency fluctuations;
- logistical and communications challenges; and
- changes in labour conditions.

Accordingly, prospective investors should exercise particular care in evaluating the risks involved and must determine for themselves whether, in light of those risks, an investment in the Notes is appropriate.

Any further economic downturn may have an impact on the financial condition of Qatar, including the financial sector

Following the 2008-2009 global financial crisis, financial markets in the United States, Europe and Asia experienced a period of unprecedented turmoil and upheaval characterised by extreme volatility and declines in security prices, severely diminished liquidity and credit availability, inability to access capital markets, financial instability of various financial institutions and an unprecedented level of intervention from the United States and other governments. These circumstances were further exacerbated by the deteriorating economic situation in certain European countries during such period, such as Greece, Portugal and Spain, among others, political instability, turmoil and conflict in the EEMEA region and natural disasters or other catastrophic events. More recently, capital flight from emerging markets has led to tighter financial conditions in a number of countries, including some countries in the EEMEA region.

These deteriorating economic conditions resulted in the State's determination to provide financial support to Qatar's banking sector by making equity and other investments in domestic commercial banks. Although macroeconomic indicators have improved since the 2008-2009 global financial crisis, and the State's policies have generally resulted in improved economic performance in Qatar, there can be no assurance that such level of performance will be sustained. In addition, should there be a further deterioration in economic conditions in the EEMEA region, including Qatar, the State may find it necessary to assume responsibility for the financial liabilities of both State-owned and non-State-owned enterprises in Qatar. Any such intervention by the State could materially adversely affect the economy and financial condition of the State, and expose the State to additional liabilities. Furthermore, while oil prices recovered in 2021, if a lower oil price environment was to be sustained for an extended period, the capacity of the State to support enterprises in Qatar could be eroded. This could adversely impact the capacity of the State to implement its infrastructure investment programme, amongst other initiatives, which could lead to lower than expected medium-term growth.

Qatar is located in a region that is subject to ongoing political and security concerns

Although Qatar enjoys domestic political stability and generally healthy international relations, as a country located in the EEMEA region, there is a risk that regional geopolitical instability could impact the country. The EEMEA region is currently experiencing an unprecedented level of political instability, and in recent years there has been significant political and social unrest in a number of countries in the EEMEA region, ranging from public demonstrations, sometimes violent, in countries such as Algeria, Bahrain, Egypt, Lebanon, Tunisia and Türkiye, to armed conflict and even civil war in countries such as Iraq, Libya, Syria, Palestine and Yemen.

On 5 June 2017, three GCC member states, namely the Kingdom of Saudi Arabia, the UAE, and Bahrain, together with Egypt, moved to cut diplomatic ties, trade, and transport links with Qatar (the "**Qatar Political Developments**"). The measures adopted included a closure of land, sea, and air access and the expulsion of Qatari officials, residents, and visitors from those countries. Kuwait and Oman, the remaining two member states of the GCC, maintained ties with Qatar. On 5 January 2021, Qatar signed the Al Ula Declaration during the 41st Gulf Cooperation Council Summit at Al Ula in the Kingdom of Saudi Arabia. Subsequent to that, steps were and are being taken to restore diplomatic ties, trade and transport links with the Kingdom of Saudi Arabia, the UAE, Bahrain and Egypt.

Other potential sources of instability in the region include a worsening of the situation in Iraq and Syria, the ongoing civil war in Yemen and an escalation in the Israeli-Palestinian conflict. A further deterioration, and possible conflict, between the United States and certain governments in the EEMEA region, such as Syria and Iran, has the potential to adversely affect regional security, as well as global oil and gas prices. Such a deterioration in relations, should it materialise, could adversely impact Qatar and broader regional security, potentially including the outbreak of a regional conflict. The presence of US military personnel and US military bases in the country also exposes Qatar to abrupt shifts in US regional policy and/or deteriorations in US foreign relations with Iran. Additionally, the Qatari economy's reliance on the Strait of Hormuz for exports makes it vulnerable to any shipping disruption.

These recent and continued developments, along with historic regional wars and terrorist acts, acts of maritime piracy and other forms of instability in the EEMEA region, could have an adverse effect on Qatar's economy and its ability to engage in international trade which, in turn, could have an adverse effect on QNB's business, financial condition, results of operations or prospects and thereby affect the Issuer's ability to perform its obligations under the Notes and QNB's ability to perform its obligations under the Deed of Guarantee. See "*Business Description of QNB Group—International Banking Overview*".

The statistical data contained in this Prospectus should be treated with caution by prospective investors

Statistics contained in this Prospectus, including in relation to nominal GDP, balance of payments, revenues and expenditures, and indebtedness of the Government, have been obtained from, among other sources, the Ministry of Finance, the QCB and the PSA. Such statistics, and the component data on which they are based, may be unreliable and may not have been compiled in the same manner as data provided by similar sources in Western Europe and other regions. Similar statistics may be obtainable from other sources, although the underlying assumptions, methodology and, consequently, the resulting data may vary from source to source.

There may also be material variances between preliminary or estimated statistics set forth in this Prospectus and actual results, and between statistics set forth in this Prospectus and corresponding data previously published by or on behalf of the State. Consequently, the statistical data contained in this Prospectus should be treated with caution by prospective investors.

There is no certainty as to how Qatari courts will construe or enforce the provisions of Qatar's insolvency law in the event of a bankruptcy affecting QNB

The provisions of Qatar's bankruptcy and insolvency law (part of new Commercial Code No. 27 of 2006) (the "Bankruptcy Law") came into effect on 13 May 2007. The Bankruptcy Law provisions are similar to those included in the Egyptian and most other GCC laws and relate largely to the declaration of bankruptcy, its effects and its administration, and include conciliation to prevent bankruptcy. However, because the Bankruptcy Law is largely untested by Qatari courts, there is no certainty as to how Qatari courts would construe or enforce the Bankruptcy Law in the event of a bankruptcy affecting QNB. There can also be no assurance that a Qatari court would compel a bankruptcy administrator to perform any of the Issuer's or QNB's obligations under the Notes or the Deed of Guarantee, as applicable, during an administration period. The Bankruptcy Law also enables Qatari courts to defer adjudication of a company's bankruptcy if the court decides that it is possible to improve that company's financial position during a period (such period to be specified by the court) or if judged to be in the interest of the national economy. Similarly, given the lack of precedent, there is no certainty as to if and how the QCB might exercise its powers of temporary management and control under the Banking Law (including putting a financial institution into liquidation) in relation to financial institutions experiencing financial difficulties.

In April 2017, the Cabinet of Qatar approved a draft law on corporate bankruptcy and prevention which is aimed at developing detailed regulations for corporate bankruptcy and prevention, taking into account international standards in this regard. However, it is not clear when this law will come into force.

The future attitude of Qatari courts and the related interpretation or application of Qatari law regarding the payment of interest cannot be predicted

Although under the laws of Qatar, contractual provisions for the charging and payment of interest are not prohibited and have been routinely enforced by Qatari courts, a court applying Qatari law may not enforce any contractual obligations to pay interest or, if on a given date accrued but unpaid interest exceeds outstanding principal, to pay such accrued but unpaid interest. Thus the future attitude of Qatari courts and the related interpretation or application of Qatari law regarding the payment of interest cannot be predicted.

There is no principle of binding precedent in the Qatari courts

There is no doctrine of binding precedent in the Qatari courts, and reports of the decisions of the Qatari courts are not always published. As a result, any experience with and knowledge of prior rulings of the Qatari courts may not be a reliable basis on which to predict decisions that Qatari courts may render in the future. Thus the outcome of any legal dispute remains uncertain.

Under the Conditions of the Notes and the terms of the Guarantee, the parties have agreed that any dispute arising out of or in connection with the Notes and the Guarantee shall be referred to and finally resolved by arbitration in accordance with the rules of the LCIA, but with a Noteholder having the right to bring proceedings in any jurisdiction (including requiring that the courts of England have exclusive jurisdiction) to settle the dispute. In the event that proceedings were to be brought against the Guarantor in the Qatari courts by a Noteholder, pursuant to the Conditions of the Notes, the outcome of any such legal dispute remains uncertain for the reasons set out above.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

The Issuer's and the Guarantor's obligations under Subordinated Notes are subordinated

The Issuer's and the Guarantor's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority to the claims of Senior Creditors (as defined in "Terms and Conditions of the Notes" herein). Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of their investment should the Issuer or the Guarantor become insolvent. In such an event, the Issuer or the Guarantor, as applicable, will be required to pay holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors but excluding any obligations in respect of subordinated debt) in full before it can make any payments on the Subordinated Notes. If this occurs, the Issuer and the Guarantor may not have enough assets remaining after these payments to pay amounts due under the Subordinated Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the relevant Final Terms specifies otherwise, in the event that the Issuer (or the Guarantor, if the Senior Guarantee in the case of Senior Notes, or the Subordinated Guarantee in the case of Subordinated Notes, has been called) would be obliged to increase the amounts payable in respect of any Notes due to any change of law in the Cayman Islands (in the case of payment by the Issuer) or Qatar (in the case of payment by the Guarantor), effective on or after the date on which agreement is reached to issue the first tranche of the Notes, which results in withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Qatar or the Cayman Islands or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions. See Condition 6(c) (*Redemption for Taxation Reasons*) for further details.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specifies that the Notes are redeemable at the Issuer's option in certain other circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Risks related to Notes which are linked to "benchmarks"

Reference rates and indices, including interest rate benchmarks, such as Euro Interbank Offered Rate ("EURIBOR"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("Benchmarks"), have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or to be discontinued. Any change in the performance of a Benchmark

or its discontinuation, could have a material adverse effect on any Notes referencing or linked to such Benchmark.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes (other than those that reference SOFR Benchmark, SONIA Benchmark or SARON Benchmark (each as defined in “*Terms and Conditions of the Notes*”)) is to be determined, the Conditions provide that the Rate of Interest shall be determined by reference to the Relevant Screen Page (or its successor or replacement). In circumstances where such Original Reference Rate is discontinued, neither the Relevant Screen Page, nor any successor or replacement may be available.

Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Conditions provide for the Rate of Interest to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent.

Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such Original Reference Rate), the Rate of Interest may ultimately revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the Original Reference Rate was discontinued. Uncertainty as to the continuation of the Original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Notes.

Benchmark Events include (amongst other events) (i) the permanent discontinuation of an Original Reference Rate and (ii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market. If a Benchmark Event occurs and Screen Rate Determination applies (whether or not the relevant Floating Rate Notes reference SOFR, SONIA or SARON), the Issuer or the Guarantor, as the case may be, shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, despite the continued availability of the Original Reference Rate in the case of (ii) above. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. In addition, the market (if any) for Certificates linked to any such Successor Rate or Alternative Rate may be less liquid than the market for Certificates linked to the Original Reference Rate. Prospective investors should note that an Independent Adviser appointed pursuant to the Conditions shall, in the absence of bad faith or fraud have no liability whatsoever to the Issuer, the Guarantor, the Fiscal Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to the Conditions.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Conditions provide that the Issuer or the Guarantor (as applicable) may vary the Agency Agreement and the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread will be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The Adjustment Spread is (i) the spread, formula or methodology which is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks and/or supervisory authorities), (ii) if no such recommendation has been made, or in the case of an Alternative Rate, the spread, formula or methodology which the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, or (iii) if the Independent Adviser determines that no such spread is customarily applied, the spread, formula or methodology which the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be.

Accordingly, the application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to

continue to apply in its current form. The choice of a replacement Benchmark is uncertain and could result in the use of risk free rates such as SOFR, SONIA or SARON (see “—*The market continues to develop in relation to risk-free rates (including SOFR, SONIA or SARON) as a reference rate for Floating Rate Notes*” below) and/or in the replacement Benchmark being unavailable or indeterminable.

The Issuer or the Guarantor, as the case may be, may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Conditions.

Where the Issuer or the Guarantor (as applicable) is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the date which is 10 business days prior to the next Interest Determination Date, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Where the Issuer or the Guarantor, as the case may be, has been unable to appoint an Independent Adviser or, the Independent Adviser has failed, to determine a Successor Rate or Alternative Rate in respect of any given Interest Period, it will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Interest Determination Date and/or to determine a Successor Rate or Alternative Rate to apply to the next succeeding and any subsequent Interest Periods, as necessary.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, is likely to result in Notes linked to or referencing the relevant Benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant Benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

If the Issuer or the Guarantor, as the case may be, is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, or if a Successor Rate or Alternative Rate is not adopted because it could reasonably be expected to prejudice the qualification of Subordinated Notes as tier 2 capital (in accordance with the applicable requirements of the Qatar Central Bank (or any successor thereto as the relevant regulator of banks in Qatar)), the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming Fixed Rate Notes.

In the case of Floating Rate Notes which reference SOFR where Condition 5(j)(2) (*Benchmark Discontinuation (SOFR)*) is specified as applicable in the relevant Final Terms or Pricing Supplement, as the case may be, where the Issuer, the Guarantor, or their respective designees determine that a Benchmark Event and its related Benchmark Replacement Date have occurred, a Benchmark replacement as determined in accordance with Condition 5(j)(2) (*Benchmark Discontinuation (SOFR)*) will replace the then-current Benchmark for all purposes relating to such Notes. Such Benchmark replacement may result in the Notes behaving differently (which may include payment of a lower Rate of Interest).

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest in respect of the Notes shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions or 2021 ISDA Definitions. Where the Floating Rate Option specified is an “IBOR” Floating Rate Option, the Rate of Interest may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks. If the relevant IBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Rate of Interest that would be applicable, and may, adversely affect the value of, and return on, the Floating Rate Notes.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the Conditions.

The market continues to develop in relation to risk-free rates (including SONIA, SOFR and SARON) as a reference rate for Floating Rate Notes

Investors should be aware that the international debt capital markets continue to develop in relation to SOFR, SONIA and SARON as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. In particular, market participants and relevant working groups are exploring alternative reference rates, including term reference rates (which seek to measure the market's forward expectation of an average rate over a designated term).

Furthermore, SONIA, SOFR and SARON reference rates are based on 'overnight rates'. Overnight rates differ from interbank offered rates, such as EURIBOR, in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas EURIBOR is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for Notes issued under the Programme compared to interbank offered rates.

The future performance of SOFR, SONIA and SARON is impossible to predict. The level of SOFR, SONIA or SARON over the term of Floating Rate Notes may bear little or no relation to the historical level of SOFR, SONIA or SARON. Prior observed patterns, if any, in the behaviour of market variables, such as correlations, may change in the future. While some pre-publication hypothetical performance data has been published by the Federal Reserve Bank of New York (the "**Federal Reserve**") for SOFR, such data inherently involves assumptions, estimates and approximations. As such, no future performance of risk-free rates or Floating Rate Notes linked to or which reference a risk-free rate may be inferred from any of the hypothetical or actual historical performance data. In addition, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

In addition, the market or a significant part thereof may adopt an application of SOFR, SONIA or SARON that differs significantly from that set out in the Conditions. The Issuer may also in the future issue securities referencing SOFR, SONIA or SARON that differ materially in respect of interest determination when compared with any Notes referencing SOFR, SONIA or SARON previously issued by it under the Conditions. As SOFR, SONIA or SARON are published and calculated by third parties based on data received from other sources, the Issuer and QNB have no control over its determination, calculation or publication. There can be no guarantee that SOFR, SONIA or SARON will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to or which reference a SOFR, SONIA or SARON rate (or that any applicable benchmark fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Noteholders). None of the Federal Reserve, in respect of SOFR, the Bank of England, in respect of SONIA, or the SIX Financial Information AG, in respect of SARON, has any obligation to consider the interests of Noteholders in calculating, adjusting, converting, revising or discontinuing SOFR, SONIA or SARON, as applicable. If the manner in which a risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading price of such Notes. Further, the Rate of Interest payable on Floating Rate Notes which reference a risk-free rate is only capable of being determined at the end of the relevant Interest Period and shortly prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Floating Rate Notes which reference a risk-free rate to reliably estimate the amount of interest which will be payable on such Notes. Further, in contrast to EURIBOR-based Notes, if Notes referencing a risk-free rate become due and payable as a result of an Event of Default under Condition 10 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall only be determined on the date on which the Notes become due and payable and shall not be reset thereafter.

Investors should also be aware that the manner of adoption or application of SOFR, SONIA or SARON as a reference rate in the international debt capital markets may differ materially compared with the application and adoption of SOFR, SONIA or SARON in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR, SONIA or SARON as a reference rate across these markets may impact any hedging or other arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Notes linked to or which reference a risk-free rate.

Since risk-free rates are relatively new market indices (publication of SOFR having only commenced on 3 April 2018) and continue to develop (for example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index), Floating Rate

Notes linked to or which reference a risk-free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to or which reference a risk-free rate may evolve over time and, as a result, trading prices of such Notes may be lower than those of Notes that are linked to or which reference a risk-free rate that are issued later. Further, if a risk-free does not prove to be widely used in securities like the Notes, the trading price of Floating Rate Notes linked to or which reference a risk-free rate may be lower than those of Notes linked to or which reference indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Investors should note that interest on Notes linked to or which reference a risk-free rate will be calculated and paid in accordance with the detailed provisions of the Conditions and the applicable Final Terms. In particular (i) where the Interest Determination Date in respect of an Interest Accrual Period falls before the end of that Interest Accrual Period, the interest payable in respect of that Interest Accrual Period will not reflect any increase (or decrease) in the relevant underlying daily risk-free rate after that Interest Determination Date and (ii) if SOFR Payment Delay is specified in the applicable Final Terms as the relevant Compound SOFR Average, interest will be paid after the end of the Interest Accrual Period for which it has been calculated (for each Interest Accrual Period other than the final Interest Accrual Period).

Investors should consider these matters when making their investment decision with respect to any Floating Rate Notes linked to or which reference a risk-free rate.

Terms and expressions used but not defined in this risk factor have the respective meanings given to them in the Conditions.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg or lodged with the CMU Service, investors will have to rely on their procedures for transfer, payment and communication with the Issuer and/or the Guarantor

Notes issued under the Programme may be represented by one or more Global Notes (in the case of Bearer Notes) or Global Certificates (in the case of Registered Notes). Such Global Notes and Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or lodged with the CMU Service (each of Euroclear, Clearstream, Luxembourg and the CMU Service, a “**Clearing System**”). Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes or Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through the Clearing System(s).

While the Notes are represented by one or more Global Notes or Global Certificates, the Issuer and the Guarantor will discharge their payment obligations under the Notes by making payments to the relevant Clearing System(s) for distribution to their account holders or in the case of the CMU Service, to the persons for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU Service in accordance with the CMU rules and procedures as notified by the CMU Service to the Issuer and the Guarantor in a relevant CMU Instrument Position Report (as defined in the rules of the CMU Service) or any other notification by the CMU Service.

A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The Issuers and the Guarantor have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right under the Global Notes or Global Certificates to take enforcement action against the Issuer or the Guarantor in the event of a default under the relevant Notes, but will have to rely upon their rights under the Deed of Covenant.

Risks Related to Notes Generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain Written Resolutions (as defined in the Agency Agreement) on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Agency Agreement and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Notes are held in global form in the clearing systems, the Issuer or the Guarantor (as the case may be) will be entitled to rely upon:

- (i) where the terms of the resolution proposed by the Issuer or the Guarantor (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series for the time being outstanding; and
- (ii) where electronic consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed: (a) consent or instructions given in writing directly to the Issuer or the Guarantor (as the case may be) by accountholders in the clearing systems with entitlements to such global note or certificate; and/or (b) where the accountholders hold such entitlement on behalf of another person, written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer or the Guarantor shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above;

Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. A Written Resolution or an Electronic Consent (as described below) may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that (i) the Issuer may, without the consent of Noteholders, agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 11 (*Meetings of Noteholders and Modifications*) and (ii) the Issuer or the Guarantor (as the case may be) may, in consultation with an Independent Adviser (as defined in the Conditions), vary the Conditions to ensure the proper operation of a Successor Rate or Alternative Rate (each as defined in the Conditions) to be used in place of the EURIBOR or any other Benchmark (as defined below) without any requirement for consent or approval of Noteholders (see “*Risks related to Notes which are linked to “benchmarks”*”).

Change of law

The Conditions are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Change of tax law

Statements in this Prospectus concerning the taxation of investors are of a general nature and are based upon current law and practice in the jurisdictions stated. Such law and practice is, in principle, subject to change, possibly with retrospective effect, and this could adversely affect investors.

In addition, any change in legislation or in practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer and/or the Guarantor to service the Notes and (ii) the market value of the Notes.

Appointment of Dealers as Calculation Agents

The Issuer may appoint a Dealer as Calculation Agent in respect of an issuance of Notes. In such a case, the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Risks relating to enforcement

Enforcement of arbitration awards and foreign judgments in Qatar

Under the Conditions of the Notes and the terms of the Guarantee, the parties have agreed that any dispute arising out of or in connection with the Notes and the Guarantee may be referred to and finally resolved by arbitration in accordance with the rules of the LCIA, with a Noteholder having the option to require that the courts of England have exclusive jurisdiction to settle the dispute. In the event that proceedings are brought against the Guarantor in Qatar, the Qatari courts would, in accordance with their normal practice, enforce the contractual terms of the Guarantee and the Notes (including the contractual choice of a governing law other than Qatari law to govern the Guarantee and the Notes, provided that, this would not apply to any provision of that law which Qatari courts held to be contrary to any mandatory provision of Qatari law or to public order or morality in Qatar). Qatari courts have consistently enforced commercial interest obligations computed in accordance with the terms of the relevant agreement. It is, however, uncertain whether the Qatari courts would enforce the payment of interest on interest, or the payment of accrued interest which exceeds the amount of the principal sum. The Court of Cassation in Qatar has in the past refused to grant a claimant a right to receive default interest and instead awarded damages, and such damages were lower than the contractual default interest.

There is currently no treaty or convention for the reciprocal enforcement of judgments between Qatar on the one hand and England on the other. A judgment obtained from a court in England will be enforceable in Qatar subject to the provisions of Articles 379 and 380 of the Civil and Commercial Procedure Law, which provides, (i) in the case of Article 379, that judgments and orders pronounced in a foreign country may be ordered to be executed in Qatar upon the conditions determined in that country for the execution of Qatari judgments and orders; and (ii) in the case of Article 380, that an order for execution of a foreign judgment or order will not be made unless and until the following have been ascertained, that: (a) the judgment or order was delivered by a competent court of the foreign jurisdiction in question; (b) the parties to the action were properly served with notice of proceedings and properly represented; (c) the judgment or order is one that is capable of being executed by the successful party to the proceedings in conformity with the laws of the foreign jurisdiction in question; and (d) the foreign judgment or order does not conflict with a previous judgment or order of a competent Qatari court and is not contrary to public policy or morality in Qatar.

A Qatari court would be entitled to call for textual evidence on the laws of England concerning the conditions that would be applicable for the execution of the judgment of a Qatari court in England and the Qatari court would then be entitled to execute the judgment of the English court upon those conditions. Accordingly, although a judgment obtained from a court in England would be admissible in evidence in any proceedings brought in Qatar to enforce such judgment, it would still be necessary to initiate proceedings in Qatar.

However, on 10 February 2022, it was reported in The Times of London that the Court of Cassation in Qatar (the “**Court of Cassation**”) had refused to enforce a judgment issued by the English High Court. Although the Court of Cassation judgment has not yet been published, it is understood that the reason for the refusal by the Court of Cassation to enforce the English High Court judgment was on account of the fact that the claimant in that case failed to convince the court that there was reciprocity in England to allow for the enforcement of a Qatar court judgment or that there was no treaty or convention in place between Qatar and the United Kingdom for the reciprocal enforcement of court judgments. Although there is no general system of binding judicial precedent applied by the Qatari courts, given that this is a decision of the Court of Cassation, if the reasons for the judgment are confirmed in the written judgment it is likely that in future, the Qatari courts will follow this judgment.

In accordance with their normal practice, Qatari courts would uphold the choice of arbitration as a dispute resolution method. However, this would be subject to the same qualifications as are stated above with regard to choice of law, and a Qatari court may not accept that its own jurisdiction had been excluded by any provision providing that the submission to any particular jurisdiction was exclusive.

Qatar is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the “**New York Convention**”), with effect from 30 March 2003. The UK is also a party to the New York Convention and therefore an arbitration award made in England should be enforceable in Qatar in accordance with the terms of the New York Convention. The interpretation and application of the New York Convention by the Qatari courts and the enforcement of foreign arbitration awards by the Qatari courts in accordance with the New York Convention is developing, and the parameters of enforcement are starting to be tested more regularly in the Qatari courts.

Furthermore, in February 2017, Qatar enacted Law No. (2) of 2017 promulgating the Civil and Commercial Arbitration Law (the “**Arbitration Law**”) which came into force in April 2017. The Arbitration Law addresses the enforcement of arbitration awards. Article 34 of the Arbitration Law states that an arbitration award is enforceable in Qatar regardless of the state in which such award was issued. The Arbitration Law sets out limited grounds for refusing to enforce an arbitration award issued in any state. The grounds are similar to those set out in the New York Convention.

It is worth noting that while the Qatari courts tend to be pro-enforcement, the jurisprudence is still evolving, and the Arbitration Law is still in its infancy, and there is a risk that a foreign arbitration award rendered in connection with the Notes will be refused enforcement by the Qatari courts.

The Qatari courts may not award judgment in a currency other than Qatari riyals

There is no certainty that a judgment in a foreign currency would be awarded by the Qatari courts in relation to a claim under the Notes or whether any judgment obtained in another jurisdiction in a foreign currency would be enforced by the Qatari courts in relation to that currency. In the event that the Qatari courts were to make an award in Qatari riyals, the courts would not necessarily calculate the award on the basis of any conversion provisions contractually agreed between the parties. The basis of the calculation of any such award would be at the discretion of the court.

Sovereign immunity

Under the Notes and the Deed of Guarantee, the Issuer and the Guarantor, as the case may be, has each waived its rights in relation to sovereign immunity in respect of such documents. However, there can be no assurance as to whether such waivers of immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings by the Issuer or the Guarantor under the Notes and/or the Guarantee (as applicable) are valid and binding under Qatari law and enforceable in Qatar.

Risks Related to the Market Generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. If a Tranche of Notes is issued to a single or a limited number of investors, this may result in an even more illiquid or volatile market in such Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Although applications have been made for the Notes issued under the Programme to be admitted to listing on the Official List of the FCA and to trading on the Market, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Price volatility

The market price of the Notes may be volatile, which could cause the value of a purchaser's investment to decline. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, and corresponding fluctuations in the prices of the Notes, may not be correlated in a predictable way to the performance or operating results of the Guarantor. Events and factors that may cause the prices of the Notes to fluctuate or decrease significantly from the issue price include variations in interest rates; general business, political, social and economic developments, particularly in the Middle East; and variations in actual or anticipated operating results of the Guarantor.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes. A drop in the level of interest rates will have a positive impact on the price of the Fixed Rate Notes, as such Notes pay a fixed annual rate of interest. Conversely, an increase in the interest rate level will have an adverse impact on the price of the Fixed Rate Notes. For investors holding the Fixed Rate Notes until maturity, any changes in the interest rate level during the term will not affect the yield of the Fixed Rate Notes, as the Fixed Rate Notes will be redeemed at par.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Risks relating to Renminbi-denominated Notes

Notes denominated in RMB (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors.

Renminbi is not freely convertible and may adversely affect the liquidity of RMB Notes

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the U.S. dollar, despite the significant reduction over the years by the PRC government of its control over routine foreign exchange transactions under current accounts. In efforts to internationalise the Renminbi, the People’s Bank of China (“**PBOC**”) has established Renminbi clearing and settlement systems in a number of major global financial centres (each an “**RMB Clearing Bank**”), including Hong Kong, London, New York, Frankfurt and Singapore. A clearing hub was also established in Doha in 2015.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. The relevant RMB Clearing Bank only has access to its own onshore liquidity support from the PBOC to square open positions of its relevant participating banks for limited types of transactions. Moreover, the offshore RMB clearing and settlement system operated by one RMB Clearing Bank is not linked to the offshore RMB clearing and settlement system operated by other RMB Clearing Banks, resulting in the segregation of offshore RMB into separate and discrete pools.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. To the extent the Issuer or the Guarantor is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that either the Issuer or the Guarantor will be able to source such Renminbi on satisfactory terms, if at all.

Investment in RMB Notes is subject to exchange rate risks

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to the RMB Notes in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments in U.S. dollars or other foreign currencies may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of investment in U.S. dollars or other applicable foreign currencies will decline. In August 2015, the PBOC changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit for the PBOC’s reference rates to consider the previous day’s closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. The modified mechanism allows traders to consider the closing exchange rate in the previous trading day when they quote the midpoint price for Renminbi against the U.S. dollar. Renminbi depreciated significantly against the U.S. dollar following this August 2015 announcement by the PBOC. In January and February 2016, Renminbi experienced further fluctuations in value against the U.S. dollar. Since April 2019, Renminbi has depreciated in value against the U.S. dollar amidst an uncertain trade and global economic climate. On 5 August 2019, the PBOC set the Renminbi’s daily reference rate at above RMB7.00 per U.S. dollar for the first time in over a decade. On 15 September 2022, the Renminbi’s daily reference rate again rose to above RMB7.00 per U.S. dollar. With an increased floating range of the Renminbi’s value against foreign currencies and a more market-oriented mechanism for determining the mid-point exchange rates, the Renminbi may further appreciate or depreciate significantly in value against the U.S. dollar or other foreign currencies in the long-term. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Notes.

Interest rate risk

The value of Renminbi payments under RMB Notes may be susceptible to interest rate fluctuations occurring within and outside the PRC, including PRC Renminbi repo rates and/or the Shanghai inter-bank offered rate.

Payments in respect of RMB Notes will only be made to investors in the manner specified in the RMB Notes

All payments to investors in respect of RMB Notes will be made solely (i) for so long as the RMB Notes are represented by a temporary Global Note or a permanent Global Note held with the common depositary or common safekeeper, as the case may be, for Clearstream, Luxembourg and Euroclear, or through the CMU Service or any alternative clearing system by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and procedures of the CMU Service, or (ii) for so long as the RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong, in accordance with the prevailing rules and regulations. Neither the Issuer nor the Guarantor can be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

There can be no assurance that the use of proceeds of Notes identified as Green Bonds, Social Bonds or Sustainability Bonds in the relevant Final Terms will be suitable for the investment criteria of an investor

The Final Terms relating to any specific Tranche of Notes may provide that such Notes will constitute Green Bonds, Social Bonds, or Sustainability Bonds (each as defined in “*Use of Proceeds*”, and together, “**Sustainable Bonds**”). In such case, it will be the Issuer’s and QNB’s intention to apply the net proceeds of such Notes to finance and/or refinance Eligible Loan Portfolios (as defined in “*Use of Proceeds*”), comprising new or existing loans relating to certain businesses and certain categories of environmental, social or sustainable projects. If the use of such proceeds is a factor in an investor’s decision to invest in Notes, they should consider the disclosure in “*Use of Proceeds*” below and/or the applicable Final Terms relating to such Notes, and consult with their legal or other advisers before making an investment decision.

There is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes or may be classified as, a “green”, “social”, “sustainable” or equivalently-labelled project or a loan that may finance such a project, nor can any assurance be given that a clear definition or consensus with respect to such projects or loans will develop in the future. There can be no assurance that the use of proceeds of any Sustainable Bonds, or the business or projects funded thereby, will satisfy, whether in whole or in part any future legislative or regulatory requirements, or any present or future investor expectations or requirements with respect to investment criteria or guidelines, with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates.

While it is the intention of the Issuer and QNB to apply the proceeds of any Sustainable Bonds in, or substantially in, the manner described in the “*Use of Proceeds*” section and the applicable Final Terms, there can be no assurance that the application of such proceeds to the relevant Eligible Loan Portfolios will be capable of being implemented in, or substantially in, such manner and/or in accordance with any timeframe, or that such proceeds will be totally or partially disbursed as planned. Nor can there be any assurance that such Sustainable Bonds or the activities or projects they finance (or refinance) will have the results or outcome (whether or not related to environmental, social, sustainability, or other objectives) originally expected or anticipated by the Issuer and QNB. In addition, prospective investors should note that the Issuer and QNB may change the Framework (as defined in “*Use of Proceeds*”) and/or the selection criteria it uses to select Eligible Projects at any time. Any such event or failure by the Issuer and/or QNB will not constitute an Event of Default with respect to any Sustainable Bonds. Similarly, while the Issuer and QNB intend to provide regular information on the use of proceeds of any Sustainable Bonds, any failure to do so will not constitute an Event of Default in respect of any Sustainable Bonds.

Any such event or failure to apply the proceeds of any issue of Sustainable Bonds as intended, any withdrawal of any applicable opinion or certification, any opinion or certification to the effect that either the Issuer or QNB is not complying in whole or in part with criteria or requirements covered by such opinion or certification or any change to the Framework and/or selection criteria may have an adverse effect on the value of Sustainable Bonds, and may result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

No Dealer makes any representation as to (i) the suitability of any Sustainable Bonds to fulfil environmental, social and/or sustainability criteria required by prospective investors, (ii) whether the net proceeds of the issuance of any Sustainable Bonds will be used to finance and/or refinance relevant Eligible Loan Portfolios, including their green, social and/or sustainability criteria, as applicable or (iii) the characteristics of relevant Eligible Projects or businesses to whom the proceeds of Sustainable Bonds are lent, including their green, social and/or sustainability characteristics, as applicable. No Dealer involved in the issue of a specific Tranche of Sustainable Bonds has undertaken, nor is responsible for, any assessment of the eligibility criteria, any

verification of whether the Eligible Projects meet the eligibility criteria, or the monitoring of the use of proceeds. Investors should refer to the QNB's website, annual report and second-party opinion for information and should determine for themselves the relevance of the information contained in this Prospectus regarding the use of proceeds and its investment in any Sustainable Bonds should be based upon such investigation as it deems necessary.

Neither the Framework nor any of the reports, verification assessments, opinions or contents of any of the websites referenced in this Prospectus are, or shall be deemed to, constitute a part of, nor are incorporated into, this Prospectus.

QNB and the Issuer cannot provide any assurances regarding the suitability or reliability of any second party opinion or admission to any index obtained with respect to Green Bonds, Social Bonds or Sustainability Bonds

No assurance or representation can be given as to the suitability or reliability for any purpose whatsoever of the second-party opinion from ISS Corporate Solutions or any opinion or certification of any third party (whether or not solicited by QNB or the Issuer) which may be made available in connection with the Framework or any issue of any Sustainable Bonds. No such opinion or certification should be deemed or understood, or relied upon as, a recommendation by QNB or the Issuer, any Dealer or any other person to buy, sell or hold any such Sustainable Bonds. Any such opinion or certification is only current as of the date that the opinion or certification was initially issued, and is based upon the judgment of the opinion provider. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein, or the reliability of the provider of such opinion or certification for the purpose of any investment in Sustainable Bonds. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

If a Tranche of Notes is at any time listed on, admitted to or included in any dedicated "green", "environmental", "social", "sustainable" or other equivalently-labelled index, no representation or assurance is given by the Issuer, QNB or any other person that such listing on, admission to or inclusion in such index satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates.

FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]²

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”); or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]³

Final Terms dated [•]

QNB Finance Ltd
(LEI: 549300MY0DXTHQEX5057)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
Guaranteed by Qatar National Bank (Q.P.S.C.)
under the U.S.\$22,500,000,000
Medium Term Note Programme

[The Notes will only be admitted to trading on *[insert name of relevant QI market/segment]*, which is [a regulated market/a specific segment of a regulated market] (as defined in [Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”)]/[UK MiFIR]), to which only qualified investors (as defined in the UK Prospectus Regulation) can have access and shall not be offered or sold to non-qualified investors.]⁴

² Include where item 25 of Part A of the Final Terms specifies “Applicable”.

³ Include where item 26 of Part A of the Final Terms specifies “Applicable”.

⁴ Legend to be included for Notes with a minimum denomination of less than €100,000 (or equivalent in another currency) which will only be admitted to trading on the London Stock Exchange’s Main Market, or a

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the Notes (a “**distributor**”)] [distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [‘prescribed capital markets products’]/[capital markets products other than ‘prescribed capital markets products’] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04 N12: Notice on the Sale of Investment Products and MAS Notice FAA N16: Notice on Recommendations on Investment Products).]⁵

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the prospectus dated 18 March 2024 [and the supplement(s) thereto dated [●]], which [together] constitute[s] a base prospectus (the “**Prospectus**”) for the purposes of [Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”)]/[the UK Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Prospectus in order to obtain all the relevant information. The Prospectus [and the supplement(s) thereto] [is] [are] available for viewing at the market news section of the London Stock Exchange website (<http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>) and during normal business hours at the registered offices of the Issuer at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the prospectus dated [date of original prospectus] [and the supplement(s) thereto dated [●]] which are incorporated by reference into the prospectus dated 18 March 2024. This document constitutes the Final Terms of the Notes described herein for the purposes of [Regulation (EU) 2017/1129 as it

specific segment of the London Stock Exchange’s Main Market, to which only qualified investors can have access.

⁵ For any Notes to be offered to Singapore investors, the Issuer is to consider whether it needs to reclassify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”)/[the UK Prospectus Regulation] and must be read in conjunction with the prospectus dated 18 March 2024 [and the supplement(s) thereto dated [●]], which [together] constitute[s] a base prospectus (the “**Prospectus**”) for the purposes of the UK Prospectus Regulation, in order to obtain all the relevant information, save in respect of the Conditions, which are extracted from the prospectus dated [*date of original prospectus*] [and the supplement(s) thereto dated [●]]. The Prospectus [and the supplement(s) thereto] [is] [are] available for viewing at the market news section of the London Stock Exchange website (<http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>) and during normal business hours at the registered offices of the Issuer at c/o Maples Corporate Services Limited, P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

- | | | |
|----|--|---|
| 1 | (a) Issuer: | QNB Finance Ltd |
| | (b) Guarantor: | Qatar National Bank (Q.P.S.C.) |
| 2 | [(a)] Series Number: | [●] |
| | [(b)] Tranche Number: | [●] |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount of Notes: | [●] |
| | [(a)] Series: | [●] |
| | [(b)] Tranche: | [●] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount
[plus accrued interest from [●]] |
| 6 | [(a)] Specified Denominations: | [●] |
| | (b) Calculation Amount: | [●] |
| 7 | (a) Issue Date: | [●] |
| | (b) Interest Commencement Date: | [[●]/Issue Date/Not Applicable] |
| 8 | Maturity Date: | [●] |
| 9 | Interest Basis: | [[●] per cent. Fixed Rate]
[[●] +/- [●] per cent. Floating Rate] [Zero Coupon] |
| 10 | Redemption/Payment Basis: | [Redemption at par]
[●] |
| 11 | Change of Interest or Redemption/Payment Basis: | [●] |
| 12 | Put/Call Options: | [Put Option]
[Call Option]
[Change of Control Put Event]
[(further particulars specified below)] |
| 13 | (a) Status of the Notes: | [Senior/Subordinated] |

- (b) Status of the Guarantee: [Senior/Subordinated]
- (c) [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [●] [and [●], respectively]]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 Fixed Rate Note Provisions:** [Applicable/Not Applicable]
- (a) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/[●]] in arrear]
- (b) Interest Payment Date(s): [●] in each year [adjusted in accordance with [●]/not adjusted]
- (c) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (d) Broken Amount(s): [●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
- (e) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/[●]]
- (f) [Determination Dates: [●] in each year]
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/[●]]
- 15 Floating Rate Note Provisions:** [Applicable/Not Applicable]
- (a) Interest Period(s): [●]⁶
- [The end date of each Interest Period shall be subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/ Not subject to any adjustment]
- (b) Specified Interest Payment Dates: [●][The [●] Business Day following the final Interest Period Date of each Interest Period; except in respect of the final Interest Period, for which the Specified Interest Payment Date shall be the Maturity Date or any earlier redemption date]⁷ [, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]⁸

⁶ Interest Periods should be specified explicitly where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay, as in that case each Specified Interest Payment Date will fall after the end of the relevant Interest Period.

⁷ This text will be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay.

⁸ Specified Interest Payment Dates will not normally be subject to adjustment where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay.

- (c) First Interest Payment Date: [●][, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
- (d) Interest Period Date: [●]⁹ (Not applicable unless different from Interest Payment Date)[, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
- (e) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[●]]
- (f) Business Centre(s): [●]
- (g) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (h) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Fiscal Agent]): [Name] shall be the Calculation Agent
- (i) Screen Rate Determination: [Applicable – Term Rate/Applicable – SOFR Benchmark/Applicable – SONIA Benchmark/Applicable – SARON Benchmark/Not Applicable]
- Reference Rate: [SONIA/SOFR/SARON]
- [●] is provided by [administrator legal name] [repeat as necessary].] [As at the date hereof, [administrator legal name] [appears]/[does not appear] [repeat as necessary] in the register of administrators and benchmarks established and maintained by [ESMA pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011, as amended (the “BMR”)]/[FCA pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) as it forms part of domestic law by virtue of the EUWA (the “UK BMR”)]/[As far as the Issuer is aware, as at the date hereof, the [specify benchmark] does not fall within the scope of the [BMR]/[UK BMR] / [Not Applicable]
- Interest Determination Date(s): [●] [[●] U.S. Government Securities Business Days prior to each Interest Period Date]¹⁰ [The Interest Period Date at the end of each Interest Accrual Period; except in respect of the final Interest Accrual Period,

⁹ Interest Period Dates should be specified explicitly where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay, as in that case Specified Interest Payment Dates will not fall on Interest Period Dates.

¹⁰ To be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Observation Shift, SOFR Lockout or SOFR Observation Lag. Where the Fiscal Agent is appointed as Calculation Agent, it will normally require that this period (and, where applicable, any Lookback Days/SOFR Observation Shift Days or SOFR Rate Cut-Off Date) is at least 5 U.S. Government Securities Business Days.

	for which the Interest Determination Date will be the SOFR Rate Cut-off Date] ¹¹ [The date which is [“p”] London Business Days prior to each Interest Payment Date]
— Relevant Time:	[●]
— Relevant Screen Page:	[●] [[Bloomberg Screen Page : SONCINDX] ¹² [Bloomberg Screen Page : SONIO/N Index] ¹³
— Relevant Financial Centre:	[●]
— SONIA Benchmark:	[Not Applicable]/[SONIA Compounded Index Rate / SONIA Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where “p” is [●] ¹⁴ London Business Days] ¹⁵
— SOFR Benchmark:	[Not Applicable]/[Simple SOFR Average]/[Compounded SOFR Average/SOFR Index Average] ¹⁶
— SARON Benchmark:	[Not Applicable]/[SARON Compounded] ¹⁷
— Compounded SOFR Average:	[Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout] ¹⁸
— Lookback Days:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ¹⁹
— SOFR Observation Shift Days:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ²⁰
— Interest Payment Delay Days:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ²¹
— SOFR Rate Cut-Off Date:	[Not Applicable/The day that is the [●] U.S. Government Securities Business Day(s) prior to the end of each Interest Accrual Period] ²²
— SOFR Index _{Start} :	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ²³

¹¹ Only applicable where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is the Compounded SOFR Average: SOFR Payment Delay.

¹² Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Index Rate applies.

¹³ Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Daily Reference Rate applies.

¹⁴ Not to be less than 5 London Business Days.

¹⁵ Only applicable where the Reference Rate is SONIA Benchmark.

¹⁶ Only applicable where the Reference Rate is SOFR Benchmark.

¹⁷ Only applicable where the Reference Rate is SARON Benchmark.

¹⁸ Only applicable in the case of Compounded SOFR Average.

¹⁹ Only applicable in the case of SOFR Observation Lag.

²⁰ Only applicable in the case of SOFR Observation Shift or SOFR Index Average.

²¹ Only applicable in the case of SOFR Payment Delay.

²² Only applicable in the case of Simple SOFR Average, Compounded SOFR Average: SOFR Payment Delay or Compounded SOFR Average: SOFR Lockout.

²³ Only applicable in the case of SOFR Index Average.

— SOFR Index _{End} :	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ²⁴
— D:	[365/360/[●]] ²⁵
— Fallback Provisions:	[Condition 5(j)(1) (Independent Adviser)] ²⁶ /[Condition 5(j)(2) (Benchmark Discontinuation (SOFR))]
(j) ISDA Determination:	
— ISDA Definitions	[2006 ISDA Definitions]/[2021 ISDA Definitions]
— Floating Rate Option:	[●] ²⁷
— Designated Maturity:	[●]/[Not Applicable] ²⁸
— Reset Date:	[●]
— Compounding:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining items of this subparagraph)</i>
— [Compounding Method:	[Compounding with Lookback
	Lookback: [●] Applicable Business Days]
	[Compounding with Observation Period Shift
	Observation Period Shift: [●] Observation Period Shift Business Days
	Observation Period Shift Additional Business Days: [●]/[Not Applicable]]
	[Compounding with Lockout
	Lockout: [●] Lockout Period Business Days
	Lockout Period Business Days: [●]/[Applicable Business Days]]
— Averaging:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining items of this subparagraph)</i>

²⁴ Only applicable in the case of SOFR Index Average.

²⁵ “D” will normally be 360.

²⁶ To be included in all cases except where the parties have agreed, in respect of an issuance where the Reference Rate is SOFR Benchmark, to the inclusion of the Benchmark Discontinuation (SOFR) fallback provisions instead.

²⁷ Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions) if 2021 ISDA Definitions selected.

²⁸ A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate.

— [Averaging Method:	<p>[Averaging with Lookback</p> <p>Lookback: [●] Applicable Business Days]</p> <p>[Averaging with Observation Period Shift</p> <p>Observation Period Shift: [●] Observation Period Shift Business Days</p> <p>Observation Period Shift Additional Business Days: [●]/[Not Applicable]]</p> <p>[Averaging with Lockout</p> <p>Lockout: [●] Lockout Period Business Days</p> <p>Lockout Period Business Days: [●]/[Applicable Business Days]]</p>
— Index Provisions:	<p>[Applicable/Not Applicable]</p> <p><i>(If not applicable, delete the remaining items of this subparagraph)</i></p>
— [Index Method:	<p>Compounded Index Method with Observation Period Shift</p> <p>Observation Period Shift: [●] Observation Period Shift Business Days</p> <p>Observation Period Shift Additional Business Days: [●]/[Not Applicable]]</p>
(k) Linear Interpolation:	<p>[Not Applicable/Applicable – the Rate of Interest for the [long/short][first/last] Interest Period shall be calculated using linear interpolation (<i>specify for each short or long Interest Period</i>)]</p>
(l) Margin(s):	<p>[+/-][●] per cent. per annum</p>
(m) Minimum Rate of Interest:	<p>[●] per cent. per annum</p>
(n) Maximum Rate of Interest:	<p>[●] per cent. per annum</p>
(o) Day Count Fraction:	<p>[●]</p>
(p) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	<p>[●]</p>
16 Zero Coupon Note Provisions:	<p>[Applicable/Not Applicable]</p>
(a) Amortisation Yield:	<p>[●] per cent. per annum</p>

- (b) Day Count Fraction in relation to Early Redemption Amounts: [30/360/Actual/Actual (ICMA/ISDA)/[●]]
- (c) Any other formula/basis of determining amount payable: [●]

PROVISIONS RELATING TO REDEMPTION

17 Call Option: [Applicable/Not Applicable]

- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[●] per Calculation Amount]
[Condition 6(b) applies]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [●] per Calculation Amount
- (ii) Maximum Redemption Amount: [●] per Calculation Amount
- (d) Notice period: [●]

18 Put Option: [Applicable/Not Applicable]

- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
[Condition 6(b) applies]
- (c) Notice period: [●]

19 Change of Control Put: [Applicable/Not Applicable]

- (a) Change of Control Put Date: [●]
- (b) Change of Control Put Period: [●]

20 Final Redemption Amount of each Note: [●] per Calculation Amount

21 Early Redemption Amount: [Applicable/Not Applicable]

- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22 Form of Notes:** Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for

Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

Registered Notes:

[Regulation S Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg]/[a sub-custodian for the CMU Service operated by the HKMA]]

- | | |
|---|---|
| 23 Financial Centre(s) or other special provisions relating to payment dates: | [Not Applicable/[●]] |
| 24 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes [●]/No] |
| 25 Prohibition of Sales to EEA Retail Investors: | [Applicable/Not Applicable] ²⁹ |
| 26 Prohibition of Sales to UK Retail Investors: | [Applicable/Not Applicable] ³⁰ |

Signed on behalf of QNB Finance Ltd:

By:
Duly authorised

Signed on behalf of Qatar National Bank (Q.P.S.C.):

By:
Duly authorised

²⁹ If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a Key Information Document (“KID”) will be prepared in the EEA, “Not Applicable” should be specified. If the Notes potentially constitute “packaged” products and no KID will be prepared in the EEA, “Applicable” should be specified.

³⁰ If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a Key Information Document (“KID”) will be prepared in the UK, “Not Applicable” should be specified. If the Notes potentially constitute “packaged” products and no KID will be prepared in the UK, “Applicable” should be specified.

PART B — OTHER INFORMATION

1 Listing

- (a) Listing: [London/([●])] [●]
- (b) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange’s Main Market with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange’s Main Market with effect from [●].]
- (c) Estimate of total expenses related to admission to trading: [●]

2 Ratings:

The Notes to be issued have been rated:
[S&P: [●]]
[Moody’s: [●]]
[Fitch: [●]]
[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

3 [Interests of Natural and Legal Persons Involved in the Issue/Offer]

[Save as discussed in [“*Subscription and Sale/General Information*”], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

4 Reasons for the Offer and Estimated Net Proceeds

- (a) Reasons for the offer: [General corporate purposes/*Give details*] [Green Bonds/Social Bonds/Sustainability Bonds]
- [(b)] Estimated net proceeds: [●]

5 [Fixed Rate Notes only—Yield]

Indication of yield: [●]
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6 Operational Information

ISIN: [●]
Common Code: [●]
Trade Date: [●]
CMU Instrument Number: [●/Not Applicable]
CFI: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
FISN: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the

	National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the CMU Service and the relevant identification number(s):	[Not Applicable/[●]] [The Notes will be cleared through the CMU Service. CMU Instrument Number: [●]. [Persons holding a beneficial interest in the Notes through Euroclear or Clearstream, Luxembourg will hold their interests through an account opened and held by Euroclear or Clearstream, Luxembourg (as applicable) with the CMU Operator.]
Names and addresses of initial Paying Agent(s):	[●]
Names and addresses of additional Paying Agent(s) (if any):	[●]
7 Distribution	
(a) Method of distribution:	[Syndicated/Non-syndicated]
(b) If syndicated, names of Managers:	[Not Applicable/ <i>give names</i>]
(c) Stabilisation Manager(s) (if any):	[Not Applicable/ <i>give names</i>]
(d) If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i>]
(e) US Selling Restrictions:	[Reg. S Compliance Category [1/2/3]; TEFRA C/TEFRA D/TEFRA not applicable]
(f) Singapore Sales to Institutional Investors and Accredited Investors only:	[Applicable/Not Applicable]
(g) Additional selling restrictions:	[Not Applicable/ <i>give details</i>]

FORM OF PRICING SUPPLEMENT

The Pricing Supplement in respect of each Tranche of PR Exempt Instruments issued under the Programme will be substantially in the following form, duly completed to reflect the particular terms of the relevant PR Exempt Instruments and their issue.

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH THE UK PROSPECTUS REGULATION FOR THE ISSUE OF THE INSTRUMENTS DESCRIBED BELOW. THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY HAS NEITHER APPROVED NOR REVIEWED ANY INFORMATION CONTAINED IN THIS PRICING SUPPLEMENT AND ANY INSTRUMENTS ISSUED PURSUANT TO THIS PRICING SUPPLEMENT ARE NOT COMPLIANT WITH THE UK PROSPECTUS REGULATION.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The PR Exempt Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**IDD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the PR Exempt Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the PR Exempt Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.]³¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The PR Exempt Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”); or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the PR Exempt Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the PR Exempt Instruments or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]³²

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the PR Exempt Instruments has led to the conclusion that: (i) the target market for the PR Exempt Instruments is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the PR Exempt Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the PR Exempt Instruments (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the PR Exempt Instruments (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the PR Exempt Instruments has led to the conclusion that: (i) the target market for the PR Exempt Instruments is

³¹ Include where item 25 of Part A of the Pricing Supplement specifies “Applicable”.

³² Include where item 26 of Part A of the Pricing Supplement specifies “Applicable”.

only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in [Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK MiFIR**”)]/[UK MiFIR]; and (ii) all channels for distribution of the PR Exempt Instruments to eligible counterparties and professional clients are appropriate. Any [person subsequently offering, selling or recommending the PR Exempt Instruments (a “**distributor**”)] [distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the PR Exempt Instruments (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the PR Exempt Instruments are [‘prescribed capital markets products’]/[capital markets products other than ‘prescribed capital markets products’] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04 N12: Notice on the Sale of Investment Products and MAS Notice FAA N16: Notice on Recommendations on Investment Products).]³³

Pricing Supplement dated [•]

**QNB Finance Ltd
(LEI: 549300MY0DXTHQEX5057)**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
Guaranteed by Qatar National Bank (Q.P.S.C.)
under the U.S.\$22,500,000,000
Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the prospectus dated 18 March 2024 [and the supplementary listing particulars dated [•]], which [together] constitute[s] listing particulars (the “**Listing Particulars**”). This document constitutes the Pricing Supplement of the PR Exempt Instruments described herein and must be read in conjunction with the Listing Particulars. This document does not constitute listing particulars that the FCA has reviewed or approved pursuant to Listing Rule 4 of the FCA Handbook. Full information on the Issuer and the offer of the PR Exempt Instruments is only available on the basis of the combination of this Pricing Supplement and the Listing Particulars. The Listing Particulars [and the supplement(s) thereto] [is] [are] available for viewing during normal business hours at the registered offices of the Issuer at c/o Maples Corporate Services Limited, P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the prospectus dated [date of original prospectus] [and the supplement(s) thereto dated [•]] which are incorporated by reference into the prospectus dated 18 March 2024 [and the supplementary listing particulars dated [•]], which [together] constitute[s] listing particulars (the “**Listing Particulars**”), and which are attached hereto. This document constitutes the Pricing Supplement of the PR Exempt Instruments

³³ For any PR Exempt Instruments to be offered to Singapore investors, the Issuer is to consider whether it needs to reclassify the PR Exempt Instruments pursuant to Section 309B of the SFA prior to the launch of the offer.

described herein and must be read in conjunction with the Listing Particulars, save in respect of the Conditions, which are extracted from the Listing Particulars dated 18 March 2024 [and the supplement(s) thereto dated [●]]. Full information on the Issuer and the offer of the PR Exempt Instruments is only available on the basis of the combination of this Pricing Supplement and the Listing Particulars. The Listing Particulars [and the supplement(s) thereto] [is] [are] available for viewing during normal business hours at the registered offices of the Issuer at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and copies may be obtained from the registered offices of the Fiscal Agent at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom.]

- | | | |
|-----------|--|---|
| 1 | (a) Issuer: | QNB Finance Ltd |
| | (b) Guarantor: | Qatar National Bank (Q.P.S.C.) |
| 2 | [(a)] Series Number: | [●] |
| | [(b)] Tranche Number: | [●] |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount of Notes: | [●] |
| | [(a)] Series: | [●] |
| | [(b)] Tranche: | [●] |
| 5 | Issue Price: | [●] per cent. of the Aggregate Nominal Amount
[plus accrued interest from [●]] |
| 6 | [(a)] Specified Denominations: | [●] |
| | (b) Calculation Amount: | [●] |
| 7 | (a) Issue Date: | [●] |
| | (b) Interest Commencement Date: | [[●]/Issue Date/Not Applicable] |
| 8 | Maturity Date: | [●] |
| 9 | Interest Basis: | [[●] per cent. Fixed Rate]

[[●] +/- [●] per cent. Floating Rate] [Zero Coupon] |
| 10 | Redemption/Payment Basis: | [Redemption at par]

[●] |
| 11 | Change of Interest or
Redemption/Payment Basis: | [●] |
| 12 | Put/Call Options: | [Put Option]
[Call Option]
[Change of Control Put Event]
[(further particulars specified below)] |
| 13 | (a) Status of the Notes: | [Senior/Subordinated] |

(b) Status of the Guarantee: [Senior/Subordinated]

(c) [Date [Board] approval for issuance of [●] [and [●], respectively]]
Notes [and Guarantee] obtained:

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 14 Fixed Rate Note Provisions:** [Applicable/Not Applicable]
- (a) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/[●]] in arrear]
- (b) Interest Payment Date(s): [●] in each year [adjusted in accordance with]
[[●]/not adjusted]
- (c) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (d) Broken Amount(s): [●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
- (e) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/[●]]
- (f) [Determination Dates]: [●] in each year
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/[●]]
- 15 Floating Rate Note Provisions:** [Applicable/Not Applicable]
- (a) Interest Period(s): [●]³⁴
- [The end date of each Interest Period shall be subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/ Not subject to any adjustment]
- (b) Specified Interest Payment Dates: [●][The [●] Business Day following the final Interest Period Date of each Interest Period; except in respect of the final Interest Period, for which the Specified Interest Payment Date shall be the Maturity Date or any earlier redemption date]³⁵, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]³⁶

³⁴ Interest Periods should be specified explicitly where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay, as in that case each Specified Interest Payment Date will fall after the end of the relevant Interest Period.

³⁵ This text will be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay.

³⁶ Specified Interest Payment Dates will not normally be subject to adjustment where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay.

- (c) First Interest Payment Date: [●][, subject to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
- (d) Interest Period Date: [●]³⁷ (Not applicable unless different from Interest Payment Date)[, subject, in each case, to adjustment in accordance with the Business Day Convention specified in paragraph 15(e) below/, not subject to any adjustment]
- (e) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[●]]
- (f) Business Centre(s): [●]
- (g) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (h) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Fiscal Agent]): [Name] shall be the Calculation Agent
- (i) Screen Rate Determination: [Applicable – Term Rate / Applicable – SOFR Benchmark / Applicable – SONIA Benchmark / Applicable – SARON Benchmark / Not Applicable]
- Reference Rate: [SONIA/SOFR/SARON]
- [●] is provided by [administrator legal name] [repeat as necessary]. [As at the date hereof, [administrator legal name] [appears]/[does not appear] [repeat as necessary] in the register of administrators and benchmarks established and maintained by [ESMA pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011 (as amended, the “BMR”)]/[FCA pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) as it forms part of domestic law by virtue of the EUWA (the “UK BMR”)]/[As far as the Issuer is aware, as at the date hereof, the [specify benchmark] does not fall within the scope of the [BMR]/[UK BMR] / [Not Applicable]
- Interest Determination Date(s): [●] [[●] U.S. Government Securities Business Days prior to each Interest Period Date]³⁸ [The Interest Period Date at the end of each Interest Accrual Period; except in respect of the final Interest Accrual Period,

³⁷ Interest Period Dates should be specified explicitly where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Payment Delay, as in that case Specified Interest Payment Dates will not fall on Interest Period Dates.

³⁸ To be included where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is Compounded SOFR Average: SOFR Observation Shift, SOFR Lockout or SOFR Observation Lag. Where the Fiscal Agent is appointed as Calculation Agent, it will normally require that this period (and, where applicable, any Lookback Days/SOFR Observation Shift Days or SOFR Rate Cut-Off Date) is at least 5 U.S. Government Securities Business Days.

for which the Interest Determination Date will be the SOFR Rate Cut-off Date]³⁹ [The date which is ["p"] London Business Days prior to each Interest Payment Date]

— Relevant Time:	[●]
— Relevant Screen Page:	[●][[Bloomberg Screen Page : SONCINDX] ⁴⁰ [Bloomberg Screen Page : SONIO/N Index] ⁴¹
— Relevant Financial Centre:	[●]
— SONIA Benchmark:	[Not Applicable]/[SONIA Compounded Index Rate / SONIA Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where "p" is [●] ⁴² London Business Days] ⁴³
— SOFR Benchmark:	[Not Applicable]/[Simple SOFR Average]/[Compounded SOFR Average/SOFR Index Average] ⁴⁴
— SARON Benchmark:	[Not Applicable]/[SARON Compounded] ⁴⁵
— Compounded SOFR Average:	[Not Applicable]/[SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay/SOFR Lockout] ⁴⁶
— Lookback Days:	[Not Applicable]/[●] U.S. Government Securities Business Day(s)] ⁴⁷
— SOFR Observation Shift Days:	[Not Applicable]/[●] U.S. Government Securities Business Day(s)] ⁴⁸
— Interest Payment Delay Days:	[Not Applicable]/[●] U.S. Government Securities Business Day(s)] ⁴⁹

³⁹ Only applicable where the Reference Rate is SOFR Benchmark and the SOFR Benchmark is the Compounded SOFR Average: SOFR Payment Delay.

⁴⁰ Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Index Rate applies.

⁴¹ Only applicable where the Reference Rate is SONIA Benchmark and SONIA Compounded Daily Reference Rate applies.

⁴² Not to be less than 5 London Business Days.

⁴³ Only applicable where the Reference Rate is SONIA Benchmark.

⁴⁴ Only applicable where the Reference Rate is SOFR Benchmark.

⁴⁵ Only applicable where the Reference Rate is SARON Benchmark.

⁴⁶ Only applicable in the case of Compounded SOFR Average.

⁴⁷ Only applicable in the case of SOFR Observation Lag.

⁴⁸ Only applicable in the case of SOFR Observation Shift or SOFR Index Average.

⁴⁹ Only applicable in the case of SOFR Payment Delay.

— SOFR Rate Cut-Off Date:	[Not Applicable/The day that is the [●] U.S. Government Securities Business Day(s) prior to the end of each Interest Accrual Period] ⁵⁰
— SOFR Index _{Start} :	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ⁵¹
— SOFR Index _{End} :	[Not Applicable/[●] U.S. Government Securities Business Day(s)] ⁵²
— D:	[365/360/[●]] ⁵³
— Fallback Provisions:	[Condition 5(j)(1) (Independent Adviser)] ⁵⁴ /[Condition 5(j)(2) (Benchmark Discontinuation (SOFR))]
 (j) ISDA Determination:	
— ISDA Definitions:	[2006 ISDA Definitions]/[2021 ISDA Definitions]
— Floating Rate Option:	[●] ⁵⁵
— Designated Maturity:	[●]/[Not Applicable] ⁵⁶
— Reset Date:	[●]
— Compounding:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining items of this subparagraph)</i>
— [Compounding Method:	[Compounding with Lookback Lookback: [●] Applicable Business Days] [Compounding with Observation Period Shift Observation Period Shift: [●] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [●]/[Not Applicable]]

⁵⁰ Only applicable in the case of Simple SOFR Average, Compounded SOFR Average: SOFR Payment Delay or Compounded SOFR Average: SOFR Lockout.

⁵¹ Only applicable in the case of SOFR Index Average.

⁵² Only applicable in the case of SOFR Index Average.

⁵³ “D” will normally be 360.

⁵⁴ To be included in all cases except where the parties have agreed, in respect of an issuance where the Reference Rate is SOFR Benchmark, to the inclusion of the Benchmark Discontinuation (SOFR) fallback provisions instead.

⁵⁵ Ensure this is a Floating Rate Option included in the Floating Rate Matrix (as defined in the 2021 ISDA Definitions) if 2021 ISDA Definitions selected.

⁵⁶ A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate.

	[Compounding with Lockout]
	Lockout: [●] Lockout Period Business Days
	Lockout Period Business Days: [●]/[Applicable Business Days]
— Averaging:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining items of this subparagraph)</i>
— [Averaging Method:	[Averaging with Lookback]
	Lookback: [●] Applicable Business Days]
	[Averaging with Observation Period Shift]
	Observation Period Shift: [●] Observation Period Shift Business Days
	Observation Period Shift Additional Business Days: [●]/[Not Applicable]
	[Averaging with Lockout]
	Lockout: [●] Lockout Period Business Days
	Lockout Period Business Days: [●]/[Applicable Business Days]
— Index Provisions:	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining items of this subparagraph)</i>
— [Index Method:	Compounded Index Method with Observation Period Shift]
	Observation Period Shift: [●] Observation Period Shift Business Days
	Observation Period Shift Additional Business Days: [●]/[Not Applicable]
(k) Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short][first/last] Interest Period shall be calculated using linear interpolation (<i>specify for each short or long Interest Period</i>)]
(l) Margin(s):	[+/-][●] per cent. per annum
(m) Minimum Rate of Interest:	[●] per cent. per annum
(n) Maximum Rate of Interest:	[●] per cent. per annum
(o) Day Count Fraction:	[●]

- (p) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
- 16 Zero Coupon Note Provisions:** [Applicable/Not Applicable]
- (a) Amortisation Yield: [●] per cent. per annum
- (b) Day Count Fraction in relation to Early Redemption Amounts: [30/360/Actual/Actual (ICMA/ISDA)/[●]]
- (c) Any other formula/basis of determining amount payable: [●]

PROVISIONS RELATING TO REDEMPTION

- 17 Call Option:** [Applicable/Not Applicable]
- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[●] per Calculation Amount]
[Condition 6(b) applies]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [●] per Calculation Amount
- (ii) Maximum Redemption Amount: [●] per Calculation Amount
- (d) Notice period: [●]
- 18 Put Option:** [Applicable/Not Applicable]
- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
[Condition 6(b) applies]
- (c) Notice period: [●]
- 19 Change of Control Put:** [Applicable/Not Applicable]
- (a) Change of Control Put Date: [●]
- (b) Change of Control Put Period: [●]
- 20 Final Redemption Amount of each Note:** [●] per Calculation Amount
- 21 Early Redemption Amount:** [Applicable/Not Applicable]
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of [●]

calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | |
|---|--|
| 22 Form of Notes: | Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

Registered Notes:

[Regulation S Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg] / [a sub-custodian for the CMU Service operated by the HKMA]] |
| 23 Financial Centre(s) or other special provisions relating to payment dates: | [Not Applicable/[●]] |
| 24 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes [●]/No] |
| 25 Prohibition of Sales to EEA Retail Investors: | [Applicable/Not Applicable]

<i>(If the PR Exempt Instruments clearly do not constitute "packaged" products or the PR Exempt Instruments do constitute "packaged" products and a key information document ("KID") will be prepared in the EEA, "Not Applicable" should be specified. If the PR Exempt Instruments constitute or potentially constitute "packaged" products and no KID will be prepared in the EEA, "Applicable" should be specified)</i> |
| 26 Prohibition of Sales to UK Retail Investors: | [Applicable/Not Applicable]

<i>(If the PR Exempt Instruments clearly do not constitute "packaged" products or the PR Exempt Instruments do constitute "packaged" products and a key information document ("KID") will be prepared in the UK, "Not Applicable" should be specified. If the PR Exempt Instruments constitute or potentially constitute "packaged" products and no KID will be prepared in the UK, "Applicable" should be specified)</i> |
| 27 Other terms or special conditions: | [Not Applicable/give details] |

Signed on behalf of QNB Finance Ltd:

By:
Duly authorised

Signed on behalf of Qatar National Bank (Q.P.S.C.):

By:
Duly authorised

PART B — OTHER INFORMATION

1 Listing

- (a) Listing: /None
- (b) Admission to trading: /Not Applicable
- (c) Estimate of total expenses related to admission to trading:

2 Ratings:

The Notes to be issued have been rated:

[S&P:

[Moody's:

[Fitch:

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

3 [Interests of Natural and Legal Persons Involved in the Issue/Offer]

[Save as discussed in ["*Subscription and Sale/General Information*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

4 Reasons for the Offer and Estimated Net Proceeds

- (a) Reasons for the offer: [General corporate purposes/*Give details*] [Green Bonds/Social Bonds/Sustainability Bonds]
- [(b)] Estimated net proceeds:

5 [Fixed Rate Notes only—Yield]

Indication of yield:

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6 Operational Information

ISIN:

Common Code:

Trade Date:

CMU Instrument Number: /Not Applicable

CFI: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]

FISN: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the

<p>Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the CMU Service and the relevant identification number(s):</p>	<p>National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]</p> <p>[Not Applicable/[●]]</p> <p>[The Notes will be cleared through the CMU Service. CMU Instrument Number: [●].</p> <p>[Persons holding a beneficial interest in the Notes through Euroclear or Clearstream, Luxembourg will hold their interests through an account opened and held by Euroclear or Clearstream, Luxembourg (as applicable) with the CMU Operator.]</p>
<p>Names and addresses of initial Paying Agent(s):</p>	<p>[●]</p>
<p>Names and addresses of additional Paying Agent(s) (if any):</p>	<p>[●]</p>

7 Distribution

<p>(a) Method of distribution:</p>	<p>[Syndicated/Non-syndicated]</p>
<p>(b) If syndicated, names of Managers:</p>	<p>[Not Applicable/<i>give names</i>]</p>
<p>(c) Stabilisation Manager(s) (if any):</p>	<p>[Not Applicable/<i>give names</i>]</p>
<p>(d) If non-syndicated, name of Dealer:</p>	<p>[Not Applicable/<i>give name</i>]</p>
<p>(e) US Selling Restrictions:</p>	<p>[Reg. S Compliance Category [1/2/3]; TEFRA C/TEFRA D/TEFRA not applicable]</p>
<p>(f) Singapore Sales to Institutional Investors and Accredited Investors only:</p>	<p>[Applicable/Not Applicable]</p>
<p>(g) Additional selling restrictions:</p>	<p>[Not Applicable/<i>give details</i>]</p>

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Notes to be issued may be senior Notes (“Senior Notes”) or subordinated Notes (“Subordinated Notes”). In the case of PR Exempt Instruments issued under the Programme, references to the Final Terms in these Conditions shall be construed as references to the Pricing Supplement.

The Notes are issued pursuant to an agency agreement (as amended or supplemented as at the Issue Date, the “Agency Agreement”) dated 18 March 2024 between QNB Finance Ltd (the “Issuer”), Qatar National Bank (Q.P.S.C.) (the “Guarantor”), The Bank of New York Mellon, acting through its London Branch as fiscal agent, The Bank of New York Mellon, Hong Kong Branch as CMU lodging agent and paying agent, CMU transfer agent and CMU registrar (the “CMU Lodging and Paying Agent”, “CMU Transfer Agent” and “CMU Registrar”), and the other agents named in it and with the benefit of a deed of covenant (as amended or supplemented as at the Issue Date, the “Deed of Covenant”) dated 18 March 2024 executed by the Issuer and the Guarantor in relation to the Notes and a deed of guarantee (as amended or supplemented as at the Issue Date, the “Deed of Guarantee”) dated 18 March 2024 executed by the Guarantor in relation to the Notes. The fiscal agent, the lodging and paying agent in respect of CMU Notes, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the “Fiscal Agent”, the “CMU Lodging and Paying Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent and the CMU Lodging and Paying Agent), the “Registrar” (which expression shall include the CMU Registrar in respect of CMU Notes), the “Transfer Agents” (which expression shall include the CMU Transfer Agent in respect of CMU Notes) and the “Calculation Agent(s)”. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the “Conditions”), “Tranche” means Notes which are identical in all respects.

Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1. Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) in each case in the Specified Denomination(s) shown hereon, provided that, in the case of any Notes which are to be admitted to trading on the London Stock Exchange plc’s Main Market or offered to the public in the UK in circumstances which require the publication of a Prospectus under the UK Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

This Note may also be a Senior Note, or a Subordinated Note, as indicated in the applicable Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate), and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. No Exchange of Notes and Transfers of Registered Notes

(a) No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) **Transfer Free of Charge**

Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3. Guarantee and Status

(a) **Senior Guarantee**

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Senior Notes and the Coupons. Its obligations in that respect (the “**Senior Guarantee**”) are contained in the Deed of Guarantee.

(b) **Status of Senior Notes and Senior Guarantee**

The Senior Notes (being those Notes that specify their status as Senior) and the Coupons relating to them constitute direct, unconditional and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Coupons relating to them and of the Guarantor under the Senior Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other outstanding, present and future, unsecured and unsubordinated obligations of the Issuer and the Guarantor respectively.

(c) **Subordinated Guarantee**

The Guarantor has irrevocably and (subject as provided in the Subordinated Guarantee referred to below) unconditionally guaranteed the due payment of all sums expressed to be payable by the Issuer under the Subordinated Notes and Coupons on a subordinated basis. Its obligations in that respect (the “**Subordinated Guarantee**”) are contained in the Deed of Guarantee.

The payment obligations of the Guarantor under the Subordinated Guarantee will be subordinated to all unsubordinated payment obligations of the Guarantor in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior to the payment obligations under the Subordinated Guarantee and in priority to all claims of shareholders of the Guarantor. The rights of the holders of Subordinated Notes against the Guarantor are subordinated in right of payment to the claims of all Senior Creditors of the Guarantor and, accordingly, payments under the Subordinated Guarantee by the Guarantor are conditional upon the Guarantor being solvent at the time of such payment and no payment shall be payable by the Guarantor in respect of the Subordinated Guarantee except to the extent that the Guarantor could make such payment, and any other payment required to be made to a creditor in respect of indebtedness which ranks or is expressed to rank *pari passu* with, or senior to, the Subordinated Guarantee and still be solvent immediately thereafter. For this purpose, the Guarantor shall be solvent if (i) it is able to pay its debts as they fall due and (ii) its assets exceed its liabilities, and the term “**Senior Creditors of the Guarantor**” shall mean creditors of the Guarantor (including depositors) other than creditors in respect of indebtedness where, by the terms of such indebtedness, the claims of the holders of that indebtedness rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Subordinated Notes and the Coupons relating to them.

Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Subordinated Guarantee. No collateral is or will be given for the payment obligations under the Subordinated Guarantee, and any collateral that may have been or may in the future be given in connection with other indebtedness of the Guarantor shall not secure the payment obligations under the Subordinated Guarantee.

(d) **Status of Subordinated Notes**

The Subordinated Notes (being those Notes that specify their status as Subordinated) and the Coupons relating to them constitute direct, conditional and, as described below, unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) will be subordinated to all unsubordinated payment obligations of the Issuer in the manner described below but will rank *pari passu* with all other subordinated payment obligations of the Issuer which do not rank or are not expressed by their terms to rank junior to the payment obligations under the Subordinated Notes and in priority to all claims of shareholders of the Issuer. The rights of the holders of Subordinated Notes against the Issuer are subordinated in right of payment to the claims of all Senior Creditors of the Issuer and, accordingly, payments in respect of the Subordinated Notes (whether on account of principal, interest or otherwise) by the Issuer are conditional upon the Issuer being solvent at the time of such payment, and no payment shall be payable by the Issuer in respect of the Subordinated Notes except to the extent that the Issuer could make such payment and any other payment required to be made to a creditor in respect of indebtedness which ranks or is expressed to rank *pari passu* with the Subordinated Notes and still be solvent immediately thereafter. For this purpose, the Issuer shall be solvent if (i) it is able to pay its debts as they fall due and (ii) its assets exceed its liabilities, and the term “**Senior Creditors**” shall mean creditors of the Issuer (including depositors) other than creditors in respect of indebtedness where, by the terms of such indebtedness, the claims of the holders of that indebtedness rank or are expressed to rank *pari passu* with, or junior to, the claims of the holders of the Subordinated Notes and the Coupons relating to them.

Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Note. No collateral is or will be given for the payment obligations under the Subordinated Notes, and any collateral that may have been or may in the future be given in connection with other indebtedness of the Issuer shall not secure the payment obligations under the Subordinated Notes.

4. Negative Pledge

This Condition 4 only applies to Senior Notes.

So long as any Senior Note or Coupon remains outstanding (as defined in the Agency Agreement) neither the Issuer nor the Guarantor will, and the Issuer and the Guarantor will procure that none of their respective Principal Subsidiaries (as defined below) will, create, permit to subsist or have outstanding any mortgage, charge, lien, pledge or other security interest other than a Permitted Security Interest (each, a “**Security Interest**”) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) or any part thereof to secure (i) any Relevant Indebtedness (as defined below) or Relevant Sukuk Obligation (as defined below), or (ii) any guarantee or indemnity in respect of any Relevant Indebtedness or Relevant Sukuk Obligation, unless the Issuer or the Guarantor, as the case may be, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (a) all amounts payable by it under the Senior Notes, Coupons and/or the Deed of Guarantee, as the case may be, are secured by the Security Interest equally and rateably with the Relevant Indebtedness, Relevant Sukuk Obligation, guarantee or indemnity, as the case may be; or
- (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purposes of these Conditions:

“**Excluded Subsidiary**” means at any time a Subsidiary of the Issuer or the Guarantor, as the case may be, which is a special purpose entity whose principal assets are constituted by a project or projects and none of whose Indebtedness or Sukuk Obligations are directly or indirectly the subject of security or a guarantee, indemnity or any other form of assurance, undertaking or support from the Issuer or the Guarantor or any of their respective Principal Subsidiaries.

“**Group**” means the Guarantor together with its Subsidiaries.

“**Indebtedness**” means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility;
- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing,

and for the avoidance of doubt “**Indebtedness**” shall be deemed to include any debt or other financing arrangement issued (or intended to be issued) in compliance with the principles of Shariah, whether entered into directly or indirectly by the Issuer or the Guarantor or a member of the Group, as the case may be.

“**Permitted Security Interest**” means any Security Interest (i) in respect of any Relevant Indebtedness or Relevant Sukuk Obligation of any member of the Group incurred (a) to finance the ownership, acquisition, development, redevelopment or operation of any asset or (b) to finance or

facilitate the receipt of any specified asset, revenues or receivables in respect of which the Person or Persons to whom any such Relevant Indebtedness or Relevant Sukuk Obligation is or may be owed by such member of the Group (for the purposes of this definition, the “**Borrower**”) has or have no recourse whatsoever to any other member of the Group for the repayment thereof other than (1) recourse to the relevant Borrower for amounts limited to the cash flow or the net cash flow from such asset, revenues or receivables, as the case may be, and/or (2) recourse to the proceeds of enforcement of any Security Interest (x) given by such Borrower over such asset, revenues or receivables or the income, cash flow or other proceeds deriving therefrom and/or (y) given by any owner of a voting equity interest in a Borrower over such equity interest to secure such Relevant Indebtedness or Relevant Sukuk Obligation; provided that the extent of such recourse to such Borrower is limited solely to the amount of any recoveries made in respect of such enforcement; (ii) securing Relevant Indebtedness or Relevant Sukuk Obligations of any Person existing at the time that such Person is acquired by or merged into or consolidated with any member of the Group; provided, however, that such Security Interest was not created in contemplation of such acquisition, merger or consolidation and does not extend to any assets or property of any member of the Group other than that of such Person prior to such acquisition, merger or consolidation, as the case may be; or (iii) upon, or with respect to, any present or future business, undertakings, assets or revenues of any member of the Group, including any uncalled capital or any part thereof, which is created pursuant to any Relevant Indebtedness or any Relevant Sukuk Obligation whereby the payment obligations in connection therewith are secured on a segregated pool of assets (whether held by the Issuer, the Guarantor or any of their respective Principal Subsidiaries, as the case may be, or any third party guarantor) (any such Relevant Indebtedness or Relevant Sukuk Obligation, a “**Covered Bond**”), provided that, the then aggregate existing balance sheet value of receivables subject to such Security Interest, when aggregated with any and all existing Security Interests, in each case created in respect of Covered Bonds does not, on the date of the relevant issuance, exceed 15.0 per cent. of the consolidated total assets of the Group (as shown in the then most recent audited consolidated financial statements of the Group).

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“**Principal Subsidiary**” means, in relation to the Issuer or the Guarantor, any Subsidiary not being an Excluded Subsidiary (i) whose total assets represent not less than 10.0 per cent. of the consolidated total assets of the Issuer or the Guarantor (as the case may be) and its Subsidiaries taken as a whole, (ii) whose external revenues are not less than 10.0 per cent. of the consolidated revenues of the Issuer or the Guarantor (as the case may be) and its Subsidiaries taken as a whole, in each case in respect of the immediately preceding sub-paragraphs (i) and (ii), as calculated by reference to the most recent audited consolidated financial statements of the Issuer or the Guarantor (as the case may be) or (iii) to which is transferred all or substantially all of the business, undertaking or assets of a Subsidiary that immediately prior to such transfer is a Principal Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Principal Subsidiary and the transferee Subsidiary shall immediately become a Principal Subsidiary, but shall cease to be a Principal Subsidiary under this sub-paragraph (iii) (but without prejudice to the provisions of sub-paragraph (i) or (ii) above) upon publication of its next audited consolidated financial statements. If (i) the Issuer or any other Subsidiary of the Guarantor or the Issuer (as the case may be) shall not in respect of any relevant financial period for whatever reason produce audited accounts or (ii) the Issuer or any other Subsidiary of the Guarantor or the Issuer (as the case may be) shall not have produced at the relevant time for the calculations required pursuant to this definition audited accounts for the same period as the period to which the latest audited consolidated accounts of the Issuer or the Guarantor (as the case may be) and its Subsidiaries relate, then there shall be substituted for the purposes of this definition the management accounts of the Issuer or such Subsidiary (as the case may be) for such period.

A report by the Chief Executive Officer and the Chief Financial Officer (or any person who at any time carries out the equivalent functions of such person (regardless of such person’s title)) of the Issuer or the Guarantor, as applicable, that in their opinion a Subsidiary is or was or was not at any particular time or throughout a specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

“**Relevant Indebtedness**” means any present or future Indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock,

loan stock or other securities which for the time being are, or are intended to be, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market.

“**Relevant Sukuk Obligation**” means any undertaking or other obligation to pay any money given in connection with the issue of Islamic-compliant certificates, whether or not in return for consideration of any kind, which for the time being are, or are intended to be, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market.

“**Subsidiary**” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer or the Guarantor, as applicable.

“**Sukuk Obligation**” means any undertaking or other obligation to pay money given in connection with the issue of certificates whether or not in return for consideration of any kind.

5. Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date provided that if the Specified Currency is Renminbi and any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The amount of interest payable shall be determined in accordance with Condition 5(g).

(b) Interest on Floating Rate Notes

(i) **Interest Payment Dates:** Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(g). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) **Business Day Convention:** If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating:

- (1) if “2006 ISDA Definitions” is specified hereon, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”) and as amended and updated as at the Issue Date of the first Tranche of the Notes; or
- (2) if “2021 ISDA Definitions” is specified hereon, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Notes,

the ISDA Definitions and under which:

- a. the Floating Rate Option is as specified hereon;
- b. the Designated Maturity, if applicable, is a period specified hereon;
- c. the relevant Reset Date is as specified hereon; and
- d. if the Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable hereon and:
 - (1) Compounding with Lookback is specified as the Compounding Method hereon, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified hereon;
 - (2) Compounding with Observation Period Shift is specified as the Compounding Method hereon, then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method; (b) Observation Period Shift is the number of Observation Period Shift Business Days specified hereon, and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified hereon; or;
 - (3) Compounding with Lockout is specified as the Compounding Method hereon, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified hereon, and (c) Lockout Period Business Days, if applicable, are the days specified hereon;

- e. if the Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable hereon and:
 - (1) Averaging with Lookback is specified as the Averaging Method hereon, Lookback is the number of Applicable Business Days as specified hereon;
 - (2) Averaging with Observation Period Shift is specified as the Averaging Method hereon, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified hereon, and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified hereon; or
 - (3) Averaging with Lockout is specified as the Averaging Method hereon, (a) Lockout is the number of Lockout Period Business Days hereon, and (b) Lockout Period Business Days, if applicable, are the days specified hereon;

- f. if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable hereon, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified hereon and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified hereon; and

- h. in connection with any Compounding Method, Averaging Method or Index Method specified in the applicable Final Terms, references in the ISDA Definitions to:
 - (1) “Confirmation” shall be references to the applicable Final Terms;
 - (2) “Calculation Period” shall be references to the relevant Interest Accrual Period;
 - (3) “Termination Date” shall be references to the end date of the final Interest Accrual Period; and
 - (4) “Effective Date” shall be references to the Interest Commencement Date.

If the Final Terms specify “2021 ISDA Definitions” as the applicable ISDA Definitions:

- a. “Administrator/Benchmark Event” shall be disapplied; and

- b. if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be “Temporary Non-Publication – Alternative Rate” in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to “Calculation Agent Alternative Rate Determination” in the definition of “Temporary Non-Publication – Alternative Rate” shall be replaced by “Temporary Non-Publication Fallback – Previous Day’s Rate”.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Swap Transaction**”, “**Overnight Floating Rate Option**”, “**Compounding with Lookback**”, “**Compounding with Observation Period Shift**”, “**Compounding with Lockout**”, “**Applicable Business Days**”, “**Observation Period Shift Business Days**”, “**Observation Period Shift Additional Business Days**”, “**Lockout Period Business Days**”, “**Index Floating Rate Option**” and “**Compounded Index Method with Observation Period Shift**” have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms or (in the case of PR Exempt Instruments) the Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes

If “Applicable – Term Rate” is specified as the method of Screen Rate Determination in the applicable Final Terms:

- a. Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page at the Relevant Time on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- b. if the Relevant Screen Page is not available or, if subparagraph a.(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if subparagraph a.(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the Relevant Time, subject as provided below, the Calculation Agent shall request the principal Relevant Financial Centre office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be

the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- c. if paragraph b. above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered at the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Relevant Financial Centre interbank market or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in the Relevant Financial Centre interbank market provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest applicable to such Notes on the Interest Commencement Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (C) If “Applicable – SOFR Benchmark” is specified as the method of Screen Rate Determination hereon the Rate of Interest for each Interest Accrual Period will, subject to Condition 5(j) and as provided below, be equal to the relevant SOFR Benchmark plus or minus (if any) (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date. The “**SOFR Benchmark**” will be determined based on Simple SOFR Average,

Compounded SOFR Average or SOFR Index Average, as follows (subject in each case to Condition 5(j)):

- (1) If Simple SOFR Average (“**Simple SOFR Average**”) is specified hereon as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR reference rates for each day during the period, as calculated by the Calculation Agent, and where, if applicable and as specified hereon, the SOFR reference rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date.
- (2) If Compounded SOFR Average (“**Compounded SOFR Average**”) is specified hereon as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where SOFR Observation Lag, SOFR Payment Delay or SOFR Lockout is specified as applicable hereon to determine Compounded SOFR Average) or the SOFR Observation Period (where SOFR Observation Shift is specified as applicable hereon to determine Compounded SOFR Average).

Compounded SOFR Average shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable hereon:

- (i) SOFR Observation Lag:

$$\left(\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFRI-xUSBD**” for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to

that U.S. Government Securities Business Day “i”;

“ **Lookback Days**” means such number of U.S. Government Securities Business Days as specified hereon;

“ **d**” means the number of calendar days in the relevant Interest Accrual Period;

“ **d₀**” for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“ **i**” means a series of whole numbers ascending from one to d₀, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day “i”**”); and

“ **ni**”, for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

(ii) SOFR Observation Shift:

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“ **SOFR_i**” for any U.S. Government Securities Business Day “i” in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”;

“**SOFR Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior

to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“ **SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified hereon;

“ **d**” means the number of calendar days in the relevant SOFR Observation Period;

“ **d_o**”, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

“ **i**” means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period (each a “**U.S. Government Securities Business Day “i”**”); and

“ **ni**”, for any U.S. Government Securities Business Day “i”, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

(iii) SOFR Payment Delay:

$$\left(\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“ **SOFR_i**” for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”;

“**Interest Payment Date**” shall be the number of Interest Payment Delay Days following each Interest Period Date; provided that the Interest

Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the relevant Optional Redemption Date;

“ **Interest Payment Delay Days**” means the number of Business Days as specified hereon;

“ **d**” means the number of calendar days in the relevant Interest Accrual Period;

“ **d_o**” for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“ **i**” means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day “i”**”); and

“ **n_i**”, for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

For the purposes of calculating Compounded SOFR Average with respect to the final Interest Accrual Period where SOFR Payment Delay is specified hereon, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant Optional Redemption Date, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

(iv) SOFR Lockout:

$$\left(\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right) \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the nearest

one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR_i**” for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “i”, except that the SOFR for any U.S. Government Securities Business Day “i” in respect of the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Period Date for such Interest Accrual Period shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date;

“**d**” means the number of calendar days in the relevant Interest Accrual Period;

“**d_o**” for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to do, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period (each a “**U.S. Government Securities Business Day “i”**”); and

“**n_i**” for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “i” up to (but excluding) the following U.S. Government Securities Business Day.

- (3) If SOFR Index Average (“**SOFR Index Average**”) is specified as applicable hereon, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR Index_{End}}{SOFR Index_{Start}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

with the resulting percentage being rounded, if necessary, to the nearest one hundred-thousandth of a

percentage point (with 0.000005 per cent. being rounded upwards) and where:

“**SOFR Index**” means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator’s Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, provided that:

1. if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the “SOFR Index Average” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded SOFR Average formula described above in Condition 5(b)(iii)(C)(2)(ii) “SOFR Observation Shift”, and the term “SOFR Observation Shift Days” shall mean five U.S. Government Securities Business Days; or
2. if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(j)(1) or 5(j)(2) shall apply as specified hereon;

“**SOFR Index_{End}**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

“**SOFR Index_{Start}**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified hereon prior to the first day of the relevant Interest Accrual Period;

“**SOFR Index Determination Time**” means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

“**SOFR Observation Shift Days**” means the number of U.S. Government Securities Business Days as specified hereon; and

“**d_c**” means the number of calendar days in the applicable SOFR Observation Period.

- (D) If “Applicable – SONIA Benchmark” is specified as the method of Screen Rate Determination hereon:

the Rate of Interest for each Interest Accrual Period will, subject to Condition 5(j) and as provided below, be equal to the relevant SONIA Benchmark plus or minus (if any) (as indicated hereon) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date. The “**SONIA Benchmark**” will be determined based on SONIA Compounded Index Rate or SONIA Compounded Daily Reference Rate, as follows (subject in each case to Condition 5(j)):

- (1) If SONIA Compounded Index Rate (as defined below) is specified hereon as the manner in which the SONIA Benchmark will be determined, the SONIA Benchmark for each Interest Accrual Period shall be SONIA Compounded Index Rate as follows, plus or minus (as indicated hereon) the Margin:

“**SONIA Compounded Index Rate**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

$$\left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1 \right) \times \left(\frac{365}{d} \right)$$

provided, however, that and subject to Condition 5(j), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page for the determination of either or both of SONIA Compounded Index_{START} and SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Accrual Period on the basis of the SONIA Compounded Daily Reference Rate as set out in Condition 5(b)(iii)(D)(2) as if SONIA Compounded Daily Reference Rate with Observation Shift had been specified hereon and the “Relevant Screen Page” shall be deemed to be the “Relevant Fallback Screen Page” as specified hereon,

where:

“*d*” means the number of calendar days in the relevant Observation Period;

“**London Business Day**”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling “p” London Business Days prior to the first day of such Interest Accrual Period (and the first Observation Period shall begin on and include the date

which is “p” London Business Days prior to the Issue Date) and ending on (but excluding) the date which is “p” London Business Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling “p” London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“*p*” means, for any Interest Accrual Period the whole number specified hereon (or, if no such number is so specified, five London Business Days) representing a number of London Business Days;

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index_{END}**” means the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) in respect of an Interest Accrual Period, the Interest Payment Date for such Interest Accrual Period, or (ii) if the Notes become due and payable prior to the end of an Interest Accrual Period, the date on which the Notes become so due and payable;

“**SONIA Compounded Index_{START}**” means, in respect of an Interest Accrual Period, the SONIA Compounded Index Value on the date falling “p” London Business Days prior to (i) the first day of such Interest Accrual Period, or (ii) in the case of the first Interest Accrual Period, the Issue Date; and

“**SONIA Compounded Index Value**” means in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on such London Business Day.

- (2) If SONIA Compounded Daily Reference Rate (as defined below) is specified hereon as the manner in which the SONIA Benchmark will be determined, the SONIA Benchmark for each Interest Accrual Period shall be SONIA Compounded Daily Reference Rate as follows, plus or minus (as indicated hereon) the Margin:

“**SONIA Compounded Daily Reference Rate**” means, in respect of an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards,

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

Where :

“**London Business Day**”, “**Observation Period**” and “**p**” have the meanings set out under Condition 5(b)(iii)(D)(1);

“**d**” is the number of calendar days in the relevant:

- (i) Observation Period where Observation Shift is specified hereon; or
- (ii) Interest Accrual Period where Lag is specified hereon;

“**d_o**” is the number of London Business Days in the relevant:

- (i) Observation Period where Observation Shift is specified hereon; or
- (ii) Interest Accrual Period where Lag is specified hereon;

“**i**” is a series of whole numbers from one to do, each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in the relevant:

- (i) Observation Period where Observation Shift is specified hereon; or
- (ii) Interest Accrual Period where Lag is specified hereon;

“**n_i**”, for any London Business Day “**i**”, means the number of calendar days from and including such London Business Day “**i**” up to but excluding the following London Business Day;

“**SONIA_i**” means, in relation to any London Business Day the SONIA reference rate in respect of:

- (i) that London Business Day “**i**” where Observation Shift is specified hereon; or
- (ii) the London Business Day (being a London Business Day falling in the relevant Observation Period) falling “**p**” London Business Days prior to the relevant London Business Day “**i**” where Lag is specified hereon; and

the “**SONIA reference rate**”, in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page on the next following London Business Day or, if the Relevant Screen Page is unavailable, as published by authorised distributors on such London Business Day or, if SONIA cannot be obtained from such authorised distributors, as published on the Bank of England’s Website at

www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate).

- (3) Subject to Condition 5(j), where SONIA is specified as the Reference Rate hereon and either (i) SONIA Compounded Daily Reference Rate is specified hereon, or (ii) the SONIA Compounded Index Rate is specified hereon and Condition 5(b)(iii)(D)(2) applies, if, in respect of any London Business Day, the SONIA reference rate is not available on the Relevant Screen Page or Relevant Fallback Screen Page as applicable, (or as otherwise provided in the relevant definition thereof), such Reference Rate shall be:

- (x) (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate, or
- (y) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof) for the first preceding London Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof), and

in each case, SONIA_i shall be interpreted accordingly.

- (E) If “Applicable – SARON Benchmark” is specified as the method of Screen Rate Determination hereon, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SARON Benchmark plus or minus (if any) (as indicated hereon) the Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date. The “SARON Benchmark” will be determined based on SARON Compounded, as follows:

- (1) “**SARON Compounded**” means, with respect to any Interest Accrual Period, subject to Condition 5(b)(iii)(E)(4), the rate of return of a daily compound interest investment (with the daily overnight interest rate of the secured funding market for Swiss franc) as calculated by the Calculation Agent at the Specified Time on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_b} \left(1 + \frac{SARON_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d_c}$$

where:

“ d_b ” means the number of Zurich Banking Days in the relevant SARON Observation Period;

“ d_c ” means the number of calendar days in the relevant SARON Observation Period;

“ i ” indexes a series of whole numbers from one to “ d_b ”, representing the Zurich Banking Days in the relevant SARON Observation Period in chronological order from (and including) the first Zurich Banking Day in such SARON Observation Period;

“ ni ” means, in respect of any Zurich Banking Day “ i ”, the number of calendar days from (and including) such Zurich Banking Day “ i ” to (but excluding) the first following Zurich Banking Day;

“**SARON**” means, in respect of any Zurich Banking Day,

- (i) the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the Specified Time on such Zurich Banking Day; or
- (ii) if such rate is not so published on the SARON Administrator Website at the Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have not both occurred at or prior to the Specified Time on such Zurich Banking Day, the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the last preceding Zurich Banking Day on which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website; or
- (iii) if such rate is not so published on the SARON Administrator Website at the Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred at or prior to the Specified Time on such Zurich Banking Day,
 - (x) if there is a Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the Recommended Replacement Rate for such Zurich Banking Day, giving effect to the Recommended Adjustment Spread, if any, published on such Zurich Banking Day; or
 - (y) if there is no Recommended Replacement Rate within one Zurich Banking Day of the SARON Index

Cessation Effective Date, the policy rate of the Swiss National Bank (the “**SNB Policy Rate**”) for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any.

Notwithstanding the above, if the SNB Policy Rate for any Zurich Banking Day with respect to which SARON is to be determined pursuant to sub-paragraph (iii)(y) above has not been published on such Zurich Banking Day, then in respect of such Zurich Banking Day (the “**Affected Zurich Banking Day**”) and each Zurich Banking Day thereafter, SARON will be replaced by the Replacement Rate, if any, determined in accordance with Condition 5(b)(iii)(E)(3) for purposes of determining the Rate of Interest;

“**SARON Administrator**” means SIX Swiss Exchange Ltd (including any successor thereto) or any successor administrator of the Swiss Average Rate Overnight;

“**SARON Administrator Website**” means the website of the SARON Administrator;

“**SARON Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling five Zurich Banking Days prior to the first day of such Interest Accrual Period and ending on (but excluding) the date falling five Zurich Banking Days prior to the day on which such Interest Accrual Period ends (but which by its definition is excluded from such Interest Accrual Period);

“**SARON_{*i*}**” means, in respect of any Zurich Banking Day “*i*”, SARON for such Zurich Banking Day *i*;

“**Specified Time**” means, in respect of any Zurich Banking Day, close of trading on the trading platform of SIX Repo Ltd (or any successor thereto) on such Zurich Banking Day, which is expected to be on or around 6 p.m. (Zurich time); and

“**Zurich Banking Day**” means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

(2) As used in this Condition 5(b)(iii)(E):

“**Recommended Adjustment Spread**” means, with respect to any Recommended Replacement Rate, the spread (which may be positive, negative or zero), or formula or methodology for calculating such a spread:

(i) that the Recommending Body has recommended be applied to such Recommended Replacement Rate in the case of fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon; or

- (ii) if the Recommending Body has not recommended such a spread, formula or methodology as described in paragraph (i) above, to be applied to such Recommended Replacement Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with such Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, and be consistent with industry accepted practices for fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

“**Recommended Replacement Rate**” means the rate that has been recommended as the replacement for the Swiss Average Rate Overnight by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, *inter alia*, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the “**Recommending Body**”);

“**SARON Index Cessation Effective Date**” means the earliest of:

- (i) in the case of the occurrence of a SARON Index Cessation Event described in paragraph (i) of the definition thereof, the date on which the SARON Administrator ceases to provide the Swiss Average Rate Overnight;
- (ii) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(x) of the definition thereof, the latest of:
 - (x) the date of such statement or publication;
 - (y) the date, if any, specified in such statement or publication as the date on which the Swiss Average Rate Overnight will no longer be representative; and
 - (z) if a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-paragraphs (x) and (y) of this paragraph (ii), the date as of which the Swiss Average Rate

Overnight may no longer be used;
and

- (iii) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof, the date as of which the Swiss Average Rate Overnight may no longer be used;

“**SARON Index Cessation Event**” means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or
- (ii) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-paragraph (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives; and

“**SNB Adjustment Spread**” means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with the SNB Policy Rate for purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and a commercially reasonable manner, taking into account the historical median between the Swiss Average Rate Overnight and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred).

- (3) Unless the Issuer has elected to redeem the Notes in accordance with Condition 6, the Issuer will appoint a “**Replacement Rate Agent**” on or prior to the first Zurich Banking Day (a) with respect to which SARON is to be determined pursuant to paragraph (iii) of the definition of “SARON” and (b) for which the SNB Policy Rate has not been published thereon. The Issuer may appoint an affiliate of the Issuer or any other person as Replacement Rate Agent, so long as such affiliate or other person is a leading financial institution that is experienced in the calculations or determinations to be made by the Replacement Rate Agent. The Issuer will notify the Noteholders of any such appointment in accordance with Condition 14.

- (4) If the conditions set out in the last paragraph of the definition of “SARON” have been satisfied, then the Replacement Rate Agent

will determine whether to use an alternative rate to SARON for the Affected Zurich Banking Day and for all subsequent Zurich Banking Days in the SARON Observation Period in which the Affected Zurich Banking Day falls (the “**Affected SARON Observation Period**”) and all SARON Observation Periods thereafter. If the Replacement Rate Agent determines to use an alternative rate pursuant to the immediately preceding sentence, it shall select such rate that it has determined is most comparable to the Swiss Average Rate Overnight (the “**Existing Rate**”), provided that if it determines that there is an appropriate industry-accepted successor rate to the Existing Rate, it shall use such industry-accepted successor rate. If the Replacement Rate Agent has determined an alternative rate in accordance with the foregoing (such rate, the “**Replacement Rate**”), for purposes of determining the Rate of Interest, (i) the Replacement Rate Agent shall determine (A) the method for obtaining the Replacement Rate (including any alternative method for determining the Replacement Rate if such alternative rate is unavailable on the relevant Interest Determination Date), which method shall be consistent with industry-accepted practices for the Replacement Rate, and (B) any adjustment factor as may be necessary to make the Replacement Rate comparable to the Existing Rate consistent with industry-accepted practices for the Replacement Rate, (ii) for the Affected Zurich Banking Day and all subsequent Zurich Banking Days in the Affected SARON Observation Period and all SARON Observation Periods thereafter, references to SARON in these Conditions shall be deemed to be references to the Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in paragraph (i) above, (iii) if the Replacement Rate Agent determines that changes to the definitions of Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Accrual Period, SARON, SARON Observation Period, Specified Time or Zurich Banking Day are necessary in order to implement the Replacement Rate as SARON, such definitions will be amended as contemplated in Condition 11 to reflect such changes, and (iv) the Issuer shall give notice as soon as practicable to the Fiscal Agent, the Calculation Agent, the Principal Paying Agent, any other Paying Agent and, in accordance with Condition 14, the Noteholders, specifying the Replacement Rate, as well as the details described in paragraph (i) above. Any determination to be made by the Replacement Rate Agent pursuant to this Condition 5(b)(iii)(E)(4), including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be made in the sole discretion of the Replacement Rate Agent acting in good faith and in a commercially reasonable manner.

- (F) If the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 5(j), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual

Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified hereon, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (G) Unless otherwise stated in the applicable Final Terms or (in the case of PR Exempt Instruments) the Pricing Supplement, the Minimum Rate of Interest for Floating Rate Notes shall be deemed to be zero.

(c) **Linear Interpolation**

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period; provided, however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as the Issuer shall determine appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(d) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(e) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(f) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding**

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that, if the eighth significant figure is a five or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

(g) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts**

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of

adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall, subject in the case of each of the SONIA Compounded Index Rate and the SONIA Compounded Daily Reference Rate to Condition 5(b)(iii)(D) nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) **Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(j) **Benchmark Discontinuation**

(1) *Independent Adviser*

This Condition 5(j)(1) shall apply unless (a) “Condition 5(j)(2) Benchmark Discontinuation (SOFR)” is specified as applicable hereon or (b) “Screen Rate Determination – SARON Benchmark” is specified as applicable hereon and the Reference Rate is SARON Compounded.

(i) *Appointment of Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer or the Guarantor, as the case may be, shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(j)(1)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(j)(1)(iv)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 5(j)(1) shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Guarantor, the Fiscal Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(j)(1).

If (A) the Issuer or the Guarantor, as the case may be, is unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by the Issuer or the Guarantor, as the case may be, fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(j)(1) prior to the date which is 10 business days prior to the relevant Interest Determination Date, the Rate of

Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(j)(1). For the purposes of this Condition 5(j)(1)(i) and Condition 5(j)(1)(v) only, “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Calculation Agent.

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(j)(1)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(j)(1)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(j)(1) and the Independent Adviser determines (A) that amendments to the Agency Agreement and/or these Conditions, including, but not limited to amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Interest Determination Date, the definition of Business Days, and/or the definition of Reference Rate applicable to the Notes, are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “Benchmark Amendments”) and (B) the terms of the Benchmark Amendments, then the Issuer or the Guarantor, as the case may be, shall, subject to giving notice thereof in accordance with Condition 5(j)(1)(v), without any requirement for the consent or approval of Noteholders, vary the Agency Agreement and/or these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

Notwithstanding any other provision of this Condition 5(j)(1), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer, the Guarantor

or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(j)(1) which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 5(j)(1)(iv), the Issuer or the Guarantor, as the case may be, shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 5(j)(1), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer or the Guarantor, the same could reasonably be expected to prejudice the qualification of the Subordinated Notes as tier 2 capital (in accordance with the applicable requirements of the Qatar Central Bank (or any successor thereto as the relevant regulator of banks in the State of Qatar)).

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined in accordance with this Condition 5(j)(1) will be notified at least 10 business days prior to the relevant Interest Determination Date by the Issuer or the Guarantor, as the case may be, to the Fiscal Agent, the Calculation Agent and the Paying Agents. In accordance with Condition 14, notice shall be provided to the Noteholders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer or the Guarantor, as the case may be, shall deliver to the Fiscal Agent, the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer or the Guarantor, as the case may be:

- (A) confirming (w) that a Benchmark Event has occurred, (x) the Successor Rate or, as the case may be, the Alternative Rate, (y) the applicable Adjustment Spread and (z) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(j)(1);
- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread; and
- (C) certifying that (i) the Issuer or the Guarantor, as the case may be, has duly consulted with an Independent Adviser with respect to each of the matters above or, if that is not the case, (ii) explaining, in reasonable detail, why the Issuer and/or the Guarantor has not done so.

The Fiscal Agent shall display such certificate at its offices, for inspection by the Noteholders at all reasonable times during normal business hours.

Each of the Fiscal Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will

(in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal Agent's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Guarantor, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 5(j)(1), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5(j)(1), the Calculation Agent shall promptly notify the Issuer and the Guarantor thereof and the Issuer and the Guarantor shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer and the Guarantor thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer and the Guarantor under Conditions 5(j)(1)(i), 5(j)(1)(ii), 5(j)(1)(iii) and 5(j)(1)(iv), the Original Reference Rate and the fallback provisions provided for in Conditions 5(b)(iii)(A) and 5(b)(iii)(B) will continue to apply unless and until a Benchmark Event has occurred.

(2) *Benchmark Discontinuation (SOFR)*

This Condition 5(j)(2) shall only apply where "Condition 5(j)(2) Benchmark Discontinuation (SOFR)" is specified as applicable hereon.

(i) *Benchmark Replacement*

If the Issuer, the Guarantor or any of their respective designees determine on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(ii) *Benchmark Replacement Conforming Changes*

In connection with the implementation of a Benchmark Replacement, the Issuer, the Guarantor or any of their respective designees will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, any of the Agents shall, at the direction and expense of the Issuer or the Guarantor, as the case may be, effect such consequential amendments to the Agency Agreement and these Conditions as may be required to give effect to this Condition 5(j)(2). Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by any of the Agents (if required). Further, none of the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer, the Guarantor or any of their respective designees with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(iii) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer, the Guarantor or any of their respective designees pursuant to this Condition 5(j)(2), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer, the Guarantor or any of their respective designees, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(iv) *The following defined terms shall have the meanings set out below for the purpose of this Condition 5(j)(2):*

“**Benchmark**” means, initially, the relevant SOFR Benchmark specified hereon; provided that if the Issuer, the Guarantor or any of their respective designees determine on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer, the Guarantor or any of their respective designees as of the Benchmark Replacement Date:

- (1) the sum of:

- (i) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
 - (ii) the Benchmark Replacement Adjustment;
- (2) the sum of:
- (i) the ISDA Fallback Rate; and
 - (ii) the Benchmark Replacement Adjustment; or
- (3) the sum of:
- (i) the alternate reference rate that has been selected by the Issuer, the Guarantor, or any of their respective designees as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and
 - (ii) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer, the Guarantor or any of their respective designees as of the Benchmark Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer, the Guarantor or any of their respective designees giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer, the Guarantor or any of their respective designees decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer, the Guarantor or any of their respective designees decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer, the Guarantor or any of their respective designees determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer, the Guarantor or any of their respective designees determine is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (1) in the case of sub-paragraph (1) or (2) of the definition of “Benchmark Event”, the later of:
 - (i) the date of the public statement or publication of information referenced therein; and
 - (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (2) in the case of sub-paragraph (3) of the definition of “Benchmark Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“designee” means a designee as selected and separately appointed by the Bank in writing;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time, including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented from time to time);

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Reference Time” with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Simple SOFR Average or Compounded SOFR Average is specified as applicable hereon) or SOFR Index Determination Time (where SOFR Index Average is specified as applicable hereon), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer, the Guarantor or any of their respective designees after giving effect to the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(k) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Adjustment Spread” means either (i) a spread (which may be positive, negative or zero) or (ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (1) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (2) the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
- (3) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(j)(1)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in Condition 5(j)(1)(iv).

“Benchmark Event” means:

- (1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes or
- (5) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (6) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer, the Guarantor or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (2) and (3) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (4) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (5) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer or the Guarantor and promptly notified to the Fiscal Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Fiscal Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

“**Bloomberg Screen SOFRRATE Page**” means the Bloomberg screen designated “SOFRRATE” or any successor page or service.

“**Business Day**” means:

- (1) in the case of a currency other than euro and Renminbi, and unless the applicable Final Terms specify that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;
- (2) if the applicable Final Terms specify that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York or one or more Business Centres and is not a date on which banking institutions in those cities or Business Centres are authorised or required by law or regulation to be closed;
- (3) in the case of euro, any day on which T2 is open for the settlement of payments in euro (a “**TARGET Business Day**”);
- (4) in the case of Notes to be cleared through the CMU, a day on which banks and foreign exchange markets are open for general business in the city of the CMU Lodging and Paying Agent’s specified office;
- (5) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (6) in the case of a currency and/or one or more Business Centres, and unless the applicable Final Terms specify that the Floating Rate Note Provisions apply and the Reference Rate is SOFR Benchmark, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“**CMU Notes**” means Notes denominated in any lawful currency which the CMU Service accepts for settlement from time to time that are, or are intended to be, cleared through the CMU Service.

“**CMU Service**” or “**CMU**” means the Central Moneymarkets Unit Service operated by the HKMA.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding

the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (1) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (2) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (3) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (4) if “**Actual 365 (Sterling)**” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (5) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (6) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

- “Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and
- “D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (7) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and
- “D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

- (8) if “**Actual/Actual-ICMA**” is specified hereon,

- (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (ii) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the

number of Determination Periods normally ending in any year;
and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“**Euro-zone**” means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

“**HKMA**” means the Hong Kong Monetary Authority appointed pursuant to Section 5A of the Exchange Fund Ordinance (Cap. 66 of the Laws of Hong Kong) or its successors.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the Peoples’ Republic of China.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer or the Guarantor, as the case may be, under Condition 5(j)(1)(i).

“**Interest Accrual Period**” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date.

“**Interest Amount**” means:

- (1) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part provided that if the Specified Currency is Renminbi, the Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01 (CNY0.005 being rounded upwards); and
- (2) in respect of any other period, the amount of interest payable per Calculation Amount for that period “**Interest Commencement Date**” means the Issue Date or such other date as may be specified hereon.

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in

Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (v) the fourth U.S. Government Securities Business Day prior to the last day of each Interest Accrual Period if SOFR Benchmark is specified hereon as the Reference Rate and where Simple SOFR Average is applicable hereon or where SOFR Observation Lag, SOFR Observation Shift or SOFR Lockout is specified as applicable hereon to determine Compounded SOFR Average or where SOFR Index Average is specified as applicable hereon or (vi) the Interest Period Date at the end of each Interest Accrual Period, provided that the Interest Determination Date with respect to the final Interest Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date if SOFR Benchmark is specified hereon as the Reference Rate and where SOFR Payment Delay is specified as applicable hereon to determine Compounded SOFR Average.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified hereon.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions or the 2021 ISDA Interest Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc., as specified in the applicable Final Terms.

“Lock-out Period” means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Period Date.

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

“Rate Cut-Off Date” means the date that is “q” U.S. Government Securities Business Days prior to the Maturity Date or any earlier redemption date, as applicable (where “q” is the number of U.S. Government Securities Business Days in the Rate Cut-Off Period specified in the applicable Final Terms).

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means four major banks selected by the Issuer in the interbank market that is most closely connected with the Reference Rate.

“Reference Day” means each U.S. Government Securities Business Day in the relevant Interest Accrual Period, other than any U.S. Government Securities Business Day in the Lock-out Period.

“Reference Rate” means one of the following benchmark rates (as specified in the relevant Final Terms) in respect of the currency and period specified in the relevant Final Terms:

- (i) EURIBOR;
- (ii) KIBOR;
- (iii) SHIBOR;
- (iv) HIBOR;
- (v) CNH HIBOR;

- (vi) KLIBOR;
- (vii) TLREF;
- (viii) SIBOR;
- (ix) EIBOR;
- (x) TIBOR;
- (xi) SAIBOR;
- (xii) BBSW;
- (xiii) MIBOR;
- (xiv) PRIBOR;
- (xv) LIBID;
- (xvi) LIMEAN;
- (xvii) SOFR Benchmark;
- (xviii) SONIA Benchmark; or
- (xix) SARON Benchmark.

“**Relevant Financial Centre**” means the financial centre specified as such hereon.

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“**Relevant Time**” means the time specified as such hereon.

“**Reuters Page USDSOFR**” means the Reuters page designated “USDSOFR” or any successor page or service.

“**SOFR**” means, in respect of any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website;
- (ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website; or
- (iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 5(j)(1) or Condition 5(j)(2) shall apply as specified hereon.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate).

“**SOFR Administrator's Website**” means the website of the SOFR Administrator.

“**SOFR Benchmark Transition Event**” means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark.

“**SOFR Determination Time**” means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

“**SOFR Rate Cut-Off Date**” means the date that is a number of U.S. Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable, as specified hereon.

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system.

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

6. Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount). In the case of Fixed Rate Notes where the Specified Currency is Renminbi, if the Maturity Date falls on a day which is not a Business Day, the Maturity Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Maturity Date shall be brought forward to the immediately preceding Business Day.

(b) **Early Redemption**

Zero Coupon Notes:

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note shall be the Amortised Face Amount (calculated as provided below) of such Note upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 unless otherwise specified hereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, (but subject to consent, in the case of Subordinated Notes, having been obtained from the Central Bank of Qatar (the “**Regulator**”, which expression shall include any successor thereto as the relevant regulator of banks in Qatar, where required)) on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or, if the Senior Guarantee in the case of Senior Notes, or the Subordinated Guarantee, in the case of Subordinated Notes, were called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (in the case of payment by the Issuer) or Qatar (in the case of payment by the Guarantor) or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes (save in each case where such additional amounts are payable under the Income Tax Law No. (24) of 2018 of Qatar and/or The Executive Regulations issued in December 2019, in each case as originally enacted), and (ii) such obligation cannot be avoided by the Issuer

(or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or either Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) **Redemption at the Option of the Issuer**

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) **Redemption at the Option of Noteholders**

(A) If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(B) If Change of Control Put Event is specified hereon and a Change of Control Put Event occurs, the holder of any such Note will have the option (a "**Change of Control Put Option**") (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under

Conditions 6(c) or 6(d) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at its nominal amount together with interest accrued to (but excluding) the Change of Control Put Date.

A "**Change of Control Put Event**" will be deemed to occur if at any time the Government of Qatar ceases to own, directly or indirectly, through the Qatar Investment Authority or otherwise 50.0 per cent. of the issued share capital of the Guarantor.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of a Bearer Note must deliver such Note to the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the "**Change of Control Put Period**") of 30 days after a Change of Control Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Change of Control Put Notice**"). The Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven Business Days after the expiration of the Change of Control Put Period (the "**Change of Control Put Date**"), failing which the Paying Agent will require payment from or on behalf of the Noteholder of an amount equal to the face value of any missing such Coupon. Any amount so paid will be reimbursed to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefore issued pursuant to Condition 12) at any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter. The Paying Agent to which such Note and Change of Control Put Notice are delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office of any Paying Agent. A Change of Control Put Notice, once given, shall be irrevocable. For the purposes of these Conditions, receipts issued pursuant to this Condition 6(e) shall be treated as if they were Notes.

To exercise the Change of Control Put Option, the holder of a Registered Note must deposit the Certificate evidencing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly signed and completed Change of Control Put Notice obtainable from the Registrar or any Transfer Agent within the Change of Control Put Period. No Certificate so deposited and option so exercised may be withdrawn without the prior consent of the Issuer. Payment in respect of any Certificate so deposited will be made, if the holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date by transfer to that bank account and, in every other case, by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

(f) **Purchases**

Each of the Issuer, the Guarantor and their Subsidiaries as defined in the Agency Agreement (with the consent of the Regulator in the case of Subordinated Notes) may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price and such Notes may be held, resold or, at the option of the Issuer or the Guarantor or any of their respective Subsidiaries, as the case may be, surrendered to the Paying Agent for cancellation.

(g) **Cancellation**

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged. Notes so purchased, if not surrendered for cancellation, may also be held to maturity or resold in the open market or otherwise.

7. **Payments and Talons**

(a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(v)), as the case may be:

- (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank.
- (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 7(a), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to T2.

(b) **Registered Notes**

(i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:

(x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may

be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(c) **Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments Subject to Fiscal Laws**

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, in the place of payment but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Appointment of Agents**

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a CMU Lodging and Paying Agent in relation to CMU Notes, (iii) a Registrar in relation to Registered Notes, (iv) a Transfer Agent in relation to Registered Notes, (v) one or more Calculation Agent(s) where the Conditions so require and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and unexchanged Talons**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, those Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) **Non-Business Days**

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:

- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8. Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes and the Coupons or under the Senior Guarantee and the Subordinated Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Cayman Islands or Qatar or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) *Other connection:* to, or to a third-party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Cayman Islands or, in the case of payments by the Guarantor, Qatar other than the mere holding of the Note or Coupon; or
- (b) *Presentation more than 30 days after the Relevant Date:* presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

9. Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

- (a) **Events of Default for Subordinated Notes:** This Condition 10(a) only applies to Subordinated Notes:
 - (i) If default is made in the payment of any principal or interest due under the Notes or any of them and the default continues for a period of seven days or more in the case of principal and 14 days or more in the case of interest, or

- (ii) If default is made in any payment due under the Deed of Guarantee and the default continues for a period of 14 days, then any Noteholder may give written notice to the Issuer and the Guarantor at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, that such Note is due and payable, whereupon the same shall, subject to Condition 3, become forthwith due and payable at its nominal amount, together with accrued interest (if any) to the date of repayment without presentation, demand, protest or other notice of any kind and the Noteholder shall be entitled to the remedy set out in Condition 10(a)(iv),
- (iii) If any one or more of the following events shall occur and be continuing:
 - (A) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or the Guarantor save for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution of Noteholders; or
 - (B) any event which under the laws of the Cayman Islands or Qatar or any other jurisdiction has an analogous effect to any of the events referred to in paragraph (A) above,

the rights and claims of the Subordinated Noteholders against (A) the Issuer in respect of or arising under the Subordinated Notes, or (B) the Guarantor in respect of or arising under the Subordinated Guarantee will, in each case, be subordinated in the manner provided in Condition 3(d) in the case of the Subordinated Notes and Condition 3(c) in the case of the Subordinated Guarantee.

- (iv) No remedy against the Issuer or the Guarantor other than petitioning for the winding up or liquidation of the Issuer and/or the Guarantor, as the case may be, and the proving or claiming in any dissolution and liquidation of the Issuer or the Guarantor shall be available to the Noteholders whether for the recovering of amounts owing in respect of the Notes or in respect of any breach by the Issuer or the Guarantor of any other obligation, condition or provision binding on it under the Notes or the Deed of Guarantee.

(b) **Events of Default for Senior Notes**

This Condition 10(b) only applies to Senior Notes.

If any of the following events (“**Events of Default**”) occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (i) if default is made in the payment of any principal or interest due under the Notes or any of them and the default continues for a period of seven days or more in the case of principal or 14 days or more in the case of interest; or
- (ii) if the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Conditions or the Deed of Guarantee and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer or the Guarantor, as the case may be, of written notice requiring the same to be remedied; or
- (iii) (A) any Indebtedness or Sukuk Obligation of the Issuer, the Guarantor or any of their respective Principal Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period, (B) any such Indebtedness or Sukuk Obligation becomes (or becomes capable of being declared) due and payable prior

to its stated maturity by reason of default (however described) or (C) the Issuer, the Guarantor or any of their respective Principal Subsidiaries fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any Guarantee of any Indebtedness or Sukuk Obligation, provided that each such event shall not constitute an Event of Default unless the aggregate amount of all such Indebtedness or Sukuk Obligation, either alone or when aggregated with all other Indebtedness or Sukuk Obligations in respect of which such an event shall have occurred and be continuing, shall be more than U.S.\$50,000,000 (or its equivalent in any other currency or currencies); or

- (iv) one or more judgments or orders for the payment of any sum in excess of U.S.\$50,000,000 is rendered against the Issuer, the Guarantor or any of their respective Subsidiaries and continues unsatisfied, unstayed and unappealed (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days) for a period of 60 days after the date thereof; or
- (v) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, the Guarantor or any of their respective Principal Subsidiaries, save in connection with a Permitted Reorganisation; or
- (vi) the Issuer, the Guarantor or any of their respective Principal Subsidiaries ceases or threatens to cease to carry on the whole or a substantial part of its business, save in connection with a Permitted Reorganisation, or the Issuer, the Guarantor or any of their respective Principal Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (vii) (A) court or other formal proceedings are initiated against the Issuer, the Guarantor or any of their respective Principal Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any of their respective Principal Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged within 30 days unless such proceedings are being actively pursued in good faith; or
- (viii) the Issuer, the Guarantor or any of their respective Principal Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) save in connection with a Permitted Reorganisation; or
- (ix) any event occurs which under the laws of the Cayman Islands or Qatar or any other jurisdiction has an analogous effect to any of the events referred to in paragraphs (v) to (viii) above; or
- (x) at any time it is or becomes unlawful for the Issuer or the Guarantor to perform or comply with any or all of its obligations under or in respect of the Notes, the Deed

of Guarantee or any of the obligations of the Issuer or of the Guarantor thereunder are not or cease to be legal, valid, binding or enforceable; or

- (xi) by or under the authority of any government, (A) the management of the Issuer, the Guarantor or any of their respective Principal Subsidiaries is wholly or substantially displaced or the authority of the Issuer, the Guarantor or any of their respective Principal Subsidiaries in the conduct of its business is wholly or substantially curtailed or (B) all or a majority of the issued share capital of the Issuer, the Guarantor or any of their respective Principal Subsidiaries or the whole or a substantial part of its revenues or assets are seized, nationalised, expropriated or compulsorily acquired; or
- (xii) if the Deed of Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect; or
- (xiii) if the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Guarantor.

For the purposes of these Conditions:

“Guarantee of any Indebtedness” means, in relation to any Indebtedness or Sukuk Obligation of any Person, any obligation of another Person to pay such Indebtedness or Sukuk Obligation including, without limitation:

- (a) any obligation to purchase such Indebtedness or Sukuk Obligation;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness or Sukuk Obligation;
- (c) any indemnity against the consequences of a default in the payment of such Indebtedness or Sukuk Obligation; and
- (d) any other agreement to be responsible for such Indebtedness or Sukuk Obligation.

“Permitted Reorganisation” means:

- (a) any disposal by a Principal Subsidiary of the whole or a substantial part of its business, undertaking or assets to the Issuer or the Guarantor or any other wholly-owned Subsidiary of the Issuer or the Guarantor;
- (b) any amalgamation, consolidation or merger of a Principal Subsidiary with any other Principal Subsidiary or any other wholly-owned Subsidiary of the Issuer or the Guarantor; or
- (c) any amalgamation, consolidation, restructuring, merger or reorganisation on terms previously approved by an Extraordinary Resolution of Noteholders.

11. Meeting of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10.0 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing

Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (other than any amendment arising from the discontinuation of any interest rate benchmark used to determine the amount of any payment in respect of the Notes), (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Senior Guarantee or the Subordinated Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than two thirds or at any adjourned meeting not less than one-third in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75.0 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) **Modification of Agency Agreement**

The Issuer and the Guarantor shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) **Substitution**

The Issuer, or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Coupons and the Talons, any company (the “**Substituted Debtor**”) that is the Guarantor, or a Subsidiary of the Guarantor, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the “**Deed Poll**”), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if:

- (i) a deed poll and such other documents (if any) shall be executed by the Issuer, the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor as may be necessary to give full effect to the substitution (together, the “**Documents**”) and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder and Couponholder to be bound by the Conditions of the Notes and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, the Coupons and the Talons and the Agency Agreement as the principal debtor in respect of the Notes, the Coupons and the Talons in place of the Issuer (or any previous substitute) and (if the Substituted Debtor is not the Guarantor) pursuant to which the Guarantor shall unconditionally and irrevocably guarantee (the “**New**

Deed of Guarantee”) in favour of each Noteholder and Couponholder the payment of all sums payable by the Substituted Debtor as such principal debtor on the same terms *mutatis mutandis* as the Deed of Guarantee;

- (ii) without prejudice to the generality of Condition 11(c)(i) above, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Cayman Islands, the Documents shall contain a covenant by the Substituted Debtor and/or such other provisions as may be necessary to ensure that each Noteholder and Couponholder has the benefit of a covenant in terms corresponding to the provisions of Condition 8 with the substitution for the references to the Cayman Islands of references to the territory or territories in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes. The Documents shall also contain a covenant by the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor to indemnify and hold harmless each Noteholder and Couponholder against all taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against such holder as a result of any substitution pursuant to this Condition and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, any and all taxes or duties which are imposed on any such Noteholder or Couponholder by any political sub-division or taxing authority of any country in which such Noteholder or Couponholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);
- (iii) the Documents shall contain a representation and warranty by the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor (A) that the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor have obtained all necessary governmental and regulatory approvals and consents for such substitution and (if the Substituted Debtor is not the Guarantor) for the giving by the Guarantor of the New Deed of Guarantee in respect of the obligations of the Substituted Debtor on the same terms *mutatis mutandis* as the Deed of Guarantee and for the performance by each of the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor of its obligations under the Documents and that all such approvals and consents are in full force and effect and (B) that the obligations assumed by the Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor under the Documents are all legal, valid and binding in accordance with their respective terms;
- (iv) each stock exchange on which the Notes are listed shall have confirmed that following the proposed substitution of the Substituted Debtor the Notes will continue to be listed on such stock exchange;
- (v) the Issuer shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer, the Substituted Debtor and the Guarantor from a leading firm of lawyers in the country of incorporation of the Substituted Debtor to the effect that the Documents constitute legal, valid and binding obligations of the Substituted Debtor and that there are no circumstances which, upon the substitution becoming effective, would give rise to any of the events described in Condition 6(c) in respect of the Substituted Debtor, such opinion to be dated not more than seven days prior to the date of the substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;
- (vi) the Guarantor shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer, the Substituted Debtor and the Guarantor from a leading firm of Qatari lawyers acting for the Guarantor to the effect that, in the case where the Substituted Debtor is not the Guarantor, the Documents (including the New Deed of Guarantee given by the Guarantor in respect of the obligations of the Substituted Debtor) constitute legal, valid and binding

obligations of the Guarantor, such opinion to be dated not more than seven days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;

- (vii) the Guarantor shall have delivered to the Fiscal Agent or procured the delivery to the Fiscal Agent of a legal opinion addressed to the Issuer, the Substituted Debtor and the Guarantor from a leading firm of English lawyers to the effect that the Documents (including, if the Substituted Debtor is not the Guarantor, the New Deed of Guarantee given by the Guarantor in respect of the obligations of the Substituted Debtor) constitute legal, valid and binding obligations of the parties thereto under English law, such opinion to be dated not more than seven days prior to the date of substitution of the Substituted Debtor for the Issuer and to be available for inspection by Noteholders or Couponholders at the specified office of the Fiscal Agent;
- (viii) the Substituted Debtor shall have appointed the process agent appointed by the Issuer in Condition 17(c) or another person with an office in England as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes or the Documents;
- (ix) there being no outstanding Event of Default in respect of the Notes; and
- (x) any credit rating assigned to the Notes will remain the same or be improved when the Substituted Debtor replaces and substitutes the Issuer in respect of the Notes.

(d) **Assumption by Substitute Debtor**

Upon execution of the Documents as referred to in Condition 11(c) above, the Substituted Debtor shall be deemed to be named in the Notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the Notes shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer as issuer (or such previous substitute as aforesaid) from all of its obligations as principal debtor in respect of the Notes.

(e) **Deposit of Documents**

The Documents shall be deposited with and held by the Fiscal Agent for so long as any Note remains outstanding and for so long as any claim made against the Substituted Debtor or (if the Substituted Debtor is not the Guarantor) the Guarantor by any Noteholder or Couponholder in relation to the Notes or the Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and (if the Substituted Debtor is not the Guarantor) the Guarantor shall acknowledge in the Documents the right of every Noteholder or Couponholder to production of the Documents for the enforcement of any of the Notes, the Coupons, the Talons or the Documents.

(f) **Notice of Substitution**

Not less than 15 business days after execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 14. References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 10 shall be deemed to include that guarantee not being (or being claimed by the Guarantor not to be) in full force and effect.

12. Replacement of Notes, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority

regulations, at the specified office of any Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to “**Issue Date**” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “**Notes**” shall be construed accordingly.

14. Notices

Notices required to be given to the holders of Registered Notes pursuant to these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to these Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). So long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to these Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading. If any such publication is not practicable, notice required to be given pursuant to these Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15. Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor, as the case may be, to the extent of the amount in the currency of payment under the relevant Note or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon, the Issuer, failing whom the Guarantor, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer’s and the Guarantor’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgment or order.

16. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. **Governing Law and Dispute Resolution**

(a) **Governing Law**

The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law save that the provisions of Conditions 3(c) and 3(d) (and related provisions of the Agency Agreement) relating to Subordination and waiver of set off of the Subordinated Notes are governed by, and shall be construed in accordance with, Qatari law.

(b) **Agreement to Arbitrate**

Subject to Condition 17(c), any dispute arising out of, relating to or having any connection with the Notes and/or the Coupons (including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with them) (a “**Dispute**”) shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the LCIA (the “**Rules**”), which Rules (as amended from time to time) are incorporated by reference into this Condition. For these purposes:

- (i) the seat of arbitration shall be London;
- (ii) there shall be three arbitrators, each of whom shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and
- (iii) the language of the arbitration shall be English.

(c) **Option to Litigate**

Notwithstanding Condition 17(b), any Noteholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer and the Guarantor:

- (i) within 28 days of service of a Request for Arbitration (as defined in the Rules); or
- (ii) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If a Noteholder gives such notice, the Dispute to which such notice refers shall be determined in accordance with Condition 17(d) and any arbitration commenced under Condition 17(b) in respect of that Dispute will be terminated. Each of the parties to the terminated arbitration will bear its own costs in relation thereto.

(d) **Effect of Exercise of Option to Litigate**

In the event that a notice pursuant to Condition 17(c) is issued, the following provisions shall apply:

- (i) subject to paragraph (iii) below, the courts of England shall have exclusive jurisdiction to settle any Dispute and each of Issuer and the Guarantor submits to the exclusive jurisdiction of such courts;
- (ii) each of Issuer and the Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and
- (iii) this Condition 17(d) is for the benefit of the Noteholders only. As a result, and notwithstanding paragraph (i) above, a Noteholder may take proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, a Noteholder may take concurrent Proceedings in any number of jurisdictions.

(e) **Joinder**

The following shall apply to any Dispute arising out of or in connection with the Notes in respect of which a request for arbitration has been served. In relation to any such disputes if, in the absolute discretion of the first arbitral tribunal to be appointed in any of the disputes, they are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitral tribunal shall have the power to order that the proceedings to resolve that dispute shall be consolidated with those to resolve any of the other disputes, provided that no date for the final hearing of the first arbitration has been fixed. If that arbitral tribunal so orders, the parties to each dispute which is a subject of its order shall be treated as having consented to that dispute being finally decided:

- (i) by the arbitral tribunal that ordered the consolidation unless the LCIA decides that arbitral tribunal would not be suitable or impartial; and
- (ii) in accordance with the procedure, at the seat and in the language specified in the relevant agreement under which the arbitral tribunal that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of any such agreement, ordered by the arbitral tribunal in the consolidated proceedings.

Any dispute which is subject to a contractual option to litigate shall only be capable of consolidation pursuant to this Condition 17(e) if:

- (A) the time limit for exercise of the option to which the dispute is subject has expired and the option has not been exercised; or
- (B) the right of the option-holder to exercise the option has otherwise been validly waived.

(f) **Service of Process**

Each of the Issuer and the Guarantor hereby irrevocably and unconditionally appoints Qatar National Bank (Q.P.S.C.) (London Branch), at its registered office for the time being, as its agent for service of process in England in respect of any Proceedings and undertakes that in the event of such agent ceasing so to act it will appoint another person as its agent for that purpose. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer or the Guarantor). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, each of the Issuer and the Guarantor irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

(g) **Waiver of Immunity**

To the extent that the Issuer or the Guarantor, respectively, may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, the Issuer and the Guarantor agrees not to claim and irrevocably and unconditionally waives such immunity in relation to any Proceedings or Disputes. Further, the Issuer and the Guarantor, respectively, irrevocably and unconditionally consents to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Proceedings or Disputes.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1. Initial Issue of Notes

Global Notes and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (as defined below) or, in respect of a Global Note or a Global Certificate representing CMU Notes, to a sub-custodian nominated by the HKMA as operator of the CMU Service (the “**CMU Operator**”).

Upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”) or with a sub-custodian for the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream, Luxembourg or (ii) the HKMA as operator of the CMU and delivery of the relative Global Certificate to the Common Depositary or the sub-custodian for the CMU (as the case may be), Euroclear or Clearstream, Luxembourg or the CMU (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

A Global Note or Global Certificate representing CMU Notes will be held for the account of any members of the CMU Service (each, a “**CMU Member**”) who have accounts with the CMU Operator, or the CMU participants. Persons holding a beneficial interest in the CMU Notes through Euroclear or Clearstream, Luxembourg will hold their interests through an account opened and held by Euroclear or Clearstream, Luxembourg with the CMU Operator. Interests in a Global Note or Global Certificate representing CMU Notes will only be shown on, and transfers of interests will be effected through, records maintained by the CMU Operator.

2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (“**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

While a Global Note or a Global Certificate representing CMU Notes is held by or on behalf of the CMU Operator, payments of interest or principal will be made to the persons for whose account a relevant interest in such Global Note or Global Certificate is credited as being held by the CMU Operator at the relevant time, as notified to the CMU Lodging and Paying Agent by the CMU Operator in a relevant CMU Instrument Position Report (as defined in the rules of the CMU Service) or in any other relevant notification by the CMU Operator. Such payment will discharge the Issuer’s obligations in respect of that payment. Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.

Payments, transfers, exchanges and other matters relating to interests in a Global Note or a Global Certificate representing a CMU Note may be subject to various policies and procedures adopted by the CMU Operator from time to time. None of the Issuer, the Dealers, the Fiscal Agent, the CMU

Lodging and Paying Agent, the Registrar, the CMU Registrar, nor any of their respective agents will have any responsibility or liability for any aspect of the CMU Operator's records relating to, or for payments made on account of, interests in a Global Note or Global Certificate representing a CMU Note, or for maintaining, supervising or reviewing any records relating to such interests.

3. Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme—Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

The CMU Service may require that any such exchange for a permanent Global Note is made in whole and not in part, and in such event no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU Service) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU Service) have so certified.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or the CMU Service or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent and Principal Paying Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes (as defined below), such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a nominal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Permanent Global Certificates

If the applicable Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or the CMU Service or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if principal in respect of any Notes is not paid when due.

3.5 Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent and Principal Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. In this Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent and Principal Paying Agent is located and in the city in which the relevant clearing system is located.

4. Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Prospectus. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement (provided that, in respect of CMU Notes, the crediting of interests in the relevant Global Note in the CMU Service shall be deemed to be presentation of such Global Note) and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent and Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “**business day**” set out in Condition 7(h) (*Non-Business Days*).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

While a Global Note or a Global Certificate representing the CMU Notes is held by or on behalf of the CMU Operator, payments of interest or principal will be made to the persons for whose account a relevant interest in the Global Certificate is credited as being held by the CMU Operator at the relevant time, as notified to the relevant Paying Agent by the CMU Operator in a relevant CMU Instrument Position Report or in any other relevant notification by the CMU Operator. Such payment will discharge the Issuer’s obligations in respect of that payment. Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants. Unless otherwise specified in the applicable Final Terms or Pricing Supplement, while a CMU Note is lodged with the CMU Service, “**business day**” and “**Business Day**” shall mean a business day or Business Day (as each term is defined in the Conditions) on which, in addition to the requirements set out in the Conditions or in the applicable Final Terms or Pricing Supplement, the CMU Service is also operating.

Payments, transfers, exchanges and other matters relating to interests in a Global Note or a Global Certificate representing CMU Notes may be subject to various policies and procedures adopted by the CMU Operator from time to time. None of the Issuer, the Dealers, the Fiscal Agent, the CMU Lodging and Paying Agent, the Registrar or the CMU Registrar, or any of their respective agents, will have any responsibility or liability for any aspect of the CMU Operator’s records relating to, or for payments made on account of, interests in such a Global Note or Global Certificate, or for maintaining, supervising or reviewing any records relating to such interests.

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 9).

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer, the Guarantor or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest (if any) thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, the CMU or any other clearing system (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent and Principal Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent or Transfer Agent set out in the Conditions, in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg and any Alternative Clearing System, as applicable, failing which, in the form of the notice available from any Paying Agent and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent), or to a Paying Agent acting on behalf of the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent), for notation.

4.8 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 (*Events of Default*) by stating in the notice to the Fiscal Agent and Principal Paying Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer and the Guarantor under the terms of an Amended and Restated Deed of Covenant executed as a deed by the Issuer

and the Guarantor on 18 March 2024 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.9 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note. The Issuer shall also ensure that notices are duly published in a manner that complies with any relevant rules of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading.

For so long as all CMU Notes are represented by a Global Note or a Global Certificate and the Global Note or Global Certificate is held on behalf of the CMU Operator, notices to holders of the CMU Notes may, in substitution for publication as required by the Conditions, be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report (as defined in the rules of the CMU Service) issued by the CMU Operator on the business day preceding the date of despatch of such notice as holding interests in such Global Note or Global Certificate for communication to the CMU participants. Any such notice shall be deemed to have been given to the holders of CMU Notes on the second business day after such notice is delivered to the persons shown in the relevant CMU Instrument Position Report as aforesaid. Indirect participants will have to rely on the CMU participants (through whom they hold the CMU Notes, in the form of interests in a Global Note or a Global Certificate) to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants.

5. CMU

The CMU Operator is under no obligation to maintain or continue to operate the CMU Service nor to perform or continue to perform the procedures described above. Accordingly, the CMU Service and such procedures may be discontinued or modified at any time. None of the Issuer, the Dealers, the Fiscal Agent, the CMU Lodging and Paying Agent, the Registrar, the CMU Registrar, nor any of their respective agents will have any responsibility for the performance by the CMU Operator or the CMU participants of their respective obligations under the rules and procedures governing their operations.

A Global Note or Global Certificate representing CMU Notes will be held for the account of CMU Members who have accounts with the CMU Operator, or the CMU participants. Interests in such Global Note or Global Certificate will only be shown on, and transfers of interests will be effected through, records maintained by the CMU Operator.

6. Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- (i) in respect of any resolution proposed by the Issuer or the Guarantor where the terms of the resolution proposed by the Issuer or the Guarantor (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), each of the Issuer and the Guarantor shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75.0 per cent. in nominal amount of the Notes outstanding (an

“**Electronic Consent**” as defined in the Agency Agreement). Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Neither the Issuer nor the Guarantor shall be liable or responsible to anyone for such reliance; and

- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer and the Guarantor shall be entitled to rely on: (a) consents or instructions given in writing directly to the Issuer and/or the Guarantor, as the case may be, by accountholders in the clearing system with entitlements to such Global Note or Global Certificate; and/or (b) where the accountholders hold any such entitlement on behalf of another person, written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Guarantor shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg, the CMU or any other relevant Alternative Clearing System (the “**relevant clearing system**”) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID, Clearstream, Luxembourg’s CreationOnline system or a CMU Issue Position Report) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer and/or the Guarantor shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche will be loaned by the Issuer to QNB under a Notes Loan Agreement and applied by QNB for (i) general corporate purposes or (ii) to finance and/or refinance investments in one or more Eligible Projects (as defined below), as described in the Final Terms and further described in QNB's Sustainable Finance and Product Framework (the "**Framework**") available on its website at: <https://www.qnb.com/sites/qnb/qnbqatar/document/en/SustainableFinanceandProductFramework2022>.

If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms. See "*Business Description of the Issuer—Material Contracts*".

Sustainable Bonds

With respect to any Sustainable Bonds, QNB intends to fully comply with the International Capital Market Association's Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines (together, the "**Principles**"), as applicable, and their four core components, which are (i) the use of proceeds of the Notes, (ii) the disclosure of its process for project evaluation and selection, (iii) the management of the proceeds of the Notes and (iv) a regular reporting on such use of proceeds. In connection with the Framework, QNB has appointed a sustainability specialist, ISS Corporate Solutions, to issue an opinion confirming that the Framework is aligned with the Principles, which is available on QNB's website at <https://www.qnb.com/sites/qnb/qnbqatar/document/en/secondparty2022>.

Green Bonds

Where the applicable Final Terms denote a Tranche of Notes as "Green Bonds" ("**Green Bonds**"), the net proceeds of such Notes will be on-lent by the Issuer to QNB for the financing and/or refinancing of a "green" loan portfolio (a "**Green Loan Portfolio**") consisting of project-specific loans funding Eligible Green Projects (as defined below) and general corporate loans to "pure play" companies. Under the Framework, a "pure play" company is defined as a company deriving over 90 per cent. of its revenues from the green eligibility criteria set out in the Framework, comprising green buildings, renewable energy, clean transportation, energy efficiency, environmentally sustainable management of living, natural resources and land, sustainable water and wastewater management and pollution prevention and control ("**Eligible Green Projects**").

Social Bonds

Where the applicable Final Terms denote a Tranche of Notes as "Social Bonds" ("**Social Bonds**"), the net proceeds of such Notes will be on-lent by the Issuer to QNB for the financing and/or refinancing of a "social" loan portfolio (a "**Social Loan Portfolio**" and, together with Eligible Green Projects, "**Eligible Projects**") consisting of project-specific loans funding Eligible Green Projects and general corporate loans to "pure play" companies. Under the Framework, a "pure play" company is defined as a company deriving over 90 per cent. of its revenues from the social eligibility criteria set out in the Framework, comprising access to essential services, socio-economic advancement and empowerment, affordable social housing and pandemic response ("**Eligible Social Projects**").

Sustainability Bonds

Where the applicable Final Terms denote a Tranche of Notes as "Sustainability Bonds" ("**Sustainability Bonds**"), the net proceeds of such Notes will be on-lent by the Issuer to QNB for the financing and/or refinancing of a combination of a Green Loan Portfolio and a Social Loan Portfolio.

Management of Proceeds of Sustainable Bonds (applicable to Green, Social, and/ or Sustainable Bonds)

The proceeds from Sustainable Bonds shall be managed by QNB's Treasury division, who shall allocate such proceeds to eligible Green Loan Portfolios and Social Loan Portfolios (as applicable) selected in accordance with the use of proceeds criteria and evaluation and selection process set out in the Framework. QNB will strive to ensure that the amount of funds allocated to Green Loan Portfolios and/or Social Loan Portfolios (as applicable) matches or exceeds the amount of net proceeds from the relevant outstanding Sustainable Bonds. Upon becoming aware that a loan within a Green Loan Portfolio or a Social Loan Portfolio ceases to fulfil the relevant eligibility criteria, QNB shall remove such loan from the relevant portfolio. Proceeds from Sustainable

Bonds that have not been allocated to a Green Loan Portfolio or a Social Loan Portfolio will be held by QNB in cash or other short-term liquid instruments at its discretion.

Reporting in relation to Sustainable Bonds (applicable to Green, Social, and/ or Sustainable Bonds)

QNB will issue a report on: (i) the size of the identified eligible Green Loan Portfolio and Social Loan Portfolio, (ii) the total amount of proceeds allocated to such Green Loan Portfolio and Social Loan Portfolio, (iii) the balance of any unallocated proceeds (if any) and (iv) the amount or the percentage of new financing and refinancing. Such report will be issued within one year from the date of the first issuance of Sustainable Bonds under the Programme and annually thereafter until such proceeds have been fully allocated. The first green bond impact report and post-issuance green bond allocation report were published in September 2021 and are available on QNB's website. In addition, QNB may also report on the environmental and social impacts of the Eligible Projects funded with the proceeds from Sustainable Bonds. Both the allocation report and the impact report will be made available on QNB's website.

Neither the Framework nor any of the reports, verification assessments, opinions or contents of any of the websites referenced in this "Use of Proceeds" section or elsewhere in this Prospectus are, or shall be deemed to, constitute a part of, nor are incorporated into, this Prospectus.

Sanctions

None of the proceeds from the issuance of any Tranche of Notes will be used to fund, finance or facilitate any activities, business or transaction of QNB Group's operations in Iran, Syria and/or Yemen, or transactions with any individual or entity or in any country that is the subject of any sanctions administered or enforced by the U.S. Department of Treasury's OFAC, the UN Security Council, the European Union, the United States, the UK or other relevant sanctions authorities. Similarly, repayment of any principal or interest in connection with any Tranche of Notes will not be from funds originating in or involving, directly or indirectly, any of the countries identified above or any sanctioned individual, entity or country.

SELECTED FINANCIAL INFORMATION OF QNB

QNB's selected historical consolidated financial data as at and for the financial year ended 31 December 2023 set forth below has been derived from the 2023 Financial Statements (including the related notes thereto), QNB's selected historical consolidated financial data as at and for the financial year ended 31 December 2022 set forth below has been derived from the 2022 Financial Statements (including the related notes thereto), and QNB's selected historical consolidated financial data as at and for the financial year ended 31 December 2021 set forth below has been derived from the comparative information as at and for the financial year ended 31 December 2021 contained in the 2022 Financial Statements (including the related notes thereto). The 2023 Financial Statements and the 2022 Financial Statements (including the related notes thereto) (collectively, the "**Consolidated Financial Statements**"), have been incorporated by reference into this Prospectus. The selected historical consolidated financial data set forth below should be read in conjunction with, and is qualified by reference to, the Consolidated Financial Statements. The Consolidated Financial Statements are available as described under "*General Information*". The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA

	As at 31 December			
	2021	2022	2023	2023 ⁽¹⁾
	(QR)	(QR)	(QR)	(U.S.\$)
	(in thousands)			
ASSETS				
Cash and Balances with Central Banks.....	88,551,288	91,563,936	87,820,365	24,126,474
Due from Banks	69,055,144	96,259,687	86,476,920	23,757,396
Loans and Advances to Customers	763,652,041	807,601,336	852,987,250	234,337,157
Investment Securities	142,821,328	159,913,041	172,732,325	47,453,935
Investments in Associates	7,467,009	7,902,221	7,849,360	2,156,418
Property and Equipment	5,156,806	6,941,495	6,713,427	1,844,348
Intangible Assets	3,886,786	3,178,417	2,642,601	725,989
Other Assets	12,447,209	15,858,879	13,762,765	3,780,979
Total Assets.....	<u>1,093,037,611</u>	<u>1,189,219,012</u>	<u>1,230,985,013</u>	<u>338,182,696</u>
LIABILITIES				
Due to Banks	111,441,572	142,814,699	156,991,401	43,129,506
Customer Deposits	785,511,524	842,278,655	857,106,277	235,468,757
Debt Securities	40,088,927	35,152,720	36,288,867	9,969,469
Other Borrowings.....	26,138,239	25,593,253	29,400,073	8,076,943
Other Liabilities	29,800,702	37,322,900	40,991,301	11,261,346
Total Liabilities	<u>992,980,964</u>	<u>1,083,162,227</u>	<u>1,120,777,919</u>	<u>307,906,022</u>
EQUITY				
Issued Capital.....	9,236,429	9,236,429	9,236,429	2,537,480
Legal Reserve.....	25,326,037	25,326,037	25,326,037	6,957,702
Risk Reserve	10,000,000	11,000,000	12,000,000	3,296,703
Fair Value Reserve.....	(1,169,550)	890,129	(587,777)	(161,477)
Foreign Currency Translation Reserve	(23,613,712)	(26,833,105)	(29,157,890)	(8,010,409)
Other Reserves	46,141	(381,451)	(820,506)	(225,414)
Retained Earnings	59,117,808	65,848,784	73,102,343	20,083,061
Total Equity Attributable to Equity Holders of the Bank	<u>78,943,153</u>	<u>85,086,823</u>	<u>89,098,636</u>	<u>24,477,647</u>
Non-Controlling Interests	1,113,494	969,962	1,108,458	304,521
Instruments Eligible for Additional Tier 1 Capital	20,000,000	20,000,000	20,000,000	5,494,505
Total Equity	<u>100,056,647</u>	<u>106,056,785</u>	<u>110,207,094</u>	<u>30,276,674</u>
Total Liabilities and Equity	<u>1,093,037,611</u>	<u>1,189,219,012</u>	<u>1,230,985,013</u>	<u>338,182,696</u>

Notes:

(1) This column reflects a translation of Qatari Riyal amounts into U.S.\$ at an exchange rate of QR3.64 per U.S. dollar.

CONSOLIDATED INCOME STATEMENT DATA

	Year ended 31 December			
	2021	2022	2023	2023 ⁽¹⁾
	(QR)	(QR)	(QR)	(U.S.\$)
	(in thousands)			
Interest Income	44,736,163	59,671,733	97,133,328	26,684,980
Interest Expense	(21,700,043)	(30,807,135)	(66,716,288)	(18,328,651)
Net Interest Income	23,036,120	28,864,598	30,417,040	8,356,330
Fees and Commission Income	4,535,149	4,824,073	6,299,126	1,730,529
Fees and Commission Expense	(1,322,326)	(1,449,655)	(2,518,224)	(691,820)
Net Fees and Commission Income	3,212,823	3,374,418	3,780,902	1,038,709
Net Foreign Exchange Gain	1,331,118	1,871,625	3,332,022	915,391
Income from Investment Securities	125,985	369,859	484,256	133,037
Other Operating Income	237,229	79,827	462,884	127,166
Operating Income	27,943,275	34,560,327	38,477,104	10,570,633
Staff Expenses	(3,382,058)	(3,643,564)	(4,108,382)	(1,128,676)
Depreciation	(615,699)	(624,388)	(660,050)	(181,332)
Net ECL/Impairment Losses on Investment Securities	(55,851)	(62,057)	(23,521)	(6,462)
Net ECL/Impairment Losses on Loans and advances to Customers	(7,066,008)	(8,785,090)	(8,691,980)	(2,387,907)
Net ECL/Impairment Losses on Other Financial Instruments	(102,639)	(296,761)	(937,611)	(257,585)
Other Expenses ⁽²⁾	(2,425,163)	(2,779,038)	(3,237,031)	(889,294)
	(13,647,418)	(16,190,898)	(17,658,575)	(4,851,257)
Share of Results of Associates	370,208	544,199	646,384	177,578
Profit Before Income Taxes and Net Monetary Loss arising from Hyperinflation...	14,666,065	18,913,628	21,464,913	5,896,954
Income Tax Expense	(1,389,965)	(2,719,245)	(2,296,519)	(630,912)
Profit Before Net Monetary Loss Arising from Hyperinflation	13,276,100	16,194,383	19,168,394	5,266,042
Net Monetary Loss arising from Hyperinflation	-	(1,745,116)	(3,503,094)	(962,388)
Profit for the Year	13,276,100	14,449,267	15,665,300	4,303,654
Attributable to:				
Equity Holders of the Bank	13,211,123	14,348,860	15,511,337	4,261,356
Non-Controlling Interests	64,977	100,407	153,963	42,298
Profit for the Year	13,276,100	14,449,267	15,665,300	4,303,654
Basic and Diluted Earnings Per Share (QR)	1.32	1.44	1.55	0.43

Notes:

- (1) This column reflects a translation of Qatari Riyal amounts into U.S.\$ at an exchange rate of QR3.64 per U.S. dollar.
(2) This figure also includes amortisation of intangible assets and other provisions.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME DATA

	Year ended 31 December			
	2021	2022	2023	2023 ⁽¹⁾
	(QR)	(QR)	(QR)	(U.S.\$)
	(in thousands)			
Profit for the Year.....	13,276,100	14,449,267	15,665,300	4,303,654
Other Comprehensive Income that are or may be Reclassified to Consolidated Income Statement in Subsequent Periods				
Foreign Currency Translation Differences for Foreign Operations ..	(5,020,969)	(7,373,195)	(4,849,983)	(1,332,413)
Share of Other Comprehensive Income of Associates	(119,981)	(428,674)	(439,718)	(120,802)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	222,657	1,168,493	(571,322)	(156,957)
Effective Portion of Changes in Fair Value of Net Investment in Foreign Operation	713,760	518,864	(165,428)	(45,447)
Investments in Debt Instruments Measured at FVOCI				
Net Change in Fair Value	(354,934)	419,030	(139,086)	(38,210)
Net Amount Transferred to Income Statement	-	(4,497)	(39,988)	(10,986)
Items that will not be Reclassified to Consolidated Income Statement				
Net Change in Fair Value of Investments in Equity Instruments Designated at FVOCI.....	61,914	(42,681)	(569,331)	(156,410)
Effects of Hyperinflation	-	3,938,484	2,494,032	685,174
Total Other Comprehensive Loss for the Year, net of Income Tax.....	(4,497,553)	(1,804,176)	(4,280,824)	(1,176,051)
Total Comprehensive Income for the Year.....	8,778,547	12,645,091	11,384,476	(3,127,603)
Attributable to:				
Equity Holders of the Bank	8,738,785	12,761,554	11,269,591	3,096,041
Non-Controlling Interests	39,762	(116,463)	114,885	31,562
Total Comprehensive Income for the Year.....	8,778,547	12,645,091	11,384,476	3,127,603

Note:
(1) This column reflects a translation of Qatari Riyal amounts into U.S.\$ at an exchange rate of QR3.64 per U.S. dollar.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY DATA

	Issued Capital (QR)	Legal Reserve (QR)	Risk Reserve (QR)	Fair Value Reserve (QR)	Foreign Currency Translation Reserve (QR)	Other Reserves (QR)	Retained Earnings (QR)	Equity Attributable to Equity Holders of Bank (QR)	Non- Controlling Interests (QR)	Instruments Eligible for Additional Tier 1 Capital (QR)	Total (QR)
	(in thousands)										
Balance at 1 January 2023	9,236,429	25,326,037	11,000,000	890,129	(26,833,105)	(381,451)	65,848,784	85,086,823	969,962	20,000,000	106,056,785
Total Comprehensive Income for the Year											
Profit for the Year	-	-	-	-	-	-	15,511,337	15,511,337	153,963	-	15,665,300
Total Other Comprehensive Loss	-	-	-	(1,477,906)	(2,324,785)	(439,055)	-	(4,241,746)	(39,078)	-	(4,280,824)
Total Comprehensive Income for the Year	-	-	-	(1,477,906)	(2,324,785)	(439,055)	15,511,337	11,269,591	114,885	-	11,384,476
Transfer to Risk Reserve	-	-	1,000,000	-	-	-	(1,000,000)	-	-	-	-
Transfer to Social and Sports Fund	-	-	-	-	-	-	(294,911)	(294,911)	-	-	(294,911)
Transactions Recognised Directly in Equity											
Dividend for the Year 2022	-	-	-	-	-	-	(5,541,857)	(5,541,857)	-	-	(5,541,857)
Dividend Appropriation for Instrument Eligible for Additional Capital	-	-	-	-	-	-	(1,150,000)	(1,150,000)	-	-	(1,150,000)
Other Movements	-	-	-	-	-	-	(271,010)	(271,010)	23,611	-	(247,399)
Total Transactions Recognised Directly in Equity	-	-	-	-	-	-	(6,962,867)	(6,962,867)	23,611	-	(6,939,256)
Balance at 31 December 2023	9,236,429	25,326,037	12,000,000	(587,777)	(29,157,890)	(820,506)	73,102,343	89,098,636	1,108,458	20,000,000	110,207,094
Balance at 1 January 2022	9,236,429	25,326,037	10,000,000	(1,169,550)	(23,613,712)	46,141	59,117,808	78,943,153	1,113,494	20,000,000	100,056,647
Total Comprehensive Income for the Year											
Profit for the Year	-	-	-	-	-	-	14,348,860	14,348,860	100,407	-	14,449,267
Total Other Comprehensive Income (Loss)	-	-	-	2,059,679	(3,219,393)	(427,592)	-	(1,587,306)	(216,870)	-	(1,804,176)
Total Comprehensive Income for the Year	-	-	-	2,059,679	(3,219,393)	(427,592)	14,348,860	12,761,554	(116,463)	-	12,645,091
Transfer to Risk Reserve	-	-	1,000,000	-	-	-	(1,000,000)	-	-	-	-
Transfer to Social and Sports Fund	-	-	-	-	-	-	(268,382)	(268,382)	-	-	(268,382)
Transactions Recognised Directly in Equity											
Dividend for the Year 2021	-	-	-	-	-	-	(5,080,036)	(5,080,036)	-	-	(5,080,036)
Dividend Appropriation for Instrument Eligible for Additional Capital	-	-	-	-	-	-	(1,082,917)	(1,082,917)	-	-	(1,082,917)
Other Movements	-	-	-	-	-	-	(186,549)	(186,549)	(27,069)	-	(213,618)
Total Transactions Recognised Directly in Equity	-	-	-	-	-	-	(6,349,502)	(6,349,502)	(27,069)	-	(6,376,571)
Balance at 31 December 2022	9,236,429	25,326,037	11,000,000	890,129	(26,833,105)	(381,451)	65,848,784	85,086,823	969,962	20,000,000	106,056,785
Balance at 1 January 2021	9,236,429	25,326,037	9,000,000	(1,811,051)	(18,617,295)	166,050	52,509,508	75,809,678	1,092,041	20,000,000	96,901,719
Total Comprehensive Income for the Year											
Profit for the Year	-	-	-	-	-	-	13,211,123	13,211,123	64,977	-	13,276,100
Total Other Comprehensive Income / (Loss)	-	-	-	643,988	(4,996,417)	(119,909)	-	(4,472,338)	(25,215)	-	(4,497,553)
Total Comprehensive Income for the Year	-	-	-	643,988	(4,996,417)	(119,909)	13,211,123	8,738,785	39,762	-	8,778,547
Reclassification of Net Change in Fair Value of Equity Instrument upon Derecognition	-	-	-	(2,487)	-	-	2,487	-	-	-	-
Transfer to Risk Reserve	-	-	1,000,000	-	-	-	(1,000,000)	-	-	-	-
Transfer to Social and Sports Fund	-	-	-	-	-	-	(259,143)	(259,143)	-	-	(259,143)
Transactions Recognised Directly in Equity											
Dividend for the Year 2020	-	-	-	-	-	-	(4,156,393)	(4,156,393)	-	-	(4,156,393)
Dividend Appropriation for Instrument Eligible for Additional Capital	-	-	-	-	-	-	(1,000,000)	(1,000,000)	-	-	(1,000,000)
Other Movements	-	-	-	-	-	-	(189,774)	(189,774)	(18,309)	-	(208,083)
Total Transactions Recognised Directly in Equity	-	-	-	-	-	-	(5,346,167)	(5,346,167)	(18,309)	-	(5,364,476)
Balance at 31 December 2021	9,236,429	25,326,037	10,000,000	(1,169,550)	(23,613,712)	46,141	59,117,808	78,943,153	1,113,494	20,000,000	100,056,647

CONSOLIDATED STATEMENT OF CASH FLOWS DATA

	Year ended 31 December			
	2021	2022	2023	2023 ^(d)
	(QR)	(QR)	(QR)	(U.S.\$)
Cash Flows from Operating Activities:				
Profit Before Income Taxes	14,666,065	17,168,512	17,961,819	4,934,566
Adjustments for:		(in thousands)		
Interest Income	(44,736,163)	(59,671,733)	(97,133,328)	(26,684,980)
Interest Expense.....	21,700,043	30,807,135	66,716,288	18,328,651
Depreciation	615,699	624,388	660,050	181,332
Net ECL / Impairment Losses on Loans and Advances to Customers.....	7,066,008	8,785,090	8,691,980	2,387,907
Net ECL / Impairment Losses on Investment Securities.....	55,851	62,057	23,521	6,462
Net ECL / Impairment Losses on Other Financial Assets.....	102,639	296,761	937,611	257,585
Other Provisions	117,748	122,095	126,553	34,767
Dividend Income	(47,198)	(55,285)	(107,412)	(29,509)
Net Gain on Sale of Property and Equipment	(49,406)	(6,919)	(41,166)	(11,309)
Net Gain on Sale of Investment Securities.....	(59,492)	(265,986)	(280,756)	(77,131)
Amortisation of Intangible Assets	79,113	77,546	132,569	36,420
Net Amortisation of Premium or Discount on Investments.....	(970,336)	(3,351,819)	(6,202,390)	(1,703,953)
Net Share of Results of Associates.....	(256,673)	(370,978)	(473,347)	(130,040)
Net Monetary Loss Arising from Hyperinflation.....	-	1,745,116	3,503,094	962,388
Changes in:	(1,716,502)	(4,034,020)	(5,484,914)	(1,506,845)
Due from Banks.....	(5,063,696)	583,859	(135,741)	(37,291)
Loans and Advances to Customers.....	(81,430,647)	(83,925,088)	(82,454,092)	(22,652,223)
Other Assets.....	(10,678,206)	(31,078,344)	(3,536,405)	(971,540)
Due to Banks	32,175,130	35,275,224	17,038,038	4,680,780
Customer Deposits.....	82,244,426	111,275,723	44,976,013	12,356,048
Other Liabilities.....	(873,933)	6,553,034	2,701,078	742,054
Cash from / (used in) Operations	14,656,572	34,650,388	(26,896,023)	(7,389,017)
Interest Received	43,974,692	53,620,058	90,063,723	24,742,781
Interest Paid.....	(21,580,593)	(26,824,083)	(59,178,859)	(16,257,928)
Dividends Received.....	47,198	55,285	107,412	29,509
Income Tax Paid.....	(1,245,157)	(2,314,547)	(2,553,677)	(701,560)
Other Provisions Paid.....	(66,082)	(68,487)	(77,216)	(21,213)
Net Cash from Operating Activities	35,786,630	59,118,614	1,465,360	402,571
Cash Flows from Investing Activities:				
Acquisition of Investment Securities.....	(96,932,320)	(89,976,146)	(193,983,510)	(53,292,173)
Proceeds from Sale / Redemption of Investment Securities	74,114,534	65,297,786	177,496,441	48,762,759
Investment in an Associate.....	(305,578)	-	-	-
Additions to Property and Equipment	(1,173,874)	(1,335,072)	(1,243,961)	(341,748)
Proceeds from Disposal of Property and Equipment	64,505	119,201	79,450	21,827
Net Cash used in Investing Activities	(24,232,733)	(25,894,231)	(17,651,580)	(4,849,335)
Cash Flows from Financing Activities:				
Proceeds from Issuance of Debt Securities	8,748,885	1,591,695	3,685,243	1,012,429
Repayment of Debt Securities	(10,754,896)	(5,739,025)	(2,261,848)	(621,387)
Proceeds from Issuance of Other Borrowings.....	11,259,064	4,167,335	7,987,291	2,194,311
Repayment of Other Borrowings.....	(10,419,936)	(3,558,972)	(3,472,552)	(953,998)
Payment of Lease Liabilities	(239,951)	(192,591)	(203,591)	(55,932)
Payments of Coupon on Instrument Eligible for Additional Tier 1 Capital	(1,000,000)	(1,000,000)	(1,082,917)	(297,505)
Dividends Paid.....	(4,162,715)	(5,079,312)	(5,540,393)	(1,522,086)
Net Cash from / (used in) Financing Activities	(6,569,549)	(9,810,870)	(888,767)	(244,167)
Net Increase / (Decrease) in Cash and Cash Equivalents	4,984,348	23,413,513	(17,074,987)	(4,690,930)
Effect of Exchange Rate Fluctuations on Cash Held	(807,228)	(2,760,347)	(2,110,827)	(579,898)
Cash and Cash Equivalents at 1 January	102,483,340	106,660,460	127,313,626	34,976,271
Cash and Cash Equivalents at 31 December	106,660,460	127,313,626	108,127,812	29,705,443

Note:

(1) This column reflects a translation of Qatari Riyal amounts into U.S.\$ at an exchange rate of QR3.64 per U.S. dollar.

SELECTED RATIOS

Selected Ratios	As at and for the year ended 31 December		
	2021	2022	2023
Cost to Income Ratio ⁽¹⁾	22.2%	19.7%	20.0%
Non-Performing Loans Ratio ⁽²⁾	2.3%	2.9%	3.0%
Loan Loss Coverage Ratio ⁽³⁾	116.8%	98.5%	100.1%
Loans to Deposits Ratio ⁽⁴⁾	97.2%	95.9%	99.5%
Capital Adequacy Ratio ⁽⁵⁾⁽⁶⁾	19.3%	19.6%	19.8%

Notes:

- (1) This represents staff expenses, depreciation and other expenses divided by the operating income plus share of results of associates.
- (2) This represents non-performing loans and advances to customers (stage 3) divided by gross loans and advances to customers excluding accrued interest.
- (3) This represents impairment on non-performing loans and advances to customers (stage 3) divided by non-performing loans and advances to customers (stage 3).
- (4) This represents net loans and advances to customers divided by customer deposits.
- (5) This represents total eligible capital divided by risk-weighted assets.
- (6) Capital Adequacy Ratio (Total Capital Ratio) has been computed in accordance with the QCB's Basel III requirements.

BUSINESS DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 18 October 2010 under the name QNB Finance Ltd (with registered number 246643). The registered office of the Issuer is at c/o Maples Corporate Services Limited, P.O. Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands. The issued share capital of the Issuer comprises 100 ordinary shares of par value U.S.\$1.00 each.

Business/Principal Activities

The Issuer was established to raise capital through the issue of its U.S.\$1.5 billion 3.125 per cent. notes due 2015 issued on 16 November 2010, or any other financing instruments in accordance with its Memorandum of Association and Articles of Association, including the Notes.

On 27 April 2016, the Issuer established an AUD2 billion debt issuance programme for the issuance of Australian dollar-denominated medium-term notes, which may be issued in the Australian wholesale capital market. As at the date of this Prospectus, the Issuer has issued AUD275 million notes with a 10-year maturity under the Programme.

The Issuer has not engaged, since its incorporation, in any activities other than those incidental to: (i) its registration as an exempted company; (ii) the authorisation and issue from time to time of the Notes and the execution and completion of other documents and matters related thereto; (iii) the ownership of such interests and other assets in relation to the Notes; (iv) the other matters contemplated in this Prospectus; (v) the authorisation and execution of the other documents referred to in this Prospectus to which it is or will be a party; and (vi) other matters which are incidental or ancillary to those activities.

The Issuer's ongoing activities will principally comprise: (i) the issue of the Notes (or any other financing instruments in accordance with its Memorandum of Association and Articles of Association); (ii) the entering into of any documents related to the issue of the Notes; and (iii) the exercise of related rights and powers and other activities referred to in this Prospectus or reasonably incidental to those activities.

Organisational Structure

The Issuer is a wholly-owned subsidiary of QNB. The Issuer has no subsidiaries, employees or non-executive directors.

Management/Directors

The Directors of the Issuer and their respective business addresses and principal activities are:

<u>Name</u>	<u>Business Address</u>	<u>Principal Activities</u>	<u>Date of Birth</u>	<u>Nationality</u>
Mr. Yousef Mahmoud Al-Neama	c/o Qatar National Bank (Q.P.S.C.), P.O. Box 1000, Doha, Qatar	Qatar National Bank (Q.P.S.C.), Group Chief Business Officer	05/01/1965	Qatari
Ms. Noor Mohamed Al-Naimi	c/o Qatar National Bank (Q.P.S.C.), P.O. Box 1000, Doha, Qatar	Qatar National Bank (Q.P.S.C.), Senior Executive Vice President, Group Treasury and Financial Institutions	26/11/1976	Qatari

The Company Secretary of the Issuer is Maples Secretaries (Cayman) Limited ("MSL"), whose business address is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors or the Company Secretary of the Issuer listed above and their duties to the Issuer.

Material Contracts

The Issuer has entered and will enter, on or subsequent to the issue of any Series of Notes under the Programme, into a Notes Loan Agreement with QNB, pursuant to which the Issuer provides the net proceeds received from the issue of the Notes to QNB. Under each Notes Loan Agreement, QNB agrees to repay the proceeds of the loan made thereunder to the Issuer on the relevant maturity date of the Notes (subject to other relevant terms of that Notes Loan Agreement). In the case of each such issuance, the notes are guaranteed by QNB and the proceeds of each issuance made available to QNB pursuant to one or more Notes Loan Agreements, whereby QNB will be obligated to make payments to the Issuer that match the payment obligations of the Issuer under the Notes.

The following table sets forth a summary of the Issuer's outstanding Notes by maturity and currency of denomination, as at the date of this Prospectus:

Year of Maturity	USD	AUD	CHF	CNY	EUR	GBP	HKD	IDR	INR	JPY	NZD	TRY	ZAR	SGD	Total
	(U.S.\$ in millions)														
2024.....	2,137	-	117	413	-	51	348	45	76	32	18	-	54	43	3,334
2025.....	2,949	20	-	1,272	-	-	192	90	-	-	-	19	57	-	4,599
2026.....	1,559	31	57	758	22	-	20	-	-	20	-	-	-	114	2,581
2027.....	1,281	-	-	345	-	-	58	-	-	162	-	-	-	-	1,846
2028.....	1,341	181	-	36	-	-	40	-	-	-	-	-	-	-	1,598
2029.....	1,237	-	-	-	-	-	-	-	-	-	-	-	-	-	1,237
2030.....	268	132	-	118	-	-	-	1	-	-	-	-	-	-	519
2031.....	50	-	-	-	-	-	20	-	-	-	17	-	-	-	87
2032.....	-	20	-	-	-	-	-	-	-	-	-	-	-	-	20
2033.....	85	-	-	-	-	-	-	-	-	-	-	-	-	-	85
2034.....	25	20	-	-	-	-	-	-	-	-	-	-	-	-	45
2035.....	-	122	-	-	-	-	-	-	-	-	-	-	-	-	122
2039.....	-	165	-	-	-	-	-	-	-	-	-	-	-	-	165
2047.....	1,008	-	-	-	-	-	-	-	-	-	-	-	-	-	1,008
2048.....	973	-	-	-	-	-	-	-	-	-	-	-	-	-	973
2060.....	1,697	-	-	-	-	-	-	-	-	-	-	-	-	-	1,697
Grand Total ..	14,610	691	174	2,942	22	51	678	136	76	214	35	19	111	157	19,916

Financial Information

The Issuer's selected historical financial data as at and for the year ended 31 December 2023 has been derived from the audited financial statements as at and for the year ended 31 December 2023 of the Issuer (including the related notes thereto), incorporated by reference in this Prospectus (the "**Issuer 2023 Financial Statements**"). The Issuer's selected historical financial data as at and for the year ended 31 December 2022 has been derived from the audited financial statements as at and for the year ended 31 December 2022 of the Issuer (including the related notes thereto) (the "**Issuer 2022 Financial Statements**", and together with the Issuer 2023 Financial Statements, "**Issuer Financial Statements**"). The Issuer's selected historical financial data as at and for the year ended 31 December 2021 has been derived from the comparative information as at and for the financial year ended 31 December 2021 contained in the Issuer 2022 Financial Statements.

The selected historical financial data set forth below should be read in conjunction with, and are qualified by reference to, the Issuer Financial Statements. The Issuer Financial Statements are available as described under "*General Information*". The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

STATEMENT OF FINANCIAL POSITION DATA

	As at 31 December 2021	As at 31 December 2022 (U.S.\$ in thousands)	As at 31 December 2023
Assets:			
Amounts Due from Parent Company	22,315,045	21,022,800	19,770,944
Total Assets	22,315,045	21,022,800	19,770,944
Liabilities:			
Debt Securities	9,067,649	8,294,830	8,122,623
Other Borrowings	12,996,426	12,458,870	11,380,703
Other Liabilities	250,970	269,100	267,618
Total Liabilities	22,315,045	21,022,800	19,770,944
Equity:			
Share Capital ⁽¹⁾	-	-	-
Retained Earnings	-	-	-
Total Equity	-	21,022,800	-
Total Liabilities and Equity	22,315,045	21,022,800	19,770,944

STATEMENT OF COMPREHENSIVE INCOME DATA

	Year ended 31 December 2021	Year ended 31 December 2022 (U.S.\$ in thousands)	Year ended 31 December 2023
Income:			
Interest Income	630,364	631,428	789,777
Expenses:			
Interest Expense	(630,364)	(631,428)	(789,777)
Profit for the Year	-	-	-
Total Comprehensive Income for the Year	-	-	-

STATEMENT OF CASH FLOW DATA

	Year ended 31 December 2021	Year ended 31 December 2022 (U.S.\$ in thousands)	Year ended 31 December 2023
Net Cash (used in) / from Operating Activities	(595,823)	1,633,539	944,427
Net Cash from Investing Activities	511,633	566,415	859,316
Net Cash from / (used in) Financing Activities	84,190	(2,199,954)	(1,803,743)
Cash and Cash Equivalents at 31 December	-	-	-

Note:

(1) The share capital of the Issuer is U.S.\$100.

BUSINESS DESCRIPTION OF QNB GROUP

Overview

QNB was established in 1964 as the country's first Qatari-owned commercial bank and is the largest commercial bank in Qatar for which financial statements are published, and one of the largest banks in the Middle East and Africa ("MEA") region by assets, where QNB has a strong focus. The Government, through the QIA, owns 50.0 per cent. of QNB's share capital (all of which is listed on the QSE), with the other 50.0 per cent. being held by various investors. As at 31 December 2023, QNB had a market capitalisation of QR152.6 billion (U.S.\$41.9 billion), making QNB the largest bank overall listed on the QSE. Moreover, as at 31 December 2023 (the most recent date for which financial figures are publicly available for QSE listed banks), QNB held the largest market share of total assets by value at 59.0 per cent., loans and advances by value at 61.7 per cent. and customer deposits at 63.7 per cent. as compared to all other locally incorporated banks operating in Qatar.

Over the past five years, QNB achieved compound annual growth rates in both net profit and total assets of 2.4 per cent. and 7 per cent., respectively, from the year ended and as at 31 December 2019 to the year ended and as at 31 December 2023. For the year ended 31 December 2023, QNB had the highest net profit of any bank in Qatar, amounting to QR15.5 billion (U.S.\$4.3 billion).

QNB Group's purpose is to promote prosperity and sustainable growth across the markets it serves. To deliver this, QNB continues to enhance its value proposition, leverage innovation as a strategic enabler, embed sustainability into its business and operating model, and to promote a performance culture.

Over the years, QNB has supported the Government in its efforts to diversify and grow Qatar's economy and has provided financing for many major projects in the construction, transport, food security and infrastructure sectors. On the international stage, QNB has firmly established itself as one of the leading banks in the Middle East, Africa and Southeast Asia ("MEASEA") through organic and inorganic growth.

QNB offers a broad suite of financial products and services to its customers, with business divisions focused on corporate banking, retail banking, international banking, asset and wealth management services and treasury. Through these business divisions, QNB caters to the needs of individuals (including high-net-worth), corporates, institutional, government and government-related clients, both domestically and internationally. QNB also has the largest distribution network in Qatar, comprising 48 branches and service centres and more than 400 automatic teller machine ("ATMs") as at 31 December 2023.

Through a combination of QNB's own branches, representative offices, subsidiaries and associates, QNB is present in more than 28 countries around the world (including Qatar), primarily in the MENA region. QNB has achieved its extended regional coverage through a combination of organic growth and acquisitions. QNB started its international expansion in 1976 with the opening of the branch in London, United Kingdom. For example, in 2009, QNB established a new bank in Syria, QNB-Syria, in which QNB has a 50.8 per cent. equity ownership stake as at the date of this Prospectus. QNB also launched a new private bank in Switzerland in 2009. In 2011, QNB established branches in Lebanon and South Sudan. In addition, since 2005, QNB has acquired strategic ownership interests in banks throughout the MENA region, including a 34.5 per cent. stake in the Housing Bank for Trade & Finance (Jordan), a 54.2 per cent. stake in Al-Mansour Investment Bank (Iraq), a 40.0 per cent. stake in CBI (UAE) and a 99.96 per cent. stake in QNB Tunisia (Tunisia). In early 2011, QNB also acquired a 69.6 per cent. stake in QNB Indonesia (known as QNB Kesawan until November 2014). On 31 March 2013, QNB acquired 97.12 per cent. of Société Générale's Egyptian unit, National Société Générale Bank ("NSGB"), (renamed to QNB ALAHLI). On 4 July 2013, QNB commenced operations in India through a wholly-owned subsidiary and on 30 July 2013, QNB established a representative office in Shanghai. On 2 June 2014, QNB increased its stake in QNB Indonesia to 78.59 per cent. and on 7 November 2014, QNB further increased its stake in QNB Indonesia to 82.59 per cent. In 2023, QNB increased its shareholding in QNB Indonesia to 95.6 per cent. On 4 September 2014, QNB acquired 12.5 per cent. (taking into account the convertible preference shares acquired by QNB) of Ecobank, a leading pan-African bank, and later acquired an additional 11.0 per cent. on 15 September 2014, increasing the total stake held by QNB to 23.5 per cent. (taking into account the convertible preference shares acquired by QNB). Subsequently, in October 2014, Nedbank exercised its right to increase its stake in Ecobank to 20.0 per cent., reducing QNB's stake to 19.4 per cent. (taking into account the convertible preference shares held by QNB). In January 2015, QNB increased its stake in Ecobank in various tranches, resulting in QNB holding a stake of 20.0 per cent. in Ecobank (taking into account the convertible preference shares held by QNB). On 13 October 2016, QNB exercised its option

to convert its preference shares in Ecobank into ordinary shares. In May 2017, QNB increased its stake in Ecobank to 20.1 per cent. On 30 March 2015, QNB commenced operations at a new representative office in Ho Chi Minh City, Vietnam. On 15 June 2016, QNB Group completed the acquisition of 99.81 per cent. of the shares of Finansbank A.Ş. (now known as QNB Finansbank) from NBG. In March 2017, QNB officially opened its branch in Riyadh, the Kingdom of Saudi Arabia. In July 2017, QNB opened its branch in Mumbai, India. During the first quarter of 2018, QNB opened its second branch in Kuwait and increased its holdings in QNB Indonesia, Al-Mansour Investment Bank (Iraq) and QNB Tunisia to 90.96 per cent., 54.2 per cent. and 99.99 per cent., respectively. During the second quarter of 2018, QNB reduced its holdings in QNB ALAHLI Egypt from 97.12 per cent. to 95.0 per cent. in order to comply with local stock exchange regulations relating to free float requirements in Egypt. During the first half of 2019, QNB increased its stake in QNB Indonesia to 92.48 per cent. In early 2021, QNB increased its stake in Housing Bank for Trade & Finance from 34.5 per cent. to 38.6 per cent. In July 2021, QNB opened its branch in Hong Kong. In 2022, QNB terminated its operations in Mauritania and closed its representative office in Myanmar. See also “—*Competitive Strengths—Leading Regional Presence and Growing International Network*”.

QNB has launched a wide range of initiatives in Qatar, where the Qatar operations of QNB’s corporate banking services accounted for 65.5 per cent. of total segment profit for the year ended 31 December 2023. In 2008, QNB established QNB Capital LLC (“**QNB Capital**”), a QFC-registered entity, to provide high quality investment banking and advisory services in Qatar and the MENA region. QNB Capital is split primarily into six business divisions focusing on: (i) mergers and acquisitions; (ii) equity capital markets; (iii) debt capital markets; (iv) strategic advisory; (v) project finance and infrastructure; and (vi) real estate investment.

Since its inception, QNB Capital has been mandated on a number of high-profile transactions, supporting QNB’s market-leading position in the area of corporate finance and financial advisory services in Qatar. Specifically, QNB Capital has acted as a joint lead manager on a number of local, regional and international sovereign and corporate bond and sukuk offerings totalling over U.S.\$50 billion over the last five years. Notably, in 2023 QNB Capital acted as a joint lead manager on the Republic of Turkey’s U.S.\$2.5 billion Sukuk issuance, Qatar Islamic Bank’s U.S.\$500 million Sukuk issuance and QNB Finansbank’s U.S.\$300 million Conventional Tier 2 issuance. High profile equity capital market transactions where QNB Capital has acted as sole advisor include the reverse acquisition of Investment Holding Group Q.P.S.C. by Elegancia Group W.L.L. in May 2022, creating one of the largest listed diversified industrial services companies in the region, with a combined market capitalisation of more than QR5 billion, and the listing of Dukhan Bank on the Qatar Stock Exchange in February 2023, one of the largest listed companies in Qatar.

QNB Capital continues to provide financial and strategic advisory services to a number of Qatari companies across various mandates, including but not limited to a number of large companies considering an initial public offering (“**IPO**”) or direct listing, a notable sell-side advisory mandate, the merger and strategic reorganisation of private companies ahead of a potential IPO, and advising government-related entities on several strategic initiatives. In addition, QNB Capital advises on and undertakes the asset management of a large real estate portfolio predominantly based in Europe that includes properties such as The Shard in London.

QNB believes that its direct involvement in many of the largest transactions involving Qatar locally and internationally provides QNB Capital with a competitive advantage in this area.

QNB’s conservative credit policy and effective utilisation of risk management tools have enabled QNB Group to maintain a high quality loan portfolio. QNB had a non-performing loan ratio (the ratio of non-performing loans and advances to customers as a percentage to gross loans and advances to customers) of 3.0 per cent. as at 31 December 2023, with a corresponding loan loss coverage ratio of 100.1 per cent. as at 31 December 2023. Moreover, as at 31 December 2023, QNB’s total capital adequacy ratio stood at 19.8 per cent., which is above the 16 per cent. minimum threshold set by the QCB’s Basel III requirements (including a capital conservation buffer of 2.5 per cent, the applicable DSIB buffer of 2.5 per cent., and the internal capital adequacy assessment process (“**ICAAP**”) (Pillar II) framework capital charge of 1.0 per cent.) for the year ended 31 December 2023.

As a result of QNB’s historically strong operating performance and financial condition, QNB has the highest credit rating among banks operating in Qatar and is one of the highly rated banks in the GCC and MENA region with current long-term ratings of Aa2 (Moody’s), A+ (S&P), A (Fitch) and AA (Capital Intelligence). In addition, QNB has demonstrated its ability to raise additional capital through its May 2011 U.S.\$3.5 billion rights offer (which was fully subscribed), and its ability to issue debt instruments through its February 2012 U.S.\$1.0 billion debt issuance under the Programme, its November 2012 U.S.\$1.0 billion debt issuance under the Programme, its April 2013 U.S.\$1.0 billion debt issuance under the Programme, its October 2013 U.S.\$1.5

billion debt issuance under the Programme, its May 2016 U.S.\$1.1 billion debt issuance under the Programme and its August 2016 U.S.\$1.0 billion debt issuance under the Programme. Additionally, in May 2016, QNB entered into a EUR2.25 billion senior unsecured term loan facility with a syndicate of international banks and, in June 2016, QNB issued its inaugural QR10 billion Additional Tier 1 Perpetual Capital Notes, which represented the largest issuance of Tier 1 capital instruments in the MEA region to date. In December 2018, QNB issued another tranche of its QR10 billion Additional Tier 1 Perpetual Capital Notes. QNB issued, amongst other things, a U.S.\$600 million Formosa bond in January 2020, a U.S.\$1.0 billion term note in February 2020, a U.S.\$1.0 billion term note in May 2020, followed by a U.S.\$600 million debut green bond in September 2020, all under the Programme. QNB issued a U.S.\$1.0 billion term note in January 2021 under the Programme. In January 2024, QNB issued a U.S.\$1.0 billion term note under the Programme.

QNB's successful funding from the international markets during 2018 included, amongst others, (1) the successful closing of the syndication for its U.S.\$3.5 billion three year senior unsecured term loan facility in February 2018 (the syndication was well supported by 21 international banks and the facility was upsized due to strong demand from the market) and (2) capital market issuances, which included (i) U.S.\$560 million (AUD700 million) bonds with a 5 and 10-year maturity in Australia, (ii) U.S.\$720 million bonds with a 30-year maturity in Taiwan, and (iii) a debut bond launch in Hong Kong Stock Exchange for USD600 million with a three year maturity which was successfully placed in June 2021. During the first quarter of 2019, QNB closed the syndication of its EUR2.0 billion three year senior unsecured term loan facility and announced the completion of a U.S.\$1.0 billion bond issuance with a five year maturity and a fixed rate coupon of 3.5 per cent. per annum. In April 2019, QNB announced the completion of a U.S.\$850 million Formosa bond issuance with a three year maturity. In July 2021, QNB announced the completion of U.S.\$300 million Formosa bond issuance with a five year maturity. In 2023, QNB facilitated more than U.S.\$1 billion in private placement issuances, in addition to expanding its repurchase agreement funding through an expansion of the counterparty base with a volume of more than U.S.\$2 billion.

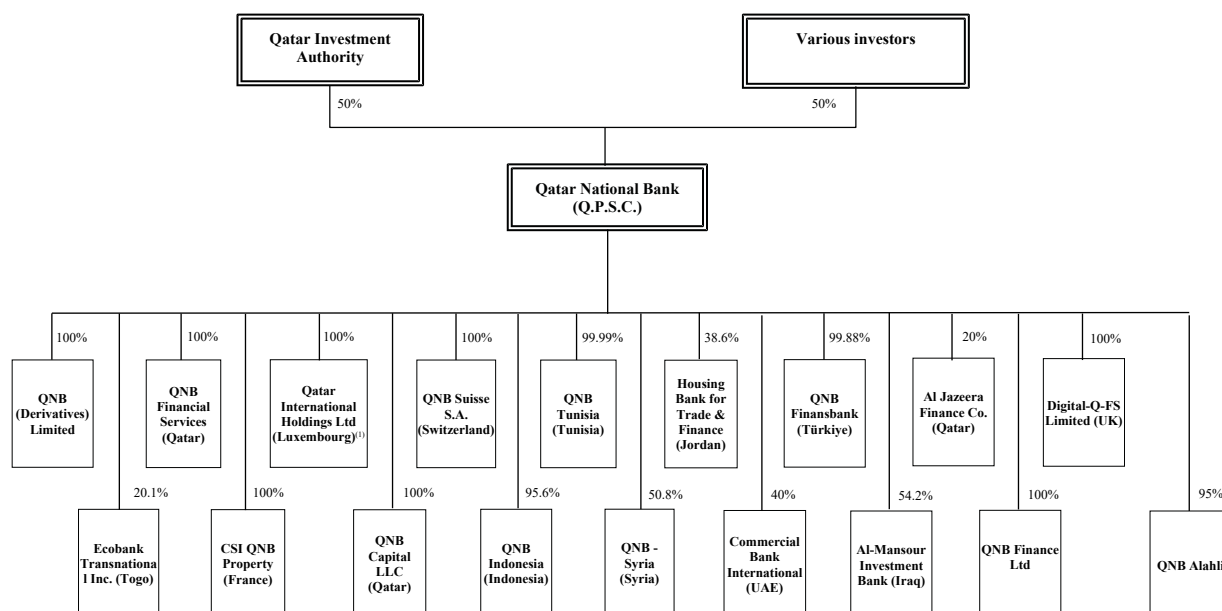
Based on QNB Group's continuous strong performance and its diversified international presence, QNB is the most valuable banking brand in the MEA region, according to the 2024 Brand Finance Global 500 report, with the value of its brand amounting to U.S.\$8.4 billion, making it the 39th most valuable banking brand in the world. In addition to attaining the brand rating of AAA, it is the only bank brand from the MEA region among the world's top 50, according to Brand Finance.

Management believes that QNB is well positioned to leverage its strengths and capitalise on the opportunities to continue its growth in an effort to achieve its objective to be recognised as the largest financial institution within the MEA region, as measured by total assets.

Ownership and Operational Structure of QNB Group

QNB's shareholding structure has remained stable since its incorporation, when it was established by Amiri Decree No. (7) of 1964. The Government, through the QIA, holds 50 per cent. of QNB's share capital (all of which is listed on the QSE), with the remaining 50.0 per cent. being held by various investors. See "*Management—Directors' and Senior Managers' Interests*". Moreover, the QIA has demonstrated its support of QNB by keeping its equity ownership unchanged, having participated in rights issues in 2008 and 2011.

The organisational structure chart below sets forth the shareholding structure of QNB Group as at the date of this Prospectus:



Note:

(1) Ansbacher Group Holdings Limited (Luxembourg) is held indirectly through QNB International Holdings Ltd (Luxembourg).

Competitive Strengths

QNB believes that its business is characterised by the competitive strengths discussed below, and that these competitive strengths position QNB to successfully implement its strategy and to continue its growth plans.

Leading Domestic Presence

QNB is the largest commercial bank in Qatar and, as at 31 December 2023 (the most recent date for which figures are publicly available for QSE listed banks), held the largest market share of total assets by value (59 per cent.), loans and advances by value (61.7 per cent.) and customer deposits (63.7 per cent.) as compared to all other Qatari banks (based on the published financial statements of all banks in Qatar). QNB believes that its substantial market share lead over its competitors, as well as its long history, extensive distribution network, broad suite of innovative financial products and services, and positive brand recognition are some of its key strengths. These strengths, coupled with QNB's strong operating performance and financial position, are expected to assist QNB in its customer retention and acquisition efforts and to help QNB to achieve further growth as Qatar's economy continues to grow.

Leading Regional Presence and Growing International Network

Through a combination of QNB's own branches, representative offices, subsidiaries and associates, QNB is present in more than 28 countries, across Asia, Africa and Europe including Qatar, Algeria, Bahrain, China, Egypt, France, Jordan, Hong Kong, India, Indonesia, Iran, Iraq, Kuwait, Lebanon, Libya, Oman, Palestine (West Bank), the Kingdom of Saudi Arabia, Singapore, Sudan, South Sudan, Switzerland, Syria, Togo, Tunisia, Türkiye, the UAE, the United Kingdom, Vietnam and Yemen. QNB's regional presence and international network exceeds the international coverage of any other Qatari bank. Furthermore, QNB Group maintains and adheres to its risk management, compliance and internal control policies and procedures in its international operations. QNB's head office directly oversees and supervises risk management, compliance and internal control policies and procedures of QNB Group's international operations in certain high risk countries such as South Sudan and Syria. Given QNB's successful international expansion undertaken through a combination of organic growth and acquisitions, QNB believes that it is well positioned to enhance further its international presence. QNB also believes that its continued international growth and expansion will diversify QNB's business activities and geographical coverage and, in turn, reduce its reliance on the Qatari market.

For example, on 31 March 2013, QNB completed the acquisition of a controlling stake in NSGB, representing 97.12 per cent. of its total share capital, which included Société Générale's entire stake of 77.17 per cent. and

a further 19.95 per cent. stake acquired by way of a mandatory tender offer at a total cost of QR8.7 billion. NSGB (now QNB ALAHLI), an Egypt-based bank, was founded in 1978 and is the second largest private bank in Egypt with 234 branches across the country and more than 7,300 employees and has assets of U.S.\$20.4 billion as at 31 December 2023.

On 22 January 2013, QNB acquired an additional 49.96 per cent. stake in QNB-Tunisia at a cost of U.S.\$64.5 million, bringing its total shareholding to 99.96 per cent. It had previously purchased a 50 per cent. stake in 2008.

On 4 July 2013, QNB commenced operations in India having received all regulatory approvals required to establish a fully-owned subsidiary under the name of “QNB India Private Limited”, which offers consultancy and advisory services in investment and finance for Middle Eastern companies looking to establish business and/or invest in India. This was upgraded to a full branch operation in 2017, offering a wide range of wholesale banking products and services, including transaction banking and structured finance.

On 30 July 2013, QNB commenced the operation of its Qatar National Bank (Q.P.S.C.) Shanghai Representative Office after receiving all of the required regulatory approvals. The main activity of QNB’s Shanghai representative office will be extending intermediary services in the field of investment and trade with Middle Eastern companies that are looking to establish their business or invest money in China. QNB’s Shanghai representative office will also act as a liaison with Chinese companies that are looking to expand into the ever-growing Middle Eastern market and facilitate investments by Chinese companies in the Middle East.

On 4 September 2014, QNB acquired 12.5 per cent. (taking into account the convertible preference shares acquired by QNB) of Ecobank, a leading pan-African bank. QNB acquired an additional 11.0 per cent. on 15 September 2014, increasing the total stake held by QNB to 23.5 per cent. (taking into account the convertible preference shares acquired by QNB). Subsequently, in October 2014, Nedbank exercised its right to increase its stake in Ecobank to 20.0 per cent., reducing QNB’s stake to 19.4 per cent. (taking into account the convertible preference shares held by QNB). In January 2015, QNB increased its stake in Ecobank in various tranches, resulting in QNB holding a stake of 20.0 per cent. in Ecobank (taking into account the convertible preference shares held by QNB). On 13 October 2016, QNB exercised its option to convert its preference shares in Ecobank into ordinary shares. In May 2017, QNB increased its stake in Ecobank to 20.1 per cent. The acquisitions have enabled QNB Group to become a significant shareholder of Ecobank, while strengthening the partnership with the bank. QNB Group believes that the acquisition is a fundamental step towards achieving QNB’s long-term strategic vision (see “*Strategy*”).

On 30 March 2015, QNB commenced operations at a new representative office in Ho Chi Minh City, Vietnam. QNB Group’s strategy in respect of this representative office is to promote the development of trade flows between Qatar and Vietnam and provide trade and investment intermediary services for companies in the Middle East that intend to establish their business or to invest in Vietnam. In addition, QNB will also act as a liaison with Vietnamese companies that intend to expand into the Middle East market.

On 15 June 2016, QNB Group completed the acquisition of 99.81 per cent. of the shares of Finansbank A.Ş. (now known as QNB Finansbank) from NBB for EUR2.71 billion (QR11.0 billion). QNB has subsequently increased its ownership stake in QNB Finansbank from 99.81 per cent. to 99.88 per cent. by purchasing shares from minority shareholders for a total cost of QR12.3 million (U.S.\$3.4 million). QNB Finansbank, which was incorporated in 1987, is the fifth-largest privately owned universal bank by total assets, customer deposits and loans in Türkiye. As of 31 December 2023, QNB Finansbank had U.S.\$35.1 billion of total assets, U.S.\$20.5 billion in net loans and U.S.\$22.0 billion in customer deposits.

With the addition of QNB Finansbank to its network and access to a new market, QNB Group has further extended its international presence, having already seen interest from both regional companies doing business in Türkiye and from Türkçe contractors and businesses based in the MEA region. Following the acquisition of QNB Finansbank, QNB Group has begun to work closely with such businesses towards an integrated offering from and into Türkiye vis-à-vis the other countries in which QNB operates.

In March 2017, QNB officially opened its branch in Riyadh, the capital of the Kingdom of Saudi Arabia, after receiving approval in 2016 for a branch licence from the Saudi Arabian Monetary Authority. The presence in the Kingdom of Saudi Arabia was further expanded in August 2023 with the opening of a branch in Jeddah. In July 2017, QNB officially opened its India branch in Mumbai after obtaining approval from the Reserve Bank of India in August 2016. In these markets, QNB will support the various existing economic development

initiatives by initially offering its broad suite of wholesale and commercial banking products and services and leveraging its in-depth expertise in areas such as structured and project finance and transaction banking.

During the first quarter of 2018, QNB opened its second branch in Kuwait and increased its holdings in QNB Indonesia, Al-Mansour Investment Bank (Iraq) and QNB Tunisia to 90.96 per cent., 54.2 per cent. and 99.99 per cent., respectively. During the second quarter of 2018, QNB reduced its holdings in QNB ALAHLI Egypt from 97.12 per cent. to 95.0 per cent. in order to comply with local stock exchange regulations relating to free float requirements in Egypt.

During the first half of 2019, QNB increased its stake in QNB Indonesia to 92.48 per cent. In September 2019, QNB announced that it had received approval from the Hong Kong Monetary Authority to open a branch in Hong Kong. The branch commenced operations on 7 December 2020. In January 2021, QNB Group increased its stake in Housing Bank for Trade & Finance from 34.5 per cent. to 38.6 per cent. In 2023, QNB increased its shareholding in QNB Indonesia to 95.6 per cent.

Strong Operating Performance, Financial Position and Credit Ratings

QNB has historically been one of the best performing banks in Qatar and the MENA region. For the year ended 31 December 2023, QNB had the highest net profit (attributable to equity holders of the Bank) of any locally incorporated bank in Qatar (based on the published financial statements of all commercial banks in Qatar), amounting to QR15.5 billion (U.S.\$4.3 billion). Moreover, QNB's total assets increased by QR41.8 billion (U.S.\$11.5 billion), or 3.5 per cent., from QR1,189.2 billion (U.S.\$326.7 billion) as at 31 December 2022 to QR1,231.0 billion (U.S.\$338.2 billion) as at 31 December 2023. QNB's conservative credit policy and effective utilisation of risk management tools has enabled QNB Group to maintain a high quality loan portfolio. For example, QNB had a non-performing loan ratio (the ratio of non-performing loans and advances (stage 3) to total loans) of 3.0 per cent. as at 31 December 2023, with the corresponding loan loss coverage ratio of 100.1 per cent., as compared to a non-performing loan ratio of 2.9 per cent. as at 31 December 2022, with the corresponding loan loss coverage ratio of 98.5 per cent. In addition, as at 31 December 2023, QNB's total capital adequacy ratio was 19.8 per cent., which is significantly higher than the 16.0 per cent. minimum threshold (including the applicable buffers relating to capital conservation, DSIB and ICAAP) set by the QCB's Basel III requirements. QNB has the highest credit rating among banks operating in Qatar and is one of the highly rated banks in the MENA region. QNB's current long-term ratings are Aa2 (Moody's), A+ (S&P), A (Fitch) and AA (Capital Intelligence). QNB believes that its strong operating performance and financial condition, together with its investment grade credit ratings, will enable QNB to take advantage of new opportunities in the MENA region and internationally, thus enabling QNB to continue its international growth and expansion strategy.

Strong Qatari Government Support

QNB's shareholding structure has remained stable since its incorporation in 1964, when it was established by Amiri Decree No. (7) of 1964. QNB is currently, and has always been, 50.0 per cent. owned by the Government. The Government's stake is currently held through the QIA with the remaining 50.0 per cent. held publicly by various investors. The QIA has demonstrated its support of QNB by maintaining a constant equity ownership through participating in rights issues in 2008 and 2011. Furthermore, the Government's recent financial support initiatives extended to domestic banks listed on the QSE (including QNB) during the 2008-2009 global financial crisis demonstrated the Government's willingness to maintain investor confidence in the Qatari economy as well as the Qatari banking sector. As part of the initiatives taken by the Government to support domestic banks listed on the QSE, QNB sold a portion of its portfolio of Qatari equity securities to the Government in March 2009, receiving a proportion of the support in such programme offered by the Government to seven of the nine domestic banks listed on the QSE by reference to its market share of bank exposure to listed equities in Qatar. In June 2009, the Government purchased certain loans, advances and other exposures relating to the real estate sector from QNB and a number of other Qatari domestic banks for an aggregate amount of QR15.5 billion (U.S.\$4.3 billion), with QNB receiving a portion of the amount by reference to its market share of bank exposure to real estate in Qatar. Overall, QNB believes that this financial support ensured that the Qatari banking sector as a whole remained liquid and also that it fostered investor confidence. QNB also believes that it will continue to benefit, both directly and indirectly, from its strong ties to the Government.

Exposure to High-Value Transactions

QNB Capital continues to be mandated on high-profile transactions, supporting QNB's market-leading position in the area of corporate finance and financial and strategic advisory services. QNB Capital has acted as a joint lead manager on a number of local, regional and international sovereign and corporate bond and sukuk offerings totaling over U.S.\$50 billion over the last five years. Notably, in 2023, QNB Capital acted as a joint lead manager on the Republic of Turkey's U.S.\$2.5 billion Sukuk issuance, Qatar Islamic Bank's U.S.\$500 million Sukuk issuance and QNB Finansbank's U.S.\$300 million Conventional Tier 2 issuance.

High profile equity capital market transactions where QNB Capital has acted as sole advisor include the reverse acquisition of Investment Holding Group Q.P.S.C. by Elegancia Group W.L.L. in May 2022, creating one of the largest listed diversified industrial services companies in the region, with a combined market capitalisation of more than QR5 billion, and the listing of Dukhan Bank on the Qatar Stock Exchange in February 2023, one of the largest listed companies in Qatar.

QNB Capital continues to provide financial and strategic advisory services to a number of Qatari companies across various mandates, including but not limited to a number of large companies considering an IPO or direct listing, the merger and strategic reorganisation of private companies ahead of a potential IPO, and advising government-related entities on several strategic initiatives. In addition, QNB Capital advises on and undertakes the asset management of a large real estate portfolio predominantly based in Europe that includes properties such as The Shard in London. QNB believes that Qatar's increasingly important international role, along with the global appetite for investment in the GCC – especially Qatar – and the MENA region, will provide increased opportunities for QNB Capital to create new revenue streams.

Experienced Management Team and Commitment to Corporate Governance

QNB Group believes in the value of its people and particularly the value of its experienced management team. QNB Group Chairman, H.E. Ali Bin Ahmed Al-Kuwari, has over 32 years of experience in the banking sector, including six years serving as Group Chief Executive Officer of QNB Group.

Day-to-day management of QNB Group is entrusted to its Group Chief Executive Officer, Mr. Abdulla Mubarak Al-Khalifa, who has more than 27 years of experience in the banking sector, including five years serving as Chief Business Officer of QNB Group. Mr. Al-Khalifa is aided by an experienced executive management team. All of the senior members of QNB's Board of Directors and executive management team have extensive knowledge of the banking sector in Qatar and the MENA region and bring with them a wealth of experience in leading financial institutions with an international presence.

QNB's Board of Directors sets the standard for a robust and effective corporate governance framework for entire QNB Group. Management believes that corporate governance is a matter of vital importance and a fundamental part of the business practices of QNB Group and that the combination of an existing team of highly experienced professionals, coupled with best practice corporate governance standards, positions QNB Group well for future growth.

Strategy

Over the last decade, QNB has achieved significant growth and profitability. Consequently, QNB Group is now the largest bank in the MEA region. QNB's key strengths are buttressed by several "core qualities", such as the strength of the QNB brand, robust cost controls, market leading capital ratios, broad sectoral expertise, prudent risk management and strong and growing relationships with the public and private sector in Qatar and also internationally. Two key factors have contributed to economic growth and the domestic banking sector in recent years: (i) the favourable macroeconomic environment in Qatar, driven by hydrocarbon revenues, a large investment spending programme and the resulting rapidly growing population; and (ii) the State's diversification drive. These two factors have provided resilience in the face of geopolitical risks to the economy and banking sector overall. QNB's international expansion has offered QNB the opportunity to enter new markets. This includes delivering a compelling and unique value proposition, creating a gateway to the Middle East and Africa, and leveraging upon the strong relationships, brand recognition and cultural affinity of QNB in those markets to promote and capture trade and investment opportunities. Its presence in 28 countries across three continents therefore drives international cooperation, consistency and unrivaled customer service by providing oversight and best practice sharing across its network. QNB is committed to investing in Qatar's

future and it continues today with significant financing support deployed on major projects that support the continued diversification drive.

In 2005, QNB announced its commitment to expand internationally and in 2011 stated its Vision 2017: “To be a Middle East and Africa Icon”. With its remarkable growth in the early part of this decade, QNB became the largest financial institution in the MEA region in 2015, based on key financial metrics such as assets, loans, deposits and net profit. Following a group-wide strategic review in 2014, QNB defined its Vision 2020 to become “one of the leading banks in the Middle East, Africa and South East Asia”. In 2021, QNB performed a review of its aspiration and strategy to create a new five-year plan that will help QNB navigate the increasing complexities of a post-pandemic world. QNB’s 2025 vision is to be one of the leading MEASEA banks while maintaining the number one position in MEA.

This new five-year plan, which was introduced in 2021, aims to ensure QNB is well positioned to drive greater efficiency, attract more customers, provide outstanding service and generate future growth opportunities that will create sustainable value to all stakeholders. To reap these rewards, QNB’s strategy is to rely on its wholesale bank as its development core and focus its strategic initiatives on further enhancing its value propositions as a solution-led wholesale bank, complemented by an analytics-enabled global transaction banking proposition. In order to maintain its leading position and drive strategic initiatives, QNB will continue to leverage innovation as a strategic enabler and embed sustainability into their business and operating model. To support its vision, QNB will expedite a new culture transition, driving new values and behaviours in the workplace.

QNB seeks to develop a solution-led wholesale banking approach, aiming to place a greater emphasis on a more client-centric business model. This is supported by a range of enhanced products, upgraded data infrastructure, analytical tools, and trainings. QNB aims to attract new clients by expanding its team of experienced relationship managers and product specialists across the business. QNB focuses on strategic initiatives that complement its solution-led wholesale model, such as trade finance, cash management, structured finance and other advisory services.

By embedding analytics into its global transactional banking business, QNB aims to ensure that it delivers a seamless transaction banking proposition across its entire global footprint. This is being supported by an investment in its digital channels, improving its customer-facing and processing capabilities.

To create meaningful scale in revenue generating opportunities, efficiencies and to future-proof QNB, QNB leverages innovation as a key strategic enabler. This involves capitalising on developments in areas such as open banking, Robotics Process Automation (RPA), big data and analytics, artificial intelligence, as well as digitisation and automation.

QNB’s sustainability programme is an integral part of its strategy, driving positive contributions to society in the markets it serves. QNB Group’s approach towards sustainability is fully integrated into its strategy and consist of three pillars: Sustainable Finance, Sustainable Operations and Beyond Banking.

Sustainable finance is the integration of ESG criteria into QNB Group’s financing activities to deliver profit with purpose. QNB’s ambition is to help customers to manage their environmental and social risks, lend to businesses that contribute towards sustainable development goals, improve access to finance for small and medium-sized enterprises (SMEs) and underserved groups, and provide responsible customer service. Delivering sustainable finance is the most impactful way in which QNB can support national and global sustainable development goals. Moreover, it enables QNB to reduce reputational risks in QNB’s portfolio and maximise business opportunities emerging from the transition to a greener, more inclusive economy.

Sustainable operations is the integration of ESG criteria into QNB’s business operations and supply chain to ensure QNB operates ethically and efficiently. QNB’s ambition is to strengthen corporate governance and risk management practices, promote equality in its workforce and supply chains, and reduce carbon emissions generated by its operations. This approach keeps QNB compliant with evolving ESG-related regulations while enabling QNB to be an employer of choice.

Beyond banking refers to QNB Group’s corporate social responsibility activities in the communities in which QNB operates. QNB’s ambition is to make a positive contribution towards wider society with an emphasis on education and financial literacy. In addition, QNB supports and delivers a range of initiatives within QNB’s

focus areas of social and humanitarian, arts and culture, health and environment, economic and international affairs, and sports.

These pillars support QNB's goal of sustainable financial performance, by strengthening its governance, reducing risks and embedding the topic of ESG into its business and operating model, all with the intent to make a positive contribution to the society and the environment.

QNB intends to position itself as the gateway bank to the MEA region where it, as financial intermediary, can facilitate economic growth. MEASEA continues to be the focal point for QNB Group's global growth. These regions require trade and investment flows to support the building of the foundations for socio-economic development, such as infrastructure, including transport, real estate, power, telecoms, healthcare, education and tourism. This will, in turn, also drive population growth, consumer demand and consumption, resulting in higher economic growth across these markets. By strategically positioning its business in these key growth corridors, QNB is securing its vision to become the leading bank in MEASEA. Through its own network as well as through its partners and alliances, QNB has the necessary local knowledge, niche expertise and an understanding of the risks and opportunities to successfully create and capture significant value in those markets. This positively contributes to the growth and strength of QNB Group by diversifying its sources of revenue and profit. QNB regularly engages leading international management consulting firms to assist in developing its corporate or country strategies.

Consolidation and Strengthening of the Corporate Banking Line

QNB intends to further strengthen its market position by consolidating its corporate banking line, which has proven to be its strongest performing business line. The total segment revenue generated by QNB's corporate banking division (Qatar operations) amounted to 49.0 per cent. and 47.5 per cent. of QNB Group's total segment revenue for the years ended 31 December 2023 and 31 December 2022, respectively. QNB believes that its corporate banking line has the potential for further growth in parallel with the rapid development of Qatar's economy. In addition to wholesale commercial banking, in 2008 QNB Group established QNB Capital, a fully-owned subsidiary offering a full range of capital market advisory services covering equity capital markets, debt capital markets and mergers and acquisitions. Through this subsidiary, QNB has participated in a number of key Government and quasi-Government financial mandates. Reflecting Qatar's economy, the management of QNB believes that these key opportunities in the corporate banking line are primarily within the oil and gas, transport, utilities, food security, infrastructure, hospitality and healthcare sectors. Accordingly, QNB targets these sectors, particularly transactions involving private corporate clients and major governmental contracts, as well as leveraging its experience in arranging Qatari Riyal-denominated facilities. QNB also believes that it is well-placed to further strengthen its corporate banking line and to continue to develop strong commercial relationships with private and public corporate clients internationally.

Geographic Expansion and Diversification

International expansion is one of the cornerstones of QNB's strategy to achieve its vision of becoming a leading Middle East, Africa and South East Asian bank. QNB aims to increase the contribution from its international operations by strengthening its presence in markets which it has already entered and entering new high growth markets. In order to realise these opportunities, QNB aims to capture relevant market share and risk-adjusted returns in markets that demonstrate strong macroeconomic and banking sector growth by pursuing opportunistic mergers and acquisitions when they are aligned with QNB Group's strategy. In addition, these markets are characterised by higher than average net interest margins (NIMs) as well as a balance between interest and non-interest income.

QNB is positioning itself as a gateway to the MEA. QNB will continue to bolster its specialised global wholesale business by expanding its presence to regional hubs and business origination centres as well as refining its value proposition. Moreover, QNB is further deepening its integration activities by aligning its existing subsidiaries with QNB Group's overall strategy, business and operating model to realise cost and revenue synergies.

QNB will continue to strategically invest in markets that expand its geographic footprint while ensuring that adequate due diligence is conducted. These regions have several of the world's fastest-growing markets, fuelled by ongoing improvement in business conditions, favourable demographics and increasing globalisation. Furthermore, there are significant trade and investment flows within and across these regions, which QNB, as financial intermediary, could facilitate. Across QNB's defined geography, new markets would be considered

from the following perspectives: the macroeconomic outlook, banking sector penetration, growth potential (competitive attractiveness) and regulatory requirements for market entry. See also “—*Competitive Strengths—Leading Regional Presence and Growing International Network*”.

QNB believes that its investments in established banking sectors, such as Switzerland, coupled with its investments in emerging markets, will allow QNB to diversify its geographical sources of revenues. QNB Group seeks to benefit from such diversification by obtaining stable returns from mature markets while gaining higher returns and growth rates from higher risk emerging markets. Although international expansion continues to be an integral part of QNB’s growth strategy, in response to global economic realities over the past several years, QNB has adopted a cautious approach to its international expansion activities.

QNB intends to further its international expansion into markets in which some of its existing clients are particularly active through a combination of organic growth and carefully planned acquisitions. QNB believes that a wider geographical presence gained through such expansion will reduce QNB Group’s exposure to certain economic risks in the event of any economic downturn and, in turn, provide stability to its financial position. See “*Overview of the Business—International Banking*”. QNB also intends to focus on cross-selling its existing products and services, leveraging its market-leading position in Qatar, to markets in the GCC, MENA and wider regions, and will focus on both conventional and Islamic banking in international markets, as QNB deems appropriate. QNB will continue to consider and review potential acquisition targets as well as other investment opportunities, if and when they present themselves. QNB evaluates and, in certain cases, engages in discussions and negotiations regarding these types of opportunities on a continual basis, some of which, if acted upon, could have a material impact on the business, financial condition, results of operations and prospects of QNB Group. See “*Risk Factors—Risks Related to QNB’s Business Activities and Industry—QNB does not have an extended track record of operating its recently established and acquired international businesses, which are located in emerging markets and are thus subject to various risks relating to emerging markets generally*”.

Diversified Product Offerings

QNB is present in more than 28 countries across Asia, Africa and Europe, and operates as a full-service financial institution in its core markets of Qatar, Türkiye and Egypt, and as a wholesale commercial bank across a range of frontier and emerging markets in MEASEA. QNB also has a growing presence in developed economies, such as the United Kingdom, France, Switzerland and Singapore. QNB intends to diversify QNB Group’s product offerings (both conventional and Islamic) in order to increase and solidify its client base and fee-generating business. By creating new income streams in selected markets, QNB Group seeks to reduce its exposure to the risks inherent in the banking sector through diversification of its product offerings, revenue stream and customers.

QNB provides a broad range of products and services which are tailored to specific industry sectors and customer needs and help to ensure a strong competitive advantage. These include:

- Wholesale, commercial and SME banking services;
- Structured finance, including syndication and distribution, project and acquisition finance and asset-backed and real estate finance;
- Transaction banking, consisting of global trade services and cash management;
- Financial institutions, comprising of an extensive correspondent banking network;
- Treasury, with a full suite of treasury products and services;
- Investment banking via QNB Capital, offering comprehensive corporate advisory services covering all aspects of corporate finance;
- Retail Banking, offering a comprehensive suite of products and services with an integrated, multi-channel distribution network, including a market-leading premium proposition through the QNB First and QNB First Plus offering. In addition, QNB has an international retail offering through the QNB

First Global Recognition programme with global account access across QNB's international network; and

- Asset and Wealth Management, offering an end-to-end advisory service for clients to assist them effectively manage their wealth. This ranges from serving high-net-worth individuals with QNB Group's private banking offering to managing mutual funds which cover a variety of asset classes, as well as to offering brokerage and custody services.

Operational Performance throughout QNB Group

One of QNB Group's main strategic initiatives is to maximise its operational performance in order to further increase its market share by (i) developing products that address the customers' needs, (ii) realising operational and financial synergies across QNB Group and (iii) utilising the experience of QNB Group's management to oversee the operational performance across its regional and international network. QNB seeks to increase its operational performance by improving its asset quality through risk management and investing in strong IT infrastructure to centralise data processing and operations. QNB has invested in sophisticated risk management software to support its comprehensive operational risk management policy. Through QNB's software system and risk management policy, QNB monitors key risk areas and effectively manages liquidity and funding requirements.

Maintaining a High Quality Debt Portfolio through its Risk Management Programme

QNB Group is focused on minimising its exposure to credit risks through the maintenance and improvement of a thorough risk management programme and organised control system. QNB Group has in place a conservative credit and risk assessment programme that has supported its strong and stable growth across the MENA region in recent years. QNB Group continues to seek profitable opportunities in lending while employing a conservative approach towards risk management. See "*Risk Management and Compliance*".

Operating Performance and Financial Position

Operating Segments of Business

QNB Group is primarily organised into four operating segments of business: (i) corporate banking; (ii) consumer banking; (iii) asset and wealth management; and (iv) international banking. The table below shows the contribution that each of these operating segments.(see "*Business Description of QNB Group—Overview*") as at and for the years ended 31 December 2023, 2022 and 2021, respectively.

Qatar Operations						
	Corporate Banking	Consumer Banking	Asset and Wealth Management	Unallocated and Intra- group Transactions	International Banking	Total
(QR in thousands)						
As at and for the year ended 31 December 2023:						
Total Segment Revenue	19,174,983	1,400,198	1,218,221	258,352	17,071,734	39,123,488
Segment Profit ⁽²⁾	10,156,942	744,363	1,011,026	(115,887)	3,714,893	15,511,337
Segment Assets	905,556,289	41,329,570	45,127,704	(322,527,344)	561,498,794	1,230,985,013
As at and for the year ended 31 December 2022:						
Total Segment Revenue	16,669,394	1,214,055	1,299,917	47,913	15,873,247	35,104,526
Segment Profit ⁽²⁾	9,486,034	585,464	980,293	(316,513)	3,613,582	14,348,860
Segment Assets	875,058,465	37,586,298	47,984,403	(306,458,249)	535,048,095	1,189,219,012
As at and for the year ended 31 December 2021:						
Total Segment Revenue	15,086,848	1,091,386	1,055,943	70,352	11,008,954	28,313,483
Segment Profit ⁽²⁾	9,619,197	246,193	767,917	(267,600)	2,845,416	13,211,123
Segment Assets	789,387,825	35,980,010	39,846,075	(336,986,883)	564,810,584	1,093,037,611

Notes:

- (1) Treasury contributes income to Corporate Banking for financial reporting purposes.
- (2) Attributable to the equity holders of QNB.
- (3) Unallocated and intra group transactions are considered part of Qatar operations for purposes of segment reporting.

Set forth below is a brief discussion of QNB's consolidated operating performance and financial position as at and for the year ended 31 December 2023, as compared to the prior year and QNB's consolidated operating performance and financial position as at and for the year ended 31 December 2022, as compared to the year ended 31 December 2021.

Year Ended and as at 31 December 2023 Compared to Year Ended and as at 31 December 2022

Operating Income (including share of results of associates)

Operating income increased by QR4.0 billion (U.S.\$1.1 billion), or 11.4 per cent., to QR39.1 billion (U.S.\$10.7 billion) for the year ended 31 December 2023 from QR35.1 billion (U.S.\$9.6 billion) for the year ended 31 December 2022. This increase was primarily due to the increase in net interest income, which increased by QR1.6 billion (U.S.\$0.4 billion), or 5.4 per cent., to QR30.4 billion (U.S.\$8.4 billion) for the year ended 31 December 2023 from QR28.9 billion (U.S.\$7.9 billion) for the year ended 31 December 2022.

Net Profit (attributable to equity holders of the Bank)

Net profit increased by QR1.2 billion (U.S.\$0.3 billion), or 8.1 per cent., to QR15.5 billion (U.S.\$4.3 billion) for the year ended 31 December 2023 from QR14.3 billion (U.S.\$3.9 billion) for the year ended 31 December 2022. The primary driver for the increase in net profit was increase in net interest income.

Financial Position

Total assets increased by QR41.8 billion (U.S.\$11.5 billion), or 3.5 per cent., to QR1,231.0 billion (U.S.\$338.2 billion) as at 31 December 2023 from QR1,189.2 billion (U.S.\$326.7 billion) as at 31 December 2022. Contributing to this increase in total assets was an increase in loans and advances to customers by QR45.4 billion (U.S.\$12.5 billion), or 5.6 per cent., to QR853.0 billion (U.S.\$234.3 billion) as at 31 December 2023 from QR807.6 billion (U.S.\$221.9 billion) as at 31 December 2022. In addition, total liabilities increased by

QR37.6 billion (U.S.\$10.3 billion), or 3.5 per cent., to QR1,120.8 billion (U.S.\$307.9 billion) as at 31 December 2023 from QR1,083.2 billion (U.S.\$297.6 billion) as at 31 December 2022. The foregoing increases resulted in total equity increasing by QR4.2 billion (U.S.\$1.1 billion), or 3.9 per cent., to QR110.2 billion (U.S.\$30.3 billion) as at 31 December 2023 from QR106.1 billion (U.S.\$29.1 billion) as at 31 December 2022.

Year Ended and as at 31 December 2022 Compared to Year Ended and as at 31 December 2021

Operating Income (including share of results of associates)

Operating income increased by QR6.8 billion (U.S.\$1.9 billion), or 24.0 per cent., to QR35.1 billion (U.S.\$9.6 billion) for the year ended 31 December 2022 from QR28.3 billion (U.S.\$7.8 billion) for the year ended 31 December 2021. This increase was primarily due to the increase in net interest income, which increased by QR5.8 billion (U.S.\$1.6 billion), or 25.3 per cent., to QR28.9 billion (U.S.\$7.9 billion) for the year ended 31 December 2022 from QR23.0 billion (U.S.\$6.3 billion) for the year ended 31 December 2021.

Net Profit (attributable to equity holders of the Bank)

Net profit increased by QR1.1 billion (U.S.\$0.3 billion), or 8.6 per cent., to QR14.3 billion (U.S.\$3.9 billion) for the year ended 31 December 2022 from QR13.2 billion (U.S.\$3.6 billion) for the year ended 31 December 2021. The primary driver for the increase in net profit was increase in net interest income.

Financial Position

Total assets increased by QR96.2 billion (U.S.\$26.4 billion), or 8.8 per cent., to QR1,189.2 billion (U.S.\$326.7 billion) as at 31 December 2022 from QR1,093.0 billion (U.S.\$300.3 billion) as at 31 December 2021. Contributing to this increase in total assets was an increase in loans and advances to customers by QR43.9 billion (U.S.\$12.1 billion), or 5.8 per cent., to QR807.6 billion (U.S.\$221.9 billion) as at 31 December 2022 from QR763.7 billion (U.S.\$209.8 billion) as at 31 December 2021. In addition, total liabilities increased by QR90.2 billion (U.S.\$24.8 billion), or 9.1 per cent., to QR1,083.2 billion (U.S.\$297.6 billion) as at 31 December 2022 from QR993.0 billion (U.S.\$272.8 billion) as at 31 December 2021. The foregoing increases resulted in total equity increasing by QR6.0 billion (U.S.\$1.6 billion), or 6.0 per cent., to QR106.1 billion (U.S.\$29.1 billion) as at 31 December 2022 from QR100.1 billion (U.S.\$27.5 billion) as at 31 December 2021.

Overview of the Business

Within the main operating segment of conventional banking, QNB has five principal divisions, as follows:

- ***Corporate Banking:*** QNB's corporate banking division offers a full spectrum of products and services catering to the needs of diverse customers across sectors ranging from large corporates, contractors finance, commercial banking (traders and manufacturers), small and medium-sized enterprises ("SMEs"), government and semi-government sector agencies, and financial institutions domestically, as well as providing support to international corporate and financial institutions. The products and services offered by the corporate banking division include structured and project finance, syndication, cash management and trade finance, as well as other commercial banking products and services through Treasury and Asset Management functions. Revenues of the corporate banking division are derived mainly from products and services provided to large corporates, medium-sized companies, contracting sectors, and government and semi-government organisations. QNB's corporate banking products and services are tailored to suit the particular needs of each client.
- ***Retail Banking (Consumer banking):*** QNB's retail banking division offers a wide range of products and services to individuals in Qatar, where the retail banking sector is highly competitive. High-income/affluent individuals are served through QNB First. QNB's retail banking product and service offering includes current accounts, savings accounts, deposit accounts, credit and debit cards, travel insurance, personal loans, vehicle loans, mortgages, and safety deposit boxes. QNB also provides tailored accounts for expatriate Indians and Jordanians through arrangements with HDFC Bank and the Housing Bank for Trade & Finance, respectively. QNB has the largest distribution network in Qatar, comprising 48 branches and more than 400 ATMs as at 31 December 2023.

- **International Banking:** QNB operates internationally, either directly or through its branches, representative offices, subsidiaries or associates, in more than 28 countries (including Qatar).
- **Asset and Wealth Management:** QNB commenced asset and wealth management services in 2005. QNB is the largest provider of asset management services in Qatar and has assets under management of QR151.9 billion (U.S.\$41.7 billion) as at 31 December 2023. QNB's asset management suite of products consists of equities, local, regional and emerging markets, capital guaranteed products and fixed income products. This division also caters to the needs of high-net-worth investors through its private banking unit, QNB Private. QNB Private offers a broad array of onshore and offshore products as well as services tailored to the needs of the target segment. QNB FS, the first independently regulated, licensed brokerage unit launched by a bank in Qatar, is also a part of QNB's asset and wealth management services division. It commenced trading activities on the QSE in May 2011 and offers a multi-market, multi-currency trading platform with access to several GCC markets, including Qatar, the UAE and Oman. It also provides a trading solution for buying and selling securities in the U.S. and European markets.
- **Treasury:** QNB's treasury operations are primarily split into trading and sales activities. Trading activities consist of asset and liability management, foreign exchange, fixed income and derivatives trading. Sales activities are focused on corporate and retail customers, including high-net-worth individuals.

In addition to the five principal divisions mentioned above, QNB Group also includes QNB Capital, which is an investment banking arm within the conventional banking segment of QNB Group.

Corporate Banking

The Corporate Banking division (Qatar operations) constitutes a significant part of QNB Group's business, contributing 49.0 per cent., 47.5 per cent. and 53.3 per cent. to QNB Group's total segment revenue for the years ended 31 December 2023, 2022 and 2021, respectively. QNB's Corporate and Institutional Banking division is divided into client relationship business units and support units (that support the operations of the client relationship business units). These client relationship business units are further divided into (i) Domestic Corporate Banking, (ii) SME Banking, (iii) International Corporates and (iv) Financial Institutions and Correspondent Banking. These are more fully described below:

Client Relationship Business Units: Domestic Corporate Banking, SME Banking, International Corporates and Financial Institutions and Correspondent Banking

Domestic Corporate Banking (comprising of the following four departments):

- **Large Corporates:** This business unit provides a comprehensive suite of sophisticated banking products and services to both large local corporates and multi-national companies doing business in Qatar and globally, especially in countries in which QNB Group either has a presence or an interest. Its customers include large state-owned entities and quasi-Governmental entities in sectors such as Upstream and Downstream Oil and Gas, Hospitality, Telecommunications, Airline, Shipping, Water and Electricity.
- **Commercial Banking:** QNB offers a full range of depositary and credit-related banking services to medium-sized business customers in Qatar as well as across QNB's international network. The department focuses on financing the trade cycle and certain manufacturing activities. Industries and sectors include import and export of commodities, components, spare parts and tools, transport, vehicles and heavy equipment, "white goods", agricultural products and consumables, telecommunications equipment, insurance services, brokers and general commercial banking services.
- **Government and Semi-Government Sector:** QNB provides services to various Governmental ministries and semi-Government agencies and is responsible for supervising the execution of orders and requests as well as advising the concerned authorities on the management and distribution of their capital and resources, as appropriate for each client.

- *Contracting:* Various reputable, local and international construction and contracting clients use QNB's services for contractor finance as well as other products and services related to engineering and procurement contracts in both the public and private sectors. QNB's clients include top tier contractors operating in Qatar as well as across QNB's international network. The client base has grown recently along with the rapid expansion of the construction industry in Qatar and some other key markets in the GCC.

SME Banking:

- QNB also has banking relationships with, and provides a wide range of corporate banking products and services to, its customers with a view to strengthening the development of local small and medium enterprises in line with Qatar's 2030 vision. QNB also promotes start-ups and assists SMEs who have active operations within Qatar to grow locally and overseas. These SME clients range from small and medium-sized companies and family businesses to local Qatari entrepreneurs who require specialist corporate banking services.

International Corporates:

- QNB provides the international network with support in offering a full range of banking services, including short-term and long-term banking facilities and services in meeting the needs of clients spread across QNB branches.

Financial Institutions and Correspondent Banking Clients:

- QNB services financial institutions globally and has correspondent banking arrangements with banks worldwide. This department is also responsible for QNB's banking relationships and financial services relationships with other banks, and is responsible for maintaining existing banking and financial services relationships and fostering new ones. In addition, this department coordinates with other internal departments, overseas branches and offices to expand QNB's market share position of direct trade and investment into Qatar.

Support Units

The various business units described above are supported by dedicated units within QNB which employ product experts and work with the client relationship business units to deliver products and services:

- *Global Structured Finance:* QNB often enters into syndications with other financial institutions on corporate loans and actively sources primary and selected secondary syndicated loan participation opportunities from financial institutions and large corporates, with a focus on taking large participations in and/or underwriting strategic transactions or smaller transactions in non-relationship corporate syndications on a case-by-case basis. It also focuses on the financing of major infrastructure projects and large corporate loans, an area in which QNB has become an active and important player in Qatar and the MEASEA region, with a historic focus on the GCC and countries in which QNB Group has a presence or an interest. This support unit has been involved at various levels in structured and project finance transactions covering several industry sectors, including power and water, oil and gas, petrochemicals, infrastructure and telecommunications. It also utilises other structured financing techniques such as project finance and asset-based finance (including aircraft and ship financing) to achieve its customers' objectives.
- *Corporate Products and Cash Management:* QNB provides products and services with the aim of enhancing corporate clients' access to, and management of, their capital. Products provided by this support unit include: (i) internet corporate banking, allowing for the management of corporate accounts over the internet; (ii) corporate credit cards; (iii) e-statement services; (iv) QNB Express, a secure cash and document collection service; (v) Direct SWIFT Connectivity and Host to Host Connectivity; and (vi) an electronic cheque clearance service.
- *Trade Finance:* QNB offers tailored solutions to the trade financing requirements of QNB Group's diverse client base. Concurrently, products are also constantly being developed and customised to meet the needs of the changing global economy to ensure that clients have access to effective solutions

which are in accordance with international standards and practices including receivables discounting, vendor financing, supply chain financing and insurance backed programmes.

Retail Banking (Consumer banking) Overview

The Qatar operations of QNB's retail banking division are an important part of QNB Group's business and contributed 3.6 per cent., 3.5 per cent. and 3.9 per cent. to QNB Group's total segment revenue for the years ended 31 December 2023, 2022 and 2021, respectively.

QNB Group Retail Domestic Business

QNB Retail Division operates through the largest distribution network in Qatar with 48 branches and more than 400 ATMs as at 31 December 2023. It offers a wide range of personal banking solutions such as current accounts, savings and deposit products, personal lending products, mortgages, insurance, credit cards and various other payment solutions for its domestic customers.

QNB Group Retail International

In line with QNB Group's international expansion strategy, QNB Group Retail has increased its global footprint through business operations in the Kingdom of Saudi Arabia, India, Oman, Kuwait, Lebanon, Egypt, Tunisia, UK, France and Türkiye. The process of fully integrating the international business operations and functions with those in Qatar is currently underway to achieve greater synergies within the Group Retail Division and to offer a greater choice of products and services to customers domestically and internationally.

QNB First Premium Banking Services

Since its launch in 2008, "QNB First" has grown to over 36,000 clients domestically and has extended its reach internationally to Lebanon, Oman, Kuwait, Tunisia and Indonesia, with the UK and France as receiving countries, with further plans for international expansion in the coming years. While QNB First enjoys the market leading position in premium banking services in Qatar, it has taken several initiatives in recent years to further strengthen its position by enhancing its unique "Global Recognition" programme, lifestyle offerings, cross-border mortgage solutions and real estate advisory services, introducing Global Account Access across QNB's international network and launching its QNB Explorer mobile application as a new platform offering various banking privileges.

QNB First has further differentiated itself from its domestic peers with the recent introduction of the new sub-segment "QNB First Plus" which offers its most valuable customers a premium banking proposition which includes a dedicated senior relationship manager, a unique on-boarding experience, exclusive lifestyle privileges, a premium credit card and customised wealth management solutions.

Electronic Banking Services

In order to provide its customers with a convenient banking experience, QNB has always been committed to adopting the latest banking and technological innovations. In this regard, QNB has expanded its offerings to provide customers with global banking services and to allow them access to banking services digitally.

QNB's digital products give customers the option of performing most of their financial transactions remotely and digitally, while also ensuring greater coverage of customers' needs in other aspects of their lives by working with QNB partners from other industries such as travel, telecommunications and insurance.

In this regard, QNB Retail has recently upgraded and enhanced its internet and mobile banking services including through biometric verification to provide customers with a banking experience that is convenient and secure.

Following the successful launch of interactive teller machines ("ITM") in 2016, QNB Retail launched an automated self-service cheque deposit system intended to give customers greater flexibility in depositing their cheques using one of the following methods:

- 1) use of an automated self-service cheque deposit system which transfers the corresponding amount into the customer's account directly within a few minutes;

- 2) use of ITM virtual tellers to deposit cheques into any account; or
- 3) use of the mobile banking remote cheque deposit function to deposit customer cheques remotely.

While continuing to enhance its direct channels of mobile banking, internet banking and other third generation platforms, QNB has also focused on optimising customer experience at its physical branches to provide a fast, convenient and secure self-service experience to QNB and non-QNB customers.

QNB has also expanded its biometric verification at ATMs following increased demand for such services and positive growth in customer adoption. In addition, in 2017, QNB upgraded its ATM platform with a new interface called ACTIVATE. The ACTIVATE interface acts as a full service platform for customers allowing them to perform international and Western Union transfers as well as personalising their experience with the ATM.

In 2019, QNB Retail’s digital banking initiatives were recognised with the award of “Best Mobile Banking Application in Qatar” (Arab Digital Banking Excellence). In addition, QNB was also awarded “Best Smart Branch Project in Middle East” and “Domestic Retail Bank of the Year in Qatar” (Asian Banking and Finance Magazine), “Best Mobile Banking App in the Middle-East” and “Digital Banking Initiative of the Year in Qatar” (Asian Banking and Finance Magazine) and “Best Biometrics Initiative, Application or Programme in Qatar” (Asian Banker).

Customer Service

Customer satisfaction and service excellence continue to be among the top priorities for QNB Retail. In line with this, several initiatives have been undertaken by QNB Retail, such as the Annual Customer Satisfaction Survey, “Customer Forum” for understanding users’ experiences on QNB’s digital banking services, and frequent “Mystery Shopper Audits” across QNB Retail’s branches, card centres and call centres. To ensure greater consistency and quality of its services to customers, QNB Retail has introduced a standard customer service protocol for its front-line staff across all service channels.

International Banking Overview

The international banking division’s contribution to QNB Group’s operations was 43.6 per cent., 45.2 per cent. and 38.9 per cent. to QNB Group’s total segment revenue for the years ended 31 December 2023, 2022 and 2021, respectively. QNB operates internationally, either directly or through its branches, representative offices, subsidiaries or associates, in more than 28 countries, across Asia, Africa and Europe including Qatar, Algeria, Bahrain, China, Egypt, France, Jordan, Hong Kong, India, Indonesia, Iran, Iraq, Kuwait, Lebanon, Libya, Oman, Palestine (West Bank), the Kingdom of Saudi Arabia, Singapore, Sudan, South Sudan, Switzerland, Syria, Togo, Tunisia, Türkiye, the UAE, the United Kingdom, Vietnam and Yemen.

QNB Group maintains and adheres to its risk management, compliance and internal controls policies and procedures in its international operations. See “*Risk Management and Compliance—Group Compliance Team*”. In particular, QNB Group has policies, procedures and processes designed to ensure compliance with the sanctions regulations including UN, OFAC, EU, Qatar and United Kingdom sanctions programmes which are in line with international practices and guidelines. QNB maintains electronic systems and tools to monitor various international referral lists, such as those released by OFAC, the United Nations Security Council (the “**UN Security Council**”) and the European Union, and ensure that none of QNB’s existing and new customers are included in such lists. The electronic systems and database are updated automatically on a timely basis to reflect the current referral lists. QNB’s head office in Qatar also directly oversees and monitors all aspects of the operations in certain sanctioned jurisdictions such as Syria and high risk jurisdictions such as Iran, South Sudan, Libya and Yemen. Given the current situation on the ground in Syria and Yemen, QNB’s level of activity in those markets has diminished substantially. QNB Group has a representative office in Iran which has been dormant since 2007 and remains so at the date of this Prospectus.

The table below sets forth a list of markets in which QNB operates as at the date of this Prospectus, along with the type of operation therein operated by QNB Group:

<u>Type of Interest</u>	<u>Territory</u>
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Branches	France, Kuwait, Oman, Qatar, Singapore, Sudan, South Sudan, the United Kingdom, Lebanon, Yemen, the Kingdom of Saudi Arabia, India and Hong Kong
Representative Offices	Iran (dormant), Shanghai and Vietnam
38.6% Shareholding in Housing Bank for Trade & Finance	Jordan, with operations in Algeria, Bahrain, Palestine, Libya (West Bank) and Syria
99.99% Shareholding in QNB Tunisia.....	Tunisia
99.88% Shareholding in QNB Finansbank	Türkiye, with operations in Bahrain
54.2% Shareholding in Al-Mansour Investment Bank	Iraq
40.0% Shareholding in CBI	UAE
100.0% Shareholding in QNB Capital	Qatar (Qatar Financial Centre)
100.0% Shareholding in QNB Financial Services	Qatar
100.0% Shareholding in QIHL.....	Luxembourg
20.0% Shareholding in Al Jazeera Finance Co.	Qatar
50.8% Shareholding in QNB-Syria	Syria
100.0% Shareholding in QNB Suisse S.A.	Switzerland
95.6% Shareholding in QNB Indonesia	Indonesia
95.0% Shareholding in QNB ALAHLI.....	Egypt
20.1% Shareholding in Ecobank	Togo, with operations across Africa and Europe
100.0% Shareholding in QNB Finance Ltd	Cayman Islands
100.0% Shareholding in QNB (Derivatives) Limited.....	Cayman Islands
100.0% Shareholding in Digital-Q-FS Limited	the United Kingdom
100.0% Shareholding in CSI QNB Property	France

QNB's international banking operations are comprised primarily of managing all of QNB Group's international banking services, including those provided by QNB's branches overseas, representative offices, subsidiaries and associates. These services primarily comprise trade finance, corporate banking, asset and wealth management, retail and treasury. Although international expansion continues to be an integral part of QNB's growth strategy, in response to global economic realities over the past several years, QNB has adopted a cautious but opportunistic approach to its international expansion activities.

With respect to international expansion, QNB's objectives are to: (i) maximise shareholder value; (ii) create access to markets outside Qatar; (iii) diversify its sources of revenue; (iv) diversify its risk profile; and (v) generally support Qatar's economic and trade flows. In determining markets for international expansion, QNB follows the following selection criteria: (a) ability to follow QNB's existing customers; (b) ability to pursue opportunities in markets associated with high growth potential; and (c) balancing QNB's risk appetite, from both an economic and a political perspective. See "*Strategy—Geographic Expansion and Diversification*".

QNB's business model is differentiated based upon individual country strategies and comprises: (i) developing full-scale commercial banking products and services in home market target countries; (ii) focusing on public sector business with an emphasis on gathering customer deposits; (iii) focusing on transactional banking by serving as an intermediary for trade and capital flows between Qatar and countries in the MENA region and Southeast Asia; (iv) offering select retail banking products and services with a regional focus; (v) focusing on private banking services between Qatar and certain countries in the EU; and (vi) offering a wide array of investment banking services through QNB Capital.

MENA Region

QNB established its international expansion plan in 2005 and has continued its international expansion activities in the MENA region, which have, historically, focused on the GCC. QNB has increased its branch network in a number of countries in the region in an effort to enhance the ability of QNB Group to meet increased levels of activity in these markets.

QNB's second most significant investment in the MENA region, by value of investment, has been in the Housing Bank for Trade & Finance (Jordan), in which QNB has a 38.57 per cent. equity ownership interest as at the date of this Prospectus. The Housing Bank for Trade & Finance (Jordan) offers a range of retail, investment, treasury and corporate banking services. The table below sets forth certain overall financial information with respect to the Housing Bank for Trade & Finance:

	As at and for the year ended 31 December 2022	As at and for the year ended 31 December 2023
	(U.S.\$ in billions)	
Total Assets	11.9	12.2
Customer Deposits	7.9	8.4
Loans	6.0	6.3
Net Profit ⁽¹⁾	0.18	0.19

Note:

(1) Attributable to Housing Bank for Trade & Finance shareholders.

Source: *Housing Bank for Trade & Finance*

QNB-Syria had a total of 8 active branches in various locations across Syria as at 31 December 2023 providing primarily corporate banking products and services to large corporates who have a strong link with Qatari-based entities and conduct business activities within Syria. QNB-Syria also offers a retail banking service limited to high-net-worth individuals in Syria. Given the ongoing situation in Syria, new business activities have been curtailed.

In early 2011, QNB Group opened a branch in Lebanon, which has further enhanced the presence of QNB Group in the Arab Levant region given its existing presence in Syria, Jordan and Palestine (West Bank).

QNB Group also has 5 branches in Oman, through which it provides corporate banking activities and transactional services and retail services to high-net-worth individuals. QNB Group also has 1 branch in Sudan and 1 branch in South Sudan. In addition, in line with QNB's international expansion activities, a QNB branch was established in 2010 in Nouakchott, the capital of Mauritania, making QNB the first bank from the MENA region to establish a presence in Mauritania. On 31 March 2013, QNB completed the acquisition of a controlling stake of 97.12 per cent. in QNB ALAHLI (formerly known as NSGB) for a total cost of QR8.7 billion. The results for QNB ALAHLI are fully consolidated into QNB Group's Financial Statements. QNB acquired 99.96 per cent. of Tunisia Qatari Bank (renamed QNB Tunisia in 2013); therefore the presence of QNB Group in North Africa, through QNB's own branches, representative offices and its subsidiaries and associates, now amounts to four countries, including Algeria, Egypt, and Sudan. During 2022, QNB closed its branch in Mauritania.

During the first quarter of 2018, QNB opened its second branch in Kuwait and increased its holdings in QNB Indonesia, Al-Mansour Investment Bank (Iraq) and QNB Tunisia to 90.96 per cent., 54.2 per cent. and 99.99 per cent., respectively. During the second quarter of 2018, QNB reduced its holdings in QNB ALAHLI Egypt from 97.12 per cent. to 95.0 per cent. in order to comply with local stock exchange regulations relating to free float requirements. During the first half of 2019, QNB increased its stake in QNB Indonesia to 92.48 per cent. In early 2021, QNB Group increased its stake in Housing Bank for Trade & Finance from 34.5 per cent. to 38.6 per cent.

In 2017, as part of its international expansion plans, QNB opened a branch in the Kingdom of Saudi Arabia, which is the largest economy in GCC. This further cements QNB's presence in each of the GCC countries. The branch in the Kingdom of Saudi Arabia is fully functional, and continues business as usual.

With respect to the Qatar Political Developments, it should be noted that QNB has negligible limited interbank activity with the banks of the four countries involved (namely the Kingdom of Saudi Arabia, the UAE, Bahrain and Egypt), in the context of QNB's overall interbank business. QNB operates in these four locations through local headquartered banks in which QNB owns a stake (the UAE and Egypt), its own branches (Kingdom of Saudi Arabia) or branches of its subsidiaries (QNB Finansbank in Bahrain). As at 31 December 2023, QNB ALAHLI's contribution to QNB's consolidated total assets, consolidated loans and advances and consolidated customer deposits amounted to 6.0 per cent., 3.5 per cent. and 7.2 per cent., respectively.

On 15 June 2016, QNB Group completed the acquisition of 99.81 per cent. of the shares of Finansbank A.Ş. (now known as QNB Finansbank) from NBG for EUR2.71 billion (QR11.0 billion). QNB has subsequently increased its ownership stake in QNB Finansbank from 99.81 per cent. to 99.88 per cent. by purchasing shares from minority shareholders for a total cost of QR12.3 million (U.S.\$3.4 million). QNB Finansbank, which was incorporated in 1987, is the fifth-largest privately owned universal bank by total assets, customer deposits and

loans in Türkiye. As of 31 December 2023, QNB Finansbank had U.S.\$35.1 billion of total assets, U.S.\$20.5 billion in net loans and U.S.\$22.0 billion in customer deposits.

Egypt and Türkiye remain key markets for QNB. In 2023, QNB Al Ahli in Egypt accounted for 10.6 per cent. of QNB Group net profit and 6.0 per cent. of QNB Group total assets. QNB Finansbank in Türkiye accounted for 8.5 per cent. of QNB Group net profit and 10.4 per cent. of QNB Group total assets. QNB plans to continue to strengthen its operations in Egypt and Türkiye.

Europe

In November 2009, QNB Suisse S.A. (formerly QNB-Banque Privée) was launched in Geneva. QNB Suisse S.A., a wholly-owned subsidiary of QNB, complements QNB's existing private banking franchise by offering private banking services in Switzerland to customers in Qatar and throughout QNB Group's international network. The subsidiary also provides wholesale and commercial banking services by leveraging QNB group's international network. QNB Suisse S.A. is located at Quai du Mont Blanc 1 in Geneva and is managed as part of QNB's European operations.

Asia and Southeast Asia

In 2013, as part of QNB's international expansion plans, QNB established a representative office in Shanghai, China.

In early 2011, QNB acquired a controlling stake of 69.6 per cent. in QNB Indonesia (known as QNB Kesawan until November 2014). On 2 June 2014, QNB increased its stake in QNB Indonesia to 78.59 per cent. and, on 7 November 2014, QNB further increased its stake in QNB Indonesia to 82.59 per cent. During the first quarter of 2018, QNB increased its stake in QNB Indonesia to 90.96 per cent. and increased this further to 92.48 per cent. during the first half of 2019.

QNB Indonesia was founded in 1913 and is headquartered in Jakarta, Indonesia. It operates a network of 8 branches and 11 ATMs, and had more than 400 employees as at 31 December 2023. Currently, QNB has worked closely with QNB Indonesia on harmonising policies and procedures, and has developed a five-year strategy to position it as one of Indonesia's leading full-service wholesale banks, with additional focus on selected retail segment customers.

On 30 March 2015, QNB commenced operations at a new representative office in Ho Chi Minh City, Vietnam. QNB Group's strategy in respect of this representative office is to promote the development of trade flows between Qatar and Vietnam and provide trade and investment intermediary services for companies in the Middle East that intend to establish their business or to invest in Vietnam. In addition, QNB will also act as a liaison with Vietnamese companies that intend to expand into the Middle East market.

In 2017, QNB established a branch in Mumbai, India. According to the International Monetary Fund (the "IMF"), the Indian economy is the seventh largest in the world and one of the fastest growing major economies. It has expanding trade and population ties with Qatar, the Middle East, Africa and Southeast Asia. QNB's strategy in respect of this branch is to support various existing economic development initiatives in the country by offering its broad suite of wholesale and commercial banking products and services and leveraging its in-depth expertise in areas such as structured and project finance and transaction banking.

In addition, QNB Group has already benefited from opportunities in markets further afield, particularly in the Far East, where it has built strong relationships with institutional investors.

In 2019, QNB received approval from the Hong Kong Monetary Authority to open a branch in Hong Kong and the branch commenced operations on 7 December 2020. Positioned as the gateway to greater China and Asia, QNB believes that Hong Kong is an attractive market to raise liquidity and access capital. QNB intends to capitalise on Hong Kong's opportunities for raising liquidity to its products, with a focus on corporate lending,

trade and structured finance. Furthermore, the proposed Hong Kong branch is intended to complement QNB's current branches in Singapore and India by enhancing QNB's coverage across Asia.

Africa

On 4 September 2014, QNB acquired 12.5 per cent. (taking into account the convertible preference shares acquired by QNB) of Ecobank, a leading pan-African bank. QNB later acquired an additional 11.0 per cent. on 15 September 2014, increasing the total stake held by QNB to 23.5 per cent. (taking into account the convertible preference shares acquired by QNB). Subsequently, in October 2014, Nedbank exercised its right to increase its stake in Ecobank to 20.0 per cent., reducing QNB's stake to 19.4 per cent. (taking into account the convertible preference shares held by QNB). In January 2015, QNB increased its stake in Ecobank in various tranches, resulting in QNB holding a stake of 20.1 per cent. in Ecobank (taking into account the convertible preference shares held by QNB). On 13 October 2016, QNB exercised its option to convert its preference shares in Ecobank into ordinary shares.

Future Expansion

QNB will specifically target future expansion in export-orientated ASEAN economies which have exceeded global economic growth in the last two decades. QNB expects growth in these markets to continue.

QNB cautiously evaluates and considers opportunities for international expansion in emerging markets, based upon well-defined criteria, including the following: (i) whether the State and/or Qatari companies have economic and business relationships in such markets; (ii) the size of the population in such markets; (iii) legal, regulatory and compliance issues with doing business in such markets; (iv) the penetration in such markets for the types of banking products and services offered by QNB; and (v) the ability for QNB to differentiate and leverage its competitive advantage.

Treasury

QNB's treasury operations are primarily split into trading and sales activities. Trading activities encompass areas of asset and liability management, foreign exchange, fixed income and derivatives. The asset and liability business is divided into three distinct "desks": (i) a local currency money markets desk; (ii) a major international currencies money markets desk; and (iii) an international treasury desk, which provides comprehensive coverage across the full offering of conventional and Islamic treasury products to the overseas QNB network. Sales activities are focused on corporate and retail customers, including high-net-worth individuals, by providing bespoke, client-driven solutions in connection with hedging and investment products across multiple asset classes.

QNB's treasury division actively manages its interest rate and foreign exchange risks using various reports and risk controls, with QNB Group's Board of Directors setting risk limits that cover products, issuers, geographies, maturities, currency and interest rate sensitivities. Treasury Control and Market Risk provide autonomous monitoring of all transactions to ensure that they are in compliance with all of QNB's risk limits, and asset and liability reports are prepared on a daily basis by QNB's risk department for review by executive management. QNB's treasury division also monitors and reports on positions and profitability to QNB Group Asset Liability Committee (the "**Group ALCO**") on a monthly basis.

With respect to its investment portfolio, although liquidity has remained strong, due to the 2008-2009 global financial crisis, QNB's treasury division is focused on high quality Qatari, GCC and MENA region debt, with selective investment in high quality emerging markets debt on a case-by-case basis. All investments are categorised as fair value through other comprehensive income, or fair value through profit or loss or amortised cost and are accounted for in accordance with International Financial Reporting Standards ("**IFRS**"). Before any investment is made, approval is sought from QNB Group Credit Committee, assuming such investment is within pre-approved limits; any potential investment beyond these risk limits requires the approval of QNB Group's Board of Directors. Additionally, QNB's treasury division is not seeking to diversify its portfolio into new asset classes at present while market uncertainty persists. QNB has no exposure to alternative asset classes, and has only minimal legacy investments in private equity funds with MENA region exposure.

Asset and Wealth Management

QNB Group's Asset and Wealth Management (AWM) provides an end-to-end advisory service for clients to help them effectively manage their wealth. QNB Group supports high net-worth individuals with its private banking offering, asset management capabilities across a variety of asset classes and geographies, and offer extensive brokerage and custody services.

QNB's Asset and Wealth Management Division (Qatar operations) contributed 3.1 per cent., 3.7 per cent. and 3.7 per cent. to QNB Group's consolidated total segment revenue for the years ended 31 December 2023, 2022 and 2021, respectively.

Private Banking

QNB's Private Banking offers an extensive range of private banking products and services which are particularly suited to high-net-worth and ultra-high-net-worth individuals. QNB's Asset and Wealth Management Division operates from offices and branches located in Doha, Singapore, London, Paris and Geneva. Supported by an extensive private banking network, Private Banking is able to provide its clients with 'tailored' banking, investment, concierge, international mortgage lending, and trust/fiduciary services. Further services include tax advisory and management, specialised lending for extraordinary purchases, the issuance of exclusive (by-invitation-only) credit cards and the use of safety deposit boxes. Additionally, QNB's Private Banking offers a range of investment services via its Asset Management department. These services can be tailored to match an individual client's appetite for risk, and strategic investment preferences. It should be noted that they are available to all types of investors, whether they be Qatari or non-Qatari, resident or non-resident, domestic or international.

Asset Management

QNB's Asset Management offers a wide range of asset classes: equities, fixed income, and alternative investments, with a focus on frontier and emerging markets. QNB's Asset and Wealth Management Division has launched many innovative products since it was established. In 2014, QNB launched two investment products: 'QNB Note 2' in February and the 'QNB Commodity Fund' in May. QNB Note 2 is a three-year, 100 per cent., capital-protected structured product with a basket of eight major international companies' equities as the underlying assets. The QNB Commodity Fund is a mutual fund, the primary aim of which is to generate competitive returns from selected commodities on an 'absolute return' basis. In March 2015, QNB launched a two-year, 100 per cent., capital-protected structured product known as 'QNB Note 3'. This product's investment returns are linked to gold. A number of other investment products are currently undergoing preparation for future launch. In 2016, QNB's Asset and Wealth Management Division established an Undertakings for the Collective Investment of Transferable Securities ("UCITS") fund platform to provide products that are regulatory compliant and available to a wider client base (both institutional and individuals) in Europe. In 2019, an UCITS-compliant Global Sukuk fund was launched, further enhancing QNB's Sharia-compliant offering.

QNB's Asset and Wealth Management Division is one of the principal funds and/or portfolio managers in Qatar, with funds under management of QR36.2 billion (U.S.\$10.0 billion) as at 31 December 2023.

Brokerage Services

QNB Financial Services (QNBFS) is the first independently regulated, licensed brokerage unit launched by a bank in Qatar. It commenced trading on the QSE in May 2011. QNB FS brokerage offers a best in class trading platform that allows investors to trade on the QSE. In addition, the dealing desk provides access to the U.S., European and GCC markets. QNB FS's services are strengthened by its in-house research team that provides fundamental research and analysis, sector reviews and both daily technical analysis, as well as a daily commentary on QSE/GCC listed equities. In addition, QNB FS provides unparalleled corporate access to institutional investors. Its sales and trading teams are structured to service institutional investors, mutual funds, high-net-worth individuals and corporate clients locally, regionally and globally. In 2020, QNB FS launched its best-in-class liquidity provisioning and market making service to further enhance its offering to companies listed on the Qatar Stock Exchange.

Custody Services

In 2012, QNB obtained its license from the QFMA to furnish custody services. Subsequently, in 2013, the organization successfully implemented the QNB Custody system, facilitating the reception of client SWIFT custody instructions, the execution of SWIFT reporting, and seamless communication with its sub-custodians. QNB's Custody department has established an extensive network of sub-custodians to adeptly manage the custody of international securities. The clientele of the QNB Custody department is characterised by its diversity, encompassing ultra-high-net-worth individuals, regional and global custodians, financial institutions, as well as local and international government entities.

Investment Banking and Advisory Services

QNB Capital, a wholly-owned subsidiary of QNB registered with the QFC, was established in 2008 in response to growing customer demand for high quality investment banking and advisory services in Qatar and the MENA region. QNB Capital is split primarily into six business divisions focusing on: (i) mergers and acquisitions; (ii) equity capital markets; (iii) debt capital markets; (iv) strategic advisory; (v) project finance and infrastructure; and (vi) asset management.

Since its inception, QNB Capital has been mandated on a number of high-profile transactions, supporting QNB's market-leading position in the area of corporate finance and financial advisory services in Qatar. Specifically, QNB Capital has acted as a joint lead manager on a number of local, regional and international sovereign and corporate bond and sukuk offerings totalling over U.S.\$50 billion over the last five years. QNB Capital acted as a joint lead manager on Qatar Insurance Company's U.S.\$400 million perpetual bond issuance. In May 2022, QNB Capital advised on the reverse acquisition of Investment Holding Group Q.P.S.C. by Elegancia Group W.L.L., creating one of the largest listed diversified industrial services companies in the region, with a combined market capitalisation of more than QR5 billion. In February 2023, QNB Capital also advised on the initial public offering of Dukhan Bank on the Qatar Stock Exchange, one of the largest listed companies in Qatar.

QNB Capital continues to provide financial and strategic advisory services to a number of Qatari companies across various mandates, including a number of large companies considering an initial public offering or direct listing, the merger and strategic reorganisation of private companies ahead of a potential IPO, and advising government-related entities on utilising public-private partnership models for large scale projects based in Qatar. In addition, QNB Capital advises on and undertakes the asset management of a large real estate portfolio predominantly based in Europe that includes properties such as The Shard in London. QNB believes that its direct involvement in many of the largest transactions involving Qatar locally and internationally provides QNB Capital with a competitive advantage in this area.

Competition

The Qatari banking sector is highly competitive, particularly with respect to retail banking activities, and currently comprises 16 banks (8 of which are Qatari domestic banks), including four conventional banks, four Islamic banks, seven local branches of foreign banks and one specialised development bank owned by the State. The table below sets forth QNB's competitors in Qatar, along with QNB's operations in Qatar:

Conventional Banks	Islamic Banks	Foreign Banks	Development Banks
Ahlibank	Masraf Al Rayan	Arab Bank	Qatar Development Bank
Commercial Bank of Qatar	Dukhan Bank	Bank Saderat Iran	
Doha Bank	Qatar International Islamic Bank	BNP Paribas	
Qatar National Bank	Qatar Islamic Bank	HSBC	
		Mashreq Bank	
		Standard Chartered Bank	
		United Bank	

The focus of foreign banks in Qatar is primarily related to trade finance, foreign currency operations and government-related business, although several of these foreign banks also provide personal accounts and related services to individuals resident in Qatar. QNB's principal competitors in Qatar for non-Islamic banking services include Commercial Bank of Qatar and Doha Bank. As at 31 December 2023, QNB had a market capitalisation of QR152.5 billion (U.S.\$41.9 billion), making QNB the largest bank listed on the QSE.

The Qatari banking sector is highly competitive, particularly with respect to retail banking activities, given the comparative size of Qatar's economy, demography, and the number of financial institutions already established

in the market. Foreign banks in Qatar compete for the same business as QNB and other domestic banks, but operate under certain restrictions imposed by the QCB. The lending limits of foreign banks are based on their local capital base; however, foreign banks have historically been permitted to obtain guarantees from their head offices when credits exceed their legal lending limits. Notably, some foreign banks in Qatar have begun increasing their “on-the-ground” presence in order to take advantage of Qatar’s growing economy.

There has recently been some consolidation in the Qatari banking sector. In August 2018, it was announced that Barwa Bank and International Bank of Qatar had reached a final merger agreement. In April 2019, Barwa Bank and International Bank of Qatar announced that the merger had been completed and in October 2020, it was renamed as Dukhan Bank. In January 2021, Masraf Al Rayan and Al Khaliji Commercial Bank announced that they had entered into a merger agreement and the merger was executed in November 2021.

The QFC seeks to attract new banks given the low-tax environment, with a 10.0 per cent. tax on profits, 100.0 per cent. foreign ownership and profit repatriation. These new banks include investment banking firms which advise regional clients from offices in Dubai and London. The QFC is targeting global institutions relevant to the energy and other key sectors of the Qatari economy and which have expertise in banking, insurance, reinsurance, asset management, financial advisory services, and securities and derivatives dealing, as well as Islamic finance. Institutions registered with the QFC fall into two categories: (i) “regulated” activities (essentially financial services); and (ii) “non-regulated” activities (essentially activities in support of financial services). QFC-registered banks are currently subject to explicit restrictions on their local banking activities and, as a result, they cannot transact with retail customers in Qatar.

In markets outside of Qatar, QNB competes with local incumbents, regional and international banks operating in the respective markets.

Information Technology

QNB is committed to investing in the latest technologies available in order to give a competitive advantage to QNB Group’s business. QNB became one of the first banks in the MENA region to have a global banking offering that services QNB’s customers within and outside of Qatar.

QNB has also implemented, or is implementing, various IT security projects, including protection from cyber-attacks, enterprise fraud detection and data leakage prevention solutions. In addition, QNB has received the ISO 27001 certification for its internet banking, cash management and mobile banking services. QNB has received both the ISO 22301 certification and the British Standards Institution’s certification, BS 2599-2:2007, for its business continuity management system.

In order to avoid service disruption to its customers, QNB constantly monitors its IT infrastructure using advanced monitoring tools. QNB’s IT infrastructure is also continually upgraded to incorporate the latest technologies and recent developments include the deployment of a state-of-the-art data centre. QNB has also implemented a disaster recovery site (DR) in Switzerland.

QNB has comprehensive and regularly tested disaster recovery plans, and two back-up data centres, also known as disaster recovery sites. QNB has a management system (the “**Business Continuity System**”) which enables it to continue its critical functions and related critical systems in case of any disaster. QNB also has an alternative site available at all times that includes the data centre failover site which comes into operation automatically if a fault or failure is detected, complete with seating arrangements for QNB staff to continue their critical functions. The data centre failover site is also capable of ensuring that international branches continue their daily operations. The secondary data centre is located within Qatar and the tertiary site, which is intended for critical applications and extreme scenarios, is located outside Qatar. QNB’s primary data centre is certified to the international standard ISO 27001 for its information security management system in addition to the Uptime TIER 2 standards certification, and the Business Continuity System is certified to the international standard ISO 22301. The failover to the disaster recovery site in Qatar has been simulated twice a year, having all systems recovering and becoming available for business within one week, while the overseas disaster recovery site has been tested regularly.

QNB Group Information Technology Committee is responsible for establishing IT standards and aligning all IT activities across QNB Group to meet business plans and objectives. This committee also formulates and monitors implementation of the annual IT strategy across QNB Group, including capital and operating expenditure budgets assigned to IT projects and services.

A key component of QNB Group's international expansion strategy is to leverage its investment in IT across borders. Centralisation of data processing and operations, where appropriate, is another goal and initiative of QNB Group. To date, with the cooperation of various regulators, QNB Group has successfully centralised data processing functions for all its new ventures. As at the date of this Prospectus, all QNB customer data in Qatar and overseas is stored at a central location and replicated online to QNB's disaster recovery sites. Moreover, customer data for all critical applications is also stored in one of QNB's international branches.

The banking sector remains a target for cyber-crime and cyber-security threats, which are becoming more frequent and sophisticated. QNB places the highest priority on continuous enhancements to protect the data of customers and QNB's information technology systems.

QNB ensures that information is protected by adopting a well-defined governance structure and implementing regulatory requirements and industry best practices. QNB has a cyber-security insurance policy in place and adopts and focuses on three pillars (technology, people and process) as described below:

- **Technology:** Group Information Security has designed QNB's protections to include multiple layers of security controls. Additionally, QNB has developed a strategic three-year investment plan based on regulatory requirements and innovative cyber-security solutions to invest and deploy new technologies which help defend against cyber-attacks.
- **People:** QNB is investing in a team of people to undertake internal simulated cyber-attacks to assess the security awareness of QNB. This is further complemented by a new training and awareness programme rolled out to all QNB employees that raises their awareness of social engineering and phishing attacks.
- **Process:** QNB has also strengthened the "process" pillar, by conducting a security maturity review to evaluate and enhance the efficiency of QNB's processes.

Each of these pillars needs to be continuously monitored and updated to protect the data of customers and QNB's information technology systems. To oversee this, QNB has established a Group Cyber Security Committee responsible for driving the cyber-security strategy for QNB. QNB also has a Security Operations Centre which allows it to immediately identify and block malicious activity at all times.

Properties

QNB has interests in a number of properties, primarily in Qatar, but also outside Qatar, including in Egypt, France, Indonesia, Iraq, Lebanon, Oman, Sudan, Switzerland, Syria, Tunisia, Türkiye and the United Kingdom.

Employees and Related Matters

QNB Group has a workforce of approximately 30,000 individuals, with over 2,500 based in Qatar. QNB is committed to enhancing performance and nurturing a pool of skilled professionals to meet its strategic objectives. The approach to staff development encompasses various methods, including formal training facilitated by internal experts and international partners, experiential learning, and support for professional certifications. A pivotal aspect of QNB's Employee Value Proposition in 2023 was the continued development of high-potential Qatari talent, underscored through a new, strategic 'Emerging Leader' partnership with HEC Paris.

Furthermore, QNB placed increased focus on educating staff about ESG issues, recognizing the importance of sustainability and responsible business practices. Additionally, there was a notable emphasis on key compliance and risk-related training to ensure alignment with regulatory requirements and mitigate potential risks. Training hours per employee saw a significant surge, with a year-on-year increase of 15 per cent. in Qatar and globally, contributing to a remarkable 80 per cent. increase over the last five years. Succession planning remains a priority, with policies put in place across subsidiaries to sustain long-term capabilities. QNB will continue to expand its focus on identifying and nurturing high-potential talent to accelerate development. These initiatives align with QNB's vision to cultivate future leaders and enhance human development. Additionally, QNB continues its scholarship program, offering opportunities for Qatari youth to pursue education at esteemed domestic and international institutions.

Insurance

QNB maintains insurance coverage for all of its operations in Qatar and internationally that QNB deems adequate and appropriate.

RISK MANAGEMENT AND COMPLIANCE

Overview

QNB Group faces various financial and non-financial risks in its business and operations, including: capital, credit, liquidity, market (trading and banking book), compliance, legal and operational risks. In order to manage these risks, QNB has developed procedures (the “**Risk Policies and Procedures**”) designed to ensure that appropriate risk governance is exercised at several levels of QNB Group, including the Board of Directors, the Group Executive Committees, the Senior Management team and through various management committees.

QNB Group’s Risk Policies and Procedures document the framework for the identification and measurement of a much wider array of risk types as set out above, prescribe appropriate risk limitations, monitor and record the incidence of such risks on an ongoing basis and prescribe appropriate remedial action. QNB Group has established a risk management framework for QNB Group, which is reviewed on an annual basis. At the same time, QNB Group maintains its compliance with Basel III and other regulatory guidelines. A comprehensive, centralised and proactive risk management approach is exercised at all levels of QNB Group.

The risk management framework and procedures implemented by QNB Group have allowed it to maintain a low non-performing loan ratio (the ratio of non-performing loans and advances (stage 3) to total loans and advances) of 3.0 per cent. as at 31 December 2023 and 2.9 per cent. as at 31 December 2022. QNB Group also maintained its loan loss coverage ratio of 100.1 per cent. as at 31 December 2023 and 98.5 per cent. as at 31 December 2022. QNB Group has also improved its overall liquidity ratios by diversifying its liquidity sources through its international expansion plans. As at 31 December 2023 and 31 December 2022, QNB Group’s international operations contributed 42.1 per cent. and 40.8 per cent. of total deposits of QNB Group, respectively.

Risk Management Framework

Risk is inherent in QNB Group’s activities, but it is managed through a process of established mechanisms that identify, assess, monitor and control those risks. The success of QNB Group’s risk management framework is focused largely on encouraging pre-determined roles and responsibilities from the Board of Directors and Group Board Risk Committee level, down to the various executive managers, senior managers and individual employees. This process of risk management is critical to QNB Group’s continuing profitability and sustainability, and each individual within QNB Group is accountable for the risk exposures relating to his or her responsibilities in accordance with the “three lines of defence” principle.

QNB Group’s strategic risk management function has group-wide responsibility for portfolio management, enterprise risk management standards, asset and liability risk management, liquidity and market risk management, risk systems and projects, ICAAP and regulatory relationships. Enterprise risk management standards are established in order to direct the overall internal control and governance activities, including risk model validations, and the establishment of relevant group risk policies in relation to principal risks and overall group risk classification.

QNB Group’s integrated approach to risk management is set out in its Enterprise Risk Management (“**ERM**”) policy, which enables firm-wide alignment of sound risk management principles and standards. QNB Group’s key firm-wide objectives are aimed at identifying and assessing risks, ensuring appropriate risk ownership and related accountability for risk control and mitigation. The ERM framework identifies a catalogue of principal and material financial and non-financial risks for consideration, as relevant, across the Group. A materiality assessment focused on objectives guides the identification of risks. This process involves evaluating the effectiveness of risk management and internal controls, as well as considering potential mitigation strategies.

The framework is essential to achieving QNB’s strategic objectives and serving as a platform for QNB’s growth. QNB continues to improve its frameworks for risk identification to ensure the adequacy of QNB’s early warning indicators and timely decision-making. For example, increased prominence has recently been allocated to model risk and climate risk in light of the increasing importance of these risks to QNB’s franchise.

Climate risk management is governed by the Group Management Risk Committee (the “**GMRC**”), which reports to the Group Board Risk Committee (“**GBRC**”). The main role of the GBRC with respect to climate risk is the oversight of the activities, initiatives, performance and achievements at the management level. The GBRC receives an annual update on climate-related risks and opportunities. Moreover, as and when required, the following are reported to the GBRC:

1. Bank-wide climate risk assessment
2. Climate risk portfolio mitigation actions
3. QNB's own (internal) climate risk mitigations
4. Climate risk opportunities

QNB uses a leading asset-liability management and liquidity management solution to help optimise the management of the balance sheet and ensure that risk monitoring and controls are of the highest standards.

The management of operational risk has been enhanced with further implementation of data security systems, continuous training and awareness, improved business continuity infrastructure and disaster recovery sites. The same risk governance impetus is expected to continue in line with the continued implementation of QNB Group's business strategy.

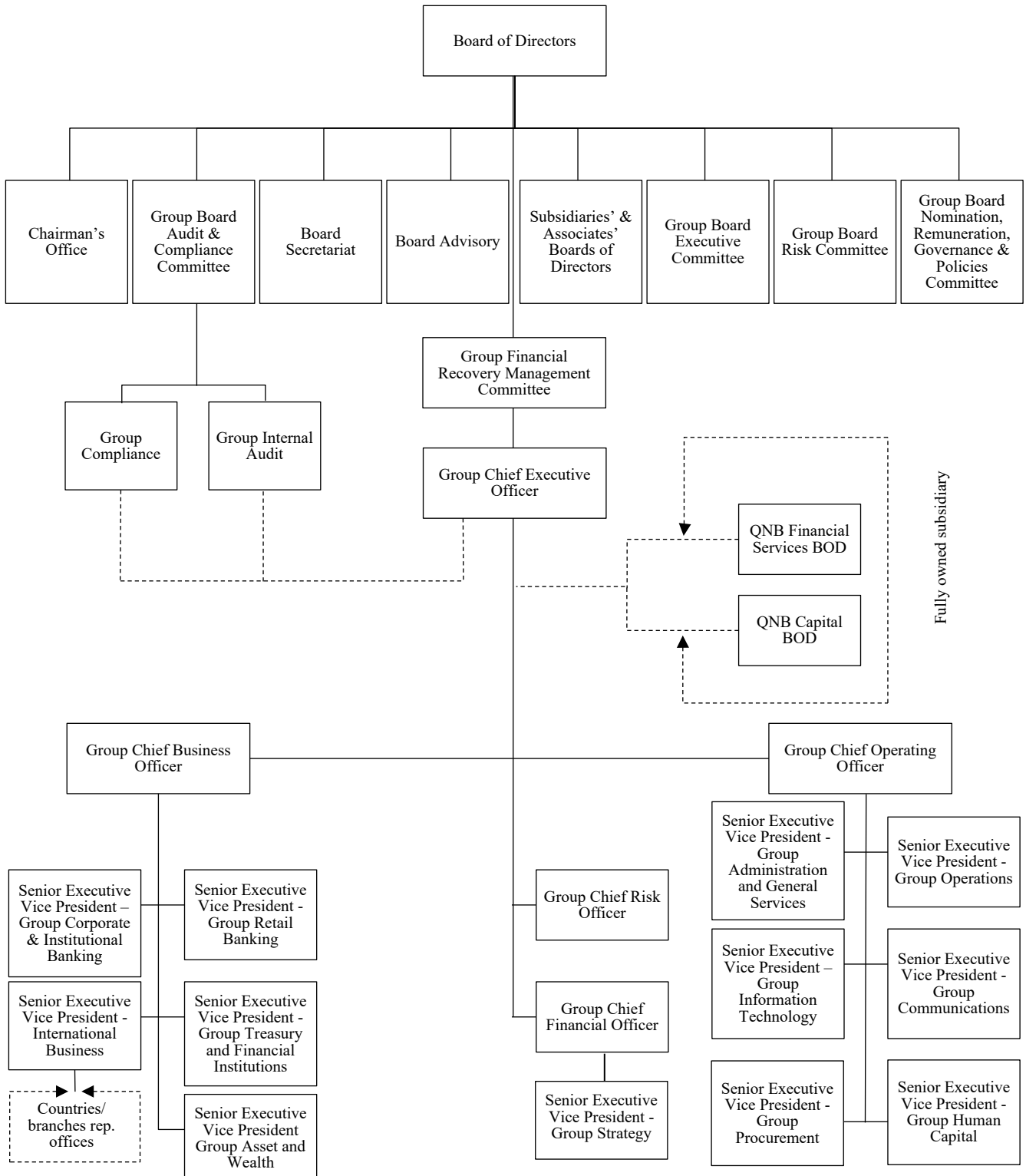
QNB uses a risk adjusted return on capital (“**RAROC**”) methodology (based on the Basel foundation's internal rating-based approach) alongside Moody's risk rating and portfolio management systems to assess corporate credits, as well as risk-based decision-making processes to drive allocation, utilisation and management of capital resources. These tools and techniques provide the Risk Committee and the Board of Directors with the ability to control risk appetite, capital allocations and the active monitoring of strategic targets.

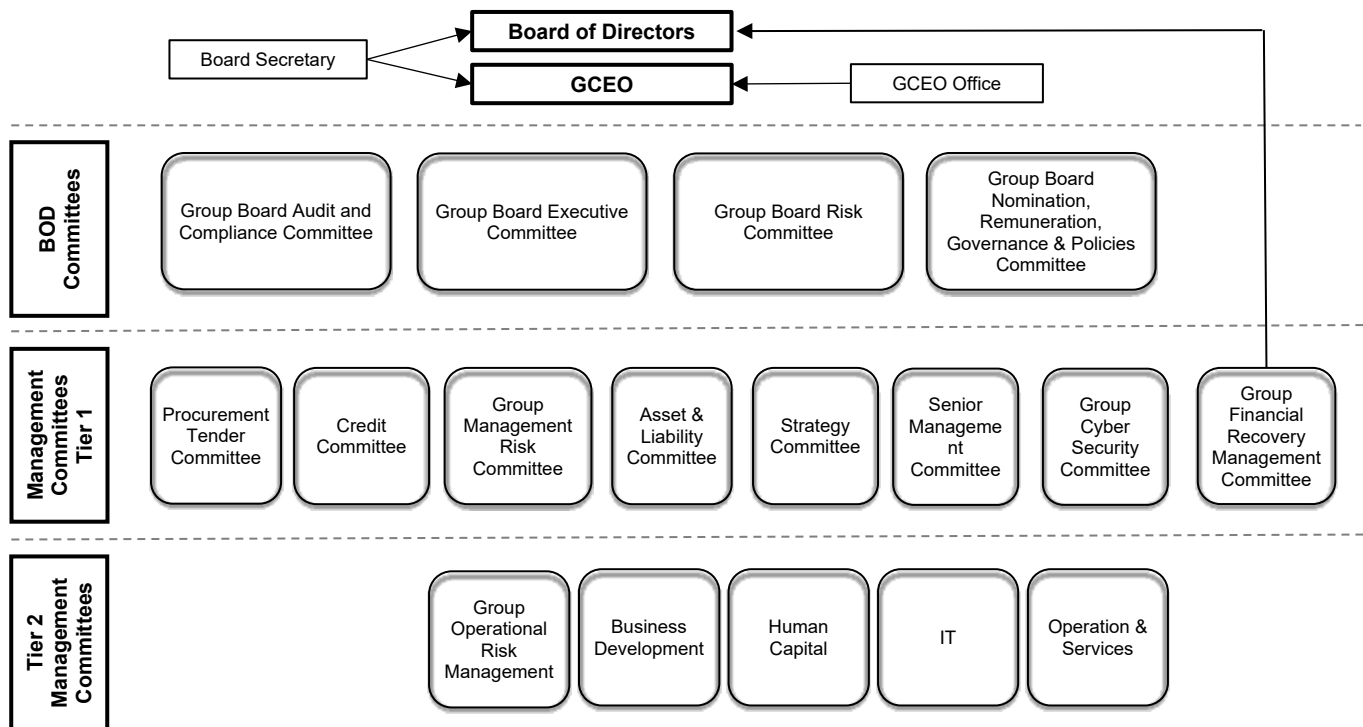
QNB has a strong country and cross-border risk framework in place. QNB's centralised approach to risk management is complemented by local expertise and knowledge, with every employee in the Group responsible for identifying and addressing potential risks in the course of their work.

Board and Management Committees for Risk Management

An overview of QNB Group's risk management committee structure is set out below.

The committees are further organised into committees at the Board of Directors level and at the management level.





Management Sub-Committees

- Group Operational Risk Management Committee
- Risk Model Validation and Usage Committee (“**RMAUC**”)
- Group Investment Management Committee
- Group New Product Approval Committee

Risk Measurement and Reporting Systems

QNB Group monitors and controls the risks inherent in its businesses primarily by performing certain tests and controls based on risk-sensitive thresholds and limits. Such thresholds and limits are established in line with QNB Group’s business strategy, the market environments in which it operates and the level of risk acceptable and capital available, with additional focus on certain selected industries with recognised risks. Group Risk compiles and examines the information gathered from such tests and controls in order to analyse and identify risks at an early stage. This information is presented and explained to the Board of Directors, the Group Management Risk Committee, and the head of each business division.

Board of Directors

The Board of Directors of QNB heads QNB Group’s governance structure. The Group Board Risk Committee evaluates and oversees QNB Group’s risk profile in coordination with the Group Chief Executive Officer, the Risk Management Committee and the Credit Committee. See “*Management*”. The Board of Directors, in its entirety, takes responsibility for all aspects of QNB Group’s risk management, including the management of all principal risks (namely Credit, Market, Operational, Strategic, Legal, Information Security, Model, Regulatory, Reputational and Climate) identified. The Board of Directors has set forth the policy objectives and framework for QNB Group on all risk-related issues and the executive management committees maintain the day-to-day oversight of all risks. These committees are responsible for formulating QNB Group’s risk management policies, in line with the overall guideline and objectives set by the Board of Directors. The Group Risk Division, headed by the Group Chief Risk Officer, carries out the implementation of such policies.

Board Committees

Group Board Audit and Compliance Committee

The Group Board Audit and Compliance Committee (the “**GBACC**”) sets QNB Group’s policy on all audit and compliance issues and maintains an oversight of both external and internal audit processes. The committee consists of three elected board members. The Group Chief Audit Executive (“**GCAE**”) and Group Chief Compliance Officer report to the GBACC and are therefore required to be present at the GBACC meetings. In addition to these members, certain other members of the executive management may also participate in committee meetings when required, including the Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Risk Officer and External Auditors of QNB.

The GBACC carries out responsibilities relating to financial statements, internal controls, internal and external audits and compliance matters. These responsibilities include reviewing significant accounting and reporting issues (including complex or unusual transactions) in light of regulatory directives and professional pronouncements and conducting an analysis of the impact on QNB Group’s financials. The committee also directly oversees audit compliance of QNB Group. See “*Risk Management Programmes—Group Internal Audit Division*” and “*Group Compliance Division*”. The committee reviews QNB Group’s annual report, notes thereto, related regulatory filings, and considers the accuracy and completeness of the information prior to release. See “*Management—Group Board Audit and Compliance Committee*”.

QNB Group’s risk management processes are audited by the internal audit function which examines the adequacy of, and QNB Group’s compliance with, the procedures. The internal audit team discusses the results of all assessments with management and reports its findings and recommendations to the GBACC.

Group Board Risk Committee

The Group Board Risk Committee is the highest management authority in QNB Group for various risk-related issues. The Group Board Risk Committee, among other matters:

- reviews and endorses for Board approval the risk management strategy of QNB Group as well as risk appetite and portfolio strategies recommended by the GMRC, and reviews any changes that arise in QNB Group’s risk strategy and/or risk appetite;
- reviews and compares QNB Group’s portfolio risk profile with the approved risk appetite and endorses GMRC-recommended portfolio strategies for approval by the Board of Directors;
- approves risk frameworks and QNB Group’s risk policies and control structures in accordance with the approved strategy by the Board of Directors and oversees implementation of policies pertaining to QNB’s internal control system;
- ensures the effectiveness of the risk control framework and oversees the GMRC’s evaluation outcomes;
- approves and oversees stress testing scenarios and results, as well as management action plans;
- approves QNB Group’s capital management framework and any further enhancement proposed by the GMRC;
- oversees the monitoring process performed by the GMRC and controls the risk management framework and the defined related roles and responsibilities across QNB Group;
- evaluates the monitoring process carried out by the GMRC in respect of QNB Group entities in the identification of operational, credit, market, strategic, legal and regulatory risks, and the action plans implemented to monitor and manage these risks;
- approves the Contingency Funding Planning document;
- ensures that no material impact and/or risk identified by GMRC relates to anti-money laundering and/or terrorist financing and ensures the satisfaction of ‘know your customer’ requirements; and

- reviews any breaches of risk limits or internal control failures (if any) and reviews investigation results performed by the GMRC.

Group Financial Recovery Management Committee (the “GFRMC”)

The GFRMC is the result of the crisis governance structure in relation to the Group Recovery Plan approved by the Board. The structure will come into effect upon activation of predefined capital and liquidity triggers or any escalation arising from individual financial crisis plans (i.e. Contingency Funding Plan and/or ICAAP). The GFRMC consists of four key executive members authorised to call on relevant managers who may be involved in negotiation of potential recovery options. In case of any breach of recovery triggers, the Group Chief Risk Officer or Group Chief Financial Officer can call an immediate meeting of the GFRMC. Such meeting can also be called due to an “expert call” by one or more of the members of the GFRMC that might arise from simultaneous escalations to the GMRC and/or Group’s Asset Liability Committee.

The GFRMC is specifically authorised to:

- Elaborate recovery options that should be deployed in the emerging crisis (such recovery options shall be available to the Board);
- Oversee, monitor and manage the implementation of recovery options and accordingly report on such implementation to the Board;
- Initiate the related communications with media, regulatory authorities, government agencies, investors; and
- Decide whether to stand down on crisis actions (with consent of responsible authorities).

The GFRMC streamlines the regular procedures for sharing of information on potential recovery measures and other mitigating plans with the Board and relevant managers to ensure that such information is duly shared with them in time.

Group Management Risk Committee (GMRC)

The GMRC establishes, reviews and recommends QNB Group’s risk management strategy and defines risk policies. It reviews the processes and control framework for the management of risks and defines related roles and responsibilities across QNB Group. The GMRC also reviews QNB Group portfolio risk profile, recommends portfolio risk management strategies to the Group Board Risk Committee for endorsement in order to obtain approval from the Board of Directors, reviews the effectiveness of the operation of the risk control framework and submits to the Group Board Risk Committee the annual evaluation for approval by the Board of Directors. The GMRC monitors risk management activities from several perspectives: enterprise-wide, operational, credit portfolio, liquidity, market, strategic, legal and reputational.

- The review of the GMRC’s policies and supervision of its activities falls under the responsibilities of the Board of Directors. The GMRC reviews compliance with policies and procedures, audit recommendations and regulatory requirements, including combating Money Laundering and Counter Terrorist Financing requirements.
- The GMRC implements and manages the Crisis Management Plan and framework and provides strategic directions during a crisis, including the management of external communications with media, regulatory authorities, emergency services and government agencies.
- The GMRC also provides the Group Risk Report and regularly reports to the Group Board Risk Committee.

Group Asset and Liability Committee

The Group ALCO has authority delegated by the Board of Directors for developing policies related to all asset and liability management matters, including balance sheet structure, funding, pricing, hedging and investment limits. Under the overall risk management framework, the Group ALCO is a key component of risk management

within QNB Group. The Group ALCO, among other matters: (i) reviews and recommends strategy, policies and procedures relating to asset and liability management across QNB Group to the Executive Committee and the Board of Directors; (ii) monitors and reviews the performance of all treasury activities across QNB Group including the grouping and trading book portfolios in terms of profitability, credit performance, other risks, volatility and volumes; (iii) monitors and reviews the management of interest rate risk across QNB Group, particularly the interest rate gap reports, projected net interest income reports and current hedging strategy; (iv) monitors and reviews the management of liquidity and foreign exchange risks across QNB Group; (v) oversees the inter-group transfer pricing policy for cost of funds allocation within the management information system; (vi) establishes and amends the base rates applicable to each entity in QNB Group and related changes in deposits and risk asset interest rate structures; and (vii) monitors monthly financial performance and budget targets.

The Group Chief Executive Officer serves as the Chairman of the Group ALCO and the Group Chief Financial Officer serves as the Vice-Chairman. See “*Management—Corporate Governance*”.

Group Cyber Security Committee (“GCSC”)

This committee is mandated with responsibility to monitor, amend and implement QNB Group’s cyber security strategy in line with the expectations of the Board.

The committee monitors the implementation of the IT Security and Cyber Security governance framework, including strategy, plans, policies, controls, capabilities, skills and roles and responsibilities across QNB Group. GCSC has oversight over QNB’s IT security programme and is comprised of responsible parties from various functions and levels within QNB Group.

Group Operational Risk Management Committee

The Group Operational Risk Management Committee (the “**Risk Management Committee**”) is charged with the responsibility of establishing, maintaining and reviewing procedures at a management and operational level to identify, monitor, review and mitigate operational risk in accordance with QNB Group’s risk oversight and management policies.

The Risk Management Committee is a proactive strategic committee and does not replace executive management responsibility and accountability for the day-to-day management of operational risk and the enactment of business continuity processes in the event of an incident.

The Risk Management Committee, covering both domestic and international branches shall, among other core risk management activities:

- develop and review a Group-wide methodology for the assessment of ‘Material Operational Risks’ by measuring the impact of risks, likelihood and corrective plans across each individual business, function and international branch;
- review and report on non-compliance with operational risk policy and procedures;
- review and monitor all operational risk events across the group; and
- review the annual ‘Risk Control Self-Assessment’ plan, ongoing execution and any outstanding tasks.

Risk Model Validation and Usage Committee

Serving as technical advisers, and under the delegation of the GMRC for the review and approval of risk models, the responsibilities of the RMAUC in relation to model validation and governance activities cover several perspectives in relation to the approval of all existing models in use, newly proposed model development or refinement/redevelopment requirements that include:

- assessing evaluation reports submitted by independent model validation units, whether internal or external, to QNB;

- review of recommendations whilst performing an assessment of severity, performed by model validation units in their evaluation of the technical soundness of models and its application in business/risk processes; and
- Regular reporting to the GMRC on the status of model inventory and of approved models.

Risk Appetite

Risk appetite is the aggregate amount of risk that QNB Group is willing to accept in pursuit of its mission, vision, business objectives and strategic goals, that is commensurate with its risk capacity as well as its culture, desired level of risk, risk management capability and business strategy. QNB Group's risk appetite statement serves to articulate the risk culture, boundaries and governance of QNB Group and provides a framework for QNB Group's attitudes towards risk-taking. QNB's risk appetite is reviewed, reassessed and agreed alongside QNB's strategy, business and financial planning and budgeting processes.

QNB also employs a Country Risk Management Framework which aims to distribute global capital capacity in an optimal manner across countries and regions. Country risk limits establish the absolute level of risk appetite at individual country level, as annually approved by the Board.

The Board of Directors expresses its preferred risk appetite through a set of metrics, key among them being RAROC. Apart from its use for competitive risk-based pricing, RAROC is used for communicating and cascading risk appetite as a performance metric throughout QNB.

Regular risk appetite assessments comparing QNB Group's risk profile with defined risk appetite is presented to the Group Management Risk Committee. Regular updates prompt review and discussion of risk-taking activity in the pursuit of business strategy.

Credit Risk

QNB Group manages its credit risk exposure through diversification of its lending and financing, investments and capital markets activities to avoid undue concentrations of risk with individuals or groups of customers in specific locations or business lines. It also ensures that adequate collateral is obtained wherever possible, including cash, treasury bills, guarantees, bonds, mortgages over real estate properties and pledges over shares. QNB Group uses the same credit risk procedures when entering into derivative transactions as it does for traditional lending products. Formal sustainability requirements are integrated within the wholesale credit policy and QNB Group has incorporated environmental, social and governance due diligence into QNB Group's credit review practices.

QNB Group, acting through the Group Credit Committee, has implemented credit approval processes governing all lending by QNB Group. Management believes that QNB Group's success in achieving low levels of non-performing loans has been due to QNB Group's strict adherence to this approval process. Before any credit exposure can be incurred by QNB Group, the relationship manager for the respective customer must provide a credit application, in a prescribed format, to the Group Credit Risk Department (following review by the local risk function in the international network), which will review, analyse and prepare an independent credit assessment and a recommendation for consideration by the relevant sanctioning authority. The credit presentation must include a detailed background on the borrower, including its intermediate and ultimate owners, sector, business operations, non-financial risks, historical financial statements, forward-looking financial information, the facility structure, relevant documentation and available collateral. Each such credit application also includes a calculation of the RAROC at both facility and customer level and an obligor risk rating and facility risk rating in accordance with QNB Group's group-wide corporate risk rating policy.

QNB operates a highly centralised credit approval process with limited delegated authorities. Any credit approval which would lead to aggregate obligor group exposure for an amount over QR70 million (equivalent to U.S.\$19 million) must be submitted to and approved by the Group Credit Committee. If the credit application is within the Group Credit Committee limits, being less than 5.5 per cent. of QNB Group's eligible capital, the committee may approve the loan without further reference. Otherwise, the credit application is further submitted to the Group Board Executive Committee, with the Group Credit Committee's recommendation. The Group Board Executive Committee comprises five members of the Board of Directors and is chaired by the Vice-Chairman of QNB Group. Any approval by the Group Board Executive Committee is then reported to the Board of Directors for their information.

QNB is active in the credit approval process of its subsidiaries, either through requiring submission of credit applications (after the initial approval by the subsidiary credit committee) to QNB Group’s Credit Department for a final decision or through QNB senior management representation on the subsidiary credit committee or supervisory board (through consultation). Credit Authorities delegated to subsidiary credit committees are set at levels determined by the obligor risk rating and tenor, with exclusions for certain sectors deemed high risk from time to time.

Any credit approval request recommended by a division for an amount below QR70 million (equivalent to U.S.\$19 million) equivalent may be approved by “Group Credit”, which has been delegated approval authority by the Group Credit Committee. Group Credit also has the authority to approve renewal of previously approved credit facilities.

In addition to the credit approval threshold levels described above, QNB Group has established four elements of “approval philosophy” to govern the entire credit approval process. In order for each credit to be approved:

- the borrower must have a clear repayment plan with two sources of repayment identified at the time of lending;
- the borrower’s primary source of repayment must be from business cash flows and not from proceeds of the sale of any collateral or insurance policy (which are considered secondary sources of repayment);
- the borrower must provide complete, accurate and current financial information and, where appropriate, satisfactory collateral or security; and
- the transaction must not fall within the scope of activities that are against QNB Group’s policies.

The table below shows QNB Group’s maximum exposure to credit risk for on-balance sheet and certain off-balance sheet items as at 31 December 2023, 2022 and 2021. The maximum exposure set forth below is the gross amount, before taking into account the effect of mitigation through the use of master netting and collateral agreements.

	Gross Maximum Exposure As at 31 December		
	2023	2022	2021
	(QR in thousands)		
Cash and Balances with Central Banks (Excluding Cash on Hand).....	75,893,118	74,052,215	74,028,756
Due from Banks	86,476,920	96,259,687	69,055,144
Loans and Advances to Customers	852,987,250	807,601,336	763,652,041
Investment Securities (Debt).....	170,140,768	158,223,758	141,107,511
Other Assets	9,123,323	12,706,277	10,205,680
Subtotal	1,194,621,379	1,148,843,273	1,058,049,132
Contingent Liabilities.....	247,167,409	198,844,641	201,953,327
Total.....	1,441,788,788	1,347,687,914	1,260,002,459

Internal Risk Ratings and Related Credit Exposure

It is QNB Group’s policy to maintain accurate and consistent risk ratings across its credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with QNB Group’s rating policy. The attributable risk ratings are assessed and updated regularly, and the system consists of a 10-scale credit rating system with positive and negative modifiers, giving a total scale range of 22 (compared to QCB’s five-scale credit rating system), of which 19 (with positive and negative modifiers) relate to “performing”, and three to “non-performing”, as follows:

ORR	QCB Rating	Moody's Rating Equivalent	S&P Rating Equivalent	Grades
1	A	Aaa	AAA	Investment Grade
2+		Aa1	AA+	
2		Aa2	AA	
2-		Aa3	AA-	
3+		A1	A+	
3		A2	A	
3-		A3	A-	
4+		Baa1	BBB+	
4		Baa2	BBB	
4-		Baa3	BBB-	
5+	B	Ba1	BB+	Sub-Investment Grade
5		Ba2	BB	
5-		Ba3	BB-	
6+		B1	B+	
6		B2	B	
6-		B3	B-	
7+		Caa1	CCC+	
7	C	Caa2	CCC+	Watch List
7-		Caa3 to C	CCC- to C	
8	C	20 per cent. Specific Provision		Default Grade
9	D	50 per cent. Specific Provision		
10	E	100 per cent. Specific Provision		

QNB classifies problem loans as “Substandard” (8), “Doubtful” (9) and “Bad Debt” (10). The overall management of problem loans is the responsibility of the Remedial Department, which reports to the Group Chief Risk Officer. Interest payments in respect of problem loans are suspended automatically when the underlying loans have not been serviced for 90 days and, consequently, such loans are downgraded. If a borrower has more than one credit facility with QNB Group, a downgrade of any single facility will lead to a full assessment of all outstanding credit with that borrower and will require the Remedial Department to recommend a plan of recovery.

Credit Risk Mitigation

The credit risk exposure in respect of a debtor, counterparty or other obligor is mitigated or reduced by taking various types of collateral. Every effort is made to ensure that any collateral provided by a potential client is perfected in accordance with local legal requirements before credit is provided against that collateral. Such collateral is also maintained in a secure format, and valuations are undertaken as required during the lifetime of the credit exposure.

QNB Group has historically implemented a conservative credit policy. QNB Group believes that its conservative approach to lending ensures that there is an adequate spread of the risk through a diverse product range and customer base (by geography, industry and obligor type). QNB Group also believes that its conservative credit policy promotes the application of effective credit risk limits in its business, while providing adequate returns on the risk that is on par with the management's expectations. QNB Group's effective monitoring of its risk, together with a conservative internal risk rating system and a timely recovery strategy, further strengthens QNB Group's belief that it adequately meets and exceeds all regulatory limits and guidelines to which its business is subject.

Risk Concentration for Maximum Exposure to Credit Risk by Industry Sector

The table below shows QNB Group's financial assets and contingent liabilities in terms of industry sector for each of the years 2023, 2022 and 2021. The gross maximum exposure amounts and net maximum exposure amounts show such figures before and after, respectively, taking into account collateral held or other credit enhancements.

	Gross	Net	Gross	Net	Gross	Net
	Maximum Exposure	Maximum Exposure	Maximum Exposure	Maximum Exposure	Maximum Exposure	Maximum Exposure
	2023		2022		2021	
	(QR in thousands)					
Government	208,992,414	-	209,064,950	-	186,621,711	-
Government Agencies	211,621,965	208,631,372	206,615,751	137,608,743	196,457,210	108,390,427
Industry	43,900,155	37,536,523	46,193,049	40,086,274	47,952,520	43,984,917
Commercial	136,655,889	86,330,482	127,298,757	87,165,623	117,208,441	105,731,855
Services	381,590,067	371,411,591	365,202,363	353,447,986	327,315,583	275,262,236
Contracting	12,344,713	9,659,928	13,510,489	10,724,266	13,664,553	9,543,469
Real Estate	112,650,245	56,331,229	108,812,740	47,039,470	104,528,441	78,065,346
Personal	82,686,525	63,017,825	70,908,668	50,826,014	62,442,338	37,437,212
Others	4,179,406	3,924,830	1,236,506	981,930	1,858,335	1,565,551
Contingent Liabilities	247,167,409	247,167,409	198,844,641	198,844,641	201,953,327	201,953,327
Total	1,441,788,788	1,084,011,189	1,347,687,914	926,724,947	1,260,002,459	861,934,340

Credit Risk Reporting

QNB Group has monitoring procedures put in place for all of its loans. These procedures include an annual (or more frequently on adverse developments) credit review by the Credit Department and monthly credit portfolio reporting. Any required change to a credit rating is performed immediately as deemed necessary. As part of the monitoring process, a reporting system is also in place that includes monthly Management Information Service reports sent to the responsible heads of business sections along with monthly reporting to senior management at QNB Group and periodic reporting to the QCB.

International branch portfolios and QNB subsidiary portfolios are closely monitored at a monthly meeting of QNB Senior Risk staff (including the QNB Chief Risk Officer), at which concentrations, rating migration, non-performing loans, restructurings and watch list trends are reviewed and action and/or direction is given as appropriate. Risk dashboards are maintained for each branch/entity.

Loss provisions are made by QNB Group, following an automatic suspension of interest after non-servicing of the debt after a period of 90 days to reflect the potential loss from the borrowing relationship as follows: for credit rated '8' a provision of 20.0 per cent. loss is applied; for credit rated '9' a provision of 50.0 per cent. loss is applied; and for credit rated '10' a provision of 100.0 per cent. loss is applied.

The table below shows the credit quality of the financial assets, commitments and financial guarantees held by QNB Group in terms of Obligor Risk Rating ("ORR") as at 31 December 2023, 2022 and 2021.

	Year ended 31 December		
	2023	2022	2021
Equivalent Grades	(QR in thousands)		
Investment Grade - ORR 1 to 4	1,059,679,354	1,007,632,252	929,479,053
Sub-investment Grade - ORR 5 to 7	381,422,548	333,639,279	328,620,464
Substandard - ORR 8	1,389,469	9,441,039	4,469,215
Doubtful - ORR 9	11,387,284	1,191,055	2,209,750
Loss - ORR 10	14,967,554	13,917,829	12,056,763
Total Gross Exposures	1,468,846,209	1,365,821,454	1,276,835,245
Allowance for impairment	(36,341,756)	(30,990,839)	(27,107,575)
Total Net Exposures	1,432,504,453	1,334,830,615	1,249,727,670

The ratings used by QNB Group are in line with the ratings and definitions published by international rating agencies.

The table below sets forth certain information in respect of loans and related information as at 31 December 2023 and 2022.

	As at 31 December	
	2023	2022
	(U.S.\$ in millions, except for percentages)	
Non-Performing Loans (NPL).....	7,240	6,506
NPL Ratio ⁽¹⁾ (%).....	3.0%	2.9%
Allowance for Impairment of Loans and Advances (stage 3).....	7,247	6,409
Coverage Ratio ⁽²⁾ (%).....	100.1%	98.5%
Loans and Advances to customers	234,337	221,868

Notes:

- (1) NPL Ratio means non-performing loans and advances (stage 3) divided by gross loans and advances.
(2) This represents impairment on non-performing loans and advances (stage 3) divided by non-performing loans and advances (stage 3).

QNB uses a ratings system to enhance the accuracy in both obligor and facility ratings, in line with Basel recommendations.

Market Risk

Market risk is the risk to QNB Group's earnings or capital due to changes in interest rates, foreign exchange rates, equity and bond security prices. QNB Group's exposure to market risk arises due to positions held in both trading and banking books. All trading book transactions are hedged to within tightly defined limits or part of a 'back-to-back' transaction package, reflecting QNB's risk averse approach to trading risk.

QNB Group applies standard and internal methodologies to quantify the trading market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. QNB Group has defined limits on the level of risk that may be accepted (including the basis point value of interest rate positions, the currency open positions, value at risk and stop loss limits). The limits are monitored on a daily basis. Regular stress testing results and scenario analysis and periodic reports are provided to the Board of Directors, Group ALCO and Risk Committees on a regular basis to manage the risk.

Market risk to QNB Group is managed through a conservative set of policies covering both trading and banking book risks.

Interest Rate Risk

Interest rate risk reflects the risk of a change in interest rates which might affect future earnings or the fair value of financial instruments. QNB Group's exposure to trading interest rate risk is minimal. QNB Group's exposure to interest rate risk in the banking book is managed by QNB Group using, where appropriate, various off-balance sheet instruments, primarily interest rate swaps. The following table summarises the repricing profile of QNB Group's assets, liabilities and off-balance sheet exposures:

	<u>Within 3 Months</u>	<u>3-12 Months</u>	<u>1-5 Years</u>	<u>More than 5 years</u>	<u>Non-interest sensitive</u>	<u>Total</u>	<u>Effective Interest Rate</u>
	<u>(QR in thousands)</u>						
At 31 December 2023:							
Cash and Balances with Central Banks	23,790,082	-	-	-	64,030,283	87,820,365	
Due from Banks.....	66,183,374	1,872,892	1,180,170	2,160,038	15,080,446	86,476,920	3.66%
Loans and Advances.....	514,688,281	253,625,877	22,028,943	18,777,655	43,866,494	852,987,250	7.82%
Investments.....	82,679,045	31,054,603	39,072,001	13,358,976	14,417,060	180,581,685	11.97%
Other Assets.....	-	-	-	-	23,118,793	23,118,793	
Total Assets	687,340,782	286,553,372	62,281,114	34,296,669	160,513,076	1,230,985,013	
Due to Banks	112,542,491	41,676,895	584,879	-	2,187,136	156,991,401	3.07%
Customer Deposits.....	511,737,405	208,092,695	38,264,394	7,274,177	91,737,606	857,106,277	6.69%
Debt Securities.....	4,634,350	5,954,928	15,184,587	9,995,139	519,863	36,288,867	3.87%
Other Borrowings	29,177,269	9,785	3,667	-	209,352	29,400,073	6.08%
Other Liabilities.....	-	-	-	-	40,991,301	40,991,301	
Total Equity.....	-	-	-	-	110,207,094	110,207,094	
Total Liabilities and Equity	658,091,515	255,734,303	54,037,527	17,269,316	245,852,352	1,230,985,013	
Balance Sheet Items	29,249,267	30,819,069	8,243,587	17,027,353	(85,339,276)	-	
Off-Balance Sheet Items.....	(473,697)	(1,320,610)	(5,941,981)	7,952,400	(216,112)	-	
Interest Rate Sensitivity Gap	28,775,570	29,498,459	2,301,606	24,979,753	(85,555,388)	-	
Cumulative Interest Rate Sensitivity Gap	28,775,570	58,274,029	60,575,635	85,555,388	-	-	
At 31 December 2022:							
Cash and Balances with Central Banks	29,754,145	-	-	-	61,809,791	91,563,936	
Due from Banks.....	81,911,747	1,916,485	35,144	2,085,820	10,310,491	96,259,687	1.73%
Loans and Advances.....	512,407,207	221,610,406	30,617,187	6,510,715	36,455,821	807,601,336	5.46%
Investments.....	64,207,593	27,250,678	46,864,067	15,527,539	13,965,385	167,815,262	10.48%
Other Assets.....	-	-	-	-	25,978,791	25,978,791	
Total Assets	688,280,692	250,777,569	77,516,398	24,124,074	148,520,279	1,189,219,012	
Due to Banks	102,552,388	34,419,534	4,918,797	22,431	901,549	142,814,699	1.98%
Customer Deposits.....	485,197,762	209,290,271	40,254,422	7,449,212	100,086,988	842,278,655	3.63%
Debt Securities.....	501,759	2,570,224	566,309	22,345,824	9,168,604	35,152,720	3.52%
Other Borrowings	23,181,827	102,887	2,298,678	5,906	3,955	25,593,253	2.35%
Other Liabilities.....	-	-	-	-	37,322,900	37,322,900	
Total Equity.....	-	-	-	-	106,056,785	106,056,785	
Total Liabilities and Equity	611,433,736	246,382,916	48,038,206	29,823,373	253,540,781	1,189,219,012	
Balance Sheet Items	76,846,956	4,394,653	29,478,192	(5,699,299)	(105,020,502)	-	
Off-Balance Sheet Items.....	6,928,077	(1,534,643)	(12,112,091)	6,512,474	206,183	-	
Interest Rate Sensitivity Gap	83,775,033	2,860,010	17,366,101	813,175	(104,814,319)	-	
Cumulative Interest Rate Sensitivity Gap	83,775,033	86,635,043	104,001,144	104,814,319	-	-	

At 31 December 2021:

Cash and Balances with Central Banks	38,013,529	-	-	-	50,537,759	88,551,288	
Due from Banks.....	55,444,474	3,161,941	123,838	2,143,417	8,181,474	69,055,144	0.62%
Loans and Advances.....	493,821,774	202,718,503	32,997,126	7,464,985	26,649,653	763,652,041	4.44%
Investments.....	58,642,788	15,234,941	45,276,977	19,715,578	11,418,053	150,288,337	7.47%
Other Assets.....	-	-	-	-	21,490,801	21,490,801	
Total Assets	645,922,565	221,115,385	78,397,941	29,323,980	118,277,740	1,093,037,611	
Due to Banks	85,912,218	20,797,971	4,377,162	86,465	267,756	111,441,572	1.29%
Customer Deposits.....	494,840,733	136,729,226	54,476,092	8,114,958	91,350,515	785,511,524	2.60%
Debt Securities.....	4,274,065	3,490,549	19,301,114	12,458,148	565,051	40,088,927	3.09%
Other Borrowings	26,022,307	9,586	11,808	3,715	90,823	26,138,239	1.20%
Other Liabilities.....	-	-	-	-	29,800,702	29,800,702	
Total Equity	-	-	-	-	100,056,647	100,056,647	
Total Liabilities and Equity	611,049,323	161,027,332	78,166,176	20,663,286	222,131,494	1,093,037,611	
Balance Sheet Items	34,873,242	60,088,053	231,765	8,660,694	(103,853,754)	-	
Off-Balance Sheet Items.....	19,196,470	(5,504,942)	(14,933,201)	3,454,500	(2,212,827)	-	
Interest Rate Sensitivity Gap	54,069,712	54,583,111	(14,701,436)	12,115,194	(106,066,581)	-	
Cumulative Interest Rate Sensitivity Gap	54,069,712	108,652,823	93,951,387	106,066,581	-	-	

Liquidity Risk

Liquidity risk is the risk that an institution is unable to meet its funding obligations as they fall due, leading to an inability to support normal business activity or to incur unacceptable costs. QNB considers the prudent management of liquidity essential to ensuring a sustainable and profitable business and retaining the confidence of the financial markets. Liquidity risk can materialise as a result of firm-specific, industry-wide and market-wide liquidity events which may lead to cash outflows and may disrupt the availability of existing sources of funding.

To mitigate liquidity risk, QNB Group maintains a portfolio of liquid assets and readily marketable securities and considers itself to be well-placed in terms of available liquidity, compliance, internal stress tests and regulatory standards (including Basel III) and day-to-day management of liquidity requirements and respective controls.

QNB Group maintains statutory reserves with the QCB and other Central Banks.

QNB uses an asset-liability management and liquidity management solution to help optimise the management of the balance sheet, forecast key ratios over various timescales and ensure that best practice is adhered to in monitoring limits and controls.

QNB Group also maintains a Contingency Funding Plan that details its plan of action in emergency and stress situations. As part of the liquidity risk framework, QNB Group has diversified its funding sources across markets, products and counterparties and ensures sufficient stable sources of funding on the balance sheet. In addition, careful consideration is given to maintain liabilities of appropriate tenor relative to QNB's asset base.

The table below summarises the maturity profile of QNB Group's assets and liabilities. The contractual maturities of assets and liabilities have been determined on the basis of the remaining period at the balance sheet date to the contractual maturity date and do not take account of the effective maturities as indicated by QNB Group's deposit retention history. Management monitors the maturity profile to ensure that adequate liquidity is maintained.

	Within 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years	Total
	(QR in thousands)					
At 31 December 2023:						
Cash and Balances with Central Banks	27,988,326	-	-	-	59,832,039	87,820,365
Due from Banks	76,406,119	3,733,367	2,059,990	2,091,873	2,185,571	86,476,920
Loans and Advances	143,972,788	44,258,743	96,611,990	388,329,638	179,814,091	852,987,250
Investments	39,956,344	13,267,232	29,236,669	59,637,961	38,483,479	180,581,685
Other Assets	13,834,660	303,987	468,364	5,781,708	2,730,074	23,118,793
Total Assets	302,158,237	61,563,329	128,377,013	455,841,180	283,045,254	1,230,985,013
Due to Banks	53,967,018	32,113,604	45,398,000	25,431,622	81,157	156,991,401
Customer Deposits	332,486,016	116,934,802	202,634,716	195,247,021	9,803,722	857,106,277
Debt Securities	298,855	4,619,534	6,195,975	15,180,409	9,994,094	36,288,867
Other Borrowings	3,620,319	188,440	6,765,868	18,825,103	343	29,400,073
Other Liabilities and Equity	25,937,342	2,631,675	8,455,124	989,224	113,185,030	151,198,395
Total Liabilities and Equity	416,309,550	156,488,055	269,449,683	255,673,379	133,064,346	1,230,985,013
On balance sheet gap ..	(114,151,313)	(94,924,726)	(141,072,670)	200,167,801	149,980,908	-
Contingent and other items	113,434,553	15,883,680	78,205,823	26,512,855	29,042,396	263,079,307
At 31 December 2022:						
Cash and Balances with Central Banks	36,820,885	-	-	-	54,743,051	91,563,936
Due from Banks	75,099,651	15,393,090	4,289,159	640,443	837,344	96,259,687
Loans and Advances	99,494,241	31,792,647	97,468,393	344,261,018	234,585,037	807,601,336
Investments	12,313,742	8,923,010	22,716,234	55,763,224	68,099,052	167,815,262
Other Assets	14,648,796	1,127,472	1,495,339	5,935,376	2,771,808	25,978,791
Total Assets	238,377,315	57,236,219	125,969,125	406,600,061	361,036,292	1,189,219,012
Due to Banks	52,494,488	30,606,022	35,393,462	23,040,974	1,279,753	142,814,699
Customer Deposits	321,195,532	108,145,733	160,060,313	219,265,433	33,611,644	842,278,655
Debt Securities	501,759	2,387,830	544,698	22,550,325	9,168,108	35,152,720
Other Borrowings	68,314	103,712	11,722,412	13,698,815	-	25,593,253
Other Liabilities and Equity	23,461,613	2,030,608	7,847,794	2,028,400	108,011,270	143,379,685
Total Liabilities and Equity	397,721,706	143,273,905	215,568,679	280,583,947	152,070,775	1,189,219,012
On balance sheet gap ..	(159,344,391)	(86,037,686)	(89,599,554)	126,016,114	208,965,517	-
Contingent and other items	72,449,820	18,639,430	86,068,655	23,277,907	13,243,298	213,679,110
At 31 December 2021:						
Cash and Balances with Central Banks	44,822,662	-	-	-	43,728,626	88,551,288
Due from Banks	59,941,734	1,896,064	4,020,654	965,375	2,231,317	69,055,144
Loans and Advances	101,204,371	21,105,043	64,941,939	281,496,736	294,903,952	763,652,041
Investments	8,029,309	8,075,158	13,213,921	49,694,558	71,275,391	150,288,337
Other Assets	9,792,883	1,090,729	1,541,994	8,038,770	1,026,425	21,490,801
Total Assets	223,790,959	32,166,994	83,718,508	340,195,439	413,165,711	1,093,037,611
Due to Banks	41,410,803	25,565,087	20,713,371	21,915,130	1,837,181	111,441,572
Customer Deposits	319,615,186	56,669,798	100,413,126	292,037,094	16,776,320	785,511,524
Debt Securities	149,884	-	7,040,724	20,435,139	12,463,180	40,088,927
Other Borrowings	76,667	1,093,209	3,351,179	21,617,184	-	26,138,239
Other Liabilities and Equity	17,034,857	2,289,573	5,375,697	1,908,820	103,248,402	129,857,349
Total Liabilities and Equity	378,287,397	85,617,667	136,894,097	357,913,367	134,325,083	1,093,037,611
On balance sheet gap ..	(154,496,438)	(53,450,673)	(53,175,589)	(17,717,928)	278,840,628	-
Contingent and other items	61,616,602	6,885,311	93,368,366	37,302,623	14,850,934	214,023,836

The table below summarises the maturity profile of QNB Group's financial liabilities based on contractual undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately.

	Within 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years	Total
	(QR in thousands)					
At 31 December 2023:						
Due to Banks	54,174,948	33,080,849	56,902,167	37,926,698	3,479,856	185,564,518
Derivative Financial Instruments	41,686,393	45,394,366	51,515,131	2,130,577	-	140,726,467
— Contractual Amounts Payable						
– Forward Contracts						
— Contractual Amounts	(41,227,767)	(45,205,555)	(51,336,425)	(2,078,553)	-	(139,848,300)
Receivable – Forward Contracts						
– Contractual Amounts.....						
Payable/(Receivable) – Others	(106,965)	(1,094,961)	649,454	1,157,904	79,527	684,959
Customer Deposits	345,032,744	116,992,284	213,065,952	200,035,424	18,405,539	893,531,943
Debt Securities	141,010	4,684,496	6,621,840	18,053,595	10,564,967	40,065,908
Lease Liabilities	11,516	11,871	56,565	301,888	194,912	576,752
Other Borrowings	3,631,572	214,776	10,430,840	19,791,474	-	34,068,662
Total Liabilities	403,343,451	154,078,126	287,905,524	277,319,007	32,724,801	1,155,370,909
At 31 December 2022:						
Due to Banks	52,607,170	30,651,312	35,681,383	23,174,223	2,335,312	144,449,400
Derivative Financial Instruments						
— Contractual Amounts Payable						
– Forward Contracts	40,972,068	45,205,047	43,251,981	2,461,216	-	131,890,312
— Contractual Amounts						
Receivable – Forward Contracts						
– Contractual Amounts.....	(40,519,692)	(45,039,367)	(42,897,673)	(2,389,600)	-	(130,846,332)
Payable/(Receivable) – Others	121,545	1,280,319	965,919	867,790	293,061	3,528,634
Customer Deposits	333,293,547	110,474,574	160,133,159	221,846,085	36,671,160	862,418,525
Debt Securities	537,978	2,422,126	782,066	23,044,980	9,616,661	36,403,811
Lease Liabilities	11,654	12,473	58,779	369,768	199,788	652,462
Other Borrowings	72,220	239,190	12,654,111	15,480,511	-	28,446,032
Total Liabilities	387,096,490	145,245,674	210,629,725	284,854,973	49,115,982	1,076,942,844
At 31 December 2021:						
Due to Banks	41,568,592	25,679,525	21,106,675	22,073,157	1,954,889	112,382,838
Derivative Financial Instruments						
— Contractual Amounts Payable						
– Forward Contracts	36,460,573	59,931,293	22,828,097	5,102,923	-	124,322,886
— Contractual Amounts						
Receivable – Forward Contracts						
– Contractual Amounts.....	(36,622,465)	(59,946,431)	(23,331,913)	(5,096,044)	-	(124,996,853)
Payable/(Receivable) – Others	(635,578)	951,324	1,120,930	556,052	(7,418,106)	(5,425,378)
Customer Deposits	320,642,175	57,391,073	103,458,863	297,192,574	26,342,819	805,027,504
Debt Securities	156,979	161,189	7,066,041	20,454,382	12,584,429	40,423,020
Lease Liabilities	61,701	16,119	71,203	404,832	62,294	616,149
Other Borrowings	76,667	1,152,756	3,568,906	22,391,049	-	27,189,378
Total Liabilities	361,708,644	85,336,848	135,888,802	363,078,925	33,526,325	979,539,544

The table below shows a breakdown of QNB's deposits by sector as at 31 December 2023:

Source of Funding	Percentage of total customer deposits
Corporate Clients.....	55.3%
Individuals	16.0%
Government and Government Agencies	27.5%

Foreign Exchange Risk

QNB Group takes on exposure to fluctuations in prevailing foreign currency exchange rates on its financial position. QNB Group has a set of operational limits on the level of currency exposure, which are monitored daily. QNB Group has the following significant net exposures denominated in foreign currencies:

	QR	U.S.\$	Euro	Pounds Sterling	Other Currencies	Total
	(QR in thousands)					
At 31 December 2023:						
Assets.....	301,316,366	566,116,751	93,980,216	47,707,740	221,863,940	1,230,985,013
Liabilities and Equity	300,146,089	567,137,237	94,035,781	48,184,234	221,481,672	1,230,985,013
Net Exposure.....	1,170,277	(1,020,486)	(55,565)	(476,494)	382,268	-
At 31 December 2022:						
Assets.....	302,811,283	534,940,136	96,862,193	58,559,109	196,046,291	1,189,219,012
Liabilities and Equity	303,817,614	539,079,567	96,871,882	58,898,561	190,551,388	1,189,219,012
Net Exposure.....	(1,006,331)	(4,139,431)	(9,689)	(339,452)	5,494,903	-
At 31 December 2021:						
Assets.....	262,385,531	492,068,907	122,214,014	59,475,371	156,893,788	1,093,037,611
Liabilities and Equity	268,599,200	489,000,082	122,550,694	59,168,701	153,718,934	1,093,037,611
Net Exposure.....	(6,213,669)	3,068,825	(336,680)	306,670	3,174,854	-

Currency Risk—Effect of Change in Fair Value of Currency

The table below indicates the effect of a reasonably likely movement of the currency rate against the Qatari Riyal on the income statement, with all other variables held constant:

Currency	Change in Currency Rate %	Effect on Income Statement		
		As at 31 December		
		2023	2022	2021
		(QR in thousands)		
U.S.\$.....	+2	(20,410)	(82,789)	61,377
Euro	+3	(1,667)	(291)	(10,100)
Pounds Sterling	+2	(9,530)	(6,789)	6,133
Egyptian Pound	+3	208,445	23,318	539
Turkish Lira.....	+3	(34,357)	2,897	6,190
Other Currencies	+3	(162,620)	138,633	88,517
U.S.\$.....	-2	20,410	82,789	(61,377)
Euro	-3	1,667	291	10,100
Pounds Sterling	-2	9,530	6,789	(6,133)
Egyptian Pound	-3	(208,445)	(23,318)	(539)
Turkish Lira.....	-3	34,357	(2,897)	(6,190)
Other Currencies	-3	162,620	(138,633)	(88,517)

Equity Price Risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of equity indices and the value of individual stocks. The effect on equity due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	Change in Equity Price	Effect on Other Comprehensive Income 2023	Change in Equity Price	Effect on Other Comprehensive Income 2022	Change in Equity Price	Effect on Other Comprehensive Income 2021
	(%)	(QR) (in thousands)	(%)	(QR) (in thousands)	(%)	(QR) (in thousands)
Market Indices						
Qatar Stock Exchange...	±5	31,848	±5	11,503	±5	14,043

Risk Mitigation

As part of its management of market risk, QNB Group uses derivatives and other instruments to manage exposures to changes in interest rates, foreign currencies and equity investments.

The table below shows the positive and negative fair values of derivative financial instruments, together with the notional amounts analysed by the term to maturity as at 31 December 2023, 2022 and 2021. The notional amounts, which provide an indication of the volumes of the transactions outstanding as at the year-end, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of QNB Group's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, or market risk.

	Positive Fair Value	Negative Fair Value	Notional Amount	Notional/Expected amount by term to maturity			
				Within 3 Months	3-12 Months	1-5 Years	More than 5 Years
(QR in thousands)							
As at 31 December 2023:							
Derivatives Held for Trading:							
Forward Foreign Exchange Contracts	1,320,932	224,024	144,785,751	89,363,821	53,190,281	2,231,649	-
Interest Rate Swaps	439,999	335,008	78,536,702	9,682,421	8,106,473	42,368,418	18,379,390
Cross Currency Swaps	248,311	92,771	54,465,496	50,381,989	3,991,633	91,874	-
Options	9,395	35,785	3,861,669	2,132,435	1,708,100	21,134	-
Derivatives Held as Cash Flow Hedges:							
Interest Rate Swaps	778,562	91,063	32,510,904	7,962,971	5,042,921	16,430,631	3,074,381
Cross Currency Swaps	180,009	912,005	41,778,539	2,305,731	9,949,672	24,896,889	4,626,247
Derivatives Held as Fair Value Hedges:							
Interest Rate Swaps	3,795,061	3,796,371	16,958,935	97,736	2,180,098	417,443	14,263,658
Cross Currency Swaps	355,870	5,038	553,879	107,226	172,278	274,375	-
Total	7,128,139	5,492,065	373,451,875	162,034,330	84,341,456	86,732,413	40,343,676
As at 31 December 2022:							
Derivatives Held for Trading:							
Forward Foreign Exchange Contracts	1,744,689	225,460	136,478,425	89,402,129	44,556,606	2,519,690	-
Interest Rate Swaps	457,790	423,535	46,003,354	3,672,657	4,863,142	15,656,816	21,810,739
Cross Currency Swaps	927,324	463,793	53,585,272	50,145,481	3,003,235	406,811	29,745
Options/Others	147,541	99,904	24,246,607	21,661,717	2,553,197	31,693	-
Derivatives Held as Cash Flow Hedges:							
Interest Rate Swaps	1,225,180	119,131	30,821,334	828,716	1,358,382	22,586,073	6,048,163
Cross Currency Swaps	961,866	930,267	46,969,943	4,207,997	7,166,026	28,849,648	6,746,272
Derivatives Held as Fair Value Hedges:							
Interest Rate Swaps	3,684,870	3,712,759	20,202,664	177,247	468,354	2,829,353	16,727,710
Cross Currency Swaps	1,445,280	80,236	4,109,737	1,868,761	861,746	1,379,230	-
Total	10,594,540	6,055,085	362,417,336	171,964,705	64,830,688	74,259,314	51,362,629
As at 31 December 2021:							
Derivatives Held for Trading:							
Forward Foreign Exchange Contracts	477,034	824,763	127,673,393	98,317,361	24,076,744	5,279,288	-
Interest Rate Swaps	523,504	479,533	55,352,217	4,260,957	7,552,981	16,847,473	26,690,806
Cross Currency Swaps	2,106,121	2,004,636	56,277,302	51,061,251	3,994,733	1,189,503	31,815
Options	80,687	19,343	1,693,182	1,160,036	518,210	14,936	-
Derivatives Held as Cash Flow Hedges:							
Interest Rate Swaps	105,888	861,460	27,492,712	801,204	5,326,980	16,843,056	4,521,472
Cross Currency Swaps	2,755,036	881,430	50,745,694	2,630,438	3,088,292	36,779,378	8,247,586
Derivatives Held as Fair Value Hedges:							
Interest Rate Swaps	366,703	559,753	28,588,662	55,780	3,346,192	7,359,598	17,827,092
Cross Currency Swaps	893,726	-	2,112,055	51,366	678,497	1,382,192	-
Total	7,308,699	5,630,918	349,935,217	158,338,393	48,582,629	85,695,424	57,318,771

Capital Management

QNB Group maintains an actively managed capital base to cover risks inherent in the business. The adequacy of QNB Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the QCB in supervising QNB Group.

The primary objectives of QNB Group's capital management are to ensure that QNB Group complies with externally imposed capital requirements and that QNB Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders' value.

The table below shows the capital adequacy of QNB Group by tiers and for each of the years 2023, 2022 and 2021 as per the QCB's Basel III requirements:

	As at 31 December		
	2023	2022	2021
		(QR in thousands)	
Common Equity Tier 1(CET1) Capital.....	82,829,469	81,042,880	75,905,083
Eligible Additional Tier 1 (AT1) Capital Instruments	20,000,000	20,000,000	20,000,000
Additional Tier 1 Capital.....	80,842	67,542	78,664
Additional Tier 2 Capital.....	5,935,517	5,856,732	5,560,003
Total Eligible Capital	108,845,828	106,967,154	101,543,750
Less: Cash Dividends	(6,003,678)	(5,541,857)	(5,080,036)
Eligible Capital	102,842,150	101,425,297	96,463,714
Total Risk-Weighted Assets	519,038,605	517,113,381	499,381,153
CET1 ratio	14.8%	14.6%	14.2%
Tier 1 Capital ratio	18.7%	18.5%	18.2%
Total Capital ratio.....	19.8%	19.6%	19.3%

The required capital adequacy ratio (i.e. minimum threshold including capital conservation buffer, the DSIB buffer, the ICAAP buffer) is 16.0 per cent. under the QCB's Basel III requirements. QNB exceeds these thresholds with a capital adequacy ratio of 19.8 per cent. as at 31 December 2023.

QNB has already implemented internal procedures to comply with the QCB's Basel III requirements. QNB's current capital adequacy ratios are above the minimum requirements outlined under the QCB's Basel III requirements. The table below highlights QNB's current capital adequacy ratio against the requirements as set out by the QCB:

	QNB Ratios	The QCB's Basel Capital Adequacy Required Ratios		
	31 December 2023	2024	2025	2026
		(per cent.)		
CET1 Capital/ Risk-Weighted Assets	14.8	12.0	12.0	12.0
Tier 1 Capital/ Risk-Weighted Assets	18.7	14.0	14.0	14.0
Total Capital/ Risk-Weighted Assets	19.8	17.0	17.0	17.0
Leverage Ratio (Tier 1 Capital/Exposure Measure).....	7.5	3.0	3.0	3.0

Furthermore, as part of the ICAAP, the capital adequacy of QNB Group is assessed under normal operating conditions as well as stressed conditions taking into account, for example, lower business growth and weaker credit conditions. The ICAAP is approved by the Board of Directors and is updated on an annual basis, or more frequently as required or in response to material events.

The table below shows cash and other balances of QNB Group held by the QCB and the central banks of certain other countries.

	As at 31 December		
	2023	2022	2021
	(QR in thousands)		
Cash.....	11,927,247	17,511,721	14,522,532
Cash Reserve with Qatar Central Bank.....	31,647,844	27,042,115	20,304,244
Other Balances with Qatar Central Bank.....	9,750,000	13,070,993	20,437,212
Balances with other Central Banks.....	34,463,847	33,940,856	33,253,087
Accrued interest.....	45,731	7,638	40,382
Allowance for Impairment.....	(14,304)	(9,387)	(6,169)
Total.....	87,820,365	91,563,936	88,551,288

QNB Group's cash reserve held with the QCB is a mandatory reserve and cannot be used to fund QNB Group's day-to-day operations.

The table below shows the amounts due to QNB Group from other banks.

	As at 31 December		
	2023	2022	2021
	(QR in thousands)		
Current Accounts.....	15,309,438	15,523,929	15,398,205
Placements.....	59,942,907	70,180,985	51,221,076
Loans.....	9,375,671	9,300,895	2,143,417
Accrued interest.....	2,493,687	1,392,570	387,078
Allowance for Impairment.....	(644,783)	(138,692)	(94,632)
Total.....	86,476,920	96,259,687	69,055,144

Operational Risk

Operational risk is the risk of direct or indirect loss due to an event or action causing failure of technology, process, infrastructure, personnel and other risks having an operational risk impact. QNB Group seeks to minimise actual or potential losses from operational risk failure through implementing a framework of policies and procedures to identify, assess, control, manage and report those risks. Controls include, but are not limited to, segregation of duties, system controls, authorisation and reconciliation procedures, staff education and assessment processes.

From an operational perspective, QNB Group continues to fulfil, on an ongoing basis, its commitments in relation to the first pillar of Basel III and, as part of the compliance requirements under the second pillar, it has put in place an internal capital adequacy assessment process (ICAAP).

QNB Group has a "three lines of defence" model to manage and mitigate operational risk and ensure proper segregation of functions and that roles and responsibilities are clearly defined through a top down approach. QNB Group uses tools defined by the Basel guidelines such as Risk Control Self Assessment and Key Risk Indicators. A system is used to log all incidents and track the ongoing risk mitigating actions, with escalation procedures in place. Operational risk is managed in the following ways:

- Group Operational Risk communicates with executive management through the monthly reporting of key items.
- QNB Group has a Group Operational Risk Management Committee (which is mandated by the GMRC and chaired by the Group Chief Risk Officer) that oversees both the domestic and the international network.
- Group Operational Risk is part of the approval process for any new product launched within QNB Group and is part of the policies and procedures approval process.

Group Information Security

The mission of the Group Information Security Risk (GIS) department is to continuously assess and enhance QNB Group's protection from cyber security threats. To achieve this goal, the department operates both first and second lines of defence related services, which include the following:

- **Deployment of key security controls:** The department is responsible for engineering and supporting a number of key information security controls across QNB Group that detect and block cyber security attacks.
- **Proactive identification of IT security issues:** The department conducts regular vulnerability assessment and penetration testing exercises to identify security weaknesses of IT managed systems, and internet-facing web and mobile applications that provide e-channel services to customers.
- **Cyber monitoring and detection:** The department operates a Security Operations Centre (the “SOC”) which provides constant detection and response capabilities to cyber security threats and attacks against QNB Group. The SOC is leveraging advanced threat intelligence feeds that search the dark web for potential upcoming attacks. The team also operates a next generation endpoint detect and response product to detect and respond to any potential indicators of compromise.
- **Awareness and Training:** The department is responsible for delivering training and awareness to all QNB staff for cyber-related issues. The team recently rolled out an enhanced security online training programme and anti-phishing simulation exercises across QNB Group, and delivered a cyber awareness video to QNB customers, to help train them and prevent their susceptibility to phishing attacks.

Group Information Technology

QNB’s IT department is working on various IT projects to implement advanced and innovative technologies. The upgraded technology is expected to give QNB a competitive advantage by enabling QNB to introduce new products and features on a shorter timeframe. Below are some examples of QNB’s IT initiatives:

- IT division managed to complete some key finance initiatives including, but not limited to, new payment hub platform catered to QNB’s retail and corporate needs, as well as new flexible platform for cash management system CBX to ensure QNB competitiveness in related markets.
- QNB also completed some technology related achievements in the introduction of revamped internet banking system and mobile banking system, on top of new intuitive and user-friendly graphical user interface multiple enhancements were introduced to improve security, functionality and integrations.
- QNB added a new bouquet of cutting-edge payments types to its product line: Samsung Pay, Google Pay, tap on phone for merchant (MyPOS) as well as violet prepaid card.
- QNB is also focusing on enhancing current systems to increase its operational efficiency by continuing on-boarding applicable processes to Robotics Process Automation which in return would decrease the turnaround time and eliminate any human related errors.
- QNB is continuously investing in technology to provide business continuity to its customers. Continuous monitoring and maintenance is in place to achieve the highest service availability. The continuous patching-hardening and securing of all of its internal and external infrastructure layers would enhance confident in its role as business partners. The introduction of state of the art TLS encryption and zero trust platform make QNB a default PCI-DSS compliant agent and would ensure the integrity of AAA “authentication, authorization and accounting” framework to be embedded within QNB’s operations.
- QNB is further enhancing its existing disaster recovery infrastructure outside Qatar to support fast recovery and core business continuity objectives in the event of a disaster or crisis. This project includes significant enhancement of IT infrastructure at the overseas disaster recovery site which is almost identical to the domestic site, including aspects such as IT assets, hardware, systems and connectivity.
- A key component of QNB’s international expansion strategy is to leverage its investment in IT across borders. The adoption of a mixed “cloud-edge-OnPrim” topology would support the flexibility of this expansion as well as the adherence to new regulations in these countries.

Other Risks

Other risks to which QNB Group is exposed are regulatory risk, legal risk and reputational risk. Regulatory risk is controlled through a framework of compliance policies and procedures. With recent developments in the context of Basel III, QNB Group has been proactive in participating in workshops held by the QCB and other financial organisations such as the Institute of International Finance. QNB Group is also becoming more active in developing and strengthening its relationships with all host regulators where QNB Group operates, especially the FCA, the Central Bank of Oman and the Singapore Monetary Authority. Legal risk is managed through the effective use of internal and external legal advisers.

Reputational risk is identified, assessed and managed by the Group Operational Risk Department. QNB considers the potential negative publicity regarding QNB's solvency or business practices as a material risk. The Board of Directors has the ultimate responsibility of retaining the confidence and trust of the stakeholders in the business, customers, regulatory and supervisory authorities, institutional lenders, employees as well as the shareholders. QNB communicates with shareholders through annual reports, the QNB website, Annual General Assemblies, press conferences and announcements. Communications that involve public announcements shall be open, honest, transparent, timely and consistent.

QNB Group has a detailed crisis management plan to handle emergency situations that relate to reputational risk.

Risk of Managing Customer Investments

QNB Group provides custody and corporate administration to third parties in relation to mutual funds marketed or managed by QNB Group. These services give rise to legal and operational risk. Such risks are mitigated through detailed daily procedures and the monitoring and controlling of activities by line and department management to assure compliance with the established policies and procedures.

Risk Management Programmes

Group Risk Division

QNB has established the Group Risk Division ("**GRD**") to monitor and report on QNB Group's risk management. GRD advises the Board of Directors (through the Group Board Risk Committee and the Group Chief Executive Officer) of the major risks which QNB faces and other related issues. GRD discusses with the Board of Directors certain regular topics, including those items that the Risk Committee rates as most critical, and a list of all material risks or loss events (if any). In addition, GRD provides the Board of Directors with updates regarding key credit risk indicators, business continuity challenges, IT and cyber security issues, capital adequacy and legal cases raised by or against QNB. GRD reports directly to the Group Chief Executive Officer.

Group Internal Audit Division

QNB's Group Internal Audit Division ("**GIAD**") is functionally independent from the management of QNB and reports directly to GBACC. GIAD is headed by the GCAE and comprises departments such as Domestic Audit, International Audit and IT Audit and Follow-Up teams as described below.

The Domestic Audit Department covers Head Office operations and all areas of QNB's business in Qatar. It is staffed by auditors specialised in all relevant areas of the business, such as Retail, Corporate Banking and Credit, Private Banking, Treasury, Investments, Governance and Financial Control, Risk Management, Funds Management and Custody. All centralised services located in Qatar and those supporting QNB Group's business across all jurisdictions are also audited as part of the domestic audit activity by functional specialists in the respective areas. Wholly-owned subsidiaries of QNB Group, such as QNB Capital and QNB FS, are also covered by the Domestic Audit Department.

The International Audit Department covers overseas branches, subsidiaries and associates of QNB Group in jurisdictions outside Qatar in conformity with regulatory and corporate governance requirements and management agreements, as applicable.

The Global Information Technology and Information Security ("**IT & IS**") Audit Department delivers audit assurance and advisory services covering the digital, technology and information security domains in the jurisdictions in which the QNB Group operates. The global IT & IS audit department is responsible for providing

global oversight of the audit teams that conduct IT & IS audit activities across the Group's international subsidiaries. These teams operate under the guidance of their respective departmental heads, who maintain an indirect reporting line to the Executive Vice President of global IT & IS audit.

GIAD's audit implementation is in conformity with regulatory requirements in local and host operational jurisdictions, professional standards and guidelines issued by the relevant professional bodies such as the IIA-USA, IIA-UK & Ireland and ISACA-USA. In conformity with governance standards, Terms of Reference of the GBACC, formalised Internal Audit Charter and downstream formal Policy and Procedures are in place.

As required by the Internal Audit Charter, GIAD also participates in major projects in QNB supporting governance, technology, systems development and implementation providing added value to QNB Group.

GIAD continuously monitors the changes in the control infrastructure resulting from the organic and acquisitive growth of QNB Group. GIAD also participates actively in ensuring integration of the Internal Audit and Governance related activities across QNB Group.

In the reports issued covering each Audit, GIAD classifies each issue as either a high, medium or low risk priority in order to facilitate prioritisation of appropriate action by management. Action plans with target dates for implementation by management are also included in each report. Implementation of action plans and closure of issues is monitored by GIAD regularly. Periodic discussions are held with the executive management and line management on the status follow-up report with a focus on resolution of audit issues. An Open Issues Dashboard is reported to the executive management on a monthly and quarterly basis and also presented to the Group Management Risk Committee, GBACC and Group Board of Directors.

Group Compliance Division

The Group Compliance Division's primary function is to assist the Board of Directors and the Executive Management team to identify, evaluate, monitor and mitigate the compliance risks faced by QNB Group. It is an independent function within QNB Group and was established under a formal charter and policies approved by the GBACC.

The Group Compliance Division identifies, assesses and reports on compliance risks associated with QNB's business activities, including the risk of legal sanctions, legislative and financial losses, or damage to the reputation of QNB Group as a result of failure to abide by laws and regulations, the charter of professional conduct and/or standards of good practice in relation to financial crimes compliance.

QNB's Group Compliance team supports and provides advice on QNB Group's governance structure and reports directly to the GBACC. One of the goals of QNB's Group Compliance team is to ensure that all aspects of QNB's domestic and international operations are fully compliant with the applicable local and international jurisdictional statutory requirements and standards. These statutory requirements include the Financial Action Task Force recommendations on anti-money laundering ("AML") and counter-terrorism financing ("CTF"), the Organisation for Economic Cooperation and Development's ("OECD") corporate governance principles and the Basel Committee's compliance requirements for banks.

In line with the expansion of QNB's international operations, and in order to optimise its international footprint, QNB has continued to introduce new approaches and strategies to better monitor and assess compliance risks.

Corporate Governance

QNB Group considers that good corporate governance is a key factor in enhancing the image of QNB Group, both locally and internationally, through a commitment to corporate culture that motivates directors, managers and employees to maximise operational efficiency and comply with principles of conduct, to ensure returns on investment and sustainable growth.

To ensure the proper application of the principles of good corporate governance, as stipulated in the guidelines issued by the QCB and the Corporate Governance Code issued by the QFMA, the Board of Directors has approved the application of a comprehensive set of corporate governance policies and procedures within QNB Group. Such governance policies and procedures also comply with all necessary legal and regulatory requirements and reflect QNB Group's commitment to adhere to international standards developed by the OECD, recommendations of the Basel Commission, the International Network for Corporate Governance, and other international institutions.

Anti-Money Laundering

QNB's Group Compliance team is responsible for overseeing the countering of money laundering and terrorist financing risks in QNB Group. The Group Chief Compliance Officer directly reports to the GBACC for financial crimes compliance matters.

QNB's compliance division continuously evaluates QNB Group's processes, operations and structures, and assesses environments in which it operates to improve controls and monitor compliance risks, in line with QCB directives, Financial Action Task Force recommendations and local AML and CTF laws and regulations.

On an annual basis, the AML and CTF Report is submitted to the Board by QNB's Group Compliance team for appropriate review and consideration. The Report assesses the adequacy and effectiveness of QNB Group's policies, procedures, systems and controls in preventing money laundering and terrorist financing risks, which is in line with the risk-based approach concept. This approach helps facilitate appropriate transaction oversight in accordance with the designated risk category.

AML and CTF activities are also subject to regular reviews and quality assurance assessment by the Qatar Central Bank, the external auditors and the Group Internal Audit Division, together with other independent firms from time to time.

Sanctions

QNB's Group Compliance team has a dedicated sanctions team to oversee sanctions compliance activities across QNB Group. The sanctions team takes into consideration all applicable sanctions programs including sanctions measures in each country or region in which QNB operates, such as the United States, the EU, the United Kingdom and UN sanctions programmes.

QNB's Group Compliance team has designed and put in place appropriate policies, procedures, systems and controls and maintains automated systems and databases to monitor various international referral lists and ensure that none of QNB's existing or new customers are included in such lists. Moreover, QNB has adopted a centralised due diligence system to monitor and review all transactions potentially involving sanctioned or high-risk countries or goods for proper screening and due diligence on a real time basis before a transaction is processed.

QNB Fraud Control

A comprehensive Fraud Control Unit was established within QNB's Group Compliance team. The Fraud Control Unit designed and manages a compliance and ethics mechanism that is used to prevent and detect criminal, civil and administrative violations within QNB Group.

The Fraud Control Unit also communicates, through presentations and dashboards, with executive management and the Board of Directors.

Monitoring Compliance with respect to QNB's Overseas Operations

QNB's Group Compliance team provides support with respect to QNB's overseas operations by identifying the key regulatory requirements of the jurisdictions within which it operates and developing relationships with the relevant regulators. This is aimed at standardising the compliance and internal control framework between QNB's overseas branches.

In this regard, QNB has sought to establish an effective reporting structure which clearly defines the roles and responsibilities of each of its overseas operations with regard to compliance matters. QNB's Group Compliance team provides quarterly compliance reporting, studies and analysis that categorise risk levels for a wide range of banking sector components in respect of the countries in which QNB Group is operating.

Transparency

QNB Group is committed to implementing high transparency and accountability standards through diligent monitoring of compliance-related issues and maintenance of an effective whistle-blowing, conflicts of interests and reporting policy.

Stress Testing

Following the principles set out in the Basel III Accord by the Basel Committee on Banking Supervision, QNB has in place an advanced framework for stress testing, which is wholly integrated with QNB's decision-making process based on the Basel III principles. The key components of the QNB stress-testing framework emphasise the use of stress testing and integration within QNB's risk governance, the methodologies being applied at each level of testing, the scenarios being used at each level of testing and stress testing of specific risks and products of QNB.

In accordance with IFRS 9 guidelines for determining applicable credit impairment losses, the methodology incorporates forward-looking indicators in both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of expected credit loss (ECL). QNB formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where QNB operates, supranational organisations such as the OECD and the IMF, and selected private-sector and academic forecasters.

QNB's stress tests take into account a range of scenarios across QNB's business and its written policies and procedures for the stress tests are sufficiently granular for the purposes of Basel III. The stress-testing framework at QNB covers all of the risks under Pillars I and II of Basel III, with special emphasis on risk materiality. Reverse stress testing is already being utilised within QNB to identify and to update QNB's risk profile and risk strategy. On a monthly basis, the mitigation framework is reviewed by the risk team and considered for further improvement. QNB has also developed a recovery plan in line with industry best practice and regulatory requirements.

Recovery planning forms part of the integral framework safeguarding the Group's financial stability. The Group recovery plan, together with stress testing, examines the likely outcomes of adverse business or economic conditions and aids with the identification of appropriate risk mitigating actions. The Group's strategy includes a detailed assessment of the current and future conditions covering macroeconomic forecasting, the study of market dynamics, profitability and competitive advantage, analysis of peers regionally and globally and due consideration of regulatory environment.

Related Party Transactions

QNB adheres to, and is fully compliant with, strict guidelines set by the QCB with respect to related party transactions. Under the QCB guidelines, any loan or advance made by QNB to a member of the Board of Directors (or to certain related persons/entities, his direct family members and any organisation where he is a partner or is able to exert management control or has given a guarantee ("**Connected Persons**") must not exceed 7.0 per cent. of QNB's capital and reserves. The aggregate total for loans and advances made to the Board of Directors as a whole and their Connected Persons must not exceed 35.0 per cent. of QNB's capital and reserves. QNB has strict internal guidelines when dealing with related parties. Collateral is always required for any loan or advance to a related party and, moreover, the borrowing member of the Board of Directors cannot be part of any decision process as to whether or not to extend credit. QNB strictly prohibits any preferential treatment to members of the Board of Directors or their Connected Persons.

QNB's level of dealings with related parties is significantly lower than QCB's required thresholds. The table below shows QNB's aggregate related party dealings as at and for the years ended 31 December 2023, 2022 and 2021 quantified:

	2023	2022	2021
	(QR in thousands)		
Statement of Financial Position Items:			
Loans and Advances.....	3,561,825	3,421,567	3,174,664
Deposits	1,576,395	1,610,328	1,406,375
Contingent Liabilities and Other Commitments ⁽¹⁾	35,276	37,632	48,938
Income Statement Items:			
Interest and Commission Income	204,012	127,459	127,325
Interest and Commission Expense	81,389	33,711	15,795

Note:

- (1) QNB Group has transactions in the ordinary course of business with directors, officers of QNB Group and entities over which they have significant influence and control. The key management personnel are those persons having authority and responsibility in making financial and operating decisions.

MANAGEMENT

QNB's principal decision-making forum is the Board of Directors, which has overall responsibility for the management and strategy of QNB and is accountable for creating and delivering sustainable shareholder value through its guidance of QNB's business. It has unrestricted management powers, except to the extent provided by law, the Articles of Association or a resolution of the shareholders in General Assembly. The Board of Directors has delegated responsibility for the day-to-day management of QNB to the Group Chief Executive Officer and the Executive Management Team. QNB is committed to implementing high standards of corporate governance in order to enhance transparency and public confidence. In this regard, QNB has a number of Board and Management Committees to oversee this function.

Board of Directors

The Board of Directors (the "**Board**") is responsible for the overall strategic direction, supervision and control of QNB through the review and approval of major strategic initiatives, policies and objectives. The Board of Directors sets the standard for a sound corporate governance framework for the entire QNB Group. The Board of Directors has delegated responsibility for overall executive management to QNB's experienced Executive Management team under the leadership of the Group Chief Executive Officer.

The Board of Directors reviews and approves all of QNB's credit and investment policies through agreed-upon limits and risk parameters. The Board of Directors meets regularly, at least six times a year, and reviews and approves QNB's annual budget, business plans and all capital expenditure. It is also the Board's responsibility to ensure the implementation of a framework of control covering Internal Audit, Compliance, Risk Management (credit risk, liquidity risk, market risk and operational risk) and Financial Control. See "*Risk Management and Compliance*".

Assisting the Board of Directors in carrying out its duties and responsibilities are four sub-committees that report directly to it. These are the Group Board Executive Committee, the Group Board Risk Committee, the GBACC and the Group Board Nomination, Remuneration, Governance and Policies Committee ("**GBNRGPC**").

As set out in the Articles of Association, the Board of Directors has 10 members. The composition of QNB's Board of Directors reflects the ownership structure of QNB, with five members of the Board of Directors, being representatives of the QIA, with the remaining five members from the private sector being elected by shareholders at the General Assembly meeting. Members of the Board of Directors are appointed or elected for a period of three years. The Chairman and Vice Chairman are elected by the Board of Directors. The majority of the Directors are required to attend for there to be a quorate Board of Directors meeting. A Director may appoint another Director to represent and vote for him in his absence. Decisions of the Board of Directors are made by majority votes of those present (in person or by proxy) at the meeting. In the event of a split decision, the Chairman holds the casting vote.

Members of the Board of Directors (with the exception of those appointed by the QIA) are required to own at least 400,000 shares, which are used as a collateral guarantee against the relevant Board of Directors' members' liability to QNB, the other shareholders, debtors and third parties.

Pursuant to the instructions of the QFMA, the Extraordinary General Meeting of QNB approved on 10 February 2019 that the par value of the ordinary shares of QNB should be QR1 instead of QR10, and approved the required amendment to QNB's Articles of Association. This share split was implemented on 12 June 2019.

General Assembly

The General Assembly represents all of the shareholders of QNB and all of its meetings are to be held in Doha, Qatar. Every shareholder has the right to attend the General Assembly, either in person or by way of proxy, and has a number of votes equivalent to the number of shares held. The Board of Directors is required to be represented in the General Assembly by not less than the quorum required for meetings of the Board of Directors, which must include the Chairman or the Vice-Chairman.

An Ordinary General Assembly must be convened at least once a year, within the first four months following the end of QNB's financial year. The Board of Directors can call a meeting of the General Assembly or one can be called at the request of the auditor of QNB or the request of a number of shareholders representing not

less than 10.0 per cent. of the share capital of QNB. A meeting of the Ordinary General Assembly is not valid unless it is attended by a number of shareholders representing at least 50.0 per cent. of QNB's share capital. If a quorum is not achieved, another meeting may be called and is valid, irrespective of the number of attendees. Resolutions of the Ordinary General Assembly are passed by majority of votes cast.

An Extraordinary General Assembly may be called by the Board of Directors or by a written request addressed to the Board of Directors from a number of shareholders holding not less than 25.0 per cent. of QNB's share capital. A meeting of the Extraordinary General Assembly is not valid unless it is attended by a number of shareholders representing at least 75.0 per cent. of QNB's share capital. If a quorum is not achieved, another meeting may be called and is valid if shareholders representing at least 50.0 per cent. of QNB's share capital attend. If a quorum is not secured at this second meeting, a third meeting may be called, which will be valid regardless of the number of attendees. Resolutions of the Extraordinary General Assembly are passed by a majority of the shares represented at the meeting.

Members of the Board of Directors

As at the date of this Prospectus, the Board of Directors comprises the 10 members listed below:

Name	Position(s)	Date of Appointment⁽¹⁾	Date of Birth	Nationality
H.E. Ali Bin Ahmed Al-Kuwari.....	Chairman	2022	15/10/1961	Qatari
H.E. Sheikh Fahad Bin Faisal Bin Thani Al-Thani ⁽²⁾	Vice-Chairman	2022	29/11/1961	Qatari
H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani.....	Member	2022	01/01/1962	Qatari
H.E. Sheikh Abdulrahman Bin Saud Bin Fahad Al-Thani.....	Member	2022	20/02/1963	Qatari
Mr. Bader Abdullah Darwish Fakhroo ..	Member	2022	01/01/1959	Qatari
H.E. Fahad Mohammed Bin Fahad Buzwair.....	Member	2022	01/01/1969	Qatari
H.E. Mansoor Bin Ebrahim Al-Mahmoud.....	Member	2022	07/06/1974	Qatari
Mr. Abdulrahman Mohammed Yousuf Jolo ⁽²⁾	Member	2022	24/11/1985	Qatari
Mr. Adil Hassan Hassan Al Mulla Al-Jufairi	Member	2022	25/04/1964	Qatari
Mr. Ali Yousef Hussain Kamal ⁽²⁾	Member	2022	08/11/1974	Qatari

Notes:

- (1) The Board of Directors are appointed for a three-year period. The annual general meeting held on 13 February 2022 approved the appointment/election of the directors from the private sector for another term of three years commencing from 2022.
- (2) Denotes membership of the GBACC.

The business address of each of the directors is P.O. Box 1000, Doha, State of Qatar.

There are no potential conflicts of interest between the private interests or other duties of the Directors of QNB listed above and their duties to QNB, the Issuer or the Guarantor. However, QNB Group does enter into transactions in the ordinary course of business with certain Directors. Except as otherwise publicly disclosed, in the previous five years, no member of the Board of Directors of QNB has been convicted of any fraudulent offence, served as a director, partner, founder or senior manager of any organisation at the time of any bankruptcy, receivership, any official public incrimination or sanctions by statutory or regulatory authorities, including designated professional bodies, or has been disqualified by a court from acting as a director of an issuer or from acting in the management or conduct of affairs of any issuer.

Biographies

H.E. Ali Bin Ahmed Al-Kuwari, Chairman

H.E. Ali Bin Ahmed Al-Kuwari has been the Chairman of the Board of Directors since 30 November 2021, and previously served as Group Chief Executive Officer for QNB from 2013 to 2018. His Excellency is also currently the Minister of Finance of Qatar since May 2021 and Chairman of Katara Hospitality and Qatar Development Bank. He was also the Minister of Commerce & Industry from 2018 to 2021. H.E. Al-Kuwari is a member of the Supreme Council for Economic Affairs and Investment, and is a member of the board of

directors of Qatar Investment Authority and Qatar Energy. Mr. Al-Kuwari has a Master's degree of Science in Management Information System from the Seattle Pacific University, and a Bachelor's degree in Math and Computer Science from Eastern Washington University.

H.E. Sheikh Fahad Bin Faisal Bin Thani Al-Thani, Vice-Chairman

H.E. Sheikh Fahad Bin Faisal Bin Thani Al-Thani is a Minister of State and has been a member of the Board of Directors since 2019. Sheikh Fahad previously held the positions of Deputy Governor of Qatar Central Bank, Chairman of the National Anti-Money Laundering Committee, Vice-Chairman of the Qatar Financial Markets Authority and various other positions in the Qatar Central Bank. Sheikh Fahad has a Bachelor of Arts in Business Administration from Portland State University in the United States and Master of Commerce in Banking & Finance from University College Dublin, Ireland.

H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani, Member

H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani is the Chairman of the Group Board Executive Committee and a member of the GBNRGPC. He has been a member of the Board of Directors since 2004. He is also a member of the board of directors of Qatar Electricity and Water Company. He is the Chairman of the Business Advisory Council for the College of Business and Economics of Qatar University. Sheikh Hamad has a Bachelor's degree in Business Administration from the Metropolitan State College in the United States.

H.E. Sheikh Abdulrahman Bin Saud Bin Fahad Al-Thani, Member

H.E. Sheikh Abdulrahman Bin Saud Bin Fahad Al-Thani has been a member of the Board of Directors since 2016. He also serves on the Group Nomination, Remuneration, Governance and Policies Committee. Sheikh Abdulrahman is a Minister of State, and has previously held the positions of Chief of the Royal Court (the "Amiri Diwan") from 2005 to 2011, Personal Secretary to His Highness the Amir from 2003 to 2005, Deputy Minister of the Amiri Diwan from 2001 to 2003, Ambassador – Ministry of Foreign Affairs from 2000 to 2001 and Head of Political Administration of the Amiri Diwan from 1997 to 2000. He also serves as the Chairman of the Qatar Sports Federation for Special Needs, and as a Board member of Qatar Insurance Company and Qatar Navigation Company (Milaha). He is also a member of the Arab Thought Forum in Amman, Jordan and a member of the Advisory Council for Contemporary Arab Studies – Georgetown University in Washington.

Mr. Bader Abdullah Darwish Fakhroo, Member

Mr. Bader Abdullah Darwish Fakhroo is a member of the Group Board Executive Committee and Group Board Risk Committee and has been a member of the Board of Directors since 2001. He is also currently the Chairman and Managing Director of Darwish Holdings. Mr. Fakhroo has a Bachelor's degree in Business Administration and a post graduate degree in Finance and Marketing from Kingston University in the United Kingdom.

H.E. Fahad Mohammed Fahad Buzwair, Member

H.E. Fahad Mohammed Fahad Buzwair is the Chairman of the GBNRGPC. He has been a member of the Board of Directors since 2001. He also currently serves as the Chairman of Buzwair Group. H.E. Buzwair has a Bachelor's degree in Management Information Systems from George Washington University in the United States.

H.E. Mansoor Bin Ebrahim Al-Mahmoud, Member

H.E. Mansoor Bin Ebrahim Al-Mahmoud is the Chairman of the Group Board Risk Committee and has been a member of the Board of Directors since 2004. Currently, he is the Chief Executive Officer of the Qatar Investment Authority (QIA) and Vice Chairman of Qatar Stock Exchange. H.E. Al-Mahmoud is a member of the board of directors of Qatari Diar, Doha Film Institute and Hamad Bin Khalifa University. H.E. Al-Mahmoud has a Bachelor's degree in Business Administration from George Washington University in the United States.

Mr. Abdulrahman Mohammed Yousuf Jolo, Member

Mr. Abdulrahman Mohammed Yousuf Jolo has been a member of the Board of Directors since 2019. Mr. Jolo also serves on the GBACC. Mr. Jolo is the Deputy Undersecretary for Financial Policies Affairs in the Ministry

of Finance, Qatar and a board member of Qatar Financial Markets Authority. He has previously worked with Royal Dutch Shell. Mr. Jolo has a Bachelor of Science degree with a major in Electrical Engineering from Texas A&M University in Qatar, a Master of Technology Degree from Curtin University of Technology, and a Master's Degree in Strategic Business Unit Management from HEC Paris. Mr. Jolo is a Ph. D. candidate in Sustainability at Hamad Bin Khalifa University.

Mr. Adil Hassan Al Mulla Al-Jufairi, Member

Mr. Adil Hassan Al Mulla Al-Jufairi has been a member of the Board of Directors since 2019. Mr. Al-Jufairi is the General Manager of the Hassan Bin Hassan Al Mulla Co & Sons and works at the Ministry of Health. Mr. Al-Jufairi has a Bachelor's degree in Science from Qatar University.

Mr. Ali Yousef Hussain Kamal, Member

Mr. Ali Yousef Hussain Kamal was elected as a member of the Board of Directors in February 2022 and is a member on the GBACC. Mr. Kamal also serves on the board of Mannai Corporation, Qatar Insurance Company, and as Chief Executive Officer of Al Kamal International Group and Al Hermas Investments. Mr. Kamal has a Bachelor's degree in Business Administration & Economics from University of Colorado, USA.

Senior Management

In addition to the executive management appointed to the Board of Directors, the day-to-day management of QNB's business is conducted by the following senior managers (the "**Senior Managers**") who are considered relevant to establishing that QNB has the appropriate expertise and experience for the management of its business.

Name	Position(s)
Mr. Abdulla Mubarak Al-Khalifa	Group Chief Executive Officer
Mr. Yousef Mahmoud Al-Neama	Group Chief Business Officer
Mr. Ali Rashid Al-Mohannadi	Group Chief Operating Officer
Mr. Ramzi Mari.....	Group Chief Financial Officer
Dr. Fatma Abdulla Al-Suwaidi	Group Chief Risk Officer
Mr. Riadh Al Fayeche.....	Group Chief Compliance Officer
Mr. Rogier Dolleman	Group Chief Audit Executive
Mr. Khaled Ahmed Al Sada.....	Senior Executive Vice President, Group Corporate and Institutional Banking
Mr. Adel Abdulaziz Khashabi.....	Senior Executive Vice President, Group Asset and Wealth Management
Mr. Adel Ali Al-Malki	Senior Executive Vice President, Group Retail Banking
Ms. Noor Mohamed Al-Naimi.....	Senior Executive Vice President, Group Treasury and Financial Institutions
Mr. Ali Abdulla Darwish	Senior Executive Vice President, International Business
Mr. Abdulla Nasser Al-Khalifa.....	Senior Executive Vice President, Group Human Capital
Mr. Yousef Darwish.....	Senior Executive Vice President, Group Administration and General Services
Ms. Heba Ali Ghaith Al-Tamimi	Senior Executive Vice President, Group Communications
Ms. Maryam Mohamed Al-Kuwari.....	Senior Executive Vice President, Group Information Technology
Mr. Nedal Al Naimi	Senior Executive Vice President, Group Operations
Mr. Christian Eichner.....	Senior Executive Vice President, Group Strategy
Mr. Cory Thwaites.....	Senior Executive Vice President, Group Procurement

The business address of each of the Senior Managers is P.O. Box 1000, Doha, State of Qatar.

There are no potential conflicts of interest between the private interests or other duties of the Senior Managers listed above and their duties to QNB. However, QNB Group does enter into transactions in the ordinary course of business with certain Senior Managers.

Biographies

Mr. Abdulla Mubarak Al-Khalifa, Group Chief Executive Officer

Mr. Abdulla Mubarak Al-Khalifa was appointed as the Group Chief Executive Officer in November 2018. Prior to that, he was the Executive General Manager and Chief Business Officer. Mr. Al-Khalifa joined QNB in 1996 and has more than 27 years of banking experience. He is the Chairman of QNB Capital in Qatar and QNB Suisse S.A. in Switzerland. He is also a board member of Ooredoo Q.P.S.C., Qatar Stock Exchange and

Qatar Airways. Mr. Al-Khalifa holds a Bachelor's degree in Business Administration from Eastern Washington University in the United States.

Mr. Yousef Mahmoud Al-Neama, Group Chief Business Officer

Mr. Yousef Mahmoud Al-Neama joined QNB in 2005 and currently serves as the Group Chief Business Officer. Prior to joining QNB, Mr. Al-Neama held a variety of roles in financial institutions and corporations within Qatar and has over 17 years of experience in financial institutions. Mr. Al-Neama is Vice Chairman of the board of directors of QNB Finansbank in Türkiye, Al-Mansour Investment Bank in Iraq and Housing Bank for Trade & Finance in Jordan. He is a board member of QNB Finance Ltd, QNB (Derivatives) Limited, QNB Finansbank in Türkiye, QNB Capital and Digital-Q-FS Limited in the United Kingdom. Mr. Al-Neama holds a Bachelor of Science in Aviation Management from Florida Institute of Technology in the United States and a Diploma in Business Administration from Glamorgan University in Wales.

Mr. Ali Rashid Al-Mohannadi, Group Chief Operating Officer

Mr. Ali Rashid Al-Mohannadi joined QNB in 1996 and currently serves as the Group Chief Operating Officer and was previously General Manager, Retail Banking and General Manager, Information Technology. Mr. Al-Mohannadi is the Vice Chairman of the board of directors of QNB Al Ahli in Egypt and Commercial Bank International in UAE, a member of the board of directors of QNB Capital in Qatar and Digital-Q-FS Limited in the United Kingdom. Mr. Al-Mohannadi has almost 24 years of experience in the financial sector, and has a Bachelor's degree in Computer Science from Qatar University.

Mr. Ramzi Mari, Group Chief Financial Officer

Mr. Ramzi Mari joined QNB in 1997 from the Bank of Jordan, and currently serves as the Group Chief Financial Officer. Mr. Mari has almost 27 years of experience in the banking sector and passed the certified public accountant exam in the State of California in 1989. Mr. Mari holds a Master's degree in Accounting from California State University in the United States. Mr. Mari is a member of the Board of the Housing Bank for Trade & Finance in Jordan, QNB Finansbank in Türkiye, QNB Capital in Qatar and Chairman of Qatar International Holdings LLC in Luxembourg.

Dr. Fatma Abdulla Al-Suwaidi, Group Chief Risk Officer

Ms. Fatma Al-Suwaidi joined QNB in 2000 and currently serves as Group Chief Risk Officer having previously held the role of Assistant General Manager of Credit Risk Management. Ms. Al-Suwaidi has almost 20 years of experience in banking and is the President Commissioner of QNB Indonesia and a member of the Board of QNB Finansbank in Türkiye. As well as a Bachelor's of Science in Accounting, she has a Master's in Business Administration from Qatar University and a Master's in Science in Risk Management from New York University. Ms. Al-Suwaidi holds a particular interest in banking innovation and is also currently in the advanced stages of completing a Doctorate in Business Administration from Grenoble University, France on the subject of 'Innovation in Banking and Financial Markets', focusing on crypto currencies and is a Juris Doctor candidate at Hamad Bin Khalifa University.

Mr. Riadh Al Fayeich, Group Chief Compliance Officer

Mr. Al Fayeich joined QNB in 2008 and currently serves as the Group Chief Compliance Officer. He has more than 22 years of banking and financial services industry experience and specializes in the compliance and audit fields. Prior to joining QNB, Mr. Al Fayeich was with Arthur Andersen, Moore Stephens and, ABC Group. He is a Certified Public Accountant (CPA), holds a Master's Degree (Major in Accounting), has an International Diploma in Compliance and is a Certified Anti Money Laundering Specialist (CAMS) and Certified Fraud Examiner (CFE). Mr. Al Fayeich is also a Member of MENA Financial Crime Compliance Group (FCCG) Group, The Tunisian Institute of Chartered Accountants and previously Member of the International Chamber of Commerce (ICC) and the ACAMS – (MENA Task Force).

Mr. Rogier Dolleman, Group Chief Audit Executive

Mr. Rogier Dolleman joined QNB in January 2024 as the Group Chief Audit Executive with 20 years of banking experience in leading banks in Europe, Asia and the Middle East. Prior to joining QNB, Mr. Dolleman worked as the Group Head of Audit for Ahli United Bank in Bahrain and as Head of Audit for Business

Management in SABB bank in Riyadh, Saudi Arabia. In addition, Mr. Dolleman was previously working with ING Bank for 13 years in the Netherlands, Singapore and Turkey in positions as Head of Audit and Chief Audit Executive. Mr. Dolleman is a Certified Public Accountant in the Netherlands, and has a Master (MSc) in Auditing & Assurance from the Nyenrode Business University in the Netherlands, and a Bachelor (BSc) in Business Economics from the University of Economic Studies in Rotterdam, The Netherlands. Mr. Dolleman also is a Certified Internal Auditor and Certified Fraud Examiner.

Mr. Khalid Ahmed Al Sada, Senior Executive Vice President, Group Corporate and Institutional Banking

Mr. Khalid Al Sada has 23 years of banking experience. He started his career with QNB Group in December 2004 as an Islamic Retail Branch Manager and, since then, has held positions such as Head of QNB First, Head of Islamic Business Development & Quality Assurance and General Manager, International Banking. Currently, Mr. Al Sada currently serves as Senior Executive Vice President of the Group Corporate and Institutional Banking Department where he is responsible for the overall development of QNB's corporate businesses. Mr. Al Sada is currently a commissioner of the board of QNB Indonesia, board member in QNB Al Ahli in Egypt and Al-Mansour Investment Bank in Iraq.

Mr. Adel Abdulaziz Khashabi, Senior Executive Vice President, Asset & Wealth Management

Mr. Adel Abdulaziz Khashabi joined QNB in 2008 and currently serves as the Senior Executive Vice President, Asset & Wealth Management. Prior to joining QNB, Mr. Khashabi held a variety of roles in financial institutions and corporations within Qatar and has over 27 years of experience in financial institutions. Mr. Khashabi holds a Bachelor's degree in Business Administration from the University of Arizona. He is also the Chairman of QNB Financial Services and board member of QNB Suisse SA.

Mr. Adel Ali Al-Malki, Senior Executive Vice President, Group Retail Banking

Mr. Adel Ali Al-Malki joined QNB in 2003 and currently serves as the Senior Executive Vice President, Group Retail Banking. Mr. Al-Malki is a board member of QNB Al Ahli in Egypt, QNB Finansbank in Türkiye and Al Mansour Investment Bank in Iraq. Prior to joining QNB, Mr. Al-Malki held a variety of information technology roles in organisations and Government within Qatar and has over 20 years of experience in information technology, information security and financial systems. Previously Mr. Al-Malki held the position of General Manager, Information Technology.

Ms. Noor Mohamed Al-Naimi, Senior Executive Vice President, Group Treasury and Financial Institutions

Ms. Noor Mohamed Al-Naimi has 20 years of banking experience, joining QNB in April 2000. She has held various positions in the Treasury Operations and Control Division with her last position being Assistant General Manager Treasury Operations Trading & Investment before she was appointed as Acting General Manager Group Treasury in 2014, followed by General Manager, Group Treasury and Financial Institutions in June 2015. Ms. Al-Naimi has a Bachelor's degree in Business Administration from Qatar University. Ms. Al-Naimi is currently a member of the Board of QNB Finansbank in Türkiye, QNB (Derivatives) Limited and QNB Finance Ltd.

Mr. Ali Abdulla Darwish, Senior Executive Vice President, International Business

Mr. Ali Darwish started his career with QNB in 1995 and currently serves as the Senior Executive Vice President, International Business. He has over 25 years of experience in all aspects of corporate business through various senior management roles. Mr. Darwish graduated with a Bachelors of Business Administration degree from Arizona State University in 1994. Mr. Darwish is a member of the board of directors of QNB Tunisia. Mr. Darwish previously held the position of General Manager, Corporate and Institutional Banking until December 2021.

Mr. Abdulla Nasser Al-Khalifa, Senior Executive Vice President, Group Human Capital

Mr. Abdulla Nasser Al-Khalifa joined QNB in 1992 and currently serves as the Senior Executive Vice President, Group Human Capital. Mr. Al-Khalifa held a variety of roles within QNB and has over 28 years of experience. Mr. Al-Khalifa holds a Bachelor's degree in Business Administration from the Eastern Washington University and is the Chairman of QNB Tunisia and a board member of QNB Al Ahli in Egypt.

Mr. Yousef Darwish, Senior Executive Vice President, Group Administration and General Services

Mr. Yousef Darwish joined QNB in 2010 and currently serves as the Senior Executive Vice President, Group Administration and General Services. Mr. Darwish is a board member of QNB Syria. Prior to joining QNB, Mr. Darwish held a variety of roles in financial institutions and corporations within Qatar and has over 12 years of experience in financial institutions. Mr. Darwish holds a Bachelor's degree in Marketing from Franklin University in the United States. Previously Mr. Darwish held the position of General Manager, Group Communications, until December 2021.

Ms. Heba Ali Ghaith Al-Tamimi, Senior Executive Vice President, Group Communications

Ms. Heba Ali Ghaith Al-Tamimi started her career at QNB in 1998, having previously worked at Qatar National Navigation & Transport Co. Ltd. She has extensive experience in all aspects of corporate and treasury business streams through various senior management roles representing over 22 years of experience in financial institutions. Ms. Al-Tamimi graduated with a Bachelors of Commerce degree from Qatar University in 1995. Ms. Al-Tamimi is a member of the board of directors of QNB Financial Services, Growth Gate Capital, and QNB Al Ahli in Egypt.

Ms. Maryam Mohamed Al-Kuwari, Senior Executive Vice President, Group Information Technology

Ms. Maryam Mohd Al-Kuwari joined QNB in 2000 and currently serves as the Senior Executive Vice President of Group Information Technology. Ms. Al-Kuwari was a board member of QNB Financial Services and currently a board member of Housing Bank for Trade and Finance (HBTF). Ms. Al-Kuwari held a variety of information technology roles within the QNB technology team and has over 20 years of experience in information technology, information security and financial systems. Ms. Al-Kuwari holds both master and bachelor degrees in computer science from the Qatar University.

Mr. Nedal Al Naimi, Senior Executive Vice President, Group Operations

Mr. Nedal Al Naimi joined QNB in 2005 and currently serves as the Senior Executive Vice President, Group Operations. Prior to joining QNB, Mr. Al Naimi was with HSBC Bank, Qatar. Mr. Al Naimi has a Bachelor's degree in marketing and he has around 17 years of experience between Retail and Operation banking sectors. Mr. Al Naimi is a board member of QNB Al Ahli in Egypt.

Mr. Christian Eichner, Senior Executive Vice President, Group Strategy

Mr. Christian Eichner joined QNB in 2009 and serves as Senior Executive Vice President for Group Strategy. Prior to joining QNB, Mr. Eichner worked in the strategy-consulting sphere, focusing on financial services. The initial part of his career was spent in Germany and certain German speaking countries in Europe before transferring to the Middle East in 2006 where he served clients in the GCC and MENA region. Mr. Eichner has more than 20 years of experience and holds a Master's degree in Business Administration from the University of Cologne, Germany.

Mr. Cory Thwaites, Senior Executive Vice President, Group Procurement

Mr. Cory Thwaites joined QNB in August 2022 and currently serves as the Senior Executive Vice President for Group Procurement, where he oversees procurement transformation, strategic sourcing, supplier relationships, and performance management. With more than 30 years of experience, including roles with a number of renowned multinational blue-chip companies, he has senior level expertise in strategic sourcing, procurement, change and project management, and outsourcing. He also has a proven track record for devising and delivering strategies that develop synergies, delivering cost savings, improving quality and value, and increasing company profits. Mr. Thwaites has served as Chairman of the Chartered Institute of Procurement and Supply's of the MENA branch committee, in which he is an active member.

Compensation

For the year ended 31 December 2023, the aggregate total remuneration (salaries and other benefits) paid by QNB to the Senior Managers was QR46.7 million (U.S.\$12.8 million). In addition, QR16.9 million (U.S.\$4.7 million) was spent on Directors' fees.

The total amount set aside or accrued by QNB for fringe benefits (which include pension, retirement, end of service or other benefits) to the Senior Managers and certain other managers as at 31 December 2023 was QR2.1 million (U.S.\$0.6 million).

None of the Directors is under a service contract with QNB with respect to their role as a director, and QNB does not have contractual obligations to provide benefits to the Directors upon termination of their directorships.

Directors' and Senior Managers' Interests

QNB's Articles of Association require each of the members of the Board of Directors to own a minimum of 400,000 shares in QNB (except for those members appointed by QIA) while prohibiting any single person or a private entity from owning more than 5.0 per cent. of the shares in QNB. In compliance with both requirements, each member of the Board of Directors holds at least 400,000 shares in QNB, not to exceed 1.0 per cent. of the total outstanding shares as at the date of this Prospectus.

Other Directorships

In addition to their directorships of QNB and certain subsidiaries of QNB, the Directors hold the following directorships, and are members of the following partnerships:

Name	Directorships/Partnerships
H.E Ali Bin Ahmed Al-Kuwari	Member of the Supreme Council for Economic Affairs and Investment, Katara Hospitality, Qatar Development Bank, Qatar Investment Authority, and Qatar Energy.
H.E. Sheikh Fahad Bin Faisal Bin Thani Al-Thani	None.
H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani	Qatar Electricity and Water Company, Chairman of Business Advisory Council for the College of Business and Economics of Qatar University.
H.E. Sheikh Abdulrahman Bin Saud Bin Fahad J Al-Thani.	Arab Thought Forum in Amman, Advisory Council for Contemporary Arab Studies – Georgetown University – Washington, Qatar Sports Federation for Special Needs, Qatar Insurance Company and Qatar Navigation Company (Milaha)
Mr. Bader Abdullah Darwish Fakhroo	Darwish Holdings.
H.E. Fahad Mohammed Fahad Buzwair.....	Buzwair Group.
H.E. Mansoor Ebrahim Al-Mahmoud.....	Qatar Investment Authority, Qatar Stock Exchange, Qatari Diar, Doha Film Institute and Special Adviser to H.E Chairperson of Qatar Museums.
Mr. Abdulrahman Mohammed Yousuf Jolo	Qatar Financial Market Authority.
Mr. Adil Hassan Hassan Al Mulla Al-Jufairi	Hassan Bin Hassan Al Mulla Co & Sons.
Mr. Ali Yousef Hussain Kamal.....	Mannai Corporation, Qatar Insurance Company, Al Kamal International Group and Al Hermas Investments.

Corporate Governance

QNB is committed to maintaining standards of corporate governance in order to enhance transparency and public confidence in QNB and its practices.

QNB's governance structure benefits extensively from the expert advice and support of QNB's Group Compliance team, which reports directly to the GBACC. QNB's Group Compliance team continually monitors and assesses all policies and procedures related to QNB Group's operations exerting additional efforts to ensure compliance with local and international jurisdictional statutory requirements and QCB regulations, laws and

standards. See “*Risk Management and Compliance—Risk Management Programmes—Group Compliance Division*”.

QNB’s Group Compliance team also ensures that employees are aware of QNB’s anti-money laundering and whistle-blowing policies.

In compliance with the QCB’s guidelines, QNB has established a Group Board Executive Committee, a GBACC and a GBNRGPC with formally delegated duties and responsibilities and written terms of reference. The terms of reference of the Board of Directors include, but are not limited to:

- providing entrepreneurial leadership to QNB Group within a framework of prudent and effective controls which enable risks to be assessed and managed;
- ensuring the establishment of a sound and robust risk management framework;
- approving the annual Corporate Governance Report in accordance with regulatory requirements;
- ensuring the independence, competence and balance of related entities’ Boards of Directors either directly through the Group Board of Directors or through representatives thereto; and
- ensuring compliance with the Articles of Association and to recommend to the General Assembly any changes to be made therein.

QNB has adopted the latest corporate governance instructions for banks issued by the QCB in 2022 and the Corporate Governance Code issued by the QFMA in 2017, which sets forth rules and standards aiming to improve corporate governance principles and practices for companies listed on the QSE. As at the date of this Prospectus, QNB is fully compliant with all applicable regulatory requirements with respect to corporate governance. Corporate Governance standards across QNB Group are consistent with applicable local laws, regulations and codes. QNB also follows the recommendations of the international best practices issued by the Basel Committee on Banking Supervision, the OECD, the International Corporate Governance Network, the International Chamber of Commerce and other leading international institutions.

In light of the new QCB Corporate Governance instructions (QCB Circular No. 25 of 2022), QNB is considering the composition of its Boards of Directors and the independency requirements. QNB is currently coordinating with the relevant regulatory authorities to explore the best ways to implement the new instructions and reflect the same in its Articles of Association.

Group Board Audit and Compliance Committee

The GBACC is composed of three Board Members, the majority of whom are independent members. The chairman of the GBACC must be a financial expert and the other board members must have a financial reporting background. Members of the GBACC cannot be a member of any other Board Committee, and the Chairman of the GBACC cannot be a member of any other Board committee. The GBACC consists of three Board members, with Mr. Mansoor Ebrahim Al-Mahmoud as the Chairman. The Group Chief Executive Officer, Group Chief Audit Executive, Group Chief Compliance Officer, Chief Financial Officer and Chief Risk Officer, together with QNB Group’s External Auditors, may also attend as invitees, whenever required. The committee held 8 meetings during 2023. As at the date of this Prospectus, the committee has held 1 meeting in 2024.

The committee carries out its responsibilities dealing with a number of major areas including Financial Statements, Internal Control, Internal Audit, External Audit, Compliance, and Reporting Responsibilities. The committee also performs other activities as required by the Board of Directors. The committee reviews significant accounting and reporting issues, including complex or unusual transactions, in the light of regulatory directives and professional pronouncements, and correlates their impact on the financial statements of QNB Group. The committee reviews QNB Group’s annual report, the notes thereto and related regulatory filings and considers the accuracy and completeness of the information before release. See “*Risk Management and Compliance—Group Board Audit and Compliance Committee*”.

Group Board Nomination, Remuneration, Governance and Policies Committee

The GBNRGPC consists of three Board members, the majority of whom are non-executive and independent members. The committee held 5 meetings during 2023.

The committee is primarily responsible for:

- identifying and assessing eligible and qualified candidates for Board and executive management positions according to the “fit-and-proper” criteria set by the committee, in addition to requirements for independent and non-executive directors;
- monitoring the induction, training and continuous professional development of QNB Group’s directors with regard to corporate governance matters;
- approving and reviewing QNB Group’s remuneration and incentives guidelines and ensuring that the remuneration of the Board and executive management is in line with the criteria and limits set forth by the QCB and the Commercial Companies Law; and
- directing and overseeing the preparation and update of QNB Group’s corporate governance manual, in collaboration with executive management and the GBACC.

Group Board Executive Committee

The Group Board Executive Committee is composed of three Board members and one of the Board members is selected by the Board of Directors as Chairman. The Group Chief Executive Officer attends all meetings, without voting powers. The committee held 5 meetings during 2023.

The committee is primarily responsible for:

- reviewing and endorsing for Board approval QNB Group’s long-term strategy, annual business plans and budgets, based on economic and market conditions and Board directives;
- reviewing and approving credit proposals as per QNB Group’s approved authority matrix;
- reviewing and approving QNB Group’s corporate social responsibility strategy, in light of brand values across QNB Group;
- reviewing and consolidating QNB Group’s marketing, communications and resource distribution plans to support business development and growth; and
- reviewing and recommending action to be taken in respect of impaired loans, in line with delegated limits and authorities as approved by the Board and in line with QCB regulations.

Group Board Risk Committee

The Group Board Risk Committee has responsibility over the QCB risk management requirements and other related regulatory requirements. The committee is composed of three Board members and one Board member is selected by the Board of Directors as Chairman. The Group Chief Executive Officer attends all meetings of the Group Board Risk Committee, without voting powers. The committee held 5 and 5 meetings during 2022 and 2023, respectively. See “*Risk Management and Compliance—Board of Directors—Board Committees*” for further details regarding the Group Board Risk Committee.

Management Committees

The Board of Directors has established a number of Management Committees and criteria for management supervision through policy statements addressing both the major business activities of QNB Group and the performance of Management. Such criteria include, but are not limited to:

- setting and developing strategies, plans, objectives and main policies for QNB Group;

- ensuring adequate corporate governance policies and mechanisms are adopted and implemented across QNB Group; and
- approving directly or through authorities delegated to the related Board level committees, the credit and investment policies of QNB Group through setting particular parameterised risk appetite limits, including, among others, the following: country limits; industry and sector limits; counter-party limits; and transaction limits.

All of these committees have a majority for the quorum including the Chairman or Vice-Chairman. If a member is not available, a deputy representing that member must be present at the meeting. Decision consensus for all committees is by majority with the Chairman having a casting vote in the case of a tie, except for the Group Credit Committee where unanimous consensus is required. See “*Risk Management and Compliance*”.

Day-to-day risk management is overseen by the Group Credit, Group Management Risk and Group Asset and Liability Committees who report directly to the Group Chief Executive Officer. These Committees are the highest management level authorities on counterparty risk exposure and strategic investments (in the case of the Group Credit Committee) and asset and liability management (in the case of the Group Asset and Liability Committee). The Group Chief Risk Officer sits on all three Committees, whose other members are made up from various members of Senior Management. See “*Risk Management and Compliance—Risk Management Framework*”.

Litigation Statement about Directors and Senior Management

Except as otherwise publicly disclosed, within the period of five years preceding the date of this Prospectus, none of the Directors or Senior Managers:

- has any convictions in relation to fraudulent offences;
- has been a director or senior manager of any company at the time of any bankruptcy, receivership or liquidation of such company; or
- has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

OVERVIEW OF QATAR

Introduction

Qatar has been one of the most resilient economies in the Middle East in recent years, with real GDP expanding 4.9 per cent. in 2022. The International Monetary Fund estimates real GDP growth of 1.6 per cent. in 2023 and forecasts growth of 1.9 per cent. in 2024. Strong growth over many years has led to Qatar becoming one of the most prosperous countries in the world, with a nominal GDP per capita of QR298.4 thousand (U.S.\$82 thousand) in 2022. Much of Qatar's wealth is derived from its hydrocarbon resources. As at 31 December 2022, Qatar's confirmed hydrocarbon reserves amounted to approximately 384 billion barrels of oil equivalent. These reserves consisted of approximately 1,740.7 trillion standard cubic feet of natural gas, 2.65 billion barrels of crude oil and 71.4 billion barrels of condensate, according to Qatar Energy's 2022 annual report. Qatar's natural gas reserves are the third largest in the world, according to the 'Statistical Review of World Energy' published by BP in June 2023. In December 2010, Qatar made world headlines when it was awarded the right to host the 2022 FIFA World Cup. Following the successful preparation and organization of the 2022 FIFA World Cup Qatar, the country further consolidated its position as a regional and international hub for business, investments, commerce, tourism and culture. This accelerated the execution of the Qatar National Vision 2030 and assisted in the ongoing transition towards a knowledge-based economy.

Qatar has focused on diversifying its economy in an effort to reduce its historical dependence on oil and gas revenues. The construction and real estate sectors have recently made substantial contributions to Qatar's economic growth, and significant investments have been made to increase economic returns from, in particular, petrochemicals, financial services, infrastructure development and tourism. As a result, nominal GDP for the non-oil and gas sector grew at a compound annual growth rate ("CAGR") of 12 per cent. between 2005 and 2022. Nominal GDP for the non-oil and gas sector reached QR479.7 billion (U.S.\$131.8 billion), or 55.8 per cent. of Qatar's total nominal GDP, in 2022.

Qatar, which gained independence from the United Kingdom on 3 September 1971, was ruled by His Highness Sheikh Hamad Bin Khalifa Al-Thani from 27 June 1995 until 25 June 2013, on which date he handed power over to his fourth son, and the current Amir of Qatar, His Highness Sheikh Tamim bin Hamad bin Khalifa Al-Thani. During his reign, H.H. Sheikh Hamad implemented various initiatives designed to exploit the State's oil and gas resources in a responsible manner, thereby making rapid economic development and the construction of modern infrastructure possible in Qatar. During a period of rapid economic and social progress, Qatar has maintained its cultural and traditional values as an Arab and Islamic nation.

H.H. Sheikh Hamad also instituted a number of governmental reforms, including establishing a constitution that formally separates power among the executive, legislative and judicial branches. Qatar has also reformed its legal system to bring it in line with international laws, standards and practices. There is an organised set of institutions within Qatar that support growth in trade and commerce, both internally and externally, including the QFC, the QSE, and regulators, namely the QCB, the QFMA and the Qatar Financial Centre Regulatory Authority ("QFCRA"). Qatar has strong ties with the West, notably the United States, which maintains a significant military presence in the country. Qatar is a member of, among other international organisations, the United Nations ("UN") and the World Trade Organisation ("WTO"). Qatar has low levels of corruption and has established the National Committee for Integrity and Transparency and the Administrative Control and Transparency Authority, which are each responsible for implementing its obligations as a member of the UN. Qatar is also a signatory to a number of other conventions and protocols. In addition to its memberships in international organisations, Qatar has hosted numerous economic, political and financial summits and conferences and, over the past several years, has become an important mediator in regional conflicts.

Geography

Qatar, which shares a land border as well as maritime boundaries with the Kingdom of Saudi Arabia, and maritime boundaries with Bahrain, the UAE and Iran, extends over a relatively flat, barren peninsula covered with sand that is approximately 160 kilometres long, covering a total area of approximately 11,493 square kilometres. Doha, which is located on the east coast of the Qatar peninsula, is Qatar's capital city as well as its commercial, financial and cultural centre. Doha is also the location of Qatar's international airport and main port facility. Qatar's most important industrial cities are Ras Laffan Industrial City (located to the north of Doha) and Mesaieed Industrial City (located to the south of Doha).

Population

The Planning and Statistics Authority (“PSA”) estimated the total number of people in Qatar was 2.96 million as of December 2023. This represents a 23 per cent. increase from the 2015 census population figure of 2.4 million. The 2020 census indicated that 41.7 per cent. of the total population resided in the capital city of Doha, with a further 29.1 per cent. residing in Al Rayyan. Non-Qatari nationals, primarily expatriate workers, make up a significant portion of the population in Qatar.

The official language of Qatar is Arabic, although English is widely spoken.

National Vision

In October 2008, the State’s General Secretariat for Development Planning developed and published the Qatar National Vision 2030 (the “**National Vision**”). The National Vision defines broad future trends and long-term objectives for Qatar, providing the framework within which national strategies and implementation plans can be developed. Besides establishing the foundation for developing Qatar’s future strategies and policies, the National Vision has also helped to strengthen the coordination among governmental agencies and integrate planning efforts for the Government, the private sector and civic organisations. The four cornerstones of the National Vision are human, social, economic and environmental development, in the context of which the State aims to balance: (i) modernisation and the preservation of traditions; (ii) the needs of the current generation and the needs of future generations; (iii) managed growth and uncontrolled expansion; (iv) the size and quality of the expatriate labour force; and (v) economic growth, social development and environmental management. The Qatar National Vision is to be achieved through a series of medium-term plans. The first such six-year plan, referred to as the National Development Strategy (NDS 2011-16), was released in March 2011 and in March 2018, the Second National Development Strategy (NDS 2018-2022) was launched. Recently, in January 2024, the Third National Development Strategy (NDS 2024-2030) was launched, outlining the last phase of engagements, developments and efforts to achieve and deliver the Qatar National Vision 2030.

Foreign Relations

Qatar has been a member of the WTO since 1996. In line with its commitment to the WTO, Qatar’s policies are focused on the liberalisation of the economy and trade, the reduction of tariffs, as well as increasing and diversifying exports. In 2001, Qatar hosted the Fourth WTO Ministerial Conference, which launched the current round of trade negotiations known as the Doha Development Agenda.

Qatar is also a member of numerous international and multilateral organisations, including, among others, the UN (where Qatar was a non-permanent member of the UN Security Council for the 2006-2007 term, and has served as the president of the 66th session of the UN General Assembly), the League of Arab States, the Organisation of The Islamic Conference, UNESCO, the Multinational Investment Guarantee Agency, the IMF and the International Bank for Reconstruction and Development. Qatar was also a member of OPEC until January 2019.

On 23 December 2008, representatives of 11 gas-producing nations, including Qatar, Russia and Iran, signed an intergovernmental memorandum and charter formally establishing the Gas Exporter Countries Forum (“**GECF**”), which chose Doha as the future headquarters for its permanent secretariat. The GECF Secretary General commenced his duties in Doha in February 2010. The GECF Liaison Office, which facilitates the affairs of the GECF, is also based in Doha. Apart from the regular Ministerial meetings, the first GECF gas summit was held in Doha in December 2011. The GECF’s objectives include exchanging information on a broad range of issues such as new technologies, investment programmes, relations with natural gas consuming countries and environmental protection.

GCC Membership

Qatar is a member of the GCC, whose other members are Bahrain, Kuwait, the UAE, Oman and the Kingdom of Saudi Arabia. In 2003, the GCC established a customs union under which Qatar applies a common customs tariff of 5.0 per cent. to most products, with a limited number of exceptions. In 2005, as part of the GCC, Qatar joined the Istanbul Cooperation Initiative, which is a North Atlantic Treaty Organisation initiative to enhance regional security in the broader Middle East.

In November 2016, GCC states executed the GCC Framework Agreement on Value Added Tax (“VAT”), which has already come into force in the UAE, Saudi Arabia, Oman and Bahrain and is expected to come into force in the other GCC states over the coming years. The tax will apply to a broad basket of goods and services, with likely exceptions including basic food items, healthcare and education. On 3 May 2017, the Qatari Council of Ministers approved the Qatar VAT law and its executive regulations which are expected to reflect the provisions of the GCC Framework Agreement. The Qatar VAT law and its executive regulations have not been published in the Official Gazette yet and as such they are not yet in force.

Economic Policy

Qatar’s primary economic objective has been to create a thriving investment climate that both encourages domestic investment and identifies positive opportunities for outward investment. Qatar’s current liquefied natural gas (“LNG”) production capacity is 77 million tonnes per annum (“mtpa”). However, Qatar is currently in the process of constructing a North Field expansion (the “**North Field Expansion**”), consisting of eight new LNG trains, and the project is expected to increase LNG production by 85% to 142 mtpa. There are three phases in relation to the North Field Expansion. The first phase, North Field East, consists of four new trains and is expected to increase Qatar’s LNG production from 77 to 110 mtpa, with first gas expected in 2025. The second phase, North Field South, will add two more trains and is expected to further boost LNG production to 126 mtpa, with first gas expected by 2027. The third phase, North Field West, will add another two trains and is expected to increase output to 142 mtpa, with project completion by 2030. The North Field Expansion will make innovative use of both carbon capture and renewable energy to minimize carbon emissions and enhance sustainability. Positive spill-overs from increased hydrocarbon production are expected by QNB to combine with diversification efforts and structural reforms to boost economic activity and spending in the manufacturing and services sectors.

Historically, Qatar’s economy has been dependent on crude oil production. In the early 1990s, however, the State developed a multi-directional and fast-track strategy to accelerate the commercialisation of Qatar’s substantial natural gas reserves as a means to diversify and ultimately modernise the economy. This strategy was implemented pursuant to a three-pronged approach, namely by developing LNG and gas-to-liquids (“GTL”) for global export, pipeline gas for regional export markets, and by utilising gas for domestic petrochemical production and industrial consumption. In line with this strategy, Qatar has made large-scale investments across the entire value chain of LNG trains, tankers, and storage and receiving facilities, becoming a global leader in producing and exporting LNG.

Although Qatar is focused on ensuring optimal and sustainable development and commercialisation of the oil and gas sector, which continues to be the backbone of the economy, one of the cornerstones of Qatar’s current economic policy is a commitment to diversify the overall economy so that Government revenues from the oil and gas sector are supplemented by an increased percentage of Government revenues from non-oil and gas-related activities. As set forth in the National Vision, Qatar’s long-term economic objectives include developing its infrastructure and strengthening its private sector. In pursuit of these objectives, the State has increased total expenditure to QR208 billion (U.S.\$57 billion) for the fiscal year ended 31 December 2022, funnelling much of this expenditure into major projects such as the Lusail real estate development, the Hamad International Airport, ports, roads, healthcare and education.

Qatar is also strengthening the private sector by undertaking regulatory reforms aimed at improving Qatar’s business climate and creating an environment that will support enterprise creation, private competition and foreign direct investment, including through taking steps such as liberalising the telecommunications sector and creating special economic zones. In addition, Qatar has sought to increase the country’s attractiveness to foreign direct investment by implementing laws that allow more foreign participation in the domestic economy. For example, the Government has established the QFC, which enables global financial firms to operate in Qatar, although there are restrictions on such financial institutions dealing with retail customers.

In addition, on 13 December 2018, Law No. (24) of 2018 introduced a new income tax law (the “**Income Tax Law**”) replacing the previous Law No. (21) of 2009. Under the Income Tax Law (which is applicable outside the QFC and retains most features and provisions from the previous law), taxable income in any taxable year is taxed at a flat tax rate of 10.0 per cent., except for certain oil and gas companies that will continue to be taxed at the previous rate of 35.0 per cent. (which the new law now also applies to agreements relating to petrochemical industries). This is part of a broad plan to diversify the Qatari economy to reduce reliance on the oil and gas sector, which accounted for approximately 85 per cent. of total nominal GDP in 2022. However, Qatari companies that are 100 per cent. owned by Qataris do not pay income tax.

In December 2018, the Excise Law No. (25) of 2018 (the “**Excise Law**”) was introduced and came into effect on 1 January 2019. As at the date of this Prospectus, the Excise Law applies to tobacco, energy drinks and goods of a special nature (including alcohol) at the rate of 100 per cent., and to carbonated drinks at the rate of 50 per cent.

In February 2019, the Foreign Investment Law No. (1) of 2019 (the “**Foreign Investment Law**”) came into effect, which, in principle, removed the restriction on foreign investment to allow investments by non-Qataris in large sectors of the Qatari economy. The Minister of Commerce and Industry has discretion to approve an investment by a non-Qatari which exceeds 49 per cent. of the share capital of a company. The executive regulations relating to the Foreign Investment Law provide for the conditions and procedures for foreign investors to apply to exceed the 49 per cent. shareholding. However, the approval of such application is discretionary.

In June 2014, in its Annual Market Classification Review, MSCI Inc. upgraded Qatar from a “frontier market” to an “emerging market”. This classification is among the criteria used by a large number of institutional investors and private equity funds to identify markets in which they can invest. This upgrade is expected to increase investment in Qatari securities with the entry of foreign institutional investors and passive or index-tracking investors.

Gross Domestic Product

Qatar’s nominal GDP decreased by 18.1 per cent. in 2020, increased by 24.4 per cent. in 2021 and increased by 31.5 per cent. in 2022 principally as a result of changes in oil prices which impacts the hydrocarbon sector. Previously, annual nominal GDP increased by 13.8 per cent. in 2018 and declined by 3.8 per cent. in 2019, generally reflecting trends in commodity prices during these periods.

The following table sets forth certain information about Qatar’s nominal GDP by economic sector and by percentage contribution to total nominal GDP for each of the five years ended 31 December.

	Year end 31 December									
	2018		2019		2020		2021		2022	
	Value	%	Value	%	Value	%	Value	%	Value	%
	(QR in millions, except for percentages)									
Oil and gas sector	260,198	39.0	229,803	35.7	152,343	29.0	240,752	36.8	380,261	44.2
Non-oil and gas sector by activity:										
Finance, business services, insurance and real estate	91,757	13.7	93,437	14.7	93,075	17.7	100,386	15.3	114,402	13.3
Manufacturing ⁽²⁾	54,972	8.3	53,501	8.3	41,586	7.9	57,323	8.8	79,667	9.3
Construction	82,600	12.4	78,275	12.2	75,112	14.3	87,839	13.4	95,947	11.2
Trade, restaurants and hotels	55,203	8.3	55,631	8.7	48,808	9.3	53,593	8.2	61,752	7.2
Transport and communications	35,620	5.3	36,801	5.7	30,970	5.9	36,861	5.6	48,046	5.6
Electricity and water	5,180	0.8	5,894	0.9	6,053	1.2	6,517	1.0	6,805	0.8
Agriculture and fisheries	1,457	0.2	1,669	0.2	1,781	0.3	1,951	0.3	2,201	0.3
Other services ⁽³⁾	80,353	12.0	87,462	13.6	75,931	14.4	68,355	10.5	70,900	8.2
Total non-oil and gas sector	407,142	61.0	412,670	64.3	373,316	71.0	412,825	63.2	479,720	55.9
Total nominal GDP	667,340	100	642,473	100	525,659	100	653,577	100	859,981	100

Notes:

- (1) The GDP figures are based on the latest available data from the PSA.
- (2) For purposes of calculating GDP, certain downstream activities generally associated with Qatar’s oil and gas industry, such as the production and export of gas to liquids, petrochemicals, fertilisers, steel, aluminium, iron and metal coating, are included in the manufacturing sector as part of the non-oil and gas sector.
- (3) Includes social services, imputed bank service charges, government services, household services and import duties.

Source: PSA

The Economy of Qatar

Qatar is one of the most prosperous countries in the world, with a nominal GDP per capita of QR298.4 thousand (U.S.\$82 thousand) in 2022. Much of Qatar’s wealth is derived from its hydrocarbon resources. As at 30 September 2022, Qatar’s confirmed reserves of crude oil and natural gas (including condensate) amounted to approximately 384 billion barrels of oil equivalent. These hydrocarbon reserves consist of confirmed reserves of approximately 1,741 trillion standard cubic feet of natural gas and 74 billion barrels of crude oil (including condensate). Virtually all of Qatar’s confirmed reserves of natural gas and condensate are located in the North Field, which is estimated by the U.S. Energy Information Administration to be part of the largest non-associated

gas field in the world as at January 2015. According to the U.S. Energy Information Administration, Qatar had the third largest natural gas deposits after Iran and Russia. Qatar has more than 100 years of proven gas reserves at current production levels, according to QE.

In the early 1990s, Qatar developed a multi-directional and fast-track strategy to accelerate the commercialisation of its substantial natural gas reserves as a means to diversify and ultimately modernise Qatar's economy. In line with this strategy, Qatar has made large-scale investments across the entire value chain of LNG, including liquefaction trains, tankers, and storage and regasification facilities abroad. Qatar has been the world's leading LNG exporter since 2006. Through its flagship Qatargas and RasGas LNG projects, Qatar has developed its LNG business through strategic partnerships with a number of the world's leading oil and gas companies, including ExxonMobil, Shell, Total and ConocoPhillips. By investing across the entire LNG value chain, Qatar now enjoys meaningful cost advantages in the gas sector due to significant economies of scale and a low-cost structure. Qatar also has a good central geographic location for global shipping to all major gas consuming regions of the world and, based on contractual commitments, Qatari LNG is expected to be sold globally to customers in various regions, including Central and South America (Mexico and Argentina), Northwest Europe (the United Kingdom and Belgium), Western Europe (Italy, France and Spain), South Asia (India), East Asia (China, Malaysia, Thailand, South Korea, Japan and Taiwan) and the Middle East (UAE). Most of the LNG produced by Qatar's upstream ventures is sold under long-term take-or-pay agreements that provide certainty of volume offtake.

The decision to increase LNG output by 64 per cent. will help fuel Qatar's next phase of development. This increase in capacity will require substantial investments both onshore and offshore including the construction of six new LNG trains to process the gas. These new investments are expected to generate substantial multiplier effects on the wider economy, increasing demand for goods and services and driving the country's development in line with the Qatar National Vision 2030.

Qatar has also focused on developing and exploiting its natural gas resource base prudently beyond the LNG industry, implementing a downstream strategy driven by opportunities to add value to existing oil and gas production as well as the requirements of the domestic economy. QE has developed pipeline gas both for regional export markets and for domestic petrochemicals and industrial consumption. In addition, QE is the majority shareholder in a number of industrial companies located primarily at Mesaieed Industrial City, which use natural gas as feedstock and/or fuel to produce various value-added products, such as petrochemicals and fertiliser, steel, iron, aluminium and metal coating, both for domestic consumption and for export.

Qatar has used its budget surpluses to diversify the economy through increased spending on infrastructure, social programmes, healthcare and education, which have modernised Qatar's economy. Qatar's economic growth has also enabled it to diversify its economy through domestic and international investment into different classes of assets. In 2005, the State established the QIA to propose and implement investments for Qatar's growing financial reserves, both domestically and abroad. The aim of the QIA is to strengthen the nation's economy through the diversification of asset classes across a wide range of geographies. Through the QIA, Qatar has made investments in private equity, the banking sector, real estate, publicly traded securities and alternative assets. With its growing portfolio of international and domestic long-term strategic investments, the QIA has continued to develop Qatar's economic diversification strategy while contributing to the nation's significant economic expansion. Qatar incurred budget deficits in 2015, 2016 and 2017 and turned to deficit financing, including the issuance of bonds, as a way of continuing its investments in its economy. Such deficits reflected Qatar's continued commitment to capital expenditure with respect to ongoing infrastructure projects combined with conservative oil prices. Qatar's budget was in surplus in 2022, 2023 and is expected to record another significant surplus in 2024.

As a response to the 2008-2009 global financial crisis and as a supportive measure to preserve the general stability in Qatar's banking sector, Qatar has provided financial support to its financial sector. During the first quarter of 2009 and in 2010 and 2011, the QIA began making direct capital injections into Qatar's commercial banking sector through the planned purchase in equity of ownership interests of up to 20.0 per cent. in all domestic banks listed on the QSE, excluding QNB. In addition, on 9 March 2009, the Government declared that in order to further support Qatar's banking sector, the State would purchase a portion of the investment portfolios of seven of the nine domestic banks listed on the QSE. These purchases were completed on 22 March 2009 at a total purchase price of approximately QR6.5 billion (U.S.\$1.8 billion). A significant portion of this investment portfolio purchase programme has been used by the Government to purchase QNB's investment portfolio by reference to QNB's market share of bank exposure to listed equities in Qatar. In an effort to further boost liquidity and encourage lending, in early September 2009, the State offered to buy a portion of the real

estate portfolios and investments of nine domestic commercial banks at a sale price equivalent to the net book value of such portfolios and investments with a total ceiling amount of QR15.5 billion (U.S.\$4.3 billion). QNB took part in this real estate portfolio purchase programme offered by the Government, receiving a portion of that amount by reference to its market share of bank exposure to real estate in Qatar.

A previous diplomatic rift between Qatar and some countries in the region, was addressed in the Al-Ula Declaration, signed during the 41st Summit of the Cooperation Council for the Arab States of the Gulf in early January 2021. As a result, regional travel, trade and investment flows started to normalise, improving business conditions across the region.

Oil and Gas Sector

The following table sets forth Qatar’s total proven reserves of crude oil, natural gas and field condensate, as of 31 December 2022.

	As of 31 December
	2022
	Confirmed
Natural gas (including condensate) (in trillions of cubic feet) ⁽¹⁾	1,740.7
Crude Oil and condensate (in billions of barrels)	74.1
Total barrels of oil equivalent (boe) (in billions of barrels)⁽²⁾.....	384

Notes:

- (1) Includes North Field gas reserves.
- (2) Confirmed volumes of natural gas have been converted to barrels of oil equivalent on a calorific basis according to a conversion factor of one billion cubic feet of gas (excluding condensate) to 0.178 million barrels of oil equivalent.

Source: *QE*

QE, which is wholly-owned by the State and represents the State’s primary source of revenues, is responsible for all phases of the oil and gas industry in Qatar. The principal activities of QE and its subsidiaries and joint ventures cover exploration, drilling and production, storage and transport, and the marketing and sale of crude oil, condensates, pipeline gas, LNG, petrochemicals, GTL, steel, fertilisers and other products and services. QE conducts its operations and activities at various onshore and offshore locations, while certain hydrocarbon exploration activities and new projects are conducted under Production Sharing Agreements with international oil and gas companies. QE’s downstream strategy is driven by opportunities to add value to existing oil and gas production as well as the requirements of the domestic economy. QE is also the majority shareholder in a number of industrial companies located primarily at Mesaieed Industrial City, which use natural gas as feedstock and/or fuel to produce various value-added products, such as petrochemicals, fertilisers and steel, both for domestic consumption and export. Although oil-related activities currently account for a significant portion of QE’s revenues and net cash flows, the State expects that the contribution of non-oil revenues to QE’s net cash flow will steadily increase relative to other sources of income, with the State deriving a majority of its oil and gas revenue from the sale of LNG and other natural gas in 2011 as a result of its investment in the commercialisation of Qatar’s substantial natural gas reserves. Crude oil and refined products sales, however, continue to remain significant. Qatar is currently constructing a North Field Expansion, consisting of six new LNG trains and is expected to increase LNG production by 64% to 126 mtpa. There are two phases in relation to the North Field Expansion. The first phase, North Field East, consists of four new trains and is expected to increase Qatar’s production from 77 to 110 mtpa, with first gas expected in 2025. The second phase, North Field South, will add two more trains and is expected to further boost production to 126 mtpa, with first gas expected by 2027.

QE’s strategy is to continue to contribute to the diversification of Qatar’s economy and the State’s assets by leveraging QE’s experience along with the State’s vast hydrocarbon wealth, to generate long-term returns on investment in the international oil and gas industry. In line with this strategy, QE has invested outside Qatar in the oil and gas industry in foreign markets and has explored and evaluated various investment and acquisition opportunities that would further optimise the operations of QE as well as maximise the value of Qatar’s hydrocarbon resources, including by expanding into downstream activities in the natural gas sector, so that the State has greater involvement and ownership in the entire LNG value chain.

Non-Oil and Gas Sector

In recent years, Qatar has invested heavily in diversifying its economy to reduce its historically high dependence on oil and gas revenues. The non-oil and gas sector of Qatar now contributes significantly to the overall economy of the State, contributing 56 per cent. of total nominal GDP in 2022, as compared to 40 per cent. in 2005. In the coming years, the absolute value of the non-oil and gas sector is expected to continue to grow along with the overall economy of Qatar. The relative contribution of the non-oil and gas sector to total nominal GDP as compared to the oil and gas sector has fluctuated in recent years largely due to volatile commodity prices. Within the non-oil and gas sector, the finance, business services, insurance and real estate sectors made the largest contribution to total nominal GDP in 2022, as has been the case since 2006.

The following table sets forth the nominal and percentage contribution of the non-oil and gas sector to Qatar's total nominal GDP from 2018 to 2022.

	Year end 31 December									
	2018		2019		2020		2021		2022	
	Value	%	Value	%	Value	%	Value	%	Value	%
	(QR in millions, except for percentages)									
Non-oil and gas sector.....	407,142	61.0	410,246	64.3	373,314	71.0	413,273	63.2	479,719	55.8

Source: PSA

Qatar's Public Finance

General

Qatar experienced significant revenue growth and large budget surpluses from 2000 until 2014, driven primarily by the rapid development of its hydrocarbon sector. As a result of the lower oil prices then prevailing, Qatar experienced lower revenue and a budget deficit in 2017 but had a surplus thereafter. Government revenues stood at QR171.9 billion (U.S.\$47.2 billion) at the end of 2020, at QR193.7 billion (U.S.\$53.2 billion) at the end of 2021, and at QR 297.8 billion (U.S.\$81.8 billion) at the end of 2022. By 31 December 2020, there was an overall surplus of QR10.5 billion (U.S.\$2.9 billion). The surplus for the year ended 31 December 2021 was QR1.6 billion (U.S.\$0.4 billion). In 2022, there was an overall surplus of QR89.0 billion (U.S.\$24.4 billion).

The Government's primary sources of budget revenues are oil and gas-related revenues generated by QE's activities. In 2022, the latest period for which a full-year budget breakdown is available, this accounted for 85 per cent. of the total revenues, up from 81 per cent. in the previous year. The Government's budget is formulated using a conservative estimate of the oil price per barrel for the relevant fiscal year: U.S.\$65 for the budget for each of the fiscal years ended 31 March 2014 and 2015; U.S.\$65 for the budget for the shortened nine-month fiscal period ended 31 December 2015; U.S.\$48 for the budget for the fiscal year ended 31 December 2016; U.S.\$45 for the budget for the fiscal year ended 31 December 2017; U.S.\$45 for the budget for the fiscal year ended 31 December 2018; U.S.\$55 for the budget for the fiscal year ended 31 December 2019; U.S.\$55 for the budget for the fiscal year ended 31 December 2020; U.S.\$40 for the budget for the fiscal year ended 31 December 2021, U.S.\$55 for the budget for the fiscal year ended 31 December 2022; U.S.\$65 for the budget for the fiscal year ended 31 December 2023; and U.S.\$60 for the budget for the fiscal year ended 31 December 2024. The Ministry of Finance receives royalties and tax revenue on export sales of crude oil, refined products and gas products, including LNG and downstream products from QE and its joint venture partners. In addition to such export sale receipts, the Government receives a significant portion of QE's net income as miscellaneous transferables. The Government has other revenue sources including customs duties, taxes on the operations of foreign owned businesses and charges for certain services provided by the Government.

The principal items of Government expenditure are the development of Qatar's infrastructure, the wages and salaries of Government employees and principal and interest payments in respect of Government indebtedness (both internal and external). Other items of Government expenditure include the provision of social services such as healthcare, education and the pensions of former Government employees, as well as utilities, such as water, electricity and telephone services. In recent years, the Government has increased aggregate expenditures substantially as the Government has invested in the development of Qatar's physical infrastructure to meet the needs of its growing population and to develop Qatar into a trade centre and leading LNG exporter. Expenditure growth has been characterised by gradual year-on-year growth at a CAGR of 10.2 per cent. between the fiscal

year ended 31 March 2001 and the fiscal year ended 31 March 2004 and more significant year-on-year growth at a CAGR of 33.5 per cent. between the fiscal year ended 31 March 2004 and the fiscal year ended 31 March 2008, as Qatar's larger infrastructure projects have moved from the planning phase to the development and construction phases. Qatar's expenditure grew at a CAGR of 5.4 per cent. from the fiscal year ended 31 March 2008 to 31 December 2022, as the total expenditure increased to QR208.7 billion (U.S.\$57.3 billion) from QR99.9 billion (U.S.\$27.4 billion) in the fiscal year ended 31 March 2008.

Budget Policy and Process

The State budget plays a central role in Qatar's economy and is a key tool in achieving the Government's economic development goals. Fiscal policy is considered to be the core of the State's general economic policy, which aims to utilise fully Qatar's economic resources to raise the standard of living in Qatar and to achieve sustainable development through cooperation between the private and public sectors. Governmental expenditure is considered by the Government to be a primary stimulant of economic activity, and consequently a facilitator of economic growth in Qatar.

Until 31 March 2015, the Government operated under a fiscal year running from 1 April to 31 March. From 1 January 2016, the Government changed to a calendar year budget (1 January to 31 December). Therefore, the Government operated under a shortened nine-month fiscal period from 1 April 2015 to 31 December 2015, and has issued budgets for full calendar years since then. Each year, the Budget Department of the Ministry of Finance supervises the preparation of ministerial and agency budgets for the following fiscal year. After approval by the Minister of Finance, the consolidated budget is submitted to the Council of Ministers for its approval (normally by 1 December in advance of the fiscal year, which commences on 1 January). The budget for capital projects is sent to the Advisory Council for discussion, and the Advisory Council submits its recommendations to the Council of Ministers for approval. Thereafter, the budget is submitted to the Amir for his approval and, if approved, a decree implementing the budget is issued.

Along with the release of the budget, the Ministry of Finance publishes a circular regarding the preparation of the State's budget. The circular provides that the financial policy of the State focuses on achieving the highest value for money possible for the State's budgetary resources, ensuring appropriate allocation of resources to enable timely execution of projects, including infrastructure and public services projects, improving efficiency and cost savings in connection with government-related services, and stimulating private sector economic activity to increase growth and expand employment opportunities for Qatari nationals.

The following table sets forth the actual revenues, expenditure and overall surplus of the Government for the fiscal years ended 31 December 2019, 2020, 2021 and 2022.

	Fiscal year ended 31 December			
	2019	2020	2021	2022
Revenue:				
Oil, gas and investment revenues	170,667	134,080	156,342	253,209
Miscellaneous transferables	44,763	37,895	37,384	44,580
Total revenue	215,430	171,975	193,726	297,789
Expenditure:				
Salaries and wages	61,439	57,997	58,730	62,873
Current expenditure.....	62,667	57,925	60,905	70,496
Secondary capital	4,092	3,510	3,528	4,846
Major projects	80,220	63,022	68,972	70,527
Total expenditure	208,418	182,454	192,135	208,742
Overall (deficit) / surplus	7,012	(10,479)	1,591	89,047

Source: Ministry of Finance and QCB citing the Ministry of Finance

Qatar's Indebtedness

The Government's total outstanding indebtedness as at June 2023 was QR343.6 billion (U.S.\$94.4 billion), with internal indebtedness of QR160.4 billion (U.S.\$44.1 billion), and external indebtedness of QR183.2 billion (U.S.\$50.3 billion). Total indebtedness as at June 2023 constituted 39.8 per cent. of Qatar's total nominal GDP.

A decision of the Council of Ministers, No. (17) of 2008 (as amended) established the State Finance Policy Committee, which comprises senior government officials, including the Minister of Finance as chairman, a representative of QCB as deputy chairman, and representatives of the QIA and QE. Under its mandate, the State Finance Policy Committee (a) provides guidance to all government-related entities that seek to access the international capital markets and (b) coordinates debt offerings by Qatari issuers in order to increase liquidity and optimise borrowing costs for Qatari borrowers.

The following table sets forth the Government's direct indebtedness as at 31 December 2021 and 2022.

	As at 31 December	
	2021	2022
	(U.S.\$ in millions, except for percentages)	
Total internal indebtedness⁽¹⁾ ...	44,670	44,560
% of nominal GDP	24.9%	18.9%
Total external indebtedness⁽²⁾ ...	60,385	55,769
% of nominal GDP	33.6%	23.6%
Total indebtedness⁽³⁾	105,055	100,329
Total nominal GDP	179,732	236,258
% of nominal GDP	58.5%	42.5%

Notes:

- (1) Internal indebtedness means direct indebtedness of the Government incurred inside Qatar (excluding guarantees by the Government), regardless of the currency of denomination.
- (2) External indebtedness means direct indebtedness of the Government incurred by the Government outside Qatar (excluding guarantees by the Government), regardless of the currency of denomination. In relation to any euro-denominated indebtedness, it is in U.S.\$ using conversion rate of 1.00= U.S.\$1.12.
- (3) Does not include any indebtedness guaranteed by the State.

Source: Ministry of Finance

Qatar has never defaulted on any payment of principal, premium or interest on any of its internal or external indebtedness. Qatar's long-term credit rating was downgraded to AA- as of June 2017 and placed on "CreditWatch with negative implications" with a negative outlook as a result of the Qatar Political Developments. In August 2017, S&P removed Qatar from "CreditWatch with negative implications", stating that, "This reflects our expectation that the authorities will continue to actively manage the impact of the boycott while preserving Qatar's core rating strengths, including strong public finances". Similarly, Qatar's foreign and local currency bond rating by Moody's was downgraded to Aa3 in May 2017. In July 2017, Qatar's Moody's rating was placed on negative outlook while the Aa3 rating was affirmed. In June 2018, Fitch raised its sovereign rating outlook for Qatar to "stable" from "negative", citing a "stabilising business sector due to public sector liquidity injections, and a narrowing government fiscal deficit." Following that, Fitch upgraded the outlook of all Qatari banks to "stable" in July 2018, reflecting Fitch's view that Qatar has successfully managed the effects of the diplomatic rift with some of its neighbours. Moody's and S&P took similar action in July and December 2018, raising their long-term issuer ratings outlook to "stable" from "negative", citing "evidence of broad resilience of Qatar's credit metrics" and Qatar's ability to "effectively mitigate the economic and financial impacts of the boycott" as the key driver. The resolution of this diplomatic rift commenced in January 2021. In November 2022, Moody's changed the outlook on the Government of Qatar to "positive" from "stable". The change of outlook to "positive" reflects the view that the improvement in Qatar's debt metrics, observed in 2021-22 as a result of elevated energy prices, can be sustained in the medium term even if oil and natural gas prices moderate over the next few years. In November 2022, S&P upgraded Qatar's credit rating to AA from AA- citing improvements in the government's fiscal position. In January 2024, Moody's upgraded Qatar's credit rating to Aa2 from Aa3, on the basis that "the significant improvement in Qatar's fiscal metrics, achieved during 2021-23, will be sustained in the medium-term," as a result of continued fiscal prudence, the winding down of the infrastructure spending programme, and the ramp up in LNG production for 2026-28.

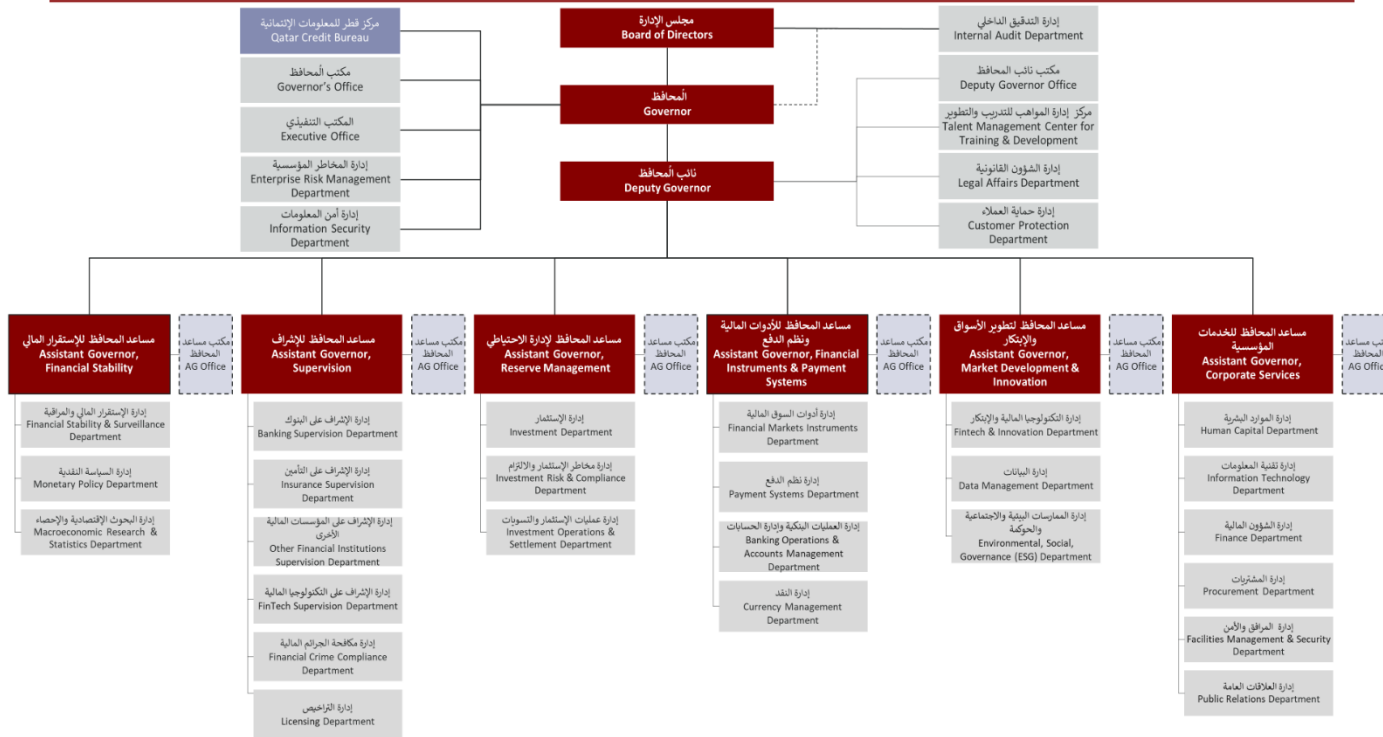
Monetary and Financial System of Qatar

The QCB, the QFCRA and the QFMA are the three regulatory authorities tasked with regulating and supervising the monetary, banking and financial system, and the capital markets in Qatar. The Government issued a Banking Law (Law No. (13) of 2012) which is aimed at advancing the framework for financial regulation in Qatar and expanding the ambit of regulation to cover areas requiring new and enhanced financial

regulation. It also lays the foundation for increased cooperation between the regulatory bodies in Qatar. The Banking Law, among other matters, mandates the QCB to act as the competent supreme authority in framing the policies for the regulation and supervision of all financial services and markets in Qatar, including the insurance sector which was previously regulated by the Ministry of Commerce and Industry (formerly known as the Ministry of Economy and Commerce).

The QCB formulates and implements monetary and exchange rate policies and is entrusted with the supervision of the banking system and non-bank financial institutions (including insurance companies). Its objectives include maintaining the stability of the riyal and its free convertibility to other currencies, the stability of commodity and service prices and the stability of the financial and banking system in Qatar. The QCB also acts as the primary supervisory authority and regulator for Qatar's commercial banks, and issues licences and consents to banking and financial services companies operating in Qatar. The QFCRA is an independent statutory body of the QFC that licenses and supervises banking, financial and insurance-related businesses that provide financial and advisory services in or from the QFC. The QFMA is the independent regulatory authority for Qatar's capital markets that regulates and supervises the QSE along with the securities industry and associated activities.

الهيكل التنظيمي لمصرف قطر المركزي



Source: QCB

The QCB was established as an independent organisation in 1993 and operates in coordination with the Ministry of Finance, which currently has one of five seats on the board of directors. The QCB is tasked with maintaining both monetary and financial stability. Monetary stability refers to stable prices and currency, while financial stability refers mainly to supervision, support and development of the financial sector. The QCB is managed by a board of directors, which is chaired by its Governor. The board of directors includes the Deputy Governor of the QCB and at least three other members, including a representative from the Ministry of Finance and a representative from the Ministry of Commerce and Industry (formerly known as the Ministry of Economy and Commerce). See “*Banking Industry and Regulation in Qatar*”. The diagram above outlines the organisational structure of the QCB.

Qatar Financial Centre

The QFC is a financial and business centre established by the Government in 2005 with a view to attracting international financial services institutions and multinational corporations to Doha in order to grow and develop the market for financial services in the region. Unlike other financial centres in the region, the QFC is an onshore financial and business environment.

The QFC comprises four primary bodies: the QFC Authority (“**QFCA**”), the QFCRA, the QFC Civil and Commercial Court and the QFC Tribunal. The QFCA determines the commercial strategy of the QFC, while the QFCRA regulates, authorises, supervises and, when necessary, disciplines banking, securities, insurance and other financial businesses carried on in or from the QFC. The QFCRA also registers and supervises the directors and other designated officers of the businesses authorised by it. The QFCRA regulatory approach is modelled closely on that of the UK’s Financial Conduct Authority. The QFC Civil and Commercial Court has jurisdiction over disputes arising within the QFC, and the QFC Tribunal hears appeals against decisions of the QFCRA. The QFCRA, the Court and the Tribunal are all statutory independent bodies reporting to the Council of Ministers.

Firms operating under the QFC umbrella fall into two categories: those providing financial services, which are regulated activities and those engaged in non-regulated activities.

Monetary Policy

Currently, Qatar’s monetary policy is formulated by the QCB to, among other things, regulate interest rates, maintain the stability of the riyal, and control inflation. See “*Banking Industry and Regulation in Qatar—Interest Rates*” and “*Inflation*”. While the QCB operates in coordination with the Ministry of Finance, it is independent from political interference in its management of monetary policy.

General Tax Authority

Qatar has established the General Tax Authority (the “**GTA**”), which is in charge of implementing all tax laws and improving tax compliance in the country. The GTA was established as a separate entity, under the supervision of the Ministry of Finance, and its establishment is in line with Qatar’s plans to reduce the country’s dependence on hydrocarbon resources.

The law establishing the GTA mandates the authority to implement all tax laws, establish all related bylaws, procedures and instructions and be responsible for their implementation, review and assess tax return forms and collect taxes from subject entities. It also mandates the GTA to represent the State of Qatar in relevant international and regional organisations and at international conferences and events and sign tax agreements with other countries to encourage economic cooperation and joint investments.

BANKING INDUSTRY AND REGULATION IN QATAR

Qatar Central Bank

In its supervisory capacity, the QCB oversees the activities of Qatar's commercial banks and non-bank financial institutions (including insurance companies) with a view to minimising banking and financial risk in Qatar's financial sector. The QCB conducts regular inspections of commercial banks and reviews reports and other mandatory data submitted by commercial banks, including monthly capital adequacy compliance reports.

The QCB has implemented regulations regarding non-performing loans, large exposures, country risk, money market and foreign exchange accounts, credit ratios, fixed assets for banks' use, reserve requirements and banks' investments. The QCB has the authority to impose penalties in the event that banks fail to comply with these regulations. The QCB requires commercial banks to maintain a minimum reserve requirement of 4.50 per cent. and a capital adequacy requirement of 16.0 per cent. (including the capital conservation buffer, the highest applicable DSIB buffer and the ICAAP capital charge of 1.0 per cent.) in line with the "well-capitalised" level in the Basel III guidelines and above the guidelines minimum recommended level of 10.0 per cent. (excluding the capital conservation buffer). The QCB also requires each commercial bank to maintain a risk reserve balance of not less than 2.5 per cent. of the total amount of direct credit facilities provided by the bank and its subsidiaries as determined at the end of each year. Certain provisions and credit provided to the Ministry of Finance and credit secured by cash collateral are excluded from the calculation of the total amount of direct credit facilities for the purposes of determining the minimum risk reserve balance. A bank may not use any portion of its risk reserve amount without the prior approval of the QCB. Commercial banks are also required to have their annual accounts audited by the QCB's approved independent auditors and to obtain prior approval from the QCB to appoint senior management.

In January 2014, the QCB issued a circular to all commercial banks in Qatar (No. AR/2/2014) with instructions regarding the implementation of the QCB's Basel III requirements. This was updated by a circular (No. 34/2022) dated 13 October 2022 which came into effect on 1 January 2024. The QCB's minimum recommended capital adequacy requirements under Basel III are currently 12.5 per cent. (including a capital conservation buffer of 2.5 per cent.). Furthermore, banks identified as DSIBs are subject to an additional buffer, as determined by the QCB for each identified DSIB. The DSIB buffer applicable to QNB is 2.5 per cent., which was implemented in a phased manner and commenced on 1 January 2016, and was fully implemented by 1 January 2019. As part of the ICAAP (Pillar II) framework, QCB introduced the minimum ICAAP capital charge of 1.0 per cent., which constitutes part of the minimum capital requirement over and above the Pillar I minimum capital requirement. Replacing the previous circular issued in January 2014, QCB issued new guidelines in September 2022 on Basel III framework, which includes Basel III reforms. These new guidelines are effective from 1 January 2024.

From 1 January 2018, commercial banks in Qatar have also been required to maintain a minimum liquidity coverage ratio of 100 per cent.

The QCB also imposes certain exposure limits and credit controls on commercial banks. No more than 20.0 per cent. of any bank's capital and reserves may be extended to a single customer in the form of credit facilities and no more than 25.0 per cent. of any commercial bank's capital and reserves may be extended to a single customer in the form of credit or investment facilities. Additionally, no customer may borrow more than QR3.0 billion (U.S.\$824.1 million) in aggregate from Qatar's commercial banks. Credit facilities extended to a single major shareholder in any bank cannot exceed 10.0 per cent. of that bank's capital and reserves. Credit facilities granted to a single country in the form of loans to customers or the government must not exceed 20.0 to 150.0 per cent. of banks' capital and reserves depending on the category of country. The maximum real estate finance that can be granted to all customers should not exceed 150.0 per cent. of the bank's capital and reserves. In April 2011, the QCB introduced maximum limits for individual consumer loans secured against salaries. Qatari nationals are not permitted to borrow more than QR2.0 million (U.S.\$549,450) with a maximum repayment period of six years. Expatriates are not permitted to borrow more than QR0.4 million (U.S.\$109,890) with a maximum repayment period of four years. In relation to real estate finance made available to individuals against their salary, the total real estate finance must not exceed 70.0 per cent. of the value of the mortgaged property. In relation to financing provided to other types of borrowers, the finance must not exceed 60.0 per cent. of the value of the mortgaged property. In 2010, the QCB also began the process of establishing the Qatar Credit Bureau in order to collect and make available consumer credit information to commercial banks. The Qatar Credit Bureau began operations in March 2011.

The QCB initiated single-factor stress testing of the portfolios of commercial banks in Qatar in 2010. The testing covers the broad areas of liquidity risk, credit risk, interest rate risk, foreign exchange risk and equity market risk. The results of these stress tests illustrate the possible impact of adverse financial conditions on a commercial banks' capital adequacy ratio or return on assets. Stress testing of commercial banks, on an aggregate basis, conducted by the QCB based on data for March 2010, suggested that neither the capital adequacy ratio nor the returns on assets of Qatar's commercial banks were significantly impaired.

In its Article IV Country Report for Qatar published in January 2024, the IMF concluded that the “*Banks are well-capitalized, liquid, and profitable*”. The report also highlighted that “*banks' non-resident deposits fell by more than one-third from the recent peak, partially replaced by higher public sector domestic deposits, reducing vulnerabilities amid tight global financial conditions.*”

The QCB also issues domestic currency and conducts bank clearing operations and settlements. The investment department of the QCB manages the investments of the QCB's financial reserves that are primarily in the form of securities issued or guaranteed by other governments with maturities of up to 10 years. These investments are maintained at a level at least equal to 100.0 per cent. of the riyals issued by the QCB at any time.

The QCB directive to close the Islamic branches of conventional banks was made with the aim of bringing in enhanced supervision, more financial stability, and also enhancing monetary policy tools for Islamic banks.

The following table sets forth the QCB's balance sheet data as at 31 December 2018 to 2023.

	As at 31 December					
	2018	2019	2020	2021	2022	2023
	(QR in millions, except as otherwise noted)					
Assets:						
Foreign assets:						
Gold.....	4,675.5	7,485.8	12,572.4	12,047.2	19,591.1	24,372.3
Foreign securities	54,818.0	80,266.8	89,793.9	109,401.4	131,774.1	133,654.3
Balances with foreign banks	49,061.5	54,652.7	44,290.1	26,135.6	15,468.3	23,815.2
IMF reserve position	553.1	511.2	532.4	517.4	492.2	392.9
SDR holdings	1,387.4	1,387.1	1,447.5	5,001.5	4,766.3	4,834.7
Total foreign assets.....	110,495.5	144,303.6	148,636.3	153,103.1	172,092.0	187,069.4
Claims on commercial banks	80,193.6	65,310.7	76,845.3	75,329.1	58,048.3	60,367.2
Unclassified assets.....	42,337.8	23,521.7	38,720.4	46,500.3	59,333.2	51,074.6
Total assets.....	233,026.9	233,136.0	264,202.0	274,932.5	289,473.5	298,511.2
Liabilities:						
Reserve money:						
Currency issued.....	16,215.7	16,404.3	26,271.4	24,590.2	25,942.5	19,673.7
Deposits of local banks	30,608.8	18,205.0	34,676.4	38,303.5	22,009.6	18,052.3
Reserve requirement ⁽¹⁾	36,041.9	37,448.0	40,268.4	43,611.5	50,937.4	56,893.7
Government deposits	670.6	349.1	1,001.6	1,060.2	2,857.5	1,000.8
Capital and reserves	143,246.0	147,311.2	149,892.2	151,951.5	159,592.8	159,592.8
Revaluation account	1,398.5	2,414.2	7,318.4	7,159.1	3,945.4	6,491.5
Other liabilities.....	4,845.4	11,004.1	4,773.6	8,256.4	24,188.1	36,806.4
Total liabilities.....	233,026.9	233,136.0	264,202.0	274,932.5	289,473.5	298,511.2

Source: QCB

Interest Rates

Prior to 2000, the QCB imposed certain ceilings on the credit and deposit interest rates offered by commercial banks. The QCB removed these restrictions in order to further liberalise the financial sector. However, in April 2011 the QCB introduced a cap on interest rates that can be charged on personal loans of 1.5 per cent. over its benchmark lending rate and 1.0 per cent. per month for credit cards. Otherwise, Qatar's banking system is free from any form of interest rate ceilings.

The QCB utilises three different interest rates: a lending rate, a deposit rate and a reverse repo rate. The lending rate is used for the lending facility through which commercial banks can obtain liquidity from the QCB. The deposit rate is used for the deposit facility through which commercial banks can place deposits with the QCB. Both of these facilities may be rolled over to the next day, when transactions are executed electronically. The reverse repo rate is a pre-determined interest rate set by the QCB for reverse repo transactions entered into between the QCB and commercial banks. The overnight liquidity facility rate is used for overnight lending by the QCB to commercial banks.

Prior to July 2007, the QCB closely tracked the interest rates of the U.S. Federal Reserve Bank as the Qatari riyal is pegged to the U.S. dollar. However, the QCB did not deem it necessary to reduce interest rates to the same extent, or as quickly, as the U.S. Federal Reserve Bank on the last several occasions that the latter has reduced its interest rates. Since December 2016, the QCB has again begun closely tracking the interest rates of the U.S. Federal Reserve Bank. During the recent United States' tightening cycle that started in 2022, the QCB hiked rates alongside the U.S. Federal Reserve, but not to the same extent, given that rate hikes started from a higher base and inflation dynamics in Qatar is different than in the United States. As at the date of this Prospectus, the QCB deposit rate is 5.75 per cent. and its lending rate is 6.25 per cent.

Currency

The Qatari riyal has been fixed to the U.S. dollar at a rate of QR3.64 per U.S. dollar since 1980. It is one of the QCB's objectives to keep the riyal stable against the U.S. dollar. As the riyal is pegged to the U.S. dollar, the exchange rate of the riyal against other major currencies fluctuates in line with the movements of the exchange rate of the U.S. dollar against such currencies. In relation to the peg against the U.S. dollar, the IMF's June 2022 Article IV report emphasised that, "the peg to remain a credible monetary anchor."

Inflation

CPI inflation in Qatar decreased by 0.9 per cent. and 2.6 per cent. in 2019 and 2020 respectively, and increased by 2.3 per cent. in 2021, and 5.0 per cent. in 2022, and increased by 3.1 per cent. in 2023.

Housing, water, electricity and gas fell by 4.2 per cent. in 2018, by 3.0 per cent. in 2019, by 4.5 per cent. in 2020, by 5.1 per cent. in 2021, and increased by 6.4 per cent. in 2022 and 3.6 per cent. in 2023.

The QCB uses various monetary instruments to address price stability. The required reserve ratio for commercial banks was increased by two percentage points to 4.75 per cent. in 2008 in an effort to absorb excess liquidity from the domestic markets. In April 2017, this was reduced to 4.50 per cent. Certificates of deposit for terms of one, three, six and nine months were increased from zero at the end of 2007 to a total of QR8.0 billion (U.S.\$2.2 billion) as at March 2010, and were subsequently reduced to zero in 2011. They have remained at zero until the date of this Prospectus. In addition, the QCB maintained its lending interest rate at 5.5 per cent. from 2007 until April 2011 and its deposit interest rate at 2.0 per cent. from May 2008 until August 2010. The most recent cuts took place in August 2011, wherein rates went down on lending from 5.0 per cent. to 4.5 per cent. and for deposits from 1.0 per cent. to 0.75 per cent. These were later increased, cut and then increased again, following international monetary trends, and at the date of this Prospectus, the lending rate is at 5.50 per cent. and the deposit rate is at 5.75 per cent. The U.S. Federal Reserve Bank increased its benchmark deposit rate on several occasions from 0.25 per cent. in September 2007 to 5.5 per cent. in February 2024.

The following table sets forth the CPI and annual average percentage change for the year ended 31 December 2021, 2022 and 2023, as well as the share represented by each item in the general index using the new series, which is based on 2018 prices using a basket of 12 goods and services.

Based on 2018 prices:	% share in index	Annual Average					
		2021		2022		2023	
		Index	%	Index	%	Index	%
Housing, water, electricity and gas.....	21.2	88.0	-5.1	93.6	6.4	97.0	3.6
Food and beverages	13.5	102.9	2.7	107.0	4.0	108.5	1.4
Clothing and footwear	5.6	91.9	-2.7	92.6	0.7	92.6	0.0
Tobacco.....	0.3	246.0	0.6	246.0	0.0	246.0	0.0
Furnishings and household equipment	7.9	104.1	3.0	105.2	1.1	106.5	1.2
Health.....	2.7	101.3	-0.5	98.3	-3.0	99.1	0.8
Transportation.....	14.6	108.3	9.9	109.3	0.9	110.7	1.2
Communication.....	5.2	93.0	2.2	92.4	-0.6	97.4	5.4
Recreation and culture	11.1	84.7	7.9	109.8	29.6	121.3	10.4
Education	5.8	110.5	3.0	111.2	0.6	116.5	4.8
Restaurants and hotels	6.6	107.2	3.1	108.6	1.3	106.4	-2.0
Miscellaneous goods and services	5.7	106.8	2.7	108.6	1.7	108.7	0.1
General Index.....	100.0	98.8	2.3	103.7	5.0	106.9	3.0

Source: PSA

VAT

As at the date of this Prospectus, Qatar does not impose VAT on the sale of goods and services. However, in November 2016, the GCC states executed the GCC Framework Agreement on VAT, which has been implemented in the UAE, Saudi Arabia, Oman and Bahrain and is expected to come into force in the other GCC states over the coming years. The GCC Framework Agreement on VAT stipulates a single rate tax of 5.0 per cent. to a broad basket of goods and services. On 3 May 2017, the Qatari Council of Ministers approved the Qatar VAT law and its executive regulations, which are expected to reflect the provisions of the GCC Framework Agreement. The Qatar VAT law and its executive regulations have not been published in the Official Gazette yet and as such they are not yet in force. It is understood that VAT may be introduced in the coming years.

The introduction of VAT in Qatar may impact QNB negatively to the extent that it is unable to recover input VAT.

Withholding Taxes

On 11 December 2019, Qatar published the Income Tax Executive Regulations (the “**Executive Regulations**”), relating to the Income Tax Law No 24 of 2018 (the “**Income Tax Law**”). The Executive Regulations repeal the previous executive regulations, and were effective from 12 December 2019.

In line with Qatar’s decision in November 2017 to join the OECD Inclusive Framework and align Qatar’s tax rules with the emerging global consensus of shared international tax rules, the Executive Regulations include provisions on such issues as the permanent establishment definition and transfer pricing documentation requirements. Many domestic tax rules have also changed.

On 2 February 2023, the State of Qatar published amendments to the Income Tax Law by way of Law No. 11 of 2022. Law No. 11 of 2022 introduces changes that will impact the taxation and compliance obligations of taxpayers. The amendments decreed under Law No. 11 of 2022 encompass the scope of taxable activities, exemptions, noncompliance penalties, and powers of the GTA.

On 16 May 2023, the State of Qatar published Council of Ministers Decision No. 3 of 2023, amending the Executive Regulations of the Income Tax Law. The amendments in the Executive Regulations include: (i) the expanded definition of permanent establishment in the Income Tax Law; (ii) a revised determination of taxable income for a permanent establishment; (iii) amendments to certain criteria for tax exemption; (iv) expanded powers of the GTA to collect information; and (v) new economic substance rules. The amended Executive Regulations are effective from 17 May 2023, the day after they were published in the Official Gazette.

No amendment is introduced on the withholding tax provisions in the Income Tax Law and Executive Regulations.

BEPS Pillar 2 - Global Minimum Tax in Qatar

The amendments to the Income Tax Law include provisions reinforcing Qatar's commitment to the BEPS project on the adoption of the OECD's Global Anti-Base Erosion Rules. It is expected that certain measures and mechanisms (e.g., Qualified Domestic Minimum Top-up Tax) will be introduced to achieve a minimum tax rate of 15% on certain entities in Qatar. The GTA will issue the detailed regulations soon.

QNB is expected to pay domestic minimum top-up tax in the event that these rules and regulations become effective in Qatar soon.

Money Supply

Since 2006, the money supply in Qatar has grown steadily, primarily as a result of significant increases in Government spending and an expansion of private sector credit, which has increased more than five times within the period from 2007 to 2020. The expansion in private sector credit occurred despite the Government's implementation of a credit ratio and an increase in reserve requirements designed to moderate such credit expansion.

As of 31 December 2023, the narrow measure of money ("M1"), which comprises currency held by the public and deposits denominated in riyals of the private sector, government and semi-government institutions, decreased to QR139.2 billion (U.S.\$38.2 billion), a 13.4 per cent. decrease from 31 December 2022. As of 31 December 2023, currency in circulation decreased to QR12.7 billion (U.S.\$3.5 billion) from QR13.3 billion (U.S.\$3.64 billion) as of 31 December 2022. As of 31 December 2023, demand deposits decreased to QR126.5 billion (U.S.\$34.7 billion) from QR147.49 billion (U.S.\$40.5 billion) from December 2022. As of December 2023, the broad measure of money ("M2"), which comprises M1 plus savings and time deposits denominated in riyals and foreign currency deposits of the private sector, government and semi-government institutions, increased to QR722.6 billion (U.S.\$198.5 billion), an increase of 1.1 per cent. from the end of December 2022. Time deposits increased by 3.1 per cent. from the end of December 2022 to QR307.9 billion (U.S.\$84.6 billion) in December 2023. Foreign currency deposits increased by 8.0 per cent. from QR255 billion (U.S.\$70 billion) in December 2022 to QR275.5 billion (U.S.\$75.7 billion) in December 2023. Total quasi-money represented by time deposits and foreign currency deposits increased to QR583.4 billion (U.S.\$160.3 billion) as of December 2023, a 5.3 per cent. increase from the end of December 2022.

	Foreign assets, QCB: As at 31 December				
	2019	2020	2021	2022	2023
	(QR in millions, except as otherwise noted)				
Assets ⁽¹⁾	144,704.4	149,051.5	153,508.0	172,479.9	201,784.5
Liabilities.....	(1,294.5)	(1,346.3)	(4,913.2)	(4,695.0)	(4,708.9)
QCB foreign assets (net)	143,409.9	147,705.2	148,594.9	167,784.9	197,075.6
Commercial banks:					
Assets.....	240,143.9	232,680.3	251,578.5	271,957.5	272,481.1
Liabilities.....	(538,506.2)	(635,021.4)	(716,923.1)-	(668,543.2)-	(657,601.4)
Commercial bank foreign assets (net)	(298,362.3)	(402,341.1)	(465,344.6)	(396,585.7)	(385,120.3)
Foreign assets (net)	(154,952.4)	(254,636.0)	(316,749.8)	(228,800.8)	(188,044.7)
Domestic assets:					
Claims on Government:					
Claims ⁽²⁾	296,198.1	293,474.4	318,308.7	304,949.6	297,867.9
Deposits ⁽³⁾	(74,872.4)	(75,256.3)	(98,708.5)	(108,186.9)	(98,004.1)
Claims on Government (net)	221,325.7	218,218.1	219,600.2	196,762.7	199,863.8
Domestic credit: Claims on public enterprises ⁽⁴⁾	183,694.1	216,074.1	237,394.6	258,184.9	261,992.5
Claims on private sector ⁽⁵⁾	659,737.8	741,735.8	819,726.3	880,115.0	924,758.1
Total domestic credit	843,431.9	957,809.9	1,057,120.9	1,138,299.9	1,186,750.6
Other items (net).....	(331,801.7)	(321,505.0)	(351,471.0)	(391,780.0)	(475,914.2)
Domestic assets (net).....	732,955.9	854,523.0	925,250.1	943,282.6	910,700.2
Broad money:					
Money (M1):					
Currency in circulation.....	11,599.5	13,791.1	12,708.1	13,263.5	12,727.1
Demand deposits.....	113,103.2	132,668.0	135,611.3	147,488.8	126,523.9
Total money.....	124,702.7	146,459.1	148,319.4	160,752.3	139,251.0
Quasi-money:					
Savings and time deposits.....	295,406.6	287,924.0	282,466.2	298,751.2	307,919.0
Foreign currency deposits.....	157,894.2	165,504.0	177,714.7	254,978.3	275,485.5
Total quasi-money	453,300.8	453,428.0	460,180.9	553,729.5	583,404.5
Total broad money (M2).....	578,003.5	599,887.1	608,500.3	714,481.8	722,655.5

Change (%):					
Foreign assets (net).....	73.5	64.3	24.4	(27.8)-	(17.8)
Domestic assets (net).....	12.2	16.6	8.3	1.90	(3.5)
Total broad money	2.5	3.8	1.4	17.4	1.1
Velocity of broad money					
(to total nominal GDP).....	1.1	0.9	1.1	1.2	1.2
Velocity of broad money (to non-oil and gas nominal GDP).....	0.7	0.6	0.7	0.7	0.7

Notes:

- (1) Excludes the QCB's foreign currency deposits with local commercial banks.
- (2) Includes Government borrowing on behalf of public enterprises in 2001.
- (3) Includes foreign and local currency deposits.
- (4) Non-financial sector enterprises with some Government ownership.
- (5) Includes financial securities.

Source: *QCB and PSA*

Liquidity

The QCB, on behalf of the Government, issues bonds, sukuk and T-bills to absorb domestic liquidity and develops the yield curve for riyal-denominated domestic bonds. The QCB has issued a number of domestic bonds since 1999. The Government had a total of QR137.2 billion (U.S.\$37.7 billion) of domestic bonds, sukuk and T-bills outstanding as at 31 January 2024, according to data from the QCB. As at 31 January 2024 Government domestic issuance included: T-bills denominated in local currency, with QR20.8 billion (U.S.\$5.7 billion) outstanding; QR51.8 billion (U.S.\$14.2 billion) in sukuk; QR64.6 billion (U.S.\$17.8 billion) in Government long-term bonds. As at 31 January 2024, the Government has issued QR145.2 billion (U.S.\$39.9 billion) of long-term bonds denominated in foreign currencies according to Bloomberg.

Banking System

Commercial Banks (Outside the QFC)

Commercial banks in Qatar consist of four locally owned conventional banks (including QNB, which is 50.0 per cent. Government owned), four Islamic banks that operate according to Islamic Shari'a principles (including the prohibition on the charging of interest on loans), seven branches of foreign banks and one specialised bank.

The conventional local banks in Qatar are QNB, Commercial Bank, Doha Bank and Ahli Bank. The conventional banks accounted for 69.0 per cent. of total banking sector assets as at 31 December 2023.

The Islamic banks in Qatar are Qatar Islamic Bank, Qatar International Islamic Bank, Masraf Al Rayan, and Dukhan Bank. The Islamic banks account for 28.4 per cent. of market share by total assets as at 31 December 2023.

The seven foreign banks present in Qatar had a total of QR37.1 billion (U.S.\$10.2 billion) in total assets as at 31 December 2023, equivalent to 1.9 per cent. of the total banking sector. The foreign banks in Qatar are Arab Bank, Bank Saderat Iran, BNP Paribas, HSBC, Mashreq Bank, Standard Chartered Bank and United Bank Limited.

One state-owned specialised bank, Qatar Development Bank, accounts for the remaining 0.7 per cent. of the total banking sector.

Commercial banks are the primary financial institutions in Qatar, receiving deposits and providing credit and investment services, as well as foreign exchange and clearance services. The deposits made in Qatar's commercial banks are not insured as there is no deposit insurance scheme in Qatar.

There has recently been some consolidation in the Qatari banking sector. In December 2016, it was announced that subject to shareholder and regulatory approval, Masraf Al Rayan, Barwa Bank and International Bank of Qatar would merge to form one consolidated entity. In August 2018, it was announced that Barwa Bank and International Bank of Qatar had reached a final merger agreement. In April 2019, Barwa Bank and International Bank of Qatar completed the merger. Barwa Bank was renamed as Dukhan Bank in 2020. Furthermore, on 30

June 2020 Al Khaliji and Masraf Al Rayan announced the potential merger between the two banks and they subsequently announced the entry into a merger agreement on 7 January 2021. The merger was executed in November 2021.

In June 2018, Fitch revised upward Qatar's outlook to "stable" from "negative" and affirmed its long-term foreign currency issuer default rating of AA-, which was further affirmed in April 2022. The upward revision resulted from Fitch's assessment that Qatar has successfully managed the effects of the diplomatic rift and that the economy has reconfigured its supply chain and continues to grow at a steady rate. Fitch also emphasised that Qatar's sovereign net foreign assets are far above most AA and A-rated peers. In November 2022, Moody's revised its outlook for Qatar to "positive" from "stable" and reaffirmed its long-term issuer rating of Aa3. Moody's emphasised a number of credit strengths embedded in Qatar's credit profile, including the large net asset position of Qatar's government, exceptionally high levels of per-capita income, substantial hydrocarbon reserves and relatively low fiscal and external break-even oil prices. These factors will continue to provide significant shock absorption capacity and longer-term credit challenges for Qatar. In November 2022, S&P Global Ratings raised its long-term sovereign credit rating for Qatar to AA from AA- and assigned a stable outlook as a result of the structural improvements in the government's fiscal position. On 19 April 2022, Fitch ratings downgraded Qatari banks' Long-Term Issuer Default Ratings and removed them from Rating Watch Negative on the back of the increased reliance on external funding and recent rapid asset growth. In November 2022, S&P upgraded Qatar's credit rating to AA from AA-, citing improvements in the Government's fiscal position. In January 2024, Moody's upgraded Qatar's sovereign rating to Aa2 from Aa3, on the basis that "*the significant improvement in Qatar's fiscal metrics, achieved during 2021-23, will be sustained in the medium-term,*" as a result of continued fiscal prudence, the winding down of the infrastructure spending program, and the ramp up in LNG production for 2026-28.

The QCB requires commercial banks to maintain a total minimum capital adequacy ratio ("CAR") of 12.5 per cent. (including a capital conservation buffer but excluding the ICAAP capital charge) in accordance with the new the QCB's Basel III requirements. QCB issued a circular in January 2014 introducing new requirements in accordance with Basel III recommendations. Historically, commercial banks have complied with QCB capital adequacy requirements and, at the end of 2022, the average CAR of the sector was 19.3 per cent. compared with 19.2 per cent. in 2021, 18.8 per cent. in 2020 and 18.6 per cent. in 2019. At the end of 2022, Tier 1 average CAR for all banks was 18.1 per cent. compared with 18.0 per cent. in 2021, 17.6 per cent. in 2020 and 17.5 per cent. in 2019. As a result of challenging economic conditions, in May 2009, the QCB amended its methods for calculating its capital adequacy ratio. See "*Risk Factors—Legal and Regulatory Risks—QNB may be subject to increased capital requirements or standards due to new governmental or regulatory requirements and changes in perceived levels of adequate capitalisation, and may also need additional capital in the future due to worsening economic conditions*". Currently, Qatar's commercial banks are compliant with Basel III Pillar I and, as of January 2014, the QCB instructed all commercial banks in Qatar to comply with the QCB's Basel III requirements.

The State has provided financial support to Qatar's financial sector as a response to the 2008-2009 global economic downturn and as a preventative measure to preserve the general stability into Qatar's banking sector. In late 2008 and early 2009, the QIA began making direct capital injections in Qatar's commercial banking sector through a plan to purchase equity ownership interests of up to 20.0 per cent. in all domestic banks listed on the QSE but excluding QNB. In January 2009, the QIA acquired 5.0 per cent. of the shares of Qatar Islamic Bank for QR956 million (U.S.\$263 million), 5.0 per cent. of the shares of Commercial Bank of Qatar for approximately QR807 million (U.S.\$221.7 million), 5.0 per cent. of the shares of Qatar International Islamic Bank for QR464 million (U.S.\$127.5 million), 5.0 per cent. of the shares of Ahli Bank for QR161 million (U.S.\$44.2 million), and 5.0 per cent. of the shares of Doha Bank for QR369 million (U.S.\$101.4 million). In February 2009, the QIA acquired 20.0 per cent. of the shares of First Finance Company for QR257 million (U.S.\$70.6 million). No shares in QNB were issued to the QIA. These capital injections were based on the share price of the relevant bank as at 12 October 2008. In addition, the shareholders of Masraf Al Rayan have approved a share capital increase to be issued to the QIA, and the shareholders of Al Khaliji Bank have approved a share capital increase of up to 20.0 per cent. to be issued to the QIA. The QIA implemented procedures to acquire an additional 5.0 per cent. stake in the capital of Qatari banks consistent with the above-mentioned plan to purchase equity ownership interests of up to 20.0 per cent. in domestic commercial banks. In late 2009 and early 2010, the QIA purchased approximately QR2.7 billion (U.S.\$741.7 million) worth of shares in local banks, representing the fourth support package extended by the Government in line with the 2008/2009 plan referenced above. In December 2009, the QIA acquired shares of Commercial Bank of Qatar for QR807 million (U.S.\$221.7 million), increasing its shareholding to 9.1 per cent.

In addition, on 9 March 2009, the Government declared that, in order to further support Qatar’s banking sector, the Government would purchase a portion of the investment portfolios of seven of the nine domestic banks listed on the QSE (including QNB). These purchases were completed on 22 March 2009 at a total purchase price of approximately QR6.5 billion (U.S.\$1.8 billion) paid through a combination of cash and domestic Government bonds. This purchase price was equal to the net book value of such investment portfolios as registered in the records of each bank as at 28 February 2009. QNB benefited from this Government intervention, receiving a significant proportion of the support by reference to its market share of bank exposure to listed equities in Qatar by selling its investment portfolio of QSE-listed equity securities to the Government.

In an effort to further boost liquidity and encourage lending, in early June 2009, the State offered to buy a portion of the real estate portfolios and investments of nine domestic commercial banks at a sale price equivalent to the net book value of such portfolios and investments with a total ceiling amount of QR15.5 billion (U.S.\$4.3 billion). QNB participated in the real estate portfolio purchase programme offered by the Government and sold a portion of its real estate portfolio to the Government by reference to its market share of bank exposure to real estate in Qatar. See “*Business Description of QNB Group—Competitive Strengths—Strong Qatari Government Support*”.

The amount of credit extended by commercial banks to the private sector grew at a CAGR of 7.5 per cent. from QR646.7 billion (U.S.\$177.7 billion) at the end of 2019 to QR863.8 billion (U.S.\$237.3 billion) at the end of 2023. As at 31 December 2023, consumer credit accounted for 20.5 per cent. of total private sector credit extended by commercial banks, while credit extended to other sectors amounted to: real estate and contracting, 19.7 per cent.; general trade, 21.1 per cent.; and other sectors, 38.6 per cent. of total private sector credit. In December 2023, compared with December 2022, the amount of consumer credit increased by 9.3 per cent., credit extended to the real estate and contracting sector decreased by 7.2 per cent. and credit for general trade increased by 8.6 per cent.

The level of “non-performing” loans of all commercial banks increased to 1.6 per cent. in 2017, increased to 1.9 per cent. in 2018, decreased to 1.8 per cent. in 2019, increased to 2.0 per cent. in 2020, increased to 2.4 per cent. in 2021 and increased to 3.7 per cent. in 2022. Under QCB regulations, non-performing loans are defined as those loans that meet one of the following conditions for at least three months: (i) the borrower is not able to meet its loan repayments and the loan is past due; (ii) other credit facilities of that borrower are past due; (iii) the existing credit limits granted to that borrower for its other credit facilities are not renewed; or (iv) a borrower exceeds its agreed credit limit by 10.0 per cent. or more without prior authorisation. Commercial banks in Qatar categorise non-performing loans into three groups: sub-standard, doubtful and bad. Sub-standard loans are those that have not performed for three or more months, doubtful loans are those that have not performed for six or more months, and bad loans are those that have not performed for nine or more months.

The following table summarises the capital adequacy ratio and the ratio of non-performing loans to total loans for the banking system as at 31 December 2018 to 31 December 2022.

	As at 31 December				
	2018	2019	2020	2021	2022
Capital Adequacy ratio (%).....	18.0	18.6	18.8	19.2	19.3
Non-performing loans/total loans (%)...	1.9	1.8	2.0	2.4	3.7

Source: QCB

The following table sets out the distribution of commercial bank credit facilities as at 31 December 2019 to 31 December 2023.

	As at 31 December				
	2019	2020	2021	2022	2023
	(QR in millions)				
Public Sector:					
Government.....	133,790.4	136,797.5	142,257.8	116,013.2	106,159.3
Government institution.....	170,020.5	196,988.9	218,664.8	239,889.3	239,330.7
Semi-government institutions.....	13,673.6	19,085.2	18,729.8	18,295.5	22,661.7
Total public sector loans.....	317,484.5	352,871.6	379,652.4	374,198.0	368,151.7
Private sector:					
General trade.....	132,093.3	146,861.3	163,217.6	168,928.7	183,394.3
Industry.....	17,509.2	16,868.8	19,735.8	17,868.8	16,033.9
Contractors.....	34,168.9	37,694.1	41,936.8	41,592.6	38,803.1
Real estate.....	147,715.5	152,691.2	161,006.5	185,457.3	171,911.8
Consumption.....	137,225.9	146,999.7	160,280.0	163,185.6	178,292.6
Services.....	166,320.8	188,128.3	217,784.0	242,311.3	272,136.2
Other.....	11,674.3	11,169.6	2,860.1	4,224.0	3,225.8
Total private sector loans.....	646,707.9	700,413.0	766,820.8	823,568.3	863,797.7
Total domestic loans.....	964,192.4	1,053,284.6	1,146,473.2	1,197,766.4	1,231,949
Loans outside Qatar.....	74,893.7	75,424.8	69,969.3	58,257.3	55,985.1
Total loans.....	1,039,086.1	1,128,709.4	1,216,442.5	1,256,023.7	1,287,934.6

Source: QCB

Total commercial bank deposits grew at a CAGR of 3.8 per cent. from QR849.1 billion (U.S.\$233.3 billion) at the end of 2019 to QR985.9 billion (U.S.\$270.9 billion) at the end of 2023. As at 31 December 2023, deposits accounted for 50.1 per cent. of total commercial bank liabilities. Private sector deposits grew at a CAGR of 6.0 per cent. from 2019 to 2023, compared with an increase of 5.8 per cent. for public sector deposits. As at 31 December 2023, demand deposits accounted for 18.9 per cent. of total deposits, and time and savings deposits for 62.9 per cent. (the remaining 18.2 per cent. are the deposits of non-residents and are not classified according to their term). As at 31 December 2023, a total of 50.8 per cent. of deposits are local currency deposits and 31.0 per cent. are foreign currency (the remaining 18.2 per cent. are the deposits of non-residents and are not classified according to their currency).

The following table sets out the breakdown of commercial bank deposits as at 31 December 2019 to 31 December 2023.

	As at 31 December				
	2019	2020	2021	2022	2023
	(QR in millions)				
Public Sector:					
By term and currency:					
In Qatari Riyal	179,621.5	168,765.1	164,503.4	185,858.0	180,243.4
Demand deposits.....	23,346.7	27,380.8	31,094.1	32,455.9	29,217.5
Time deposits.....	156,274.8	141,384.3	133,409.2	153,402.1	151,025.9
In foreign currencies.....	93,458.6	94,524.1	124,172.1	162,480.7	162,390.2
Demand deposits.....	12,589.4	14,807.0	18,612.8	30,617.1	22,094.6
Time deposits.....	80,869.2	79,717.1	105,559.4	131,863.6	140,295.7
By sector:					
Government.....	74,523.3	74,254.8	97,648.3	105,329.4	97,003.3
Government institutions.....	166,790.7	156,018.0	151,648.7	194,705.3	192,611.4
Semi-government institutions.....	31,766.1	33,016.4	39,378.5	48,304.0	53,019.0
Total public sector deposits.....	273,080.0	263,289.2	288,675.5	348,338.7	342,633.7
Private sector:					
By term and currency:					
In Qatari Riyal	290,344.9	315,315.5	318,468.3	328,345.7	320,914.0
Demand deposits.....	92,826.4	112,176.4	111,236.8	120,413.4	102,550.3
Time deposits.....	197,518.6	203,139.1	207,231.5	207,932.3	218,363.7
In foreign currencies.....	77,502.3	81,746.0	86,296.7	129,863.2	143,384.0
Demand deposits.....	17,524.9	19,479.0	23,619.4	26,641.8	32,528.7
Time deposits.....	59,977.4	62,267.0	62,677.3	103,221.4	110,855.4
By sector:					
Personal.....	199,365.7	216,119.4	219,268.3	228,818.2	246,382.9

	As at 31 December				
	2019	2020	2021	2022	2023
Companies and institutions	168,481.5	180,942.1	185,496.7	229,930.6	217,915.1
Total private sector deposits	367,847.3	397,061.5	404,765.0	458,748.8	464,298.1
Total deposits:					
By currency:					
In Qatari Riyal.....	469,966.4	484,080.6	482,971.7	514,203.7	501,157.4
In foreign currencies	170,960.9	176,270.1	210,468.8	292,343.8	305,774.2
By term:					
Total demand deposits	146,287.4	173,843.2	184,563.1	210,128.2	186,391.1
Total time deposits.....	494,640.0	486,507.5	508,877.4	596,419.4	620,540.7
Non-resident deposits.....	208,221.8	245,157.8	280,668.9	192,595.2	179,051.9
Total deposits.....	849,149.2	905,508.5	974,109.4	999,142.8	985,983.7

Source: QCB

The total assets of commercial banks grew at a CAGR of 6.2 per cent. from 2019 to 2023. Domestic credit is the largest component of total assets and grew at a CAGR of 6.3 per cent. from 2019 to 2023. This strong credit growth spanned the private and public sectors and was driven by rapid economic growth, increasing private consumption and large allocations in government spending for major development projects.

The increase in the domestic investments of commercial banks has grown at a CAGR of 9.3 per cent. from the end of 2019 to the end of 2023. Domestic investments increased by 3.3 per cent. in the 12 months to 31 December 2023 to QR264.0 billion (U.S.\$72.5 billion). Correspondingly, their share of total assets stabilized at 13.4 per cent. at the end of 2022, and 13.4 per cent. at the end of 2023.

The following table sets forth the consolidated balance sheets of Qatari commercial banks as at 31 December 2019 to 31 December 2023.

	As at 31 December				
	2019	2020	2021	2022	2023
	(QR in millions)				
Assets:					
Reserves Cash.....	4,804.8	12,480.3	11,882.2	12,679.0	6,946.6
Balances with QCB	55,384.3	74,711.7	81,201.5	74,473.1	74,727.9
Foreign assets:					
Cash	8,003.4	9,461.3	9,257.1	7,747.5	5,956.9
Claims on foreign banks	94,416.0	86,011.0	110,235.9	139,735.3	128,259.6
Foreign credit.....	74,893.7	75,424.8	69,969.3	58,257.3	55,985.1
Foreign investments	58,960.8	57,244.3	57,621.8	61,514.2	72,781.1
Other foreign assets	3,870.0	4,538.9	4,494.4	4,703.1	9,498.4
Domestic Assets:					
Due from banks in Qatar.....	65,354.9	62,910.6	62,811.9	45,223.0	70,277.6
Domestic credit.....	964,192.3	1,053,284.7	1,146,473.2	1,197,766.3	1,231,949.5
Domestic investments	185,120.9	207,457.9	239,428.9	255,686.1	264,040.6
Domestic fixed assets	7,110.7	7,725.3	7,464.9	8,225.2	8,376.6
Other domestic assets	27,442.8	30,921.7	26,579.8	40,957.0	40,584.2
Total assets	1,549,554.6	1,682,172.5	1,827,420.9	1,906,967.1	1,969,384.1
Liabilities:					
Foreign Liabilities:					
Non-resident deposits	208,221.8	245,157.8	280,669.0	192,595.2	179,051.9
Due to foreign banks	273,502.9	312,611.2	350,691.8	403,396.7	413,928.9
Debt securities	61,616.8	79,423.2	81,415.7	69,443.5	65,476.2
Other foreign liabilities.....	(4,835.3)	(2,170.8)	4,146.7	3,107.7	(855.6)
Domestic Liabilities:					
Resident deposits	640,927.3	660,350.7	693,440.5	806,547.5	806,931.7
Due to domestic banks.....	63,224.0	54,314.5	61,907.8	47,385.8	81,975.5
Due to QCB	13,984.3	31,269.0	32,697.8	14,937.4	17,742.9
Debt securities	1,325.5	1,742.0	1,739.7	1,305.0	1,735.8
Margins.....	2,628.8	2,994.3	2,976.9	2,958.5	3,202.0
Capital accounts.....	155,420.8	164,844.8	172,932.9	183,245.1	190,673.8
Provisions	23,798.4	26,904.5	34,450.4	44,081.8	51,739.2

	As at 31 December				
	2019	2020	2021	2022	2023
Unclassified liabilities	109,739.3	104,731.3	110,351.7	135,963.4	157,745.6
Total liabilities	1,549,554.6	1,682,172.5	1,827,420.9	1,904,967.6	1,969,347.9

Source: QCB

TAXATION

The following is a general description of certain Cayman Islands, Qatari and EU tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

The Cayman Islands

Under existing Cayman Islands laws, payments on the Notes will not be subject to taxation in the Cayman Islands, and no withholding will be required on the payments to any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax.

There are no income, corporation, capital gains or other taxes in effect in the Cayman Islands on the basis of present legislation. The Issuer has obtained an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands that, for a period of 20 years from 2 November 2010, no law which is enacted in the Cayman Islands imposing any tax to be levied on profit, income, gains or appreciation shall apply to the Issuer or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which would include the Notes) of the Issuer or by way of the withholding in whole or in part of any relevant payment (as defined in the Tax Concessions Act (As Revised)). No capital or stamp duties are levied in the Cayman Islands on the issue or redemption of Notes. Notes issued in bearer form are themselves stampable if executed in or brought into the Cayman Islands. An instrument of transfer in respect of a Note may be stampable if executed in or brought to the Cayman Islands. An annual registration fee is payable by the Issuer to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.\$1,006.10. The foregoing is based on current law and practice in the Cayman Islands, and this is subject to change therein.

Automatic Exchange of Financial Account Information and Cayman Islands Anti-Money Laundering Legislation

The Cayman Islands has signed an intergovernmental agreement to improve international tax compliance and the exchange of information with the United States (the “US IGA”). The Cayman Islands has also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (“CRS” and together with the US IGA, “AEOI”).

Cayman Islands regulations have been issued to give effect to the US IGA and CRS (collectively, the “**AEOI Regulations**”). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the “TIA”) has published guidance notes on the application of the US IGA and CRS.

All Cayman Islands “Financial Institutions” (including the Issuer) are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless the Issuer is able to rely on an exemption that permits it to be treated as a “Non-Reporting Financial Institution” (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under CRS. The Issuer does not propose to rely on any Non-Reporting Financial Institution exemption and therefore intends to comply with all of the requirements of the AEOI Regulations as a “Reporting Financial Institution”.

The AEOI Regulations require the Issuer to, amongst other things, (i) register with the IRS to obtain a Global Intermediary Identification Number (in the context of the US IGA only); (ii) register with the TIA, and thereby notify the TIA of its status as a “Reporting Financial Institution”; (iii) adopt and implement written policies and procedures setting out how it will address its obligations under CRS; (iv) conduct due diligence on its accounts to identify whether any such accounts are considered “Reportable Accounts”; and (v) report

information on such Reportable Accounts to the TIA. The TIA will transmit such information to the applicable overseas fiscal authorities.

Under the terms of the US IGA, withholding will not be imposed on payments made to the Issuer unless the IRS has specifically listed the Issuer as a non-participating financial institution, or on payments made by the Issuer to the Noteholders unless the Issuer has otherwise assumed responsibility for withholding under United States tax law.

The Issuer is subject to the Anti-Money Laundering Regulations (As Revised) of the Cayman Islands (together with The Guidance Notes on the Prevention and Detection of Money Laundering, Terrorist and Proliferation Financing in the Cayman Islands (or equivalent legislation and guidance, as applicable), and each as amended and revised from time to time, “**Cayman AML Regulations**”). The Cayman AML Regulations apply to anyone conducting “relevant financial business” in or from the Cayman Islands intending to form a business relationship or carry out a one-off transaction. The Cayman AML Regulations require a financial service provider to maintain certain anti-money laundering procedures including those for the purposes of verifying the identity and source of funds of an “applicant for business”; e.g. an investor, as well as the identity of the beneficial owner/controller of the investor, where applicable. Except in certain circumstances, including where an entity is regulated by a recognised overseas regulatory authority and/or listed on a recognised stock exchange in an approved jurisdiction, the Issuer, or its agents will likely be required to verify each investor’s identity and may be required to verify the source of the payment used by such investor in a manner similar to the obligations imposed under the laws of other major financial centres. Application of an identity verification exemption at the time of purchase of the Notes may nevertheless require verification of identity prior to payment of proceeds from the Notes. In addition, if any person in the Cayman Islands knows or suspects, or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering, or is involved with terrorism or terrorist financing and property, and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands (“**FRA**”), pursuant to the Proceeds of Crime Act (As Revised) of the Cayman Islands (“**PCA**”), if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Act (As Revised) of the Cayman Islands (“**Terrorism Act**”), if the disclosure relates to involvement with terrorism or terrorist financing and property. If the Issuer were determined by the Cayman Islands authorities to be in violation of the PCA, the Terrorism Act or the Cayman AML Regulations, the Issuer could be subject to substantial criminal penalties and/or administrative fines. The Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by the Issuer to the holders of the Notes.

Qatar

The following is a summary of the principal Qatari tax consequences of ownership of the Notes by beneficial owners who or which are not incorporated in or residents of Qatar for Qatari tax purposes and do not conduct business activities in Qatar (“**Non-Qatari Holders**”). This summary of taxation in Qatar is based upon (i) the tax law of Qatar, (ii) the Executive Regulations thereunder and (iii) the practice that has been adopted and is applied by the Income Tax Department of the Ministry of Finance and the General Tax Authority, each as in effect on the date of this Prospectus. The views expressed in this summary are subject to any subsequent change in Qatari law, regulations and practice that may come into effect as of such date.

Under current Qatari law, taxes are levied on a taxpayer’s income arising from activities in Qatar. However, payments made by the Issuer or the Guarantor to Non-Qatari Holders will not be subject to Qatari income taxes because such income tax does not apply to payments under the Notes and the Agency Agreement made to Non-Qatari Holders.

A new Income Tax Law No. 24 of 2018 (the “**Income Tax Law**”) came into force on 13 December 2018 replacing Law No. 21 of 2009 and its executive regulations were issued in December 2019.

The Income Tax Law and the Executive Regulations provide that any payment of interest and fees made in relation to bonds issued by a Qatari corporate entity will be subject to withholding tax, which will include the Issuer as an entity managed from Qatar and therefore considered as tax resident in Qatar. However, the Executive Regulations provide for certain exemptions to such application of withholding tax. Paragraph 2 of Article 21.4 of the Executive Regulations provides that: “interest on bonds and securities issued by the State and public authorities, establishments and corporations owned wholly or partly by the State” shall not be subject

to withholding tax. As the Issuer and the Guarantor are presently partly owned by the State, they will be exempt from the requirement to withhold tax. If the Issuer and/or the Guarantor cease to be partly owned by the State, the exemption at Paragraph 2 of Article 21.4 of the Executive Regulations will cease to apply. The Guarantor would benefit from an exemption under Paragraph 3 of Article 21.4 of the Executive Regulations, which provides that interest on transactions, facilities and loans with banks and financial institutions shall not be subject to withholding tax. Similarly, the Issuer would benefit from this exemption provided the interest is being paid to a bank or financial institution. Any fees payable by the Issuer to any party that is non-resident in Qatar will be liable to withholding tax as no specific exemption applies. However, the Issuer has agreed, and to the extent that the Guarantor may be called upon to perform its obligations under the Deed of Guarantee, the Guarantor has agreed, that all payments of principal and interest in respect of the Notes and/or the Deed of Guarantee will be made free and clear of withholding taxes payable in Qatar, and the Issuer or QNB, as the case may be, will be required to pay additional amounts in respect of any such withholding or deduction imposed by or on behalf of Qatar in certain circumstances. See “*Terms and Conditions of the Notes—Taxation*”.

Non-Qatari Holders will not be subject to tax in Qatar on any capital gains derived from a sale of Notes. Under current Qatari law, no Qatari stamp duty will be imposed on Non-Qatari Holders either upon the issuance of the Notes or upon a subsequent transfer of Notes.

The Proposed Financial Transactions Tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Original Proposal**”) for a Directive for a common financial transactions tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”). In December 2015, Estonia withdrew from the group of Participating Member States.

The Commission’s Original Proposal had a very broad scope and would, if introduced, have applied to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes would, however, have been exempt.

In 2019, the Finance Ministers of the Participating Member States indicated that they were discussing a new FTT proposal based on a French model of the tax (and the possible mutualisation of the tax as a contribution to the EU budget) (the “**2019 FTT Proposal**”). Under the 2019 FTT Proposal, the FTT would only have applied to transactions in financial instruments issued by a company, partnership or other entity whose registered office is established within one of the Participating Member States and which had a market capitalisation of at least EUR 1 billion on 1 December of the year preceding the respective transaction. The FTT under the 2019 FTT Proposal would not have applied to straight bonds.

No agreement has been reached between the Participating Member States on either the Commission’s Original Proposal or the 2019 FTT Proposal. Subsequently, the European Commission declared that, if there was no agreement between the Participating Member States by the end of 2022, it would endeavour to propose a new own resource, based on a new FTT, by June 2024 with a view to its introduction by 1 January 2026, as also set out in the Council Regulation laying down the Multi-annual Financial Framework for the years 2021 to 2027.

Prospective holders of the Notes should therefore note that the scope of any FTT proposal remains uncertain and subject to negotiation between the Participating Member States. Any such proposal may also be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw. Accordingly, prospective holders of the Notes are advised to seek their own professional advice in relation to any FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands and Qatar) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be

required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in the amended and restated dealer agreement dated 18 March 2024 (the “**Dealer Agreement**”) between the Issuer, the Guarantor, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer and the Guarantor have jointly and severally agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Arrangers and Dealers are entitled in certain circumstances to be released and discharged from their obligations under any agreement they make to subscribe an issuance of Notes prior to the closing of that issuance, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the Issue Date. In this situation, the issuance of the Notes may not be completed. Investors will have no rights against any of the Issuer, the Guarantor, the Arrangers or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), and regulations thereunder.

Bearer Notes, other than Bearer Notes with an initial maturity of one year or less will be issued in accordance with the provisions of U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**C Rules**”), or in accordance with the provisions of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**D Rules**”), as specified in the Final Terms. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules and the D Rules.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”); and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA (each, a “**Relevant State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

Unless the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which

are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make any offer or invitation to the public in the Cayman Islands to subscribe for any Notes and this Prospectus shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Notes.

Qatar (including the Qatar Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, any Notes in Qatar (including the Qatar Financial Centre), except:

- (a) in compliance with all applicable laws and regulations of Qatar (including the Qatar Financial Centre); and
- (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in Qatar (including the Qatar Financial Centre).

This Prospectus has (i) has not been, and will not be, registered with or approved by the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority and may not be publicly distributed in the State of Qatar (including the Qatar Financial Centre); (ii) is intended for the original recipient only and must not be provided to any other person; and (iii) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules Module of the rulebook of the Dubai Financial Services Authority (the “**DFSA Rulebook**”); and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook.

UAE (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes, except on a private placement basis to persons in Bahrain who are “accredited investors”.

For this purpose, an “**accredited investor**” means:

- (a) an individual holding financial assets (either singly or jointly with a spouse) of U.S.\$1,000,000 or more excluding that person’s principal place of residence;
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000;
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or
- (d) any other entity which is an “accredited investor” as defined in the Central Bank of Bahrain Rulebook.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires any Notes pursuant to an offering should note that the offer of the Notes is a private placement under Article 8 of the “Rules on the Offer of Securities and Continuing Obligations” as issued by the CMA resolution number 3-123-2017 dated 27 December 2017, as amended by CMA resolution number 8-5-2023 dated 25/06/1444H (corresponding to 18 January 2023) and as further amended from time to time (the “**KSA Regulations**”), made through a capital market institution licensed to carry out arranging activities by the CMA and following a notification to the CMA under Article 10 of the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to “institutional and qualified clients” under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9, or as otherwise required or permitted by, the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Notes made by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the KSA Regulations.

Each offer of Notes shall not therefore constitute a “public offer”, an “exempt offer” or a “parallel market offer” pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 14 of the KSA Regulations.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Unless the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in

Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Hong Kong

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes which are a “structured product” defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

PRC

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the applicable laws of the PRC.

Switzerland

In the case of any Notes with a specified denomination of CHF 100,000 (or equivalent in another currency) or more only, the offering of the Notes in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (the “**FinSA**”). This Prospectus does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Notes.

In the case of any Notes with a specified denomination of less than CHF 100,000 (or equivalent in another currency) only, this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA and no application has been or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

These selling restrictions may be modified by the agreement of the Issuer, the Guarantor and the Dealers following a change in a relevant law, regulation or directive.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed (and each further Dealer appointed will be required to agree) that it shall comply, to the best of its knowledge, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus, any other offering material or any Final Terms therefore in all cases at its own expense and neither the Issuer, the Guarantor nor any other Dealer shall have responsibility therefor.

If a jurisdiction requires that any offering be made by a licensed broker or dealer and a Dealer or any affiliate of that Dealer is a licensed broker in that jurisdiction, the offering shall be deemed to be made by that Dealer or such affiliate on behalf of the Issuer and Guarantor in such jurisdiction.

Other persons into whose hands this Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply will all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Dealers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform a variety of the above-mentioned services for, the Guarantor and its subsidiaries in the ordinary course of business for which they have and/or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers or in their capacity as investment advisers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer, the Guarantor or its subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and may be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes.

GENERAL INFORMATION

- (1) The Issuer's legal entity identifier (LEI) code is 549300MY0DXTHQEX5057.
- (2) The Guarantor's legal entity identifier (LEI) code is 549300FFSRVBS0SQXY75.
- (3) The listing of the Notes (other than PR Exempt Instruments) on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that each Tranche of the Notes (other than PR Exempt Instruments) which is to be admitted to the Official List and to trading on the Market will be admitted separately as and when issued, subject only to the issue of a temporary or permanent Global Note (or one or more Certificates) in respect of each Tranche. The listing of the Programme in respect of the Notes is expected to be granted on or around 18 March 2024. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions on the Market will normally be effected for delivery on the third working day after the day of the transaction. The total expenses related to the admission to trading of the Notes (other than PR Exempt Instruments) are estimated to be approximately £3,000.
- (4) In the case of PR Exempt Instruments, the relevant Notes will not be listed and/or admitted to trading on the Market, and the applicable Pricing Supplement will state whether or not the relevant Notes will be listed and/or admitted to trading on an unregulated market.
- (5) Each of the Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in connection with the update of the Programme and the Guarantee. The update of the Programme was authorised by a resolution of the board of directors of the Issuer and passed on 13 March 2024. The giving of the Guarantee by the Guarantor was authorised by a resolution of the board of directors of the Guarantor and passed on 22 August 2011.
- (6) There has been no significant change in the financial performance or financial position of the Guarantor or of QNB Group since 31 December 2023 and there has been no material adverse change in the prospects of the Guarantor or of QNB Group since 31 December 2023. There has been no significant change in the financial performance or financial position of the Issuer since 31 December 2023 and there has been no material adverse change in the prospects of the Issuer since 31 December 2023.
- (7) There are no, and have not been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor are aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Guarantor or QNB Group.
- (8) Each Bearer Note having a maturity of more than one year, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (9) The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of CMU Service is 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.
- (10) CMU Notes have been accepted for clearance through the CMU Service. For persons seeking to hold a beneficial interest in CMU Notes through Euroclear or Clearstream, Luxembourg, such person will

hold their interests in an account opened and held by Euroclear or Clearstream, Luxembourg with the CMU Operator.

- (11) There are no material contracts entered into other than in the ordinary course of the Issuer's or the Guarantor's business, which could result in any member of QNB Group being under an obligation or entitlement that is material to the Issuer's or the Guarantor's ability to meet its obligations to Noteholders in respect of the Notes being issued.
- (12) Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.
- (13) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.
- (14) The website of the Guarantor is <http://www.qnb.com>. The information on <http://www.qnb.com> does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.
- (15) For so long as Notes may be issued pursuant to this Prospectus, the following documents will, when published, be available for inspection in electronic form at <https://www.qnb.com/sites/qnb/qnbqatar/page/en/endebtinvestor.html>:
 - (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons);
 - (ii) the Deed of Covenant;
 - (iii) the Deed of Guarantee;
 - (iv) the Memorandum and Articles of Association of the Issuer and the Guarantor (with an English translation thereof);
 - (v) the audited consolidated financial statements of the Guarantor and the Issuer as at and for the years ended 31 December 2022 and 31 December 2023, in each case, together with the audit reports prepared in connection therewith;
 - (vi) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on the Market nor offered in the UK in circumstances where a prospectus is required to be published under the UK Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Fiscal Agent and Principal Paying Agent as to its holding of Notes and identity);
 - (vii) a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus; and
 - (viii) all reports, letters and other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus.

This Prospectus and the Final Terms for Notes that are listed on the Official List and admitted to trading on the Market will be published on the website of the Regulatory News Service operated by the London Stock Exchange at: <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

- (16) In the ordinary course of their business activities, the Arrangers and Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve

securities and/or instruments of the Issuer or Guarantor and their respective affiliates. Certain of the Arrangers and Dealers or their respective affiliates that have a lending relationship with the Issuer and/or Guarantor routinely hedge their credit exposure to the Issuer and/or Guarantor consistent with their customary risk management policies. Typically, such Arrangers and Dealers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Arrangers and Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

(17) Copies of the latest audited consolidated financial statements of the Guarantor and the Issuer and the latest interim consolidated financial statements of the Guarantor and the Issuer may be obtained, and copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee will be available for inspection at the specified offices of each of the Paying Agents during normal business hours and at <http://www.qnb.com>, so long as any of the Notes is outstanding.

(18) The independent auditors of the Issuer and the Guarantor as at and for the year ended 31 December 2023 were Ernst & Young, Qatar Branch.

Ernst & Young, Qatar Branch of P.O. Box 164, Building No. 36, T-03 Abdulla Bin Thani Street, Doha Design District, Msheireb Downtown, Doha, State of Qatar and registered under Ministry of Commerce and Industry: International Accounting Offices (Licence No.4) appearing in the public register of approved auditing firms held by the Accounts Auditors section at the Ministry of Commerce and Industry, were appointed as independent auditors of the Issuer and the Guarantor on 13 February 2023.

(19) The independent auditors of the Issuer and the Guarantor as at and for the year ended 31 December 2022 were KPMG, Qatar Branch.

KPMG, Qatar Branch of KPMG Building, 25 C Ring Road, P.O. Box 4473, Doha, State of Qatar and registered under Ministry of Commerce and Industry: International Accounting Offices (Licence No. 11031) appearing in the public register of approved auditing firms held by the Accounts Auditors section at the Ministry of Economy and Commerce, were appointed as auditors of the Issuer and the Guarantor on 1 January 2018 and resigned from such appointment on 13 February 2023.

The 2022 Financial Statements and the financial statements of the Issuer as at and for the year ended 31 December 2022 have been audited by KPMG, Qatar Branch and the 2023 Financial Statements and the financial statements of the Issuer as at and for the year ended 31 December 2023 have been audited by Ernst & Young Qatar Branch in accordance with the International Standards on Auditing as stated in their respective audit reports included therein.

Registered Office of the Issuer

QNB Finance Ltd
c/o Maples Corporate Services Limited
P.O. Box 309, Umland House
Grand Cayman, KY1-1104
Cayman Islands

Registered Office of the Guarantor

Qatar National Bank (Q.P.S.C.)
Qatar National Bank Building
Al Corniche Street
P.O. Box 1000
Doha
State of Qatar

Arrangers

Barclays Bank PLC
1 Churchill Place
London E14 5HP
United Kingdom

QNB Capital LLC
Level 3, QNB Msheireb
Downtown
P.O. Box 1000
Doha
State of Qatar

Standard Chartered Bank
7th Floor Building One, Gate
Precinct
Dubai International Financial
Centre
P.O. Box 999
Dubai
United Arab Emirates

Dealers

Australia and New Zealand Banking Group Limited
10 Collyer Quay
#21-00 Ocean Financial Centre
Singapore 049315

Barclays Bank PLC
1 Churchill Place
London E14 5HP
United Kingdom

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Crédit Agricole Corporate and Investment Bank
12, place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

Daiwa Capital Markets Europe Limited
5 King William Street
London EC4N 7AX
United Kingdom

DBS Bank Ltd.
12 Marina Boulevard Level 42
Marina Bay Financial Centre
Tower 3
Singapore 018982

Deutsche Bank AG, London Branch
21 Moorfields
London EC2Y 9DB
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
United Kingdom

Mizuho International plc
30 Old Bailey
London EC4M 7AU

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf

United Kingdom

London E14 4QA
United Kingdom

MUFG Securities EMEA plc

Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ
United Kingdom

QNB Capital LLC

Level 3, QNB Msheireb Downtown
P.O. Box 1000
Doha
State of Qatar

SMBC Nikko Capital Markets Limited

100 Liverpool Street
London EC2M 2AT
United Kingdom

Société Générale

29, boulevard Haussmann
75009 Paris
France

Standard Chartered Bank

7th Floor Building One, Gate Precinct
Dubai International Financial Centre
P.O. Box 999
Dubai
United Arab Emirates

UBS AG London Branch

5 Broadgate
London EC2M 2QS
United Kingdom

Fiscal Agent, Principal Paying Agent, Transfer Agent and Calculation Agent

The Bank of New York Mellon, acting through its London Branch

160 Queen Victoria Street
London EC4V 4LA
United Kingdom

Registrar

The Bank of New York Mellon SA/NV, Luxembourg Branch

Vertigo Building
Polaris
2-4 rue Eugène Ruppert
L-2453
Luxembourg

CMU Lodging and Paying Agent, CMU Transfer Agent and CMU Registrar

The Bank of New York Mellon, Hong Kong Branch

Level 26, Three Pacific Place
1 Queen's Road East
Hong Kong

Independent Auditors to the Issuer and the Guarantor as at and for the year ended 31 December 2023

Ernst & Young Qatar Branch

P.O. Box 164
Building No. 36, T-03 Abdulla Bin Thani Street
Doha Design District,
Msheireb Downtown
Doha, State of Qatar

Independent Auditors to the Issuer and the Guarantor as at and for the year ended 31 December 2022

KPMG, Qatar Branch

KPMG Building
25 C Ring Road
P.O. Box 4473

Doha
State of Qatar

Legal Advisers

To the Issuer

in respect of Cayman Islands law

Maples and Calder

11th Floor
200 Aldersgate Street
London EC1A 4HD
United Kingdom

To the Guarantor

in respect of English law

Latham & Watkins (London) LLP

99 Bishopsgate
London EC2M 3XF
United Kingdom

To the Dealers

in respect of English law

Linklaters LLP

Level 12, ICD Brookfield Place
Mustaqbal Street

Dubai International Financial Centre
P.O. Box 506516
Dubai
United Arab Emirates

in respect of Qatari law

Al Tamimi & Company

19th Floor
Tornado Tower

Majlis Al Taawon Street
P.O. Box 23443
West Bay, Doha
State of Qatar