



Doha Bank Sustainable Finance Framework

May 2023



Table of Contents

1. Sustainability at Doha Bank	2
1.1 Introduction.....	2
1.2 Sustainability at Doha Bank.....	2
1.3 Recognition.....	2
1.4 Commitment to Qatar National Vision 2030.....	3
1.5 Responsible Lending.....	3
2. Sustainable Finance Framework	3
2.1 Use of Proceeds.....	4
2.2 Process for Project Evaluation and Selection.....	7
2.3 Management of Proceeds.....	8
2.4 Reporting.....	8
Appendix: Impact reporting table	10
Disclaimer	11



1. Sustainability at Doha Bank

1.1 Introduction

Established in 1979, Doha Bank is one of the largest commercial banks in Qatar, providing an array of domestic and international banking services to over 190 thousand individual, commercial, corporate, and institutional clients. Over the past 43 years, the Bank has been a stalwart for improved collaboration and contribution within the local and regional financial markets, highlighting a steadfast commitment to responsible lending practices, developing greater sustainable banking products, and demonstrating a heightened focus on energy efficiency. Today, we touch the lives of over 20% of Qatar's population, with a significant portion of our lending book being allocated to supporting small and medium enterprises.

Globally, our footprint continues to grow, with six fully operational overseas branches located in the UAE, Kuwait, and India. The Bank also boasts a robust network of representative offices spread across major global markets, including Japan, Singapore, China, and the United Kingdom, offering its clients unmatched accessibility and convenience across all sectors.

With Doha Bank, there is so much to look forward to.

1.2 Sustainability at Doha Bank

Since its inception, Doha Bank has been a persistent and dynamic proponent of Corporate Social Responsibility (CSR) and Sustainable Banking practices. This commitment extends from our strategic decision-making all the way to our fundamental business operations, placing the focus on environmentally conscious banking to consistently deliver value to all our stakeholders – including our customers, shareholders, employees, and the larger local community.

Starting in 2009, we commenced the annual publication of the Corporate Social Responsibility Reports, which later evolved into a comprehensive Annual Sustainability Report in 2011. Since 2016, our reporting has also extended to include compliance with international standards set by the Global Reporting Initiative (GRI) universal standard index, as well as local standards defined by the Qatar Stock Exchange's (QSE) ESG reporting methodology, scoring 100% on its ESG disclosures with the Qatar Stock Exchange for the years 2018-2021.

In addition, we take pride in our support and adherence to the Ten Principles of the United Nations Global Compact pertaining to human rights, labor, environment, and anti-corruption. Our efforts have been recognized by the QSE's Sustainable Stock Exchanges initiative, which awarded us a perfect score of 100% consistently for the period 2018 - 2021.

1.3 Recognition

Our effective and regular engagement with our stakeholders has earned us several external recognitions in Qatar and the region, including "The Golden Peacock Award for Sustainability" from the Institute of Directors, "Best Digital Bank" from the Global Economics Award, "Outstanding Crisis Leadership – Community Award" by Global Finance, "Best Bank In Corporate Governance Qatar" by



the Global Business Review Magazine, and “Best CSR Practices in Banking Sector - Qatar” by the World Business Outlook

1.4 Commitment to Qatar National Vision 2030

In our role of supporting the development of the State of Qatar, Doha Bank is also committed to the **Qatar National Vision 2030**, which aims to transform Qatar into an advanced society capable of achieving sustainable development by 2030. The plan's development goals are divided into four central pillars: economic, social, human, and environmental development.

1.5 Responsible Lending

Over the years, Doha Bank has made a sustained effort to collaborate with and contribute towards the local and regional economy. Through our Wholesale Banking Unit, we provide funding to infrastructure that is developed in accordance with internationally recognized sustainability principles.

Through our Commercial Banking Unit, we work with small and medium enterprises (SMEs) as well as microenterprises to provide grassroots funding aimed towards bolstering clean, innovative, and inclusive business practices within the local community.

We are committed to pursuing opportunities to participate in projects aimed towards sustainable infrastructure and social development.

2. Sustainable Finance Framework

The Sustainable Finance Framework (‘the Framework’) establishes the guidelines under which Doha Bank can issue Green, Social, and Sustainability Financing Instruments. These issuances could include bonds, private placements, and other instruments such as CPs and loans, to fund new and existing assets with environmental and/or social benefits. These issuances will align with the [ICMA Green Bond Principles 2021 \(With June 2022 Appendix\)](#), the [ICMA Social Bond Principles 2021](#), the [ICMA Sustainability Bond Guidelines 2021](#), the Qatar Financial Centre’s Sustainable Sukuk and Bond Framework 2022 and the LMA / LSTA / APLMA [Green Loan Principles](#) and [Social Loan Principles](#) updated in 2023.

For Green, Social, and Sustainability Financing Instruments issued under this framework, Doha Bank will adopt the following key pillars:

- (I) Use of Proceeds,
- (II) Project evaluation and selection,
- (III) Management of proceeds, and
- (IV) Reporting,

as set out in this Framework. In addition, Doha Bank follows the ICMA Principles’ recommendations in terms of External Review, including Verification.

The Bank distinguishes the type of funding instruments that can be issued under this Framework, as follows:

- **Green Financing Instruments**, to finance and/or refinance eligible green assets.
- **Social Financing Instruments**, to finance and/or refinance eligible social assets.



- **Sustainability Financing Instruments**, to finance and/or refinance a combination of eligible green assets and eligible social assets.

Doha Bank may update this Framework from time to time and at its discretion, to reflect best market practises and new regulatory developments. Doha Bank is aware of the EU Taxonomy Regulation reporting requirements for financial and non-financial institutions located in the European Union and with exposure to assets located in the European Union, as well as of the definition of the EU Green Bond Standard (EU GBS), which is voluntary standard for EU and international green bond issuers¹. Doha Bank’s eligible green assets are located outside from the EU and subject to different laws and regulation. However, Doha Bank, showcasing its awareness of the current green bond market developments, has taken into consideration the EU Taxonomy Technical Screening Criteria (TSC) for Substantial Contribution to Climate Change Mitigation and has implemented them, on a best effort basis and where possible (e.g., Top 15% location-based approach for Green Buildings). Lastly, the green eligible assets positively contribute to the broad EU Environmental Objective of Climate Change Mitigation. Doha Bank will keep monitoring the evolution of various green standards in the market.



Any subsequent version of this Framework will either keep or improve the current level of transparency and will be published on the Bank’s official website.

2.1 Use of Proceeds

The proceeds from the Sustainable Financing Instrument will be used to finance assets identified based on internationally recognized standards (**Eligible Assets**). These Assets will collectively form the **Sustainable Finance Asset Pool**.

To be eligible, the loan must fall in at least one of the categories described in the table below (**‘Eligible Categories’**):

Green Eligible Categories and Eligibility Criteria:



ICMA Green Eligible Category	Eligibility Criteria for asset selection	Contribution to the UN SDGs
Green Buildings	<ul style="list-style-type: none"> • New and existing buildings that meet the minimum external green building certification level of either: <ul style="list-style-type: none"> - LEED² ‘Gold’ - BREEAM³ ‘Excellent’ - Global Sustainability Assessment System (GSAS)⁴ ‘3-4 star’ 	 

¹ As of April 2023, the EU Council and EU Parliament have reached a provisional agreement on the EU Green Bond Standard, but the EU Green Bond Regulation is not yet in place.

² Leadership in Energy and Environment Design (International).

³ Building Research Establishment Environmental Assessment Method (International).

⁴ In Qatar, the State has developed its buildings sustainability assessment called Global Sustainability Assessment System. The assessment criterion takes into consideration various categories related to sustainable development and its impact on environmental stress mitigation. Each criterion elucidates the requirements of reducing environmental stress and a score is then given to each criterion based on the level of compliance. QSAS is assessed on the following eight categories: urban connectivity, site, energy, water, indoor environment, materials, management, and operations and cultural – economic values.

	<ul style="list-style-type: none"> - BCA Green Mark⁵ 'Gold plus' - Passive Haus (carbon neutral) - Equivalent building environmental certification schemes <ul style="list-style-type: none"> • New and existing residential (or commercial) buildings that are within the top 15% more energy-efficient buildings⁶ respectively in the residential (or commercial) national building stock, as determined through, for instance, a specialist study, public information, or via the Climate Bond Initiative (CBI) Low Carbon Buildings Standard, if available for the relevant location • Loans for energy efficient residential buildings granted under the Doha Bank Green Mortgage Loan scheme⁷ • Refurbished buildings that achieve a minimum 30% improvement in energy use or carbon emissions, or at least a two-step improvement in terms of the Global Sustainability Assessment System (GSAS) 	
<p>Renewable Energy</p>	<p>Renewable energy generation facilities from the following renewable sources:</p> <ul style="list-style-type: none"> • Wind: Onshore and offshore • Solar: Photovoltaic solar power, concentrated solar power (CSP) and solar thermal • Hydroelectric: Run-of-river and small-scale projects (maximum 25 MW of installed capacity) generating no more than 5W/m² or emissions intensity of less than 100gCO₂e/kWh • Bioenergy: Facilities for electricity generation with emission intensity of less than 100gCO₂e/kWh, heating, or both (CHP)⁸ that use biomass or biofuel from sustainable sources⁹ 	 





⁵ Building and Construction Authority Green Mark (Singapore/SE Asia).

⁶ Top 15% best in class buildings in terms of energy efficiency, defined via energy demand and/or carbon emission intensity. For loans marked under this criterion, Doha Bank will refer to a specialist study which provides context and definition of the Top 15% respectively for residential and commercial buildings within the relevant national or regional building stock (separately for residential and commercial buildings, in accordance with market practice and investor expectation) or will refer to the Climate Bond Initiative Standard, if a specific Low Carbon Building Standard is made available for the relevant geographical context.



⁷ Doha Bank promotes environmental consciousness among homeowners and contribute to the nation's mission to fight against climate change. Green Home Loan offer rewards environmentally friendly homemakers and prospective homeowners with extremely attractive benefits as one of the ways we encourage greener choices. Information on the green product can be found [here](#).

⁸ Combined Heat and Power.


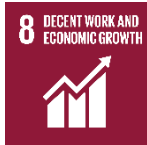
⁹ Feedstocks include forest (certified to Forestry Stewardship Council (FSC), Programme for the Endorsement of Forest Certified (PEFC), Sustainable Biomass Partnership, or Roundtable on Sustainable Biomass), agricultural waste, food waste and marine (e.g., algae). As a general approach, Doha bank intends to fully exclude feedstocks that that are derived from sources of high biodiversity, deplete terrestrial carbon pools, or compete with food production.

<p>Energy Efficiency</p>	<ul style="list-style-type: none"> • District heating and cooling systems • Direct connections to renewable energy sources • Smart energy grids, energy meters, management systems and battery storage facilities • Smart Cities • Energy efficient equipment for buildings (e.g., insulation, LED lighting and HVAC (heat, ventilation, and air conditioning), instruments for measuring and controlling the energy performance of buildings, etc.) 	 
<p>Clean Transportation</p>	<p>Low carbon vehicles for public and passenger purposes, including cars, buses, ferries, and trains powered by either:</p> <ul style="list-style-type: none"> • Electricity (Battery Electric Vehicles, BEVs) • Plug-in hybrid electric with direct emissions intensities < 50gCO₂e/km • Hydrogen, or fuel cell • Loans granted under the Doha Green Car Loan Scheme¹⁰ if the asset respects the eligibility criteria above <p>Low carbon transport infrastructure including electrified railways, electrified metro lines and charging stations for electric vehicles.</p>	 

Social Eligible Categories and Eligibility Criteria:

ICMA Social Eligible Category	Eligibility Criteria for asset selection	Contribution to the UN SDGs
<p>Healthcare</p>	<p>Loans dedicated to the financing of healthcare facilities, including hospitals for the provision of healthcare, including facilities that treat specific physical and/or cognitive conditions, rehabilitation services and elderly care facilities. The target population is represented by patients affected by physical and/or mental illnesses and elderly. Doha Bank intends to report on the target population within its output/impact report.</p>	
<p>Education</p>	<p>Loans financing the activities of education facilities, such as schools, universities, and campuses, including school sports facilities dedicated to students. The target population is represented by students and young population. Doha Bank intends to be transparent regarding the type of educational loans that will be included in the Sustainable Finance Asset Pool, and, within its annual Sustainable Finance Report, the Bank will highlight whether educational loans are for general corporate purposes or dedicated to finance a specific activity (i.e., specific courses for underprivileged students, vocational training courses for learners to prepare them to specific occupations, etc.).</p>	

¹⁰ Information on the Green Car Loan can be found [here](#).

	<p>Doha Bank intends to take into considerations additional themes, like affordability relative to the context, when making the project evaluation and selection (ESG Bond Committee). In addition, a description of affordability considerations and an overall social benefit analysis for such projects will be added to the impact report¹¹.</p>	
<p>Support to SMEs and micro-finance</p>	<p>Loans to SMEs¹², microfinance and entrepreneur clients with an emphasis on employment creation or employment retention in economically underperforming regions</p> <ul style="list-style-type: none"> • Loans to female-owned SMEs¹³ and female entrepreneur clients • Loans to SMEs and micro enterprises negatively impacted by economic slowdown as a result of various events such as natural disaster (e.g., earthquakes, floods, etc.), social and/or health emergencies including the Covid-19 pandemic (including loans provided under State Guarantee Schemes) <p>The target population is represented by SMEs, micro-finance and entrepreneur clients who are female or SMEs and micro-enterprises impacted by external factors, with a consequently negative impact on employment generation or retention.</p>	 

Exclusions

The Sustainable Finance Asset Pool will explicitly exclude unfunded and non-performing exposures, as well as loans to businesses or projects in the following domains:

- ✘ Fossil fuel-related energy generation
- ✘ Environmentally negative resource extraction (such as rare-earth elements, metals, or fossil fuels)
- ✘ Nuclear and nuclear-related technologies
- ✘ Weapons, tobacco, gambling, and adult entertainment
- ✘ Deforestation and degradation of forests

2.2 Process for Project Evaluation and Selection

Doha Bank has established an internal process to identify Eligible Assets in Green and Social Eligible Categories, in accordance with the guidelines of the ICMA and the LMA / LSTA / APLMA Principles.

Green and Social Eligible Assets are evaluated and selected based on compliance with the Eligibility Criteria as defined in the Use of Proceeds section of this Framework. The evaluation and selection process is governed by Doha Bank ESG Bond Committee, formed by members of Treasury, Wholesale and Retail Banking, Investor Relations, Market and Credit Risk, Finance, and Strategy. As required, additional attendee can be nominated by the ESG Bond Committee. The ESG Bond Committee intends to meet quarterly. Ad-hoc meetings may also be held as and when required.

¹¹ Additional to estimated impact reporting indicators for Education as indicated in the Reporting Section.

¹² The definition of SME and microfinance organisations is determined by each country in line with local practices.

¹³ Female owned SME to be majority-owned or majority managed (>50%) by females.



The ESG Bond Committee is entrusted with the following tasks:

- Perform decision-making process to select eligible assets for Doha Bank Sustainable Asset Pool in line with the Framework. This decision-making process refers to the evaluation of the potential assets' compliance with the Eligibility Criteria for asset selection as per this Framework, as well as the assets' evaluation considering any potential environmental and social risks and negative externalities that may be generated in the context of asset financing. Doha Bank is keen to transparently report within its Sustainable Financing Report on the outcome of such assessment, when relevant and on a best effort basis
- Update the Framework, at its own discretion
- Observe developments in areas of environmental, social and governance concern (ESG) (incl. regulatory and market driven)
- Review and approve all allocation and impact reporting documents prior to their publication.
- Obtain and routinely monitor position value of assets in the Sustainable Asset Pool and map against outstanding Sustainable Financing Instruments
- Perform an annual review of the Sustainable Asset Pool to validate that all assets still meet the Eligibility Criteria.

Doha Bank's Treasury division will allocate the proceeds of the green, social and sustainability bond to the selected portfolio of Eligible Assets in accordance with the criteria described above.

2.3 Management of Proceeds

The proceeds from Sustainable Finance Instruments will be managed by Doha Bank in a portfolio approach. The Bank intends to allocate the proceeds from Sustainable Finance Instruments to a pool of eligible assets, called the **Sustainable Finance Asset Pool**.

As mentioned, assets in the pool are evaluated and selected in accordance with the Eligibility Criteria and evaluation and selection process presented above.

Doha Bank will strive, over time and if feasible, to achieve a level of allocation for the Sustainable Finance Asset Pool that matches or exceeds the balance of net proceeds from its outstanding Sustainable Finance Instruments.

Eligible Assets will be added to or removed from the pool as and when required. Assets reaching maturity will be removed and new eligible assets will continue to be added. Additionally, any assets that fail to fulfil the eligibility criteria during the life of the outstanding bond or financing instrument will also be removed.

Doha Bank intends to fully allocate the proceeds within 24 months from issuance.

Unallocated net proceeds from Sustainable Finance Instruments will be held in Doha Bank's treasury liquidity portfolio, in cash or other short-term and liquid instruments, at the Bank's discretion but in line with the Exclusion List mentioned above.

2.4 Reporting

Doha Bank will publish a Sustainable Finance Report for the life of the Sustainable Financing Instrument. The report will be made available on our website dohabank.com/sustainability on an annual basis, and will comprise of the following:

- (i) **Allocation Report**



- The size of the Eligible Sustainable Asset Pool. In case Doha has only selected Green (or Social) Assets, then the reporting will be referring to a Green (or Social) Asset Pool. Doha Bank will also provide a split at the Eligible Category level
- The total amount of proceeds allocated to the Eligible Sustainable Asset Pool
- The number of Eligible Assets
- The balance (if any) of unallocated proceeds
- The number of new assets added to the portfolio on an annual basis ('financing portion')
- The number of assets removed from the pool on an annual basis, if relevant and on a best effort basis

(ii) **Impact Report**

On a best effort basis and subject to feasibility and data availability, the impact reporting will focus on the information as laid out in the table in the Appendix of this Framework. Information will be presented on a portfolio basis and in a standardized manner, in line with the '[ICMA Handbook – Harmonized Framework for Impact Reporting](#)' as well as the 'ICMA Harmonized Framework for Impact Reporting for Social Bonds'.

2.5 External Review

Pre-issuance: Second Party Opinion

Doha Bank has obtained an independent second-party opinion ('**SPO**') from an external experienced ESG party to confirm the validity of this Framework pre-issuance. The independent SPO is published on our website dohabank.com/sustainability and is also available on the website of the external reviewer. The SPO is provided at the Framework level.

Post-issuance: Verification

Doha Bank may request on an annual basis, a limited assurance report of the allocation of the Sustainable Finance Instruments proceeds to eligible assets, provided by its external auditor or any other qualified party.



Appendix: Impact reporting table

Eligible Category	Output and Impact indicators (exemplary only)
Renewable energy	<ul style="list-style-type: none"> • Installed capacity (MW) • Annual production of renewable energy (MWh) • Estimated annual emissions avoided (in CO₂e)
Clean transportation	<p>Low carbon vehicles:</p> <ul style="list-style-type: none"> • Number of vehicles (units per year) • Estimated annual emissions avoided (in CO₂e) <p>Low-carbon infrastructure:</p> <ul style="list-style-type: none"> • Number/KM of units • Estimated modal shift, by transferring transport from road to e.g., railway • Estimated annual emissions avoided (in CO₂e)
Green buildings	<ul style="list-style-type: none"> • Overview of Environmental Certification or Energy Performance Certificate or Top 15% most energy efficient buildings, if relevant • Estimated annual energy consumption in KWh/m² or savings in MWh • Estimated annual emissions avoided (in CO₂e)
Energy efficiency	<ul style="list-style-type: none"> • Number and type of projects being financed • Depending on data availability, the estimated annual amount of energy saved (% or MWh per year) and emissions avoided (in CO₂e)
Healthcare	<ul style="list-style-type: none"> • Number of healthcare facilities financed • Number of beneficiaries
Education	<ul style="list-style-type: none"> • Number/amount of loans granted to essential services • Number of enrolled students • Number of training program graduates successfully employed
SMEs and micro-enterprises	<ul style="list-style-type: none"> • Number/amount of loans granted to SMEs, microenterprises, entrepreneurs • Number/amount of loans granted to SMEs, microenterprises, entrepreneurs owned by women • Number of jobs created or retained in the selected region on a best effort basis, based on estimates and assumption which will be disclosed



Disclaimer

This document is intended to provide non-exhaustive, general information. This document may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Doha Bank and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Doha Bank as to the fairness, accuracy, reasonableness, or completeness of such information.

This document may contain statements about future events and expectations that are forward looking statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. Doha Bank has and undertakes no obligation to update, modify or amend this document, the statements contained herein to reflect actual changes in assumptions or changes in factors affecting these statements or to otherwise notify any addressee if any information, opinion, projection, forecast, or estimate set forth herein changes or subsequently becomes inaccurate.

This document is not intended to be and should not be construed as providing legal or financial advice. It does not constitute an offer or invitation to sell or any solicitation of any offer to subscribe for or purchase or a recommendation regarding any securities, nothing contained herein shall form the basis of any contract or commitment whatsoever and it has not been approved by any security regulatory authority.

No representation is made as to the suitability of any sustainable finance instrument to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of green financial instruments should determine for itself the relevance of the information contained or referred to in this framework or the relevant bond documentation for such green financial instruments regarding the use of proceeds and its purchase of green financial instruments should be based upon such investigation as it deems necessary.

The distribution of this document and of the information it contains may be subject of legal restrictions in some countries. Persons who might come into possession of it must inquire as to the existence of such restrictions and comply with them.

The information in this document has not been independently verified.

The addressee is solely liable for any use of the information contained herein and Doha Bank shall not be held responsible for any damages, direct, indirect, or otherwise, arising from the use of this document by the addressee.