

Board of Directors' Report for the Financial Year Ending 31st December 2024

Doha Bank continues to implement its ambitious strategy, which has contributed to maintaining a distinctive level of financial performance as well as a commendable performance at the financial, organizational, and service delivery levels. During 2024, most of the objectives defined in the bank's strategic plan and annual budget were successfully achieved. The bank enhanced and strengthened its financial position, achieved a distinctive return on average shareholders' equity and average assets, and launched a wide range of innovative banking products and services particularly in the field of digital banking. Focusing on risk and capital management, implementing advanced technology to provide customer-centric solutions, employing highly qualified and experienced professionals at various key senior positions, and optimizing the domestic branch network were also among the accomplishments.

During the year, the bank management has put a considerable emphasis on talent management, recognizing it as a critical driver of transformation. The bank has made substantial investments in talent development through its Learning & Development team, fostering a culture of continuous improvement in the academic and technical aspects. A key component of this effort has been the Qatarization program, which focuses on identifying and nurturing Qatari talent to develop future leaders. Qatari nationals have been enrolled in intensive training programs, gaining international business banking skills and hands-on experience by working in the bank's branches.

Doha bank operates through its head office in Qatar (Doha) and a network of 15 local branches, 2 Corporate Service Center, and 1 Corporate Branch. Internationally, the bank has 4 overseas branches located in the United Arab Emirates, Kuwait, and India, along with representative offices in key global markets, including the United Kingdom, Singapore, Turkey, China, Japan, Bangladesh, South Africa, and Nepal

The bank fully owns Sharq Insurance Company, and as part of its strategic review, the bank entered into a Memorandum of Understanding concerning the prospective acquisition of Sharq Insurance Co. by Alkhaleej Takaful Insurance Company. The bank also has a 38.48% strategic stake in Doha Brokerage and Financial Services Limited, an Indian brokerage company specializing in asset management and brokerage services.

Strategic Initiatives

In the last quarter of 2023, Doha Bank initiated an enterprise-wide strategic assessment in collaboration with a top management consultant. This engagement resulted in the launch of the **'Himma' Transformation**, a bank-wide initiative aimed at building a stable, sustainable, and innovative bank that delivers long-term value for shareholders and contributes meaningfully to the Qatari economy.

The transformation is structured around 3 overarching objectives – ensuring the stability & sustainability of the bank, improving upon the core business to driving future growth and profitability and accelerating Digital & IT transformation to improve efficiency and customer experience. Under the transformation, the bank identified 10 strategic dimensions and 87 high-impact initiatives designed to maximize stakeholder value.

The Himma Transformation represents a pivotal milestone in Doha Bank's journey towards sustained excellence. The progress achieved over the past year demonstrates the bank's commitment to delivering value to all stakeholders and strengthening its position as a leading financial institution in the region.

As we complete the first year of this transformation journey, the bank has achieved significant improvements in financial and operational performance. Key achievements include substantial progress in critical financial metrics such as Net profit, Return on Equity, Share price, Capital Adequacy, and Balance sheet improvement, which reflect the initial success of the transformation journey. Additionally, the bank's focus on enhancing core systems and advancing digital transformation has resulted in a marked improvement in customer experience and brand perception. The success of the Himma Transformation has been enabled by the induction of a new leadership team, an improved organizational culture, and continuous engagement with stakeholders, including regulators, clients, and shareholders.

Financial Performance:

The audited financial statements for the year ended 2024 showed net profit QAR 851 million compared to QAR 769 million in 2023 recording a growth of 10.7%, total assets as at 31 December 2024 reached QAR 110.2 billion to grow by QAR 9.0 billion representing 8.9% as compared to QAR 101.2 billion same period last year, while net loans and advances reached to QAR 61 billion indicating a growth of 5.1% as compared to the same period last year. Customer deposits decreased by QAR 0.7 billion or 1.4% to reach QAR 50.9 billion as at 31 December 2024 as compared to QAR 51.6 billion last year. The investment portfolio reached to QAR 34.2 billion recording a growth of 12.6%, year-on-year. The net operating income for the year 2024 was QAR 2.7 billion, while net fee and commission income grew by 6.8% to reach to QAR 402 million.

The bank continues to maintain stable capital and liquidity positions. The Common Equity Tier 1 (CET1) ratio reached 13.28% and the Total Capital Adequacy Ratio is strong at 19.54%, the loan to deposit ratio continues to be within regulatory limits, reaching 98.25%. The bank has significantly improved its funding profile over the last year, and this will allow the bank to fund future lending growth, which we are anticipating in 2025." Liquidity coverage ratio continues to be high at 167.6% up from the previous year-end 142%. The total shareholder's equity reached QAR 14.8 billion, showing an increase of 2.6% as compared to last year.

Future Plan of the Bank:

In 2025 and beyond, Doha Bank aims to build on the foundational successes achieved through the Himma Transformation. With the majority of transformation initiatives now in the execution phase, it is crucial to maintain a focused and disciplined approach to ensure their effective implementation. As a cornerstone of our transformation journey, we will continue prioritizing investments in technology and talent development, recognizing these as critical enablers of sustainable growth for the bank.

We also understand that geopolitical, macro-economic, technological, and other global changes can have a profound impact on the banking sector and the broader financial services ecosystem. Accordingly, risk and capital management will also remain one of the core attention areas for bank. Given the rapid evolution of the technological landscape, Doha Bank will sustain its commitment to automation, digitization, and innovation, leveraging emerging technologies to

deliver customer-centric solutions. The proactive stance of the Qatar Central Bank in regulating disruptive technologies serves as a key enabler for the bank's adoption of cutting-edge solutions.

In addition to our technological focus, we are deeply committed to sustainability. The bank will accelerate the integration of Environmental, Social, and Governance (ESG) principles across all areas of its operations, reflecting our commitment to responsible banking practices and creating long-term value for stakeholders.

As the financial services industry navigates a new era characterized by digitization, ESG imperatives, competitive pressures, and evolving regulations, Doha Bank remains fully committed towards its customers, shareholders, people, and broader society.

Products and Services:

In 2024, the Bank remained dedicated to delivering outstanding prizes by revamping the Al-Dana savings program. This renewal provided a new identity for the product, making it more appealing to our target market, especially the Qatari segment. The Al-Dana Savings Account maintains its status as Qatar's top savings account, offering competitive interest rates along with excellent opportunities to win cash prizes, including the largest individual prize in Qatar of QAR 2.024 million. It is the only savings account that offers both cash prize chances and guaranteed returns on savings. Additionally, in Retail remittances, Doha Bank has announced its partnership with Mastercard, making it the first bank in Qatar to launch Mastercard Move. This collaboration supports Doha Bank's goal of leading in digital banking innovation by providing customers with easy, secure, and convenient options for managing international fund transfers.

Doha Bank continues to strive as a key player in the cards business space in the Qatari market. Credit card spend volume recorded a growth of 19.4% YoY. The year 2024, marked Doha Bank signing a landmark deal with Mastercard which was the largest deal of its kind in Qatar. As part of this agreement, Doha Bank also has exclusive rights to Lionel Messi to be used as a creative asset, the bank intends to capitalize on this opportunity and launch a line of Lionel Messi Cards which will help improve Doha Bank's brand equity. The bank continued to play its part and support the national payment landscape by participating in initiatives such as the Himyan Debit Card, whereby Doha bank became one of the first banks to launch the product and the only bank to introduce exclusive discounts for the Himyan Debit Card.

During the year, Doha Bank continued to promote its corporate card business, the overall corporate spends increased by approx. 107% on a YoY basis with new corporate clients onboarded, seeking to avail Doha Bank's corporate card business every day. The bank continues its product innovation journey by becoming the first bank in the market to launch the Visa Commercial Pay (VCP) platform and first in the CEMEA Region to launch VCP-Mobile Module, which allows its corporate clients to issue virtual cards that help them fulfil their commercial payment solution needs pioneering Doha Bank as the leader in digital innovation and solutions to its corporate card clients.

In 2024, our retail loan segment demonstrated resilience and adaptability in a dynamic market environment. We implemented strategic promotions and partnerships to drive growth and enhance our competitive position. Notably, our personal loan sales increased by 22% year-over-year, while buyout loan sales surged by 78%. We launched targeted campaigns throughout the year, including a New Personal Loan Campaign offering up to 25,000 cash back for new-to-bank

(NTB) and buyout customers, and an innovative Qatari NTB and Buyout Loan campaign featuring up to 1 million Avios rewards. We also expanded our auto loan offerings through partnerships with luxury brands such as Porsche, Bentley, BYD, and Audi, providing attractive deals to our customers. Doha Bank has consistently demonstrated leadership in the housing finance sector by offering innovative, customer-centric solutions tailored to the evolving needs of homeowners. Our Housing Loan (HL) portfolio and the 2024 HL Campaign have redefined excellence in the market, achieving exceptional growth and aligning with Qatar's sustainability vision. These initiatives, coupled with our agile response to market demands and the introduction of new incentive schemes for our sales staff, have positioned us strongly for continued growth in the retail lending sector.

With a view to maintain diverse set of products and services, Doha Bank is also delivering exceptional bancassurance products with leading insurance providers such as MetLife, Sharq Insurance and Al Khaleej Takaful. In 2024, the bank has distributed more than 6,100 insurance policies to its esteemed customers. The bank offered free car Insurance to its New Al Riyada customers and also offered a 10% discount on payment through digital means for select Insurance products and to add to this, the option to purchase, Motor and Travel Insurance via mobile app was also added to the suite of Retail Banking offerings. This is certainly owed to the confidence and regard customers have for Doha Bank as their preferred bank and trusted leading financial institution in Qatar.

Digital transformation has been one of the key priorities for Doha Bank. Our digital transformation is built on a foundation of innovation, inclusivity, and customer-centric design, with its mobile app leading the way. Bank has revamped its Retail Mobile Banking in 2024 and the new app delivers a seamless banking experience, minimizing effort for users while maximizing functionality. Key features include instant savings account opening, insurance services, quick loan applications, loan top-ups, cash advance and installment payment options.

From a Wholesale Banking perspective, 2024 has been a year of significant advancements and strategic alignment with Doha Bank's transformation strategy and the Himma initiative. The Wholesale Banking team has prioritized meeting the evolving digital banking needs of our clients, with a focus on digitization, revenue growth, new product and service rollouts, automation, transitioning from physical to digital interactions, client-centric solutions, and cost optimization. Over the year, Wholesale Banking achieved key milestones in enhancing Cash Management, Payment Services, and Trade Finance offerings. In Cash Management, we introduced several new features to our Corporate Online Banking platform, Tadbeer. These include General Tax Payment integration, simplified transaction approvals using a single OTP, and bulk payment capabilities. Notably, Doha Bank became the first to launch FAWRAN for corporate clients.

In Trade Finance, we successfully implemented the E-Trade module through the Tadbeer platform, streamlined Trade Finance procedures, and enabled Trade Advice and SWIFT functionality on the Tadbeer Online Banking platform. Furthermore, we made significant global enhancements to the Tadbeer platform in the UAE and Kuwait, while also launching Confirmation.com in Qatar, UAE, and India to automate balance confirmation processes.

These initiatives underscore our commitment to providing innovative, efficient, and client-focused solutions that support the broader goals of our transformation program and enhance the value we deliver to our stakeholders.

By providing all these innovative services to diverse customer groups, Doha Bank has redefined what it means to be a digital leader, delivering exceptional value to all customer segments.

Environmental, Social, Governance at Doha Bank:

Doha Bank is committed to bringing ESG to the core of our business. In 2023, the bank added ESG as one of key strategic pillars and launched its Sustainable Finance Framework. In 2024, Doha Bank accelerated its ESG journey. A robust ESG strategy framework has been developed, underpinned by a thorough double materiality assessment. This exercise identified key material risks and opportunities, shaping the Bank's strategic approach to ESG. A new ESG governance structure has also been established, ensuring effective oversight at the Board level for all ESG and climate-related activities. Going forward, bank is keen to ensure its full compliance with the QCB supervisory principles for ESG that were published in 2024. With leadership engagement and our proactive approach towards ESG, we look forward to continuing ESG transformation journey, which will help in enhancing our brand value and the contribution to society.

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Awards:

Doha Bank's ongoing Himma Transformation has driven significant progress, as evidenced by the awards received for the Year 2024. These accolades, including "Excellence in Digital Innovation" from the Middle East Enterprise AI & Analytics Summit, "Highest International Spend Lifestyle Co-Brand Card" from Mastercard, "Golden Peacock Global Award for ESG" from the Institute of Directors, "Excellence in Digital Banking" from Finnovex Qatar, "Best Bill Payment and Presentment in Qatar" from Global Finance, and "Best in Transformation in Qatar" also from Global Finance, demonstrate the Bank's success in delivering innovative and customer-centric solutions while upholding strong ESG principles.

Acknowledgement:

The Board of Directors of Doha Bank would like to extend their sincere thanks and gratitude to H.H. the Amir, Sheikh Tamim Bin Hamad Al-Thani, H.E. the Prime Minister and Minister of Foreign Affairs, Sheikh Mohammed Bin Abdulrahman Bin Jassim Al-Thani, the Minister of Finance, H.E. Mr. Ali Bin Ahmed Al Kuwari, the Minister of Commerce and Industry, H.E. Sheikh Faisal bin Thani bin Faisal Al Thani, H.E. the Governor of Qatar Central Bank, Sheikh Bandar Bin Mohammed Bin Saoud Al-Thani, and to all the officials of Qatar Central Bank, the Ministry of Commerce & Industry, Qatar Financial Markets Authority and Qatar Stock Exchange for their continued cooperation and support.

The Board of Directors would also like to sincerely thank all the shareholders and customers in addition to the bank's executive management and staff for their cooperation and efforts.

Fahad Bin Mohammad Bin Jabor Al-Thani
Chairman