



Allocation Report 2024 YE

Sustainability at QNB

QNB Turkey (QNB) defines sustainability as a transformation journey that starts from its own activities and extends to all its stakeholders.

The main guidance of QNB's sustainability strategy is the sustainability framework of QNB Group.

The key pillars of QNB Group's sustainability framework are

**Sustainable Finance,
Sustainable Operations and
Beyond Banking.**

In this regard, QNB has adopted the Group's sustainability framework and created "QNB Sustainability Road Map". All three pillars support QNB's goal of Sustainable Financial Performance, through reducing risks, opening up new business opportunities and strengthening our brand. Under each pillar, we have identified Material Topics and a series of actions plans to improve our performance.

The QNB sustainability roadmap focuses on four main impact areas: **"Green Transformation", "Responsible Transformation", "Internal Transformation" and "Transformation of the Financier"**.

The first two impact areas,

Green Transformation and Responsible Transformation, focus on the sustainable transformation of our customers,

The other two impact areas,

Internal Transformation and Financier Transformation, centers sustainability of the Bank's own operations.



Green / Sustainable Bonds

In 2024, QNB issued a public Sustainable Eurobond in the amount of USD 500 million
 In 2023, QNB issued a Green Private Placement Bond in the amount of USD 63 million

- In 2023, QNB made one of the very few Green Bond issuances in Turkish Private Placement Market which continued throughout 2024.
- In 2024, QNB issued a USD 500 million Sustainable Eurobond. The use of proceeds will be Applicable Green and Social categories in QNB's Portfolio.

Bond Details

Issuer: QNB Bank A.Ş.
 LEI: 789000Q21SW842S91J58

	Bond #1	Bond #2	Bond #3	Bond #4	Bond #5
ISIN	XS2798098310	XS2912352551	XS2921631003	XS2921631185	XS2968728068
Issuance Type	Sustainable Bond	Green Bond	Blue Bond	Green Bond	Social Bond
Issue Date	21 May 2024	03 Oct 2024	16 Oct 2024	16 Oct 2024	30 Dec 2024
Maturity	21 May 2029	15 Sep 2029	20 Sep 2029	20 Sep 2029	30 Jun 2025
Bond Amount	USD 500 million	USD 20 million	USD 25 million	USD 100 million	USD 40 million
Allocation	100%	100%	0%	50%	100%

Total
 as of 31.12.2024

USD 685 million



Green / Sustainable Deposit - 1st in Türkiye

We enable our customers to invest in sustainable projects in our portfolio

- As QNB, we enable our customers to access finance/refinance sustainable projects under our eligible portfolio constructed in accordance with QNB Sustainable Finance and Product Framework
- QNB is the 1st Bank in Türkiye offering such product to its clients. With this opportunity given;
 - We allow depositors to invest their excess cash in projects in line with the UN Sustainable Development Goals.
 - Support customers' sustainability reports and ESG KPIs.
 - Offer the advantage of having a reliable and sustainable product.
- In accordance with QNB Sustainable Finance and Product Framework, the equivalent of USD 35.7 million proceeds will be used to finance/refinance green/social projects in the QNB's portfolio.

Depositors	Deposit Amount (million)	Agreement Date	Tenor	Status
Depositor1	TL 50	Oct 2023	1 year	Closed
Depositor15	TL 500	Jun 2025	3 months	Closed
Depositor16	TL 500	Aug 2024	3 months	closed
Depositor17	TL 200	Aug 2024	6 months	Open
Closing Balance as of 31.12.2024	TL 1,250 million	USD 35.7 million ¹		



Allocation Report

Bond and Deposit Allocation Status

The Allocation Report is prepared in accordance with the QNB Sustainable Finance and Product Framework.

Total amount of Green/Sustainable Bond issuance is USD 685 million, 610 million is allocated to eligible projects for refinancing purposes.

Total amount of Green/Sustainable Deposit is USD 35,7 million as well as the total amount of proceeds allocated to eligible projects.

As of December 2024, allocation is made to 33 green and 2 social loan projects

USD 75 million of the Bonds proceed remains allocated. There's no balance of unallocated proceeds for deposits.

Allocation of proceeds by...

Asset Category ^{1,2}	Allocation Amount, (USD'million) ²	Percent of Total Allocation	Number of Eligible Loans	UN SDG
Renewable Energy	34.0	100%	16	 
Green Buildings	240.0	100%	3	 
Clean Transportation	161.0	100%	2	  
Access to Essential Services	160.7	100%	2	
Environmentally sustainable management of living natural resources, land and biodiversity	50.0	100%	12	
Total	645.7	100%	35	
Expected percentage of net proceeds of funding allocated to eligible green/social loan portfolio		90%		



- 1 Eligible categories as defined in the QNB Sustainable Finance and Product Framework
- 2 All projects are located in Türkiye.