

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

Key Rating Drivers

Qatar National Bank (Q.P.S.C.)'s (QNB) Long-Term Issuer Default Rating (IDR) reflects potential support from the Qatari authorities, as reflected in a Government Support Rating (GSR) of 'a+'. The Rating Watch Negative (RWN) on the Long-Term IDR and GSR reflects that on the sovereign rating and Fitch Ratings' view that Qatar's ability to support domestic banks could come under pressure. This is due to uncertainty over Qatar's security environment after the Iran war, the risk of a downside scenario of a prolonged war or further damage to Qatar's oil and gas infrastructure, which could further affect Qatar's sovereign rating, as indicated by the RWN.

QNB's Viability Rating (VR) reflects the bank's flagship status and dominant franchise in the country, underpinned by its close links to the government. It also balances sound asset quality, solid profitability and adequate capitalisation against risks stemming from its international presence in challenging markets and a high reliance on external funding.

GSR of 'a+': The Qatari authorities have a strong propensity to support domestic banks, irrespective of the banks' size or ownership. They also have a strong ability to do so, as indicated by the sovereign rating and substantial net foreign assets and revenue, although this is weakened by the Qatari banking sector's large size relative to the domestic economy and a high reliance on external funding. QNB's GSR is one notch above the 'a' GSR for Qatari domestic systemically important banks (D-SIBs), due to its flagship status.

Flagship Bank: QNB is Qatar's flagship bank and is 50% owned by the Qatar Investment Authority (QIA). Its dominant domestic franchise (end-2025: 56% market share of net loans) is underpinned by its strong links with the state, resulting in high volumes of low-risk public sector business. International operations (2025: 38% of net profit) provide diversification benefits but expose the bank to higher-risk jurisdictions, mainly Turkiye (BB-/Stable) and Egypt (B/Stable).

Focus on GRE Lending: The bank's underwriting standards compare well with peers'. Its lending in Qatar (end-2025: 78% of total loans) is low-risk, supported by lending to government-related entities (GREs; 35%) and moderate exposure to the real estate and contracting sectors (a combined 8.5%, in line with the bank's internal limit). Contributions from international operations add diversification but also expose the bank to lower-rated markets.

Sound Asset Quality: QNB's impaired loans ratio remained low at 2.6% at end-1Q26 (unchanged from end-2025; end-2024: 2.8%), supported by loan growth (1Q26: 1.1%; 2025: 11.8%) and low impaired loans generation (1Q26 annualised: 0.3%; 2025: 0.7%; 2024: 1%). The bank's asset quality compares well with domestic peers', supported by fairly low-risk lending to Qatari GREs. Coverage of impaired loans is solid (end-1Q26: 141%; end-2025: 137%).

Solid Profitability: QNB consistently generates solid operating profits (1Q26: annualised 3.6% of risk-weighted assets (RWAs); 2025: 3.5%; 2024: 3.4%), underpinned by its strong competitive advantages, including close ties to the Qatari government, and strong net interest margins. Fitch expects QNB's operating profit/RWAs to drop slightly in 2026 on lower growth and precautionary credit provisioning charges from Iran war risks but to remain above 3%.

Adequate Capitalisation: Capitalisation is adequate (end-1Q26: common equity Tier 1 (CET1) ratio of 15.2%) and compares well with most peers'. Capitalisation is also supported by the availability of ordinary support from the Qatari authorities. We expect QNB's capital to remain stable due to a strong ability to generate capital internally and moderate growth targets.

High External Funding: Non-resident funding (end-2025: 60% of the parent bank QNB Qatar's funding) is above sector average. QNB's funding profile is supported by its leading regional franchise, large volumes of GRE deposits, and strong access to market liquidity and ordinary support.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

A downgrade of the sovereign rating or a negative change in Fitch's assessment of the government's propensity to provide support would likely result in a downgrade of QNB's GSR and Long-Term IDR.

The bank's VR is sensitive to further material expansion in more challenging operating environments that undermine its risk profile and asset quality. A weakening in its CET1 ratio to below 13% and tangible leverage ratio to below 6%, alongside a weaker ability to access capital markets or weaker support from QIA, its majority shareholder, could put downward pressure on the VR. A large increase in non-resident funding or a material decline in liquidity buffers could lead to a VR downgrade.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

QNB's GSR and Long-Term IDR could be upgraded if the sovereign's ability to support the sector has strengthened, as reflected by a sovereign upgrade, although this is unlikely given the RWN on Qatar.

An upgrade of the VR is unlikely unless the bank sharply reduces its exposure to more challenging markets, which would likely be accompanied by an improvement in QNB's operating environment score.

Other Debt and Issuer Ratings

QNB Finance Ltd

Rating Level	Rating	Outlook/Watch
Senior unsecured: long term	A+	RWN
Senior unsecured: short term	F1	-
Senior unsecured: long term (xgs)	BBB+(xgs)	-
Senior unsecured: short term (xgs)	F2(xgs)	-

Source: Fitch Ratings

QNB's Short-Term IDR of 'F1' is the lower of the two options mapping to an 'A+' Long-Term IDR because a large portion of the banking sector's funding is government-related, and financial stress at the bank is likely to arise when the sovereign itself is in distress.

QNB's Long-Term IDR (xgs) is at the level of its VR. The Short-Term IDR (xgs) is in accordance with the Long-Term IDR (xgs) and Fitch's short-term rating mapping.

The ratings of senior debt issued by QNB Finance Ltd, the bank's special-purpose vehicle, are in line with QNB's IDRs and IDRs (xgs) because the likelihood of default on any senior unsecured obligation issued by the special-purpose vehicle is the same as that of the bank.

QNB's Short-Term IDR is sensitive to changes in its Long-Term IDR.

QNB's Long-Term IDR (xgs) would mirror changes to its VR. The bank's Short-Term IDR (xgs) is sensitive to changes in its Long-Term IDR (xgs) and to Fitch's assessment of the bank's funding and liquidity profile.

The ratings of debt issued by the special-purpose vehicle are sensitive to changes in the bank's IDRs and IDRs (xgs).

Ratings Navigator

	Operating Environment	Business Profile 20%	Risk Profile 10%	Financial Profile				Implied Viability Rating	Viability Rating	Government Support Rating	LT Issuer Default Rating
				Asset Quality 20%	Earnings & Profitability 15%	Capitalisation & Leverage 25%	Funding & Liquidity 10%				
aaa								aaa	aaa	aaa	AAA
aa+								aa+	aa+	aa+	AA+
aa								aa	aa	aa	AA
aa-								aa-	aa-	aa-	AA-
a+								a+	a+	a+ RWN	A+ RWN
a								a	a	a	A
a-								a-	a-	a-	A-
bbb+								bbb+	bbb+	bbb+	BBB+
bbb								bbb	bbb	bbb	BBB
bbb-								bbb-	bbb-	bbb-	BBB-
bb+								bb+	bb+	bb+	BB+
bb								bb	bb	bb	BB
bb-								bb-	bb-	bb-	BB-
b+								b+	b+	b+	B+
b								b	b	b	B
b-								b-	b-	b-	B-
ccc+								ccc+	ccc+	ccc+	CCC+
ccc								ccc	ccc	ccc	CCC
ccc-								ccc-	ccc-	ccc-	CCC-
cc								cc	cc	cc	CC
c								c	c	c	C
f								f	f	ns	D or RD

The Key Rating Driver (KRD) weightings used to determine the implied VR are shown as percentages at the top. In cases where the implied VR is adjusted upwards or downwards to arrive at the VR, the KRD associated with the adjustment reason is highlighted in red. The shaded areas indicate the benchmark-implied scores for each KRD.

Factor Outlook

Stable
 Evolving
 Positive
 Negative

VR - Adjustments to Key Rating Drivers

The operating environment score of 'bbb-' is below the 'aa' category implied score due to the following adjustment reasons: size and structure of economy (negative), regulatory and legal framework (negative), financial market development (negative), and geographical scope (negative).

Company Summary and Key Qualitative Factors

Operating Environment

Qatari Banks on RWN

Fitch placed all eight Qatari banks' Long-Term IDRs and GSRs on RWN (see '[Fitch Places Qatari Banks on Rating Watch Negative](#)') in April 2026. The rating actions followed a similar action on Qatar's sovereign rating (see '[Fitch Places Qatar's 'AA' IDRs on Rating Watch Negative](#)'), and reflect Fitch's view of a potentially weaker ability of the Qatari authorities to support the banks, amid the Iran war.

Prolonged Conflict Could Pressure VRs

Fitch's baseline scenario remains that the Iran conflict will not be protracted, and assumes the Strait of Hormuz will begin reopening around July. However, pressure for Qatari banks' operating environment could come from greater disruption to the country's ability to export hydrocarbon due to damage to energy production, processing and transportation assets. The risk of renewed flare-up is key for the operating environment, but we view this risk as limited.

Although not our base case, a resurgence of hostilities in Qatar, or a protracted conflict in the region, remain the key risks for the banks' operating environment. This scenario could pressure bank asset quality, profitability and liquidity, and lead to VR downgrades, although support measures would be likely to reduce this risk (see 'Prolonged Iran Conflict Could Pressure Qatari Banks' Viability Ratings').

Iran War to Have Some Impact on Operating Conditions

Fitch expects the impact of the Iran war on the operating environment for Qatari banks to be rather contained, but to lead to some deterioration in operating conditions for banks in 2026. We expect credit growth of about 3% in 2026, below that of most other GCC countries, and revised from our forecast of 6% before the war. This is despite a weaker real GDP growth forecast of -14.6% for 2026, dampened by the impact of the war, and 9.3% in 2027. Real non-oil GDP is set to contract by 3% in 2026, and to expand by 5% in 2027.

Qatari banks' 2026 profitability metrics will likely be affected by reduced business activity amid the fallout of the war, and our expectation of higher loan impairment charges (LICs). Lower rates will continue to benefit the banks' funding costs, more so than in other GCC countries. We expect the sector-average operating profit/RWAs ratio to be between 2.5% and 3%.

Cost of Risk Likely to Increase; Contained Asset-Quality Deterioration

Qatari banks entered the conflict with a higher cost of risk than other GCC banking sectors, despite the stable operating environment, although it was reducing on strengthening asset quality. Fitch expects LICs to rise in 2026, as banks prudently book expected credit loss overlays in anticipation of asset-quality deterioration. However, these overlays should remain contained as banks have strong reserve coverage. Loan growth and still-reasonable economic activity are also likely to provide some relief, while lower rates will soften pressure on troubled sectors.

Difficulties in the real estate and construction sectors, to which Qatari banks' exposure is fairly high, persist due to a less favourable operating environment than in other GCC countries, but we expect lower rates to support these sectors. However, banks continue to have high shares of Stage 2 and Stage 3 loans in a GCC context, and we expect this trend will be exacerbated in 2026 by the implications of the war.

Foreign Funding Remains High and a Key Sector Weakness

Qatar's banking sector is the most dependent in the GCC on non-domestic funding. This funding comprised a high 43% of sector funding at end-3M26, despite falling from its end-2021 peak of 47% due to improved liquidity conditions, supported by reasonable oil prices. As a result, the banking sector's net external debt has fallen, but was still high at 49% of GDP at end-1Q26 (end-2021: 71%). This should remain stable, but exposes the sector to external political and economic shocks.

Business Profile

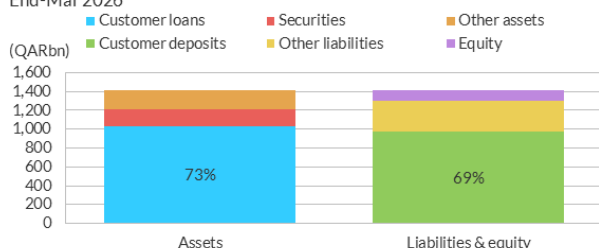
QNB was established in 1964 as the country's first Qatari-owned commercial bank. It has exceptionally high systemic importance in Qatar as the largest bank, with dominant market shares (end-2025: 56% of sector net loans). QNB is also the largest bank in the Middle East and Africa, with total assets of about USD382 billion at end-2025.

The bank's shareholding structure has remained stable since its incorporation. It is 50% owned by the Qatari government through the QIA, which participated in rights issues in 2008 and 2011. The bank's board of directors is typically equally split between the QIA and private sector representatives. Three board members are independent.

QNB is correlated with Qatar's 2030 National Vision plan and international strategy. The bank benefits from strong ties to the government and receives the largest share of government business and flow of funds among Qatari banks.

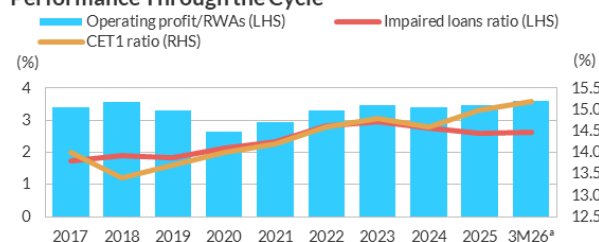
Balance Sheet

End-Mar 2026



Source: Fitch Ratings, Fitch Solutions, QNB

Performance Through the Cycle



* Annualised
 Source: Fitch Ratings, Fitch Solutions, QNB

Risk Profile

Focus on Low-Risk Qatari Underwriting

QNB's underwriting standards in Qatar (end-2025: 77.9% of loans) are low-risk and compare well with peers'. This is supported by high GRE lending (35%) and moderate exposure to the real estate and contracting sectors (a combined 8.5%, in line with the bank's internal limit). The latter are mainly related to the domestic market, government-related projects and tier 1 contractors. In retail lending (end-2025: 9.9% of loans), the bank focuses domestically on high-quality government employees, with lending extended against salary assignments.

QNB has high loan book concentration by single obligor, with the 20 largest loans (both funded and unfunded) representing 3.4x CET1 capital at end-2025. However, the majority of these exposures are to GREs or guaranteed by the government and covered by real estate or cash collateral, mitigating concentration risk.

International Network Raises Risk Profile

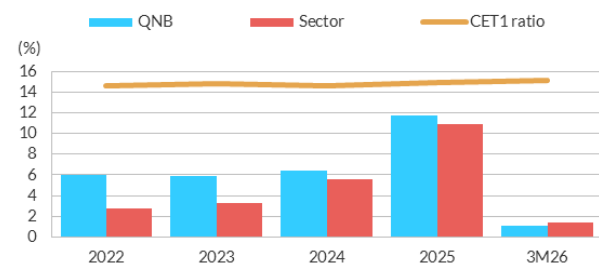
QNB is the most geographically diversified Qatari bank, with subsidiaries and associates in more than 28 countries across three continents. This diversifies the bank's business model, which is otherwise constrained by the fairly small and concentrated Qatari economy. However, it also adds exposure to higher-risk and more volatile jurisdictions.

International operations are material (end-2025: 22% of loans, 45% of deposits and 38% of net profit), with some concentration in higher-risk markets such as Turkiye (QNB Bank A.S. (BB-/Stable) and Enpara Bank A.S.; end-2025: combined 13% of assets) and Egypt (QNB Egypt; 5%). QNB's other main foreign markets are Indonesia, Tunisia, Syria, Switzerland, Iraq, Jordan, Togo and the UAE.

Risk limits and reporting tools are good and closely monitored. However, we believe loan underwriting standards at some foreign operations are not of the same quality as in Qatar. In Egypt and Turkiye, large exposures to the high-risk SME segment, along with high foreign-currency (FC) lending in Turkiye, heighten credit risks. These risks are mitigated by prudent provisioning, and lending is almost entirely extended in local currency.

QNB is exposed to currency risks from its investments in Egypt and Turkiye. The bank had FC translation losses of QAR467 million in 2025 (0.4% of equity; declining from 5% in 2024). These losses were offset by the impact of hyperinflation (QAR1.8 billion) through other comprehensive income. Revaluation on securities held at fair value through other comprehensive income is limited given the small size and good quality of the portfolio. Securities (13% of assets) mainly comprised debt from sovereigns and Qatari investment-grade corporate and financial institutions. The bank's FC assets and liabilities were well matched at end-2025. The majority of FC assets are denominated in US dollars, and this is mitigated by the Qatari riyal's long-standing peg to the US dollar.

Loan Growth



Source: FitchRatings, Fitch Solutions, QNB

Financial Profile

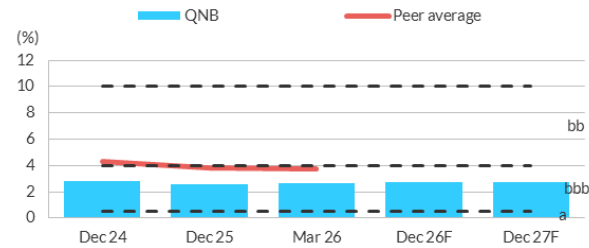
Asset Quality

QNB's asset quality compares well with peers' and is supported by its concentration in low-risk lending to Qatari GREs that forms most of its largest exposures. These entities are liquid with strong credit quality and have a record of zero defaults.

The Stage 3 loans ratio was stable at end-1Q26 at 2.6% (end-2025: 2.6%) due to low impaired loans generation (1Q26: 0.3%, annualised). The ratio improved in 2025 versus end-2024 (2.8%) as benign operating conditions supported strong loan growth (2025: 11.8%; 2024: 6.5%) and limited impaired loans generation (2025: 0.7%; 2024: 1%). Stage 2 loans accounted for a low 4.4% of gross loans at end-1Q26 (end-2025: 4.2%; end-2024: 4.7%) and were largely concentrated in real estate, services and trade. The bank's strategy to fully cover Stage 3 loans (specific coverage of 99.7% at end-1Q26) also underpins our asset-quality assessment.

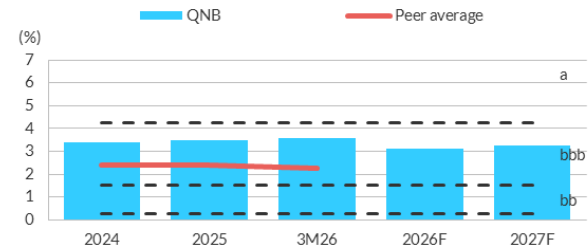
Residual pressures in the bank's real estate (including limited exposure to hospitality) and contracting lending portfolios, as well as risks from exposures in weaker operating environments, particularly Egypt and Turkiye, and a prolonged Iran war could exert some pressure on asset-quality metrics. However, we expect the Stage 2 and Stage 3 loans ratios to be broadly stable in 2026 due to a resilient loan book supported by high-quality obligors.

Impaired Loans/Gross Loans



Source: FitchRatings, FitchSolutions, banks

Operating Profit/Risk-Weighted Assets



Source: FitchRatings, FitchSolutions, banks

Earnings and Profitability

QNB is one of the strongest and most consistent banks in Qatar across most profitability metrics, supported by its flagship status, long-term strategy and stable management. Its operating profit remained broadly stable at 3.5% of RWAs in 2025 (2024: 3.4%), driven by a still-high net interest margin as well as by solid net fees and commission income. The ratio was the highest in the sector and benefits from QNB's fairly low RWA density (end-2025: 45.6%). The ratio was about 40bp higher when excluding net monetary losses arising from hyperinflation in Turkiye.

The bank's cost/income ratio remained stable at 25.6% in 2025 and compares well to domestic peers'. Its cost of risk (2025: 93bp; 2024: 89bp) is likely to be 80bp-90bp through 2026.

Annualised operating profit/RWAs increased slightly to 3.6% in 1Q26 (2025: 3.5%), supported by a 10bp higher net interest margin (3%, annualised; 2025: 2.9%) on lower funding costs.

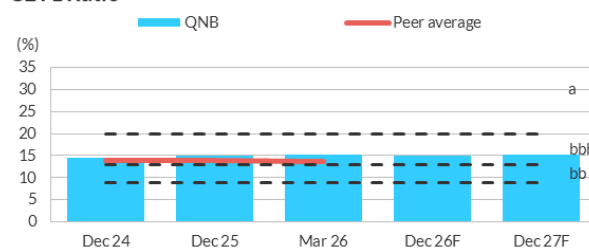
Fitch expects QNB's operating profit/RWAs to drop due to expected lower growth and additional precautionary credit provisioning charges from Iran conflict risks, but to remain above 3% in 2026.

Capitalisation and Leverage

QNB's CET1 ratio (end-1Q26: 15.2%; end-2025: 15%; end-2024: 14.6%) is adequate considering its 12% regulatory minimum, including a 3.5% D-SIB add-on. The total capital adequacy ratio was 19.4% at end-1Q26 (end-2025: 19.3%), comfortably above the 17% regulatory requirement. Additional Tier 1 notes (end-2025: 16% of total eligible capital) support this ratio.

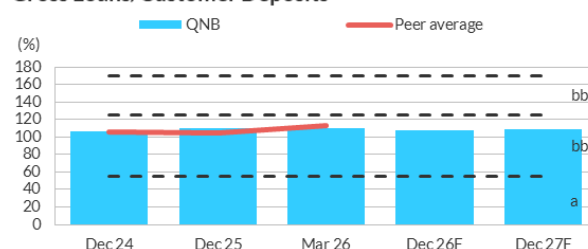
Capitalisation remains sensitive to potential FC translation and fair value losses, and should be viewed in light of high borrower concentration, although the borrowers are of strong credit quality given the high proportion of government lending and sovereign guarantees. QNB's tangible leverage ratio (end-1Q26: 7.3%; end-2025: 7.4%) is lower than at domestic and GCC peers. Unlike regulatory capital ratios, it does not benefit from the 0% risk-weighting on large government lending and sovereign securities.

CET1 Ratio



Source: FitchRatings, FitchSolutions, banks

Gross Loans/Customer Deposits



Source: FitchRatings, FitchSolutions, banks

Funding and Liquidity

QNB is mainly funded by customer deposits (end-1Q26: 78% of funding). The gross loans/deposits ratio was stable in 1Q26 (109.6%; end-2025: 110.5%) but increased from 106.5% at end-2024 following loan growth in 2025 (12%) that outpaced deposit growth (8%). The ratio remains below domestic peers. The bank has diversified its funding profile by tenor, geography and source in recent years. QNB's funding profile is supported by a strong domestic franchise, large volumes of government and GRE deposits (end-2025: 25.2% of deposits), and good access to capital markets, including during challenging market conditions.

Non-resident funding comprised an above-average 60% of the parent bank QNB Qatar's funding at end-2025. This has reduced from 62% at end-2021 but remains high. Higher levels of liquidity in the local market due to still-high hydrocarbon prices continue to support domestic deposit growth. However, non-resident deposits remain high and are much shorter-term, with about 55% maturing within six months at end-2025 and a further 18% maturing within a year, although they are stickier on a behavioural basis. Non-resident deposits are geographically diversified across Asia, Europe, the GCC, North America and North Africa.

Corporate deposits accounted for the majority (end-2025: 57.5%) of deposits. Reliance on non-resident deposits and on wholesale funding increases the bank's exposure to investor sentiment. Market funding comprises various debt securities issued in international debt capital markets. Liquidity remains underpinned by ordinary support from the Qatari authorities, if required. The liquidity coverage ratio was 144% and the net stable funding ratio was 105% at end-2025. Cash, net interbank and investment-grade debt securities covered 17% of deposits.

Additional Notes on Charts

Black dashed lines represent boundaries for indicative quantitative ranges and implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'bbb' category. Peer average includes First Abu Dhabi Bank P.J.S.C. (VR: a-), National Bank of Kuwait S.A.K.P. (a-), Qatar Islamic Bank (Q.P.S.C) (bbb), Doha Bank Q.P.S.C. (bb), The Commercial Bank (P.S.Q.C.) (bb+). Unless otherwise stated, financial year end is 31 December for all banks in this report.

Financials

Financial Statements

	31 Dec 23	31 Dec 24	31 Dec 25	31 Mar 26	31 Dec 26F	31 Dec 27F
	12 months	12 months	12 months	1st quarter	12 months	12 months
	(QARm)	(QARm)	(QARm)	(QARm)	(QARm)	(QARm)
Summary income statement						
Net interest and dividend income	30,524	32,919	35,920	9,430	-	-
Net fees and commissions	3,781	4,565	4,979	1,362	-	-
Other operating income	1,315	326	1,060	-10	-	-
Total operating income	35,620	37,810	41,959	10,781	41,740	44,096
Operating costs	8,006	9,607	10,574	2,939	11,209	11,881
Pre-impairment operating profit	27,615	28,203	31,385	7,842	30,531	32,214
Loan and other impairment charges	9,653	8,436	9,362	2,067	9,461	8,613
Operating profit	17,962	19,767	22,023	5,775	21,070	23,601
Other non-operating items (net)	-	-	-	-	-	-
Tax	2,297	2,824	4,669	1,356	-	-
Net income	15,665	16,942	17,354	4,420	16,646	18,645
Other comprehensive income	-4,281	-2,121	3,071	-588	-	-
Fitch comprehensive income	11,385	14,822	20,425	3,832	-	-
Summary balance sheet						
Assets						
Gross loans	887,208	944,422	1,055,707	1,067,071	1,108,492	1,208,256
– of which impaired	26,355	26,178	27,401	27,909	-	-
Loan loss allowances	34,221	33,664	37,628	39,471	-	-
Net loans	852,987	910,758	1,018,079	1,027,600	-	-
Interbank	86,477	79,138	52,191	71,772	-	-
Derivatives	7,128	7,518	9,532	9,723	-	-
Other securities and earning assets	181,056	183,184	195,566	195,338	-	-
Total earning assets	1,127,648	1,180,598	1,275,368	1,304,432	-	-
Cash and due from banks	87,820	101,371	97,663	87,360	-	-
Other assets	15,517	15,948	18,316	17,884	-	-
Total assets	1,230,985	1,297,917	1,391,346	1,409,676	1,443,563	1,547,116
Liabilities						
Customer deposits	857,106	887,010	955,412	973,689	1,027,068	1,114,369
Interbank and other short-term funding	156,991	171,203	142,424	142,177	-	-
Other long-term funding	65,689	73,516	104,159	109,062	-	-
Trading liabilities and derivatives	5,492	9,915	8,553	11,208	-	-
Total funding and derivatives	1,085,279	1,141,643	1,210,548	1,236,136	-	-
Other liabilities	35,499	42,489	56,082	48,543	-	-
Preference shares and hybrid capital	20,000	20,000	20,000	20,000	-	-
Total equity	90,207	93,785	104,716	104,997	-	-

Financial Statements

	31 Dec 23	31 Dec 24	31 Dec 25	31 Mar 26	31 Dec 26F	31 Dec 27F
	12 months	12 months	12 months	1st quarter	12 months	12 months
	(QARm)	(QARm)	(QARm)	(QARm)	(QARm)	(QARm)
Total liabilities and equity	1,230,985	1,297,917	1,391,346	1,409,676	-	-
Exchange rate	USD1= QAR3.6400	USD1= QAR3.6400	USD1= QAR3.6400	USD1= QAR3.6400	-	-

Source: Fitch Ratings, Fitch Solutions, QNB

Key Ratios

(%; annualised as appropriate)	31 Dec 23	31 Dec 24	31 Dec 25	31 Mar 26	31 Dec 26F	31 Dec 27F
Profitability						
Operating profit/risk-weighted assets	3.5	3.4	3.5	3.6	3.1	3.2
Net interest income/average earning assets	2.8	2.9	2.9	3.0	2.9	2.7
Non-interest expense/gross revenue	22.9	25.8	25.6	27.8	26.9	26.9
Net income/average equity	18.2	18.7	17.6	17.1	-	-
Asset quality						
Stage 3 loans ratio	3.0	2.8	2.6	2.6	2.7	2.7
Stage 2 loans ratio	5.5	4.7	4.2	4.4	-	-
Growth in gross loans	5.9	6.5	11.8	1.1	5.0	9.0
Loan loss allowances/impaired loans	129.9	128.6	137.3	141.4	143.8	144.4
Loan impairment charges/average gross loans	1.0	0.9	0.9	0.8	0.8	0.7
Capitalisation						
Common equity Tier 1 ratio	14.8	14.6	15.0	15.2	15.1	15.2
Tangible common equity/tangible assets	7.1	7.1	7.4	7.3	-	-
Basel leverage ratio	7.5	7.6	7.8	-	-	-
Net impaired loans/common equity Tier 1	-9.5	-8.5	-10.4	-11.7	-	-
Funding and liquidity						
Gross loans/customer deposits	103.5	106.5	110.5	109.6	-	-
Liquidity coverage ratio	206.0	179.2	143.8	146.8	-	-
Customer deposits/total non-equity funding	77.9	77.0	78.2	78.2	-	-
Net stable funding ratio	105.0	100.5	105.2	106.7	-	-

Source: Fitch Ratings, Fitch Solutions, QNB

Support Assessment

Government Support

Sovereign	Qatar
Sovereign Long-Term Issuer Default Rating	● AA/RWN
Total adjustment (notches)	-2
Typical D-SIB Government Support for sovereign's rating level	a or a-
Actual jurisdiction D-SIB Government Support	a
Government Support Rating	a+/RWN
Government ability to support D-SIBs	
Size of banking system	● Negative
Structure of banking system	● Negative
Sovereign financial flexibility (for rating level)	● Positive
Government propensity to support D-SIBs	
Resolution legislation	● Neutral
Support stance	● Positive
Government propensity to support bank	
Systemic importance	● Positive
Liability structure	● Neutral
Ownership	● Positive

The colours indicate the influence of each support factor in our assessment. Influence: Blue = neutral; Red = higher
 Source: Fitch Ratings

Fitch considers the Qatari authorities as having a strong propensity to support all domestic banks, regardless of their size or ownership, based on past support. For example, the authorities placed significant deposits with the banks to support sector liquidity in 2H17 following the start of the blockade between Qatar and some of its neighbours; and, between 2009 and 2011, some banks received capital injections to enhance their capital buffers, and the government purchased some problem assets from the banks. The government owns stakes in all Qatari banks.

Qatar has a strong ability to support domestic banks, as reflected in its 'AA'/RWN rating, and substantial net foreign assets (end-2025: equivalent to 230% of GDP) and revenue. Non-resident funding accounted for a still-high 47% of banking sector funding at end-1Q26, and the sector's net external funding was a substantial 49% of GDP at end-1Q26. Total banking system assets accounted for a high 279% of GDP at end-1Q26.

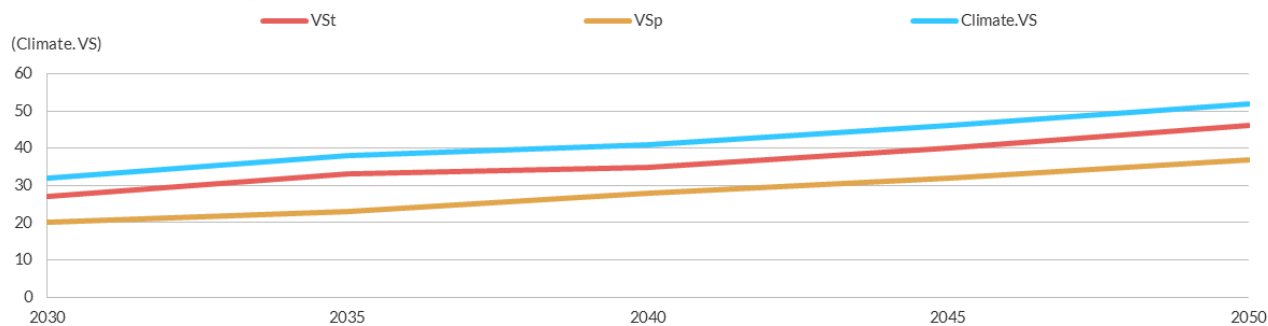
The 'a' GSR for Qatari D-SIBs is three notches below the sovereign 'AA' Long-Term IDR. QNB's 'a+' GSR is one notch higher than all other Qatari banks' GSRs. This reflects its flagship status, role in the Qatari banking sector, and close links with the state.

Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify issuers whose credit profiles have a higher potential exposure to climate-related risks, and to subject those ratings to additional analysis and consideration in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk).

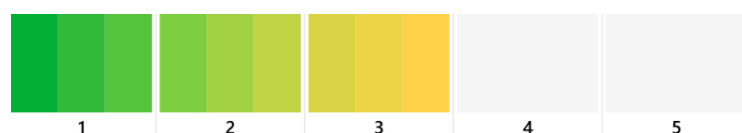
The Climate.VS for QNB for 2035 is 38, which indicates that climate risk factors are not expected to materially affect the credit profile, but some adaptation may be needed. This reflects a physical risk (VSp) component signal of 23 and a transition risk (VSt) component signal of 33. Any potential effect on the rating may differ from the illustrative rating impact in the Climate.VS framework. For more information on Climate.VS, see Fitch's [Bank Rating Criteria](#).

Climate Vulnerability Signals for Qatar National Bank (Q.P.S.C.)



Source: Fitch Ratings

Environmental, Social and Governance Considerations



Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions & Air Quality	2	Regulatory risks, emissions fines or compliance costs related to owned, financed or managed assets, which could impact asset prices, profitability, etc.	Operating Environment; Business Profile; Risk Profile; Asset Quality
Energy Management	1	n.a.	n.a.
Water & Wastewater Management	1	n.a.	n.a.
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.
Exposure to Environmental Impacts	2	Impact of extreme weather events on assets and/or operations and corresponding risk appetite & management; catastrophe risk; credit concentrations	Business Profile; Risk Profile; Asset Quality



Social Relevance Scores

General issues	Score	Sector-specific issues	Reference
Human Rights, Community Relations, Access & Affordability	2	Services for underbanked and underserved communities: SME and community development programs; financial literacy programs	Business Profile; Risk Profile
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security)	Operating Environment; Business Profile; Risk Profile
Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Business Profile
Employee Wellbeing	1	n.a.	n.a.
Exposure to Social Impacts	2	Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproval of core banking practices	Business Profile; Financial Profile



Governance Relevance Scores

General issues	Score	Sector-specific issues	Reference
Management Strategy	3	Operational implementation of strategy	Business Profile
Governance Structure	3	Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal /compliance risks; business continuity; key person risk; related party transactions	Business Profile; Earnings & Profitability; Capitalisation & Leverage
Group Structure	3	Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Business Profile
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes	Business Profile



ESG Scoring






ESG relevance scores range from '1' to '5' based on a 15-level colour gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the general and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signalling the credit relevance of the sector-specific issues to an issuer's overall credit rating. The Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The panels underneath the relevance scores tables are visualisations of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The Score columns summarise rating relevance and impact to credit from ESG issues. The column on the far left identifies any ESG relevance sub-factor issues that are drivers or potential drivers of an issuer's credit rating (corresponding with scores of '3', '4' or '5'). All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The general and sector-specific issues draw on the classification standards published by the UN Principles for Responsible Investing, the Sustainability Accounting Standards Board and the World Bank.

Credit-Relevant ESG Scale

	5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to 'Higher' relative importance within the Navigator.
	4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to 'Moderate' relative importance within the Navigator.
	3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to 'Lower' relative importance within the Navigator.
	2	Irrelevant to the entity rating but relevant to the sector.
	1	Irrelevant to the entity rating and irrelevant to the sector.

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation of the materiality and relevance of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores.

Ratings

Foreign Currency

Long-Term IDR	A+
Short-Term IDR	F1

Long-Term IDR (xgs)	BBB+(xgs)
Short-Term IDR (xgs)	F2(xgs)

Viability Rating	bbb+
------------------	------

Government Support Rating	a+
---------------------------	----

Sovereign Risk (Qatar)

Long-Term Foreign-Currency IDR	AA
Long-Term Local-Currency IDR	AA
Country Ceiling	AA+

Rating Watches

Long-Term Foreign-Currency IDR	Negative
Government Support Rating	Negative
Sovereign Long-Term Foreign-Currency IDR	Negative
Sovereign Long-Term Local-Currency IDR	Negative

ESG and Climate

Highest ESG Relevance Scores

Environmental	2
Social	3
Governance	3

Climate Vulnerability

2035 Climate Vulnerability Signal:	38
Transition (VSt):	33
Physical (VSp):	23

Applicable Criteria

Bank Rating Criteria (May 2026)
Sukuk Rating Criteria (October 2025)

Related Research

Fitch Maintains Qatar National Bank on Rating Watch Negative (May 2026)
Iran War Pushes GCC Banks Towards Private Placements (May 2026)
Prolonged Iran Conflict Could Pressure Qatari Banks' Viability Ratings (April 2026)
Fitch Places Qatari Banks on Rating Watch Negative (April 2026)
GCC Banks Are Well Buffered Against Iran Conflict Credit Risks (March 2026)
Qatari Banks - Peer Credit Analysis (February 2026)
GCC Banks See Limited Impact as Basel III Implementation Continues (November 2025)

Analysts

Mohamad Jaber
+44 20 3530 1284
mohamad.jaber@fitchratings.com

Redmond Ramsdale
+44 20 3530 1836
redmond.ramsdale@fitchratings.com

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.

FORECAST DISCLAIMER FOR FINANCIAL INSTITUTIONS

Any forecast(s) in this report reflect Fitch's forward view on the issuer's financial metrics. They are constructed using a proprietary internal forecasting tool and based on a combination of Fitch's own performance assumptions, macroeconomic forecasts, sector-level outlook and issuer-specific considerations. As a result, Fitch's forecasts may differ materially from the rated entity's forecasts or guidance and may not reflect the assumptions that other market participants may make. To the extent Fitch is aware of material non-public information with respect to future events, such as planned recapitalisations or merger and acquisition activity, Fitch may not reflect these non-public future events in its published forecasts. However, where relevant, such information is considered by Fitch as part of the rating process.

Fitch may update the forecasts in future reports but assumes no responsibility to do so. Original financial statement data for historical periods may be processed by affiliates of Fitch, together with certain outsourcing services. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by its employees.

Fitch's forecasts are one component used by the agency to assign a rating or determine an Outlook. The information in the forecasts reflects material but not exhaustive elements of Fitch's rating assumptions for the issuer's financial performance. It cannot be used to establish a rating, and it should not be relied on for that purpose.

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2026 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.
