

KHALEEJI 

YOUR PARTNER IN AMBITION

ESG REPORT

2024



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Overview

CEO Message



We are proud to highlight our unwavering commitment to sustainability, deeply rooted in our values as a responsible Islamic bank. Over the past year, we have successfully integrated the principles of Islamic finance with sustainability, aligning with the Global Sustainable Development Goals and Bahrain Vision 2030.

In 2024, we achieved a strong financial performance with a 16.66% increase in profits, reflecting our commitment to sustainable growth and shareholder value. Our total comprehensive income soared by 54.48%, with total revenue growing by 6.04%. These achievements underscore our focus on delivering positive economic impact.

Beyond financial success, we actively participated in community and environmental initiatives, including Bahraini Tree Week and support for families affected by the Al Lawzi fire. Our commitment to innovation and client-centric services led to the launch of enhanced open banking via the "Khaleeji" app and the "Hafeez" platform for corporate clients, along with the "Ajyal" Account to cater to diverse client needs.

Our efforts were recognized with several prestigious awards, affirming our leadership in economic excellence and innovation in the banking sector.

As we look to the future, we remain dedicated to achieving zero carbon emissions by 2060 and continuing our journey of sustainable and responsible growth. I extend my deepest gratitude to the Board of Directors, Executive Management, and all Khaleeji employees for their hard work and dedication.

Sincerely,

Sattam Sulaiman Algosaibi

Chief Executive Officer

Khaleeji Bank

About this Report

This report provides a detailed account of Khaleeji Bank's environmental, social, and governance (ESG) practices throughout 2024, emphasizing the Bank's role in fostering sustainable development in Bahrain.

Reporting period

This report covers environmental, social, economic and governance performances and activities from 1st January 2024 to 31st December 2024. It outlines Khaleeji's approach and commitment towards sustainable development in the Kingdom of Bahrain.

Reporting Standard

The report aligns with globally accepted frameworks, including the requirement under Environmental, Social and Governance module issued by the Central Bank of Bahrain, Global Reporting Initiative (GRI) Standards and the Bahrain Bourse ESG Reporting Guide, while also showcasing the Bank's support for international and national goals like the United Nations Sustainable Development Goals (SDGs) and Bahrain Vision 2030

Inquiries and Feedback

Khaleeji welcomes any feedback or inquiries related to this report through the available communication channel listed below.

✉ callcenter@khaleeji.bank

Who we are

Khaleeji Bank B.S.C. is a leading Islamic Bank headquartered in the Kingdom of Bahrain. Established in 2004 and operating under an Islamic retail banking license granted by the Central Bank of Bahrain (CBB), Khaleeji Bank has rapidly grown to become a key player in the Bahraini financial sector.

Ownership and Listing

As of 31st December 2024, Khaleeji Bank is 82.95% owned by GFH Financial Group B.S.C., a prominent Bahraini investment entity. The Bank's shares are publicly traded on Bahrain Bourse, promoting transparency and providing investment opportunities to the public.



Core business

The Bank's principal activities include providing a comprehensive mix of Shari'a-compliant commercial and investment banking products and services. These range from traditional financing products to innovative structured investment solutions, catering to both retail and corporate clients



Network and Reach

Khaleeji Bank operates through a network of four strategically located branches in Hidd, Juffair, Sanad, and Riffa. To enhance accessibility for its customers, the Bank also maintains Fourteen ATMs and Six CDM distributed across the Kingdom. This physical presence is complemented by robust digital banking services, allowing the Bank to serve its clients efficiently and conveniently.



Products and services

Khaleeji Bank offers a diverse range of products and services, including Retail and corporate banking, Consumer finance, All these offering strictly comply with Islamic Shari'a rules and principles, as determined by the Bank's Shar'a Supervisory Board

Vision, Mission and Values





Vision

To Help Ambitious People Prosper

Mission

To become Bahrain's most trusted Islamic bank and a notable regional rising star in our sector. We aim to become recognized as "The Bank of Choice for the Ambitious". We will create our own niche and transform the perception of Islamic Banking from a "Badge of Compliance" to an authentic system for prosperity.

We aim to be widely admired for our innovative strategy and to win awards for our exceptional customer service and to confirm our position as a key influencer in this sector. We aim to change the game in our approach and through consistent delivery, cement our place as an industry thought-leader.

Believing in the power of potential and with a firm commitment to being a true partner for success, Khaleeji aims to elevate our clients' lives by delivering on our commitment to leave every situation better than we found it. We will set a regional benchmark for integrity, authenticity, and unparalleled service, through new ethical standards. We aim to leverage this commitment to service to create unprecedented levels of client loyalty and to achieve awards for being the region's fastest growing Islamic Bank.

Our commitment beyond banking will be noted and our CSR will help inspire a culture of respect for individuals, society, our shared environment, and the Kingdom. In a world where everyone seems to offer the same thing, Khaleeji aims to stand apart and build on its renown for breaking boundaries and creating generational prosperity as the preferred partner for the ambitious.

Values

Khaleeji is proud of having established a culture that is built upon a unified set of values.

- **Respect** We value and respect our relationships with others. Our culture is built on faith & trust, which is evident in everything we do.
- **Confidence** We are determined to achieve our goals & turn every challenge into an opportunity.
- **Dynamism** We develop new and inspiring ideas to make the world a better place. We believe in progress and work hard to deliver results.

Our Commitment to Sustainability



Regulatory Compliance

Khaleeji Bank operates under the regulatory framework set by the Central Bank of Bahrain, ensuring adherence to the highest standards of banking practices and corporate governance. The Bank's activities are also supervised by a Shari'a Supervisory Board to ensure compliance with Islamic principles in all its operations



Innovation & Technology

The Bank continually invests in cutting-edge technology to enhance its service offerings and operational efficiency. This focus on innovation allows Khaleeji Bank to meet the evolving needs of its customers while maintaining its competitive edge in the market.



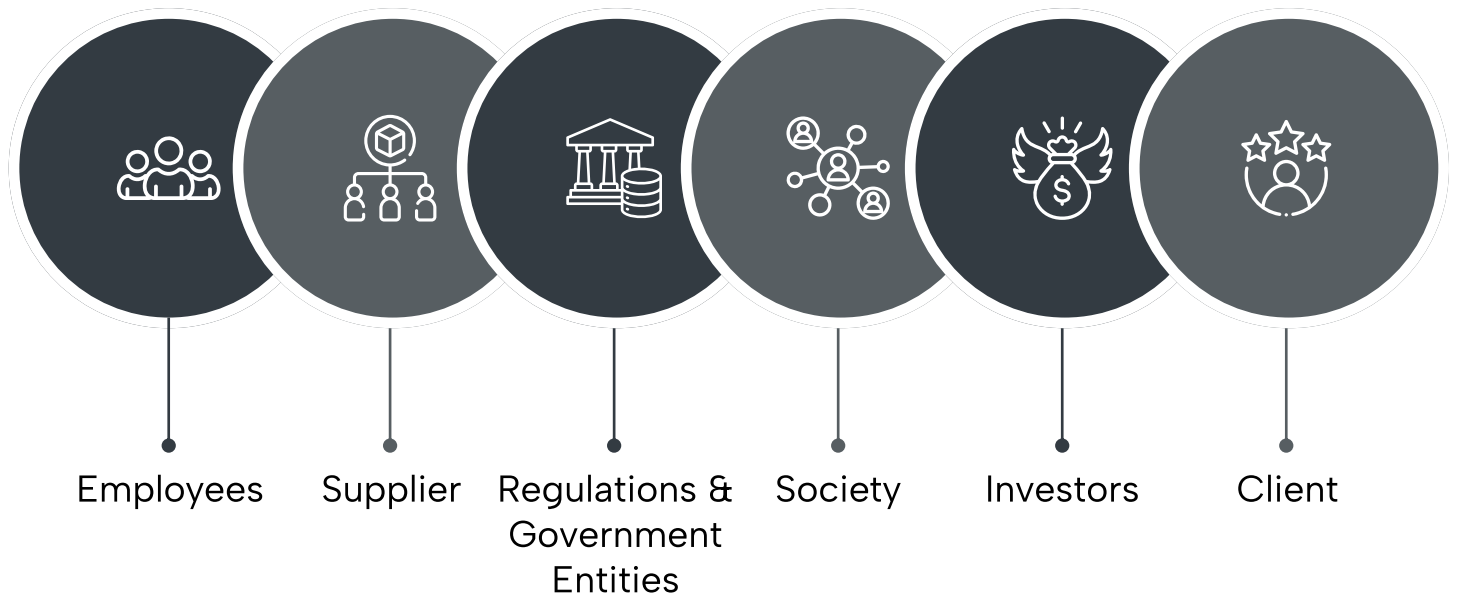
Commitment to Sustainability

Khaleeji Bank is dedicated to integrating sustainability principles into its core operations. The Bank recognizes its role in supporting Bahrain's economic development while adhering to responsible banking practices. Through its various initiatives, Khaleeji Bank aims to contribute positively to the community, support environmental conservation, and promote ethical financial practices

Through its comprehensive range of services, strong market presence, and commitment to Islamic banking principles, Khaleeji Bank continues to play a vital role in Bahrain's financial landscape, supporting the Kingdom's economic growth while delivering value to its stakeholders.

Stakeholders and Materiality Matrix

At Khaleeji, we continuously engage with stakeholders to build strong relationships. Our primary stakeholders include people who are directly affected by our business and operations, as well as people who are indirectly impacted by the communities that we serve.



Key Highlights of ESG Achievements



Fostering Growth & Innovation

- BD 10.50 million net profit.
- 10.15% increase in the number of clients
- Khaleeji introduced the “Ajyal” Account, a leading savings solution aimed at children aged 0 to 21 years.
- The Corporate Social Responsibility Award in the Economic Excellence Category for 2024 by Al Bilad.
- The “Best New Banking Brand in Bahrain for 2024” award, and the Best Corporate Banking App in GCC 2024” award by International Business Magazine (IBM).
- Khaleeji was listed on Al Bilad newspaper's list of the Top 50 Bahraini Companies for 2024
- The Bank also obtained the prestigious ISO 22301:2019 certification for Business Continuity Management (BCM) from the International Organisation for Standardisation (ISO),

Nurturing Our People & Preserving the Planet

11.46 hours

Average training hours were delivered to employees.

34.6%

of the workforce are women.

20%

of the workforce are under 30 years old.

94.1%

of the workforce are Bahraini.

No formal grievances were filed regarding incidents of discrimination or harassment.

Partnered with a third-party service provider to manage our waste generation.

Ethical Governance & Meaningful Engagement

- Zero confirmed incidents of corruption were identified.
- Updated "Hafeez" platform, an innovative digital banking solution specifically designed to meet the needs of corporate clients.
- 33.33% decrease in client complaints compared to 2023
- Participated in community and environmental initiatives, including Bahraini Tree Week and support for families affected by the Al Lwazi fire.
- 136,918 BD invested in community initiatives, marking 9.67% increase from last year.

Future ESG Goals



Environmental Goals

Continue advancing paperless banking and increase adoption of sustainable energy practices.



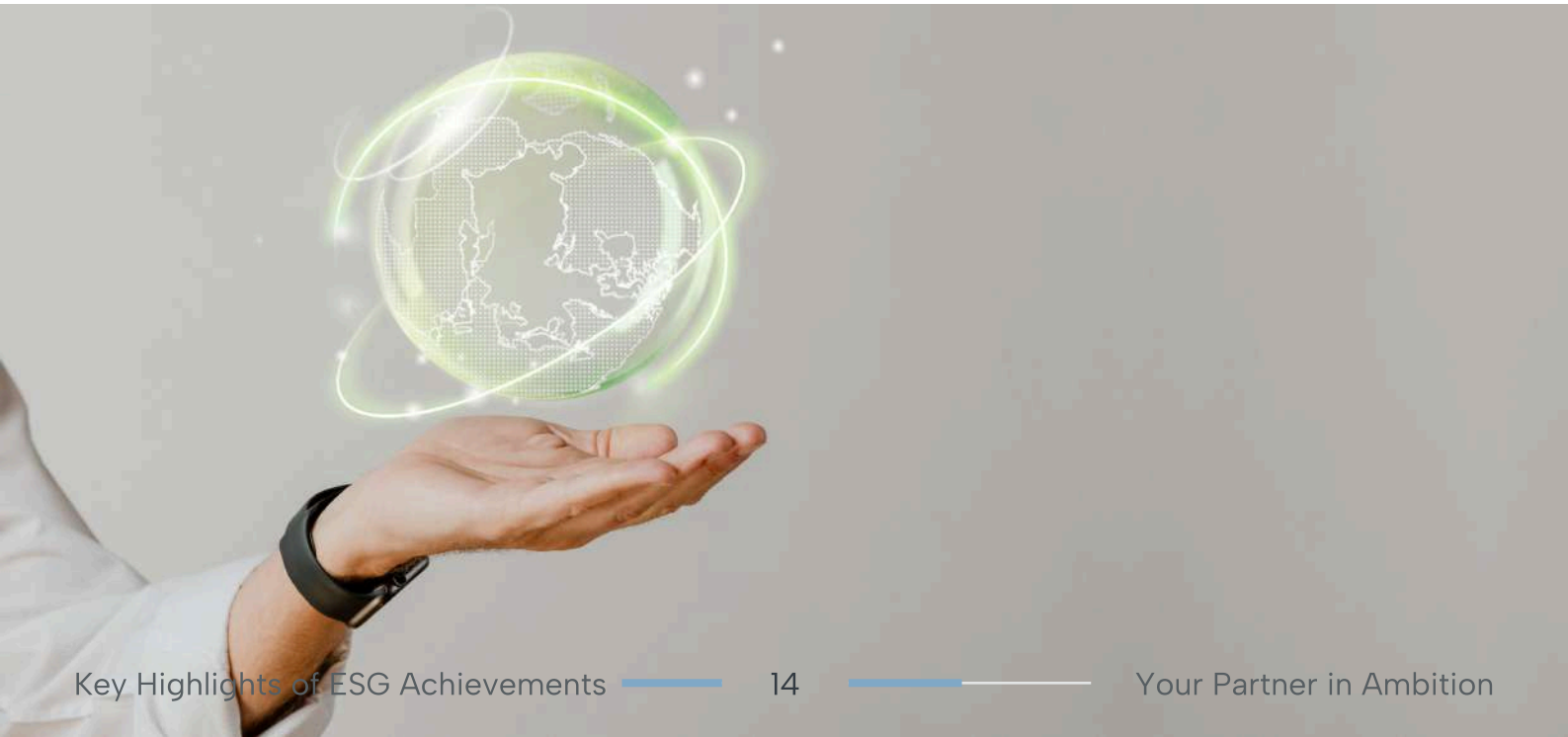
Social Goals

Expand employee development programs and strengthen community outreach initiatives.



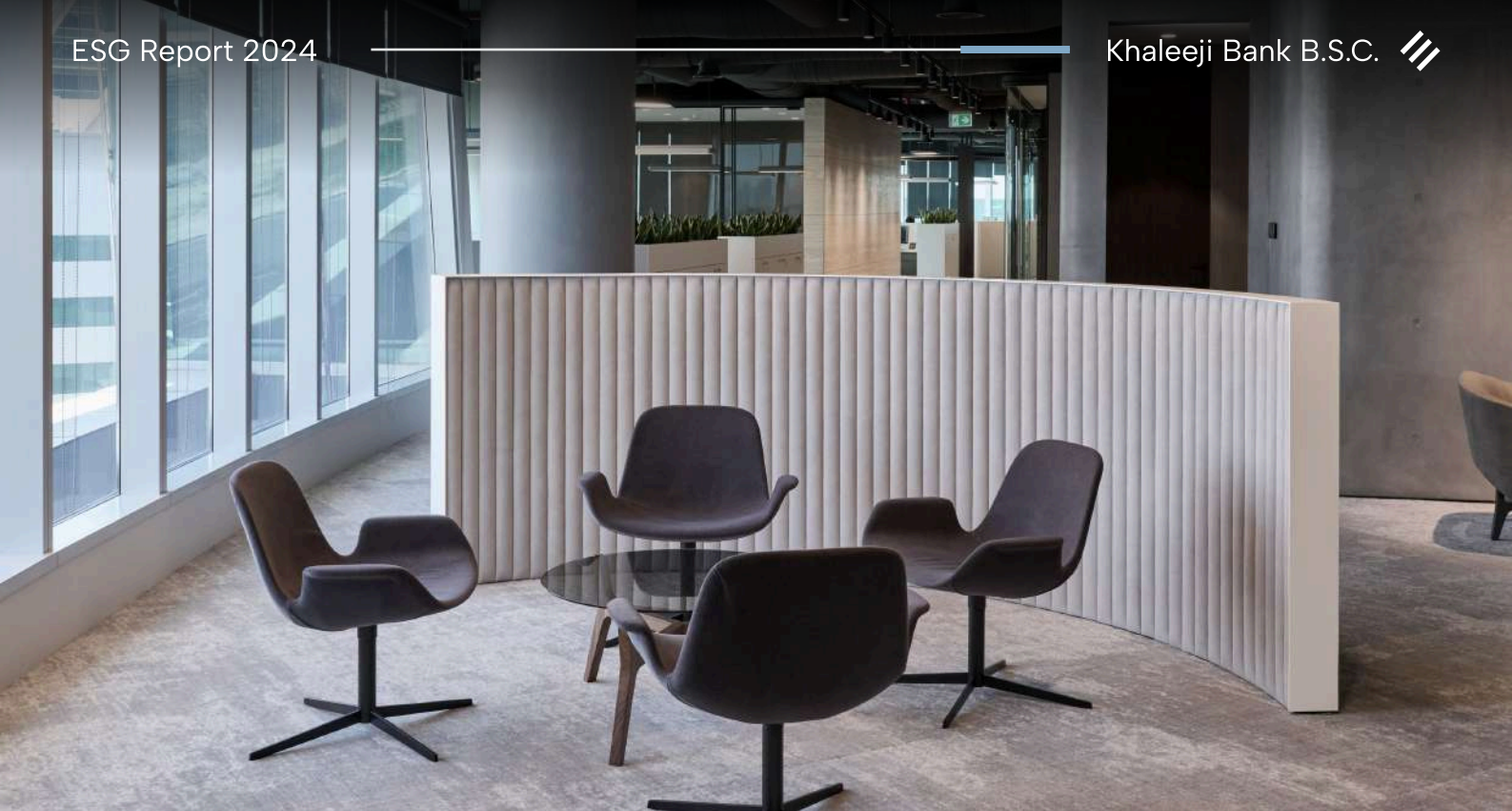
Governance Goals

Integrate ESG metrics into executive performance evaluations and enhance stakeholder engagement efforts.



Report Overview





Sustainability in Khaleeji Bank

Sustainability Strategy

Khaleeji Bank's sustainability strategy in 2024 remained focused on enhancing operational efficiency, minimizing environmental impacts, and bolstering the social well-being of the communities it serves. The strategy continued to emphasize the seamless integration of ESG considerations across all aspects of the Bank's operations, including financial services, community involvement, and corporate governance.

Throughout the year, Khaleeji Bank made significant strides in advancing this strategy, particularly by expanding its sustainable financing portfolio, deepening its commitment to employee development, and reinforcing its initiatives to support community resilience and environmental stewardship.

Sustainability Goals

Khaleeji Bank aims to become Bahrain's most trusted Islamic Bank by 2028, recognized as the 'Bank of choice' for innovative and client-centric financial solution. Our Stakeholders are at the centre of all we do to ensure that we build and maintain strong relationships with them all. These include people who are directly impacted by our business and operations, as well as those who are indirectly impacted in the communities we serve.

Khaleeji’s Materiality Assessment Topics



1. Governance and business ethics



2. Systemic risk management



3. Financial performance



4. Client engagement



5. Data privacy and security



6. Employee wellbeing



7. Responsible Banking



8. Training and development



9. Digitalization and innovation



10. Community development



11. Financial inclusion and Accessibility



12. Diversity and inclusion



13. Environmental footprint



14. Responsible procurement

In 2024, Khaleeji Bank reinforced its commitment to ambitious sustainability goals that steer its long-term strategy. These goals focused on further reducing the Bank’s carbon footprint, expanding investments in sustainable projects, and continuing efforts to enhance financial inclusion through innovative banking solutions. The Bank also deepened its commitment to community development, aiming to create a lasting positive impact, while upholding and promoting responsible banking practices across all operations.

ESG Governance and Framework

At Khaleeji Bank, sustainability is not merely an aim but a vital component of the Bank's operational principles, aligning with Bahrain Vision 2030. The Bank acknowledges the significance of minimizing its environmental impact by integrating sustainable practices throughout its operations. Khaleeji Bank aims to support both national and global environmental objectives through energy efficiency, proactive climate risk management, and a steadfast commitment to operational sustainability.

The Bank's strategy for environmental sustainability is driven by a strong governance framework, ensuring that sustainability initiatives are supervised and evaluated at the top echelons. Environmental oversight is incorporated into the ESG governance framework, with the Board of Directors and senior management routinely evaluating environmental performance and aligning objectives with national sustainability frameworks.

Policies and strategies are crafted to fulfill both regulatory mandates and long-term environmental goals, ensuring that Khaleeji Bank's operations significantly contribute to a more sustainable economy. The Bank diligently monitors new environmental trends and regulatory developments, ensuring it remains at the forefront of changing requirements and industry standards. Environmental targets are embedded into daily operations, with measurable goals established to ensure transparency and accountability across departments.



Khaleeji’s ESG Committee was successfully established in 2021 and is responsible for reviewing and managing the integration of ESG activities and initiatives across all our operations. The Committee is responsible for implementing an ESG strategy, and framework, as well as staying abreast of current and emerging ESG trends. This enables us to identify and eliminate all ESG risks in connection with our activities. The ESG Committee reports to the BNRGC, which oversees all its activities.

At the management level, the Committee identifies and assigns focal points to each department who are then responsible for specific ESG matters. ESG Champions were assigned within each department to further strengthen the ESG network within the Bank.

The developed ESG framework aims to facilitate the incorporation of ESG considerations into all our operations. This framework defines our environmental, social, economic, and governance impacts and enables us to manage them in a manner that ensures that we create and maintain all positive outcomes. The framework is composed of three pillars which align with our corporate approach to addressing our stakeholders’ needs and expectations, ESG commitments, and align with our identified material topics.

ESG Framework



Corporate Governance and Client Centricity

- Governance and Business Ethics
- Systemic Risk Management
- Data Privacy and Security
- Client Engagement
- Community Development

Resilient Sustainable Business Practices

- Environmental Footprint
- Employee Wellbeing
- Training and Development
- Diversity and Inclusion

Embracing Growth and Innovating for the Future

- Financial Performance
- Financial Inclusion and Accessibility
- Responsible Banking
- Digitalization and Innovation
- Responsible Procurement

Climate Risk Mitigation – Energy Efficiency & Climate Risk at Khaleeji Bank

Khaleeji recognizes that climate-related risks pose vital challenges to financial stability, customer trust, and long-term sustainability. To address these, we integrate climate risk management into our overall risk framework through proactive identification, monitoring, and mitigation.

Key Initiatives:

Integrated Risk Management:

Climate risks are fully incorporated into our Enterprise Risk Management (ERM) framework, alongside financial and operational risks. We conduct scenario analyses to assess impacts from climate events like extreme weather, rising temperatures, and regulatory changes, allowing us to take preventative action.

Physical & Transition Risks:

- **Physical Risks:** We evaluate vulnerabilities from events such as floods or droughts affecting our branches and operations, with emergency response plans in place.
- **Transition Risks:** We monitor evolving environmental regulations and market shifts related to decarbonization, ensuring our long-term strategies remain resilient and forward-looking.
- **Metrics & Targets:** We plan to establish comprehensive climate risk assessments to understand our risk profile better and identify appropriate mitigation measures, aligning our practices with emerging climate standards.

Khaleeji remains committed to enhancing our climate resilience through ongoing assessment and the adoption of best practices to support a sustainable future.

SDG Alignment

SDG Alignment Across Key Areas

Responsible Consumption and Production

- Khaleeji's shift towards digital banking enables significant reductions in resource consumption, promoting more sustainable practices.
- Internal efforts focus on reducing waste and enhancing recycling processes to minimize the environmental footprint.

Affordable and Clean Energy

- Khaleeji continues to explore ways to enhance energy efficiency and adopt renewable energy solutions within its operations.
- Cloud-based systems and paperless initiatives reflect Khaleeji's commitment to reducing its environmental impact.



Decent Work and Economic Growth

- Khaleeji fosters inclusive work environment that supports local talent development and encourages gender equality.
- Employee engagement and training initiatives reflect the Bank's dedication to creating growth opportunities for all staff.

Climate Action

Khaleeji integrates climate risk assessments into its governance framework, ensuring resilience against environmental challenges. Khaleeji promotes sustainable finance practices to support the transition to a low-carbon economy.

In 2024, Khaleeji remained steadfast in its commitment to environmental stewardship and sustainable resource management, reflecting our dedication to the long-term well-being of our community and the environment. We recognize that our operations have an impact on natural resources, and we strive to minimize this impact through strategic initiatives and practices.

Impact Reduction Initiatives



Carbon Footprint

As part of our commitment to Bahrain's goal of net-zero emissions by 2060, we have taken significant steps to reduce our carbon footprint. This includes transitioning to renewable energy sources and optimizing our transportation networks to lower emissions from our daily operations.



Sustainable Practices

We remained proactive in educating and engaging our stakeholders in the importance of sustainability. Various programs were conducted to raise awareness about environmental impacts and promote sustainable practices in banking operations and beyond.



Commitment to Continuous Improvement

In 2024, Khaleeji is taking innovative approaches to environmental sustainability. We are committed to continuous improvement, setting ambitious goals for resource conservation, and reducing our environmental footprint. Through collaboration with our partners and community, we aim to make meaningful contributions towards creating a more sustainable future for all.

Khaleeji Bank will continue to lead by example, integrating sustainable practices into our core strategies and operations, ensuring we not only meet but exceed our sustainability goals for the years to come.

Environmental Factors





Energy Consumption

Khaleeji's primary energy usage stems from electricity and fuel consumption. Electricity is used for daily operations across our office and business facilities, with supplies sourced from the Electricity and Water Authority (EWA) and from the common area utility charges from the property management. For fuel needs, we mainly rely on diesel to support business travel and operate backup generators for our facilities. Throughout this reporting period, we did not employ any renewable energy sources. To support transparent and consistent reporting, we also present our energy consumption data in gigajoules (GJ) equivalents.

S. No	Energy	Units	2022	2023	2024
	Direct energy consumption				
1	Fuel consumption from Vehicle	L	6,216	9,130	9,122
2	Total Direct energy consumption	GJ	208	306	306
	Indirect energy consumption				
3	Electricity Purchased	Kwh	785,008	688,631	512,231
	Total Indirect energy consumption (GJ)	GJ	2,826	2,478	1,843
4	Energy consumption intensity	GJ/ Employee	18	13	10
5	Energy Intensity (GJ per unit revenue)	GJ/ Revenue	0.12	0.05	0.04
6	Renewable Energy- Renewable Sources		0%	0%	0%
	Total Indirect energy consumption (GJ)	GJ	2,826	2,478	1,843
7	Renewable Energy- Non-Renewable Sources		100%	100%	100%

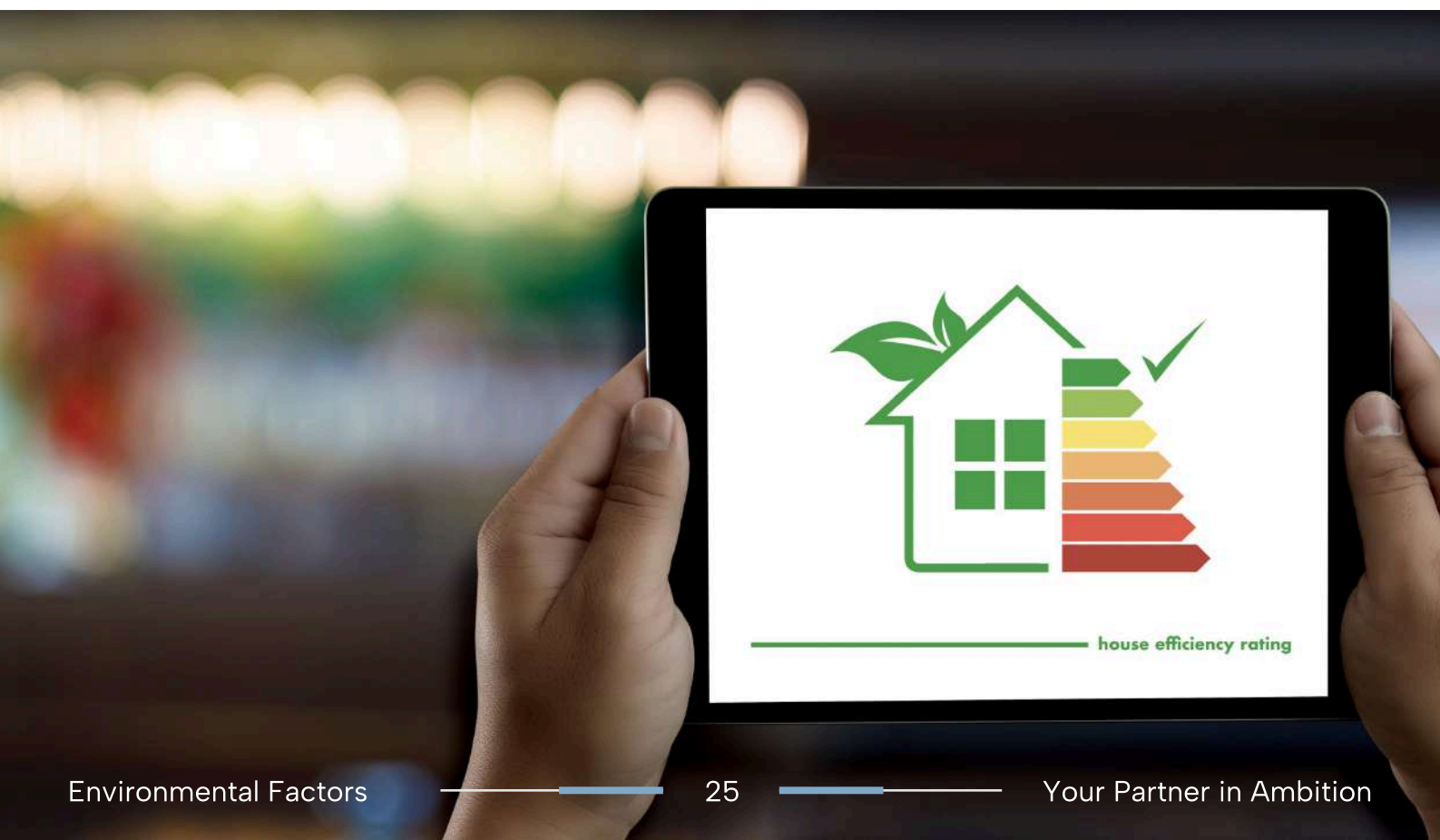
Energy Intensity is reported in terms of absolute consumption and in terms of gigajoules. It is calculated as consumption per unit of revenue (BHD '000). In 2024, there were no major changes in our fuel consumption while saving in energy by 176,400Kwh.

Khaleeji believes that we can make a meaningful difference by reducing our own environmental impact. Khaleeji Bank is committed to minimizing the ecological footprint of our business and actively supports Bahrain's vision of achieving net-zero GHG emissions by 2060. We aim to contribute to the transition to a low-carbon economy by responsibly managing transition projects, increasing investments in sustainable initiatives, decarbonizing our operations, and collaborating with our partners and client to promote environmentally responsible practices in line with Islamic principles of stewardship and social responsibility.

Green House Gas (GHG) Emissions

S. No	Metric	2022	2023	2024
1	Scope 1 Emissions	14 metric tons CO ₂ e	21 metric tons CO ₂ e	21 metric tons CO ₂ e
2	Scope 2 Emissions	570 metric tons CO ₂ e	481 metric tons CO ₂ e	358 metric tons CO ₂ e
3	Scope 3 Emissions	-	-	-
	Total GHG Emissions	584 metric tons CO ₂ e	502 metric tons CO ₂ e	379 metric tons CO ₂ e
	Total GHG / Annual Revenue	0.0228	0.0101	0.008

Green House Gas (GHG) Emissions are reported in terms of CO₂. It is calculated as consumption per unit of revenue (BHD '000).



Water Consumption

Khaleeji emphasizes responsible water management by implementing water-saving technologies and optimizing usage across branches and offices. We monitor consumption regularly to identify inefficiencies. Employees are encouraged to practice responsible water use and report leaks, while we work with vendors to promote sustainable water practices. Our primary water use is for drinking and municipal needs, with no significant impact on communities. As water withdrawal and recycling are not material to our operations. Our focus remains on conserving water and minimizing our footprint.

Water Usage

S. No	Metric	Units	2022	2023	2024
1	Total Water Consumed	cubic meters	NA	881	947
2	Total Water Withdrawn	cubic meters	NA	881	947
3	Total Water Recycled / Reclaimed	cubic meters	NA	NA	NA

Waste Management

Khaleeji is committed to promoting sustainable practices by optimizing resource use and operating eco-friendly. We collaborate with external vendors for waste management, ensuring proper collection and recycling of all waste generated. To reduce carbon emissions, we are exploring options to minimize transportation and improve energy efficiency. We also focus on waste reduction through practices like double-sided printing and aim to digitize documents to decrease paper consumption, supporting our commitment to environmental responsibility.

Waste Generation

S. No	Energy	Units	2022	2023	2024
1	Hazardous Waste (E-waste)	Metric Tons	NA	NA	NA
2	Non-Hazardous Waste (Paper)	Metric Tons	NA	3.417	0.308
3	Total Waste = Hazardous Waste + Non-Hazardous Waste	Metric Tons	NA	3.417	0.308

Social Factors





Social & Community Impact

At Khaleeji, our commitment to social responsibility is fundamental to our mission, extending beyond banking services to foster positive change within society. We prioritize building strong relationships with our employees, customers, and communities by promoting diversity, inclusion, and employee development.

Our inclusive workplace culture values every individual and empowers our staff to reach their full potential. In alignment with Bahrain Vision 2030, we emphasize local talent development and gender equality in leadership roles, supporting national employment initiatives.

Our core social focus areas include:

- **Diversity and Inclusion:** Advocating gender parity and boosting local employment opportunities.
- **Employee Growth and Well-Being:** Investing in training, mentorship, and wellness programs to support professional and personal development.
- **Community Engagement:** Contributing to local social and environmental initiatives through strategic partnerships in education, sustainability, and social welfare.
- **Responsible Practices:** Upholding ethical standards, compliance, and transparency in all stakeholder interactions.

Through these efforts, Khaleeji strives to create a sustainable business that embodies integrity and social responsibility. We continuously evaluate our social impact by setting measurable targets and aligning with global frameworks such as the UN Sustainable Development Goals (SDGs).

Our People

At Khaleeji, we are committed to supporting diversity and inclusion within our workforce. We endeavour to provide a respectful work environment that values every individual's wellbeing and respects their rights to feel safe and protected at work.

We believe that a diverse and inclusive workforce fosters a healthier working environment that is built on equality and teamwork. A diverse and inclusive workforce brings together individuals with different backgrounds, experiences, and perspectives which nurtures creativity and innovation, providing economic stability, productivity, and satisfactory client experience. We Advance diversity and equity within our workforce and recruiting, build an inclusive culture, drive strategies and formal employment equity plans to attract, retain and promote diverse talent, listen to our employees to understand their lived experiences, the barriers they face and how we can better support them in the workplace.

Khaleeji Bank is committed to fostering an inclusive workplace where fairness, equal opportunity, and diversity are fundamental. Our hiring, promotion, and benefit policies are merit-based and strictly designed to prevent discrimination based on gender, nationality, or other characteristics, ensuring fair treatment for all employees.

We actively seek employee feedback through periodic engagement surveys, using the insights gained to refine and strengthen our diversity initiatives.

A key focus for us is achieving gender parity in leadership roles by 2030. In support of this goal, we celebrate and promote female participation across all levels. In 2024, women comprised 34.6% of our total workforce, up from 35.3% the previous year. Women also hold significant leadership positions, accounting for 27.91% of Senior Management, 35.71% of Middle Management, and 37.50% of Entry-level roles.

Our Gender and Inclusion efforts are further reflected through initiatives like Women's Day celebrations, where female employees are recognized and appreciated through social events and gestures of gratitude. Currently, Khaleeji Bank employs 185 people, with women making up 34.6% of our workforce, exemplifying our commitment to creating a balanced and inclusive environment for all.

Workforce Composition

The Bank continues to experience a tight labor market for top talent. In 2024, Continuous efforts are made to support employee well-being, professional development, and career progression, contributing to the retention of valuable talent within the organization

Workforce Composition

S. No	Category	Number of Employees		
		2022	2023	2024
By Sex				
1	Male	110	110	121
2	Female	58	60	64
Total		168	170	185
By Age Group				
1	Under 30 years old	33	35	37
2	30–50 years old	133	132	143
3	Over 50 years old	2	3	5
Total		168	170	185
By Employment Type				
1	Full-time	168	170	185
2	Part-time/ Intern	-	4	4
Total		168	174	189

The Bank continues to experience a tight labor market for top talent. In 2024, Continuous efforts are made to support employee well-being, professional development, and career progression, contributing to the retention of valuable talent within the organization

Employee Turnover

S. No	Category	Number of Employees					
		2022		2023		2024	
		Male	Female	Male	Female	Male	Female
1	Under 30 years	5	-	1	2	1	2
2	30–50 years	11	8	9	3	2	2
3	Over 50 years	-	-	1	-	2	1
Total		16	8	11	5	5	5

The total annual turnover rate for Full Time Employee is 5.6% with 10 leavers (2023: 9.4% with 16 leavers)

Gender Pay Ratio

The median total compensation for women compared to the median total compensation for men: 1.41 (2023: 1.65)

Gender Metrics Per organizational levels: Percentage of male to female metrics, as per the below categories:

Khaleeji reports median total compensation for men compared to women as part of its commitment to pay equity and non-discrimination in employment practices. The Bank ensures that all employees are compensated fairly based on factors such as experience, role, and performance, rather than on gender. The Bank's dedication to gender equality in compensation reflects its core values of fairness, inclusivity, and diversity in the workplace.

We support the advancement of women in business and the economy by, among other things, identifying and helping to remove gender barriers and working to close gender gaps. Within the Bank, we support programs to help women advance into leadership roles.

The Bank is committed to fostering a culture of diversity and inclusion that reflects the values of equality, respect, and opportunity for all. The Bank strives to build a workplace where differences are celebrated and everyone is empowered to contribute to its success, regardless of gender, nationality, or background.

The Bank observed slight shifts in gender composition across management levels. At the entry level, female representation increased marginally from 38.20% to 37.50%. In mid-level positions, female participation slightly decreased from 38.10% to 35.71%. At the senior/executive level, female representation rose modestly from 25.60% to 27.91%. Overall, the Bank continues to make gradual progress in promoting gender diversity across its management hierarchy.

Management Composition

S. No	Organizational Level	Percentage					
		2022		2023		2024	
		Male	Female	Male	Female	Male	Female
1	Entry-level	64.62%	35.38%	61.80%	38.20%	62.50%	37.50%
2	Mid-level	61.54%	38.46%	61.90%	38.10%	64.29%	35.71%
3	Senior/ Executive level	73.68%	26.32%	74.40%	25.60%	72.09%	27.91%

Human rights, Non Discrimination and labor law

The board and management of Khaleeji adopt a proactive approach to address harassment and discrimination matters, guided by compliance with country, regional, and industry-level regulations and HR policies. The Bank is committed to upholding a workplace environment that is free from harassment and discrimination, and where all employees are treated with respect and dignity.

The board members oversee the compliance with the mechanisms and procedures to ensure ethical practices. Non-Discrimination is an important aspect of the internal code of conduct and all reported matters are treated with utmost priority.

During the reporting year, there were no incidents of harassment or discrimination reported, reflecting the effectiveness of the Bank's commitment to maintaining a safe and equitable workplace.

Khaleeji places human rights at the core of its values, underscoring their importance across all aspects of our operations, supply chain, and stakeholder relationships. Our approach is guided by a strong commitment to uphold human rights standards, with clear goals, targets, and responsibilities at every level of the organization to ensure these principles are integrated into our business practices.

We are dedicated to respecting, promoting, and protecting fundamental human rights, including fair labor practices, non-discrimination, diversity, and freedom from exploitation. Our commitment extends to our employees, partners, stakeholders, and the communities where we operate.

Governance & Oversight

Senior management oversees compliance with human rights obligations, ensuring that policies promoting ethical behavior are embedded within our governance framework.

Adherence to the policy

All employees are provided with the Bank's Code of Conduct and Employee Handbook, which outline our commitments to human rights, non acceptance of any gift or any other similar benefits, non-harassment, and non-discrimination. They are required to review, understand, and sign these documents, reaffirming their adherence to our ethical standards and responsibilities. The Bank is committed to maintaining a workplace and business environment that respects human dignity, integrity and fosters ethical conduct in alignment with global human rights standards.

Bahrain Labor Law

We remain committed to upholding the principles of human rights and due regard for our Bahrain labor laws. We are in full compliance with the Bahrain Labor Law that mandates due regard for human rights and working conditions of the workforce, prohibits employment of juveniles, and apprenticeship. As required by Bahrain labor law employees are eligible for one working day as parental leave.

Collective Bargaining

Employees, through direct dialogue or representatives, discuss key terms such as compensation, benefits, working hours, leave, and safety standards. The Bank also emphasizes work-life balance and family-friendly policies, ensuring that agreements reflect both individual and collective needs while fostering a fair and supportive workplace.

Health & Safety

Khaleeji is pleased to report that there have been no lost days due to work injuries and no fatalities occurred within the organization during the reporting period. This outcome underscores Khaleeji's strong commitment to ensuring a safe and healthy work environment for all employees. Comprehensive safety measures, training programs, and rigorous protocols are in place to prevent accidents, minimize risks, and prioritize the well-being of our workforce. The safety and welfare of our employees remain paramount, and we continually strive to maintain a workplace that upholds the highest standards of occupational health and safety.

At Khaleeji, we ensure that main offices and all branches have emergency evacuation procedures in place, with regular fire drills to prepare employees for emergencies. Designated safety officers are available on-site to coordinate emergency responses.

Health & Safety

Key Performance Indicator	2022	2023	2024
Lost workdays due to injuries	Nil	Nil	Nil
Total Number of Injuries or Fatalities	Nil	Nil	Nil

Nationalization

Bahrainization Commitment

The board and management of Khaleeji have adopted a strategic approach to maintain nationalization within the workforce, aligning with country regulations and policies where applicable.

In 2024, 94.1% of the workforce comprises Bahraini nationals, reflecting the Bank's alignment with national employment strategies.

Nationalization

S. No	Metric	2022	2023	2024
1	Total Number of National Employees	162	163	174
2	Total Number of Employees	168	170	185
3	Percentage of National Employees	96.4%	95.9%	94.1%

Employee Training and Development

The Bank places strong emphasis on providing adequate training and development opportunities to its employees to foster continuous growth, skill enhancement, and career progression. Through comprehensive training programs, workshops, and access to learning resources, employees are equipped with the necessary knowledge, skills, and tools to excel in their roles and adapt to changing business needs. The Bank acknowledges that investing in employee training not only benefits individuals by enhancing their capabilities and job satisfaction but also contributes to overall organizational success, innovation, and competitiveness. By prioritizing ongoing training and development, the Bank demonstrates its commitment to nurturing a skilled and empowered workforce capable of meeting present and future challenges effectively.

Development and Training (Average Hour)

S. No	Average Training Hours	2022		2023		2024	
		Male	Female	Male	Female	Male	Female
1	Full-time Employees	17.60	15.10	17.50	18.20	11.46	11.80
2	Interns	-	-	39.30	-	40.00	40.00



Community Investment

Khaleeji has strengthened its commitment to social responsibility during the past year through various activities,

- Sponsored the Nasser bin Hamad Football Championship for schools in cooperation with the Ministry of Education
- Participated in the National Tree Planting Initiative with the Southern Municipality to enhance green spaces
- Participated in the Ring the Bell for Gender Equality 2024 campaign in cooperation with Bahrain Bourse, reflecting its support for the principle of equal opportunities.
- Organized a field trip for young participants of the “Lame’a Junior” Program at Youth City 2030 to introduce them to banking operations
- Provided support to families affected by the fire incident at Al Lawzi by providing them with residential apartments.

As a result of these efforts, the Bank has received the Al Bilad Shield for Corporate Social Responsibility 2024 in the Economic Excellence Category, in honor of its prominent role in promoting economic excellence.

Community Investments

S. No	Metric (in BHD)	2023	2024
1	Community Investment	124,847	136,918
2	Total Community Investment in percentage of revenue	0.26%	0.27%

Governance Factors



Overall Governance

Khaleeji endeavor is to ensure business is conducted with the highest levels of integrity and transparency. We are continuously reviewing and developing our corporate governance policies to ensure that we adopt and comply with the changing requirements of the regulatory bodies and best practices.

We recognize that governance and business ethics have played a pivotal role in our success. Our Board of Directors provides strong leadership, instilling ethics and integrity, and ensuring sound governance practices and management.

As of 31st December 2024, Khaleeji's Board of Directors comprises ten members. Members of the Board were elected/ appointed for a three-year renewable term during the Ordinary General Meeting ("OGM") meeting held on 25 March 2024, with an absence of women representation.

Board Composition

Board of Directors Composition	2022	2023	2024
Total Number of Members	9	9	10
Total Number of Independent Members	5	5	4
Total Number of Non-Independent Members	4	4	6
Total Number of Executive Members	2	2	2
Total Number of Non-Executive Members	7	7	8
Total Board Seats Occupied by Men	9	9	10



Board Nominations, Remunerations, and Governance Committee (BNRGC):

Main Responsibilities: The BNRGC’s responsibilities include establishing the corporate governance framework, as well as implementing and overseeing policies related to compensation and incentives, human resources, and administration. The Committee also oversees the ESG Committee and ESG-related matters. This includes reviewing, discussing, and approving reports related to ESG.

BNRGC Composition

BNRGC Composition	2022	2023	2024
Total Number of Members	4	4	3
Total Number of Independent Members	3	3	2
Total Number of Non-Independent Members	1	1	1
Total Number of Executive Members	0	0	1
Total Number of Non-Executive Members	3	3	2
Total Board Seats Occupied by Men	4	4	3

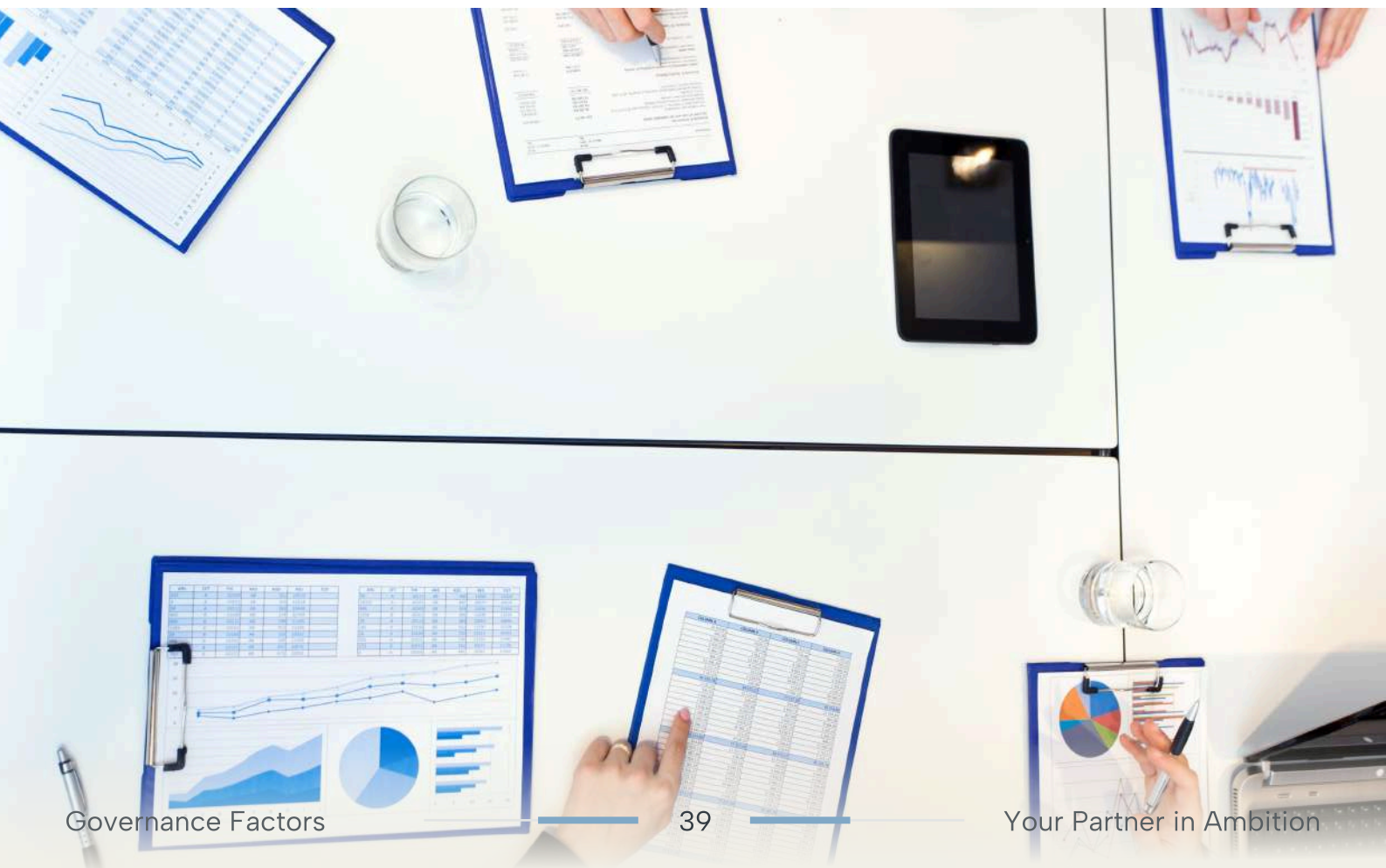


Board Audit and Risk Management Committee (BARMC):

The BARMC supervises all internal and external audits, as well as compliance and anti-money laundering. The Committee also oversees the risk management framework and is responsible for ensuring its effectiveness and managing any emerging risks according to parameters set by the board.

BARMC Composition

BARMC Composition	2022	2023	2024
Total Number of Members	3	3	5
Total Number of Independent Members	3	3	3
Total Number of Non-Independent Members	0	0	2
Total Number of Executive Members	0	0	1
Total Number of Non-Executive Members	3	3	1
Total Board Seats Occupied by Men	3	3	5

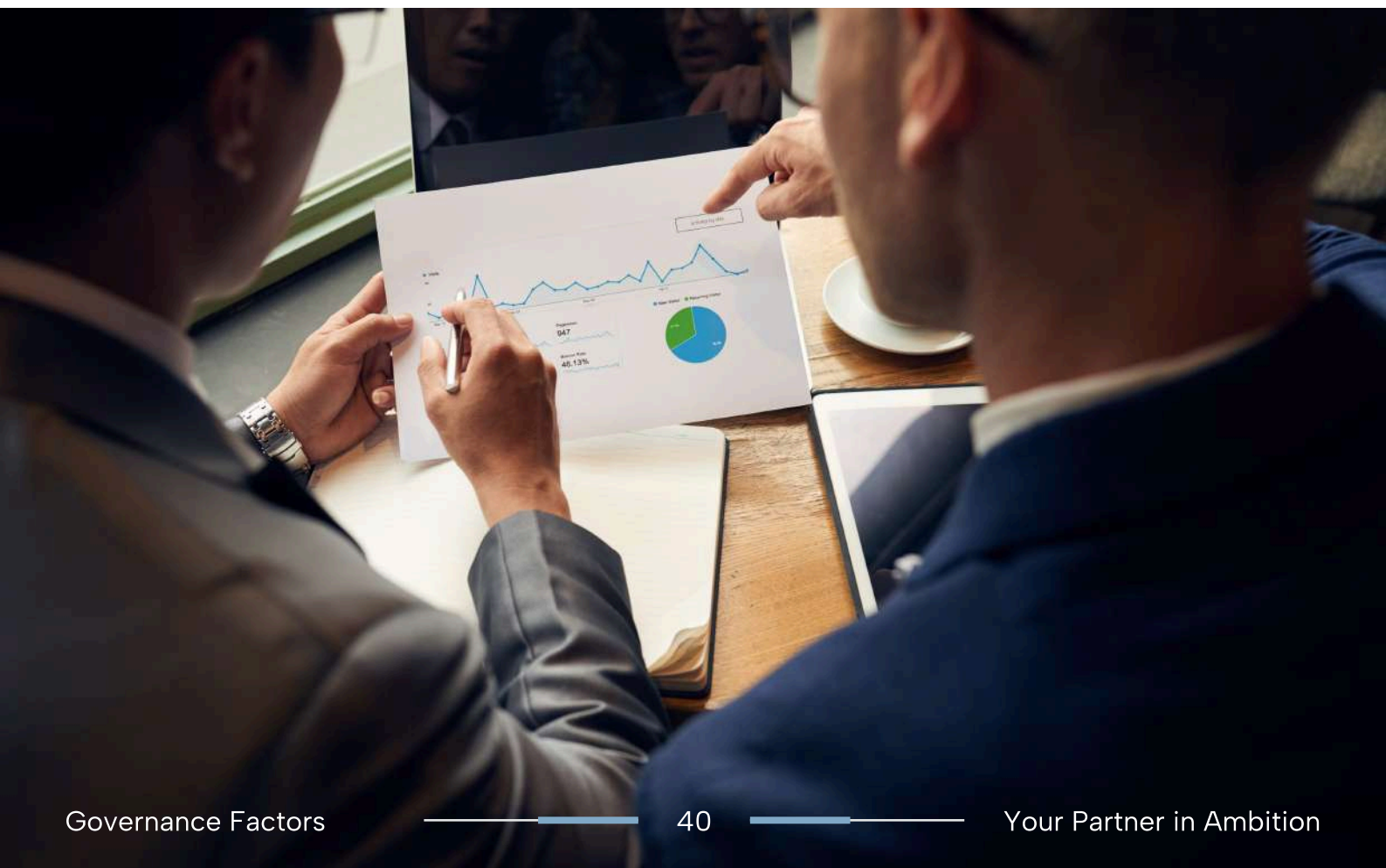


Board Investment and Credit Committee (BICC):

The BICC oversees all investment and credit approvals, as well as setting limits and investment strategies. BICC is also responsible for managing banking relationships, monitoring asset impairment, and asset liability management.

BICC Composition

BICC Composition	2022	2023	2024
Total Number of Members	4	5	5
Total Number of Independent Members	1	1	1
Total Number of Non-Independent Members	3	3	3
Total Number of Executive Members	1	2	0
Total Number of Non-Executive Members	2	2	4
Total Board Seats Occupied by Men	4	5	5



Board Performance and Evaluation

The Board of Directors at Khaleeji Bank is committed to ensuring effective oversight and continuous governance improvements. Annual board performance assessments help maintain accountability and alignment with the Bank's strategic goals, regulatory requirements, and stakeholder expectations.

Board Evaluation Framework

Annual Assessments:

The Bank conducts comprehensive performance evaluations annually for the board, individual directors, and board committees. These assessments measure the board's effectiveness in governance, strategy oversight, and risk management.

Evaluation Process:

The process includes peer assessments and feedback sessions, allowing directors to reflect on governance performance. A formal report summarizing the findings is presented to the board, followed by actionable recommendations for improvement.

Future Improvements and Goal:

- Digital Governance Tools: The Bank aims to introduce digital tools to enhance board operations, including real-time access to governance documents and meeting materials.
- Increased Stakeholder: As part of the board's strategic focus, it will introduce more frequent stakeholder meetings to ensure alignment with evolving governance expectations.

Board Performance Metrics for 2024:

- Number of Board Meetings: 8
- Committee Meetings Held: 18 (cumulative across all committees)
- Independent Directors: 4 out of 10 board members

Remuneration Governance and Compensation Policy

The Bank has both a short-term and long-term compensation structure for its executive management which has been developed based on current market surveys and industry norms. The Bank also had an incentive scheme where eligible employees were awarded a combination of shares and cash incentives on achievement of pre-determined performance targets. The defined benefit plan obligation and other retirement plans as per the Bahrain Labor law. The Bank's board remuneration is determined in line with the provisions of Article 188 of the Companies Law, and their annual remuneration is subject to the approval of the shareholders during the AGM at the end of each year. The Board of Directors is also entitled to sitting fees.

Remuneration Metrics for 2024

Total Remuneration	: BHD 1,343,201
Fixed Salaries and Allowances	: BHD 974,907
Variable Bonuses	: BHD 314,344
Other Compensation	: BHD 53,950

Risk Management and Compliance Framework

Khaleeji emphasizes a proactive approach to risk management and regulatory compliance. The Bank's risk management framework ensures that operational, financial, and compliance risks are identified, monitored, and mitigated effectively. By integrating risk management into governance structures, Khaleeji Bank maintains sustainable growth and aligns with the regulatory requirements of the Central Bank of Bahrain (CBB).

Enterprise Risk Management (ERM) and BARMC Oversight

The Board Audit and Risk Management Committee (BARMC) provides active oversight, ensuring that risk identification, monitoring, and mitigation processes meet the rigorous standards set by the Central Bank of Bahrain (CBB). This proactive structure enables us to respond swiftly to emerging risks while adhering to regulatory expectations.

Systemic Risk Management

To safeguard against sector-wide risks, the Bank continues its focus on Systemic Risk Management. This approach includes detailed risk-reward assessments for any new initiatives, ensuring that benefits are weighed against potential impacts on the Bank's stability. By integrating Shari'a-compliant principles, we maintain a balanced approach to risk while supporting sustainable growth and upholding our ethical standards.

Compliance Automation: The Risk Nucleus System

The Risk Nucleus System automates regulatory tracking and compliance monitoring. Departments now have streamlined access to verify compliance status, upload documentation, and receive alerts on approaching regulatory deadlines. This system not only boosts efficiency but also reinforces a proactive compliance culture throughout the Bank.

Risk Scanning, Scenario Analysis, and Adaptability

In line with evolving market conditions, Khaleeji Bank incorporates risk scanning and scenario analysis into its management strategy. This approach draws from both internal operations and external factors, allowing us to prepare for potential disruptions. The ongoing analysis of emerging risks, combined with targeted contingency planning, strengthens the Bank's resilience and adaptability to market fluctuations.

Future Goals for Risk and Compliance

Strengthen Compliance with ESG Standards: Khaleeji will integrate ESG-related risks into its risk management framework to ensure alignment with sustainability goals and international standards.

Conflict of interest

Khaleeji follows a structured process and has a formally documented Conflict of interest and related party transaction policy to ensure transparency and disclose potential conflicts of interest. The corporate governance charter for the Board of Directors requires Board members to ensure that no conflict of interest exists, including having an interest in the same line of business. The employee code of conduct also requires employees to exercise discretion in order to avoid potential conflicts of interest. This policy covers disclosures related to cross-board memberships, cross-shareholdings with suppliers and stakeholders, the existence of controlling shareholders, and related-party relationships, transactions, and outstanding balances. Through this framework, Bank aims to identify, manage, and disclose conflicts of interest to stakeholders effectively.

Whistleblowing

The Whistleblowing Policy is applicable to Directors, all staff members, and external parties who observe any misconduct in their interactions with the Bank. It establishes a clear procedure for reporting issues such as violations of internal policies or legal requirements, fraudulent activities, misuse of resources, safety concerns, environmental damage, and various other unethical actions. Khaleeji follows a structured process and has a formally documented Whistleblower Policy to facilitate internal and external mechanisms for seeking advice and reporting concerns related to organizational integrity. This policy provides clear channels for employees and stakeholders to raise issues confidentially and safely. Additionally, the Bank conducts periodically awareness initiatives to promote understanding of ethical practices and encourage reporting of concerns, reinforcing a culture of transparency and integrity within the Bank.

Anti-Money Laundering / Combating Financing of Terrorism

At Khaleeji, the AML/CFT policy is crucial to prevent our products and services from being misused for money laundering and terror financing activities. The CBB’s Financial Crime Module for Islamic bank licensees is relevant requires entities to ensure that AML/CFT policies are instituted, and clear policies and procedures are established under this policy for prevention of financial crimes. In the recent period, we have focused on elevating our compliance with the AML/CFT requirements through automated systems, employee training, and communication. Our AML/CFT Policy requires that every transaction be recorded in the accounting system in addition to enhanced customer due diligence, KYC processes, monitoring and reporting. Relevant controls and procedures about suspicious transactions and identity verification are also included in this policy.

We have also placed emphasis on ensuring that existing staff undergo AML/CFT training on a periodic basis. Regular external audits and compliance monitoring reviews are conducted on a periodic basis.

As a financial entity, bribery & anti-corruption measures are pivotal for the ethical and transparent business ecosystem. Our Group Code of Conduct establishes clear prohibitions on accepting bribes in any form it includes gifts, favored treatments from clients, suppliers or other stakeholders of the Bank.

All the new employees need to undergo extensive training related to the Code of Conduct. All the existing employees are also required to attest that they are aware of and abide by the Code of Conduct. The highest levels of professional and personal discretion are expected from all our employees during regular operations

KPI's	2022	2023	2024
Numbers of confirmed cases of corruption	Nil	Nil	Nil



Data Privacy and Customer Protection

Khaleeji Bank has established a comprehensive Data Privacy Manual aligned with Bahrain's Personal Data Protection Law (PDPL) and international best practices such as GDPR. The framework defines governance roles, including the Data Controller and Data Protection Guardian, supported by a Privacy Committee and departmental Champions to ensure organizational compliance. Key components include robust lifecycle management, security measures, incident response protocols, and ongoing compliance reviews to safeguard client data and maintain trust.

The Bank is ISO 27001:2022 certified for its Information Security Management System (ISMS), with regular vulnerability assessments, penetration testing, and team training on cybersecurity best practices. We are deploying advanced AI/ML-powered fraud detection systems to monitor transactions and respond swiftly to anomalies.

Client-centric initiatives include transparent privacy notices, awareness campaigns, and rapid breach notifications in compliance with PDPL. Our Zero-Trust Security Architecture enhances digital protection through micro-segmentation, identity verification, and continuous monitoring. Employee training programs on cybersecurity and data handling policies are mandatory, reinforced through phishing simulations and strict policy enforcement. Additionally, Khaleeji Bank actively collaborates with the Bahrain Association of Banks to share intelligence, comply with regulations, and strengthen sector-wide cybersecurity resilience.

Through these initiatives, the Bank demonstrates its unwavering commitment to data privacy, security, and responsible digital banking, fostering client trust and regulatory compliance.

Disclosure Practice

The Bank regularly publishes a comprehensive sustainability report that highlights its environmental, social, and governance (ESG) performance, initiatives, and impact. The sustainability report serves as a tool to communicate the Bank's sustainability efforts, progress towards goals, and commitment to responsible business practices to stakeholders, investors, customers, and the wider community.

The report typically covers key sustainability metrics, targets, achievements, challenges, and strategies for improving sustainability performance.

Moreover, the Bank integrates sustainability data into various disclosures, including annual reports, financial statements, corporate governance documents, and other public communications. By incorporating sustainability data in its disclosures, the Bank demonstrates transparency, accountability, and a commitment to ESG integration across its operations and decision-making processes. This approach helps stakeholders understand the Bank's sustainability performance, risk management practices, and long-term value creation strategies.

Appendices



CBB KPI Checklist

The Central Bank of Bahrain's Common Volume Part A – ESG Module includes a list of the recommended ESG KPIs. The following ESG index provides a reference to the location within this publication where each CBB Recommended ESG KPI has been reported, in addition to the reasons for its omissions, wherever applicable.

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
Area: Direct energy consumption					
E.1 Environmental Oversight	1. A statement on how the company addresses its environmental impact (e.g., explain whether senior management and/or the board address sustainability issues in meetings or have dedicated committees to do so.)	ESG Governance and Framework	18, 19	-	GRI 3: Material Topics 2021
	2. A statement of purpose and approach of the board/management towards sustainability matters.	ESG Governance and Framework	18, 19	-	TCFD: Strategy - Recommended Disclosure (a) and (b)
	3. A description of the following (where applicable): 3.1 Policies 3.2 Commitments 3.3 Goals and targets (e.g., a description of how management/ the board oversee progress against climate/sustainability related targets) 3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.) 3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.	ESG Governance and Framework	18, 19	-	CDSB Framework REQ-01, REQ-02
E.2 Energy Consumption	1. Report total energy consumed and breakdown by type: 1.1 Indirect energy consumed in the form of electricity, heating, cooling (i.e., total of energy purchases)	Energy Consumption	24	-	GRI 302-1, 302-2
	1.2 Direct energy consumed, classified by renewable and non-renewable sources	Energy Consumption	24	-	GRI 302-3:
	2. State the standards, techniques, assumptions, and/or calculation tools utilised	Department of food & Rural affairs	24	-	GRI 302-3:

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
E.3 Energy Intensity	1. Report total energy consumed during the year divided by the selected scaling factor (e.g., sales, revenue etc.)	Energy Consumption	24	-	GRI 302-3
	2. State the standards, techniques, assumptions, and/or calculation tools utilised	Department of environment, Food & Rural affairs	24	-	GRI 302-3
E.4 Energy Mix	1. Report the percentage of energy used by source, as part of total energy consumption	Energy Consumption	24	-	GRI 302
	2. Report the percentage of renewable and non-renewable energy used, as part of total energy consumption	Energy Consumption	24	-	GRI 302
E.5 Greenhouse Gas (GHG) Emissions	1. Report total absolute emissions by scope:	Green House Gas (GHG) Emissions	25	-	GRI 305
	1.1 Total amount, in CO2 equivalents, for Scope 1	Green House Gas (GHG) Emissions	25	-	GHG Protocol: Calculation Tools and Guidance
	1.2 Total amount, in CO2 equivalents, for Scope 2	Green House Gas (GHG) Emissions	25	-	
	1.3 Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Green House Gas (GHG) Emissions	25	-	
	2. State the standards, techniques, assumptions, and/or calculation tools utilised	Department of environment, Food & Rural affairs	25	-	
E.6 Emission Intensity	1. Report total annual GHG emission during the year divided by the selected scaling factor	Green House Gas (GHG) Emissions	25	-	GRI 305: Emissions 2016
	2. State the standards, techniques, assumptions, and/or calculation tools utilized	Department of environment, Food & Rural affairs	25	-	GHG Protocol: Calculation Tools and Guidance
E.7 Climate Risk Mitigation	1. Describe how your company identifies, assesses, and manages climate-related risks (including physical risks and transition risks)	Climate Risk Mitigation – Energy Efficiency & Climate Risk at Khaleeji Bank	20	-	TCFD: Risk Management – Recommended Disclosure (a) and (b)
	2. Report the amount invested annually in climate-related issues (in BHD or USD) (e.g., research and product innovation)	NIL	-	-	CDSB Framework: REQ-03
E.8 Water Usage	1. Report the total annual amount of water consumed by the organisation	Water Consumption	26	-	GRI 303
	2. Report the total annual amount of water withdrawn by the organisation	Water Consumption	26	-	CDP Water Security Reporting Guidance 2022
	3. Report the total annual amount of water recycled/ reclaimed by the organisation	Water Consumption	26	-	

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
E.9 Waste Generation	1. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste (hazardous and non-hazardous)	Waste Management	26	-	GRI 306
	2. Description of the company's waste disposal method(s)	Waste Management	26	-	
	2.1 Description of the company's sustainable waste management practices (such as recycling initiatives and waste reduction strategies)	Waste Management	26	-	
	3. State the standards, techniques, assumptions, and/or calculation tools utilised	Waste Management	26	-	
E.10 Emission Targets	1. A statement on how the company addresses its total emission	SDG Alignment	21,22	-	GRI 3:
	2. A statement of the board/ management approach towards its total emissions, including whether it is subject to any country, regional, or industry-level emissions regulations and policies	SDG Alignment	21,22	-	
	3. A description of the following (where applicable): 3.1 Policies 3.2 Commitments 3.3 Goals and targets (e.g., a description of how management/ the board oversee progress against climate/sustainability related targets) 3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.) 3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.	SDG Alignment/ ESG Governance and Framework	18,19, 21,22	-	GRI 305
Area: Social					
S.1 Total Workforce by Sex, Age-Group, and Employment Type.	1. Report total of employees currently employed within the organisation	Workforce composition	30	-	GRI 2: General Disclosures 2021,GRI 405:
	1.1 Composition of the total workforce by sex, as percentage of the total workforce	Workforce composition	30	-	

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
	1.2 Composition of the total workforce by age-group (as per the GRI's employee age group categories: (a) under 30 years old, (b) 30-50 years old, and (c) over 50 years old), as a percentage of the total workforce	Work force composition	30	-	GRI 2: General Disclosures 2021,GRI 405:
	1.3 Composition of the total workforce by employment type (e.g., full-time, part-time, intern etc.), as a percentage of the total workforce	Work force composition	30	-	
S.2 Child and Forced Labour	1. A statement on how the organisation addresses prohibition of child and or/forced labour	NA	-	Our practices are in strict accordance with Bahrain's Labor Law and are guided by international human rights standards, ensuring that our operations do not contribute to any human rights abuses such as forced labor, child labor, or discrimination. We are committed to fostering a workplace environment that upholds the rights and dignity of every individual, both internally and throughout our entire supply chain.	GRI 2 ,GRI 405
	2. A statement of the board/ management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies	NA	-		
	3. A description of the following (where applicable): 3.1 Policies 3.2 Commitments 3.3 Goals and targets (e.g., a description of how management/ the board oversee progress against climate/sustainability related targets) 3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.) 3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.	NA	-		

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
S.3 Employee Turnover	1. Report total annual employee turnover rate (whether voluntary or involuntary) for full-time employees during the reporting period, by sex	Employee turnover	30	-	GRI 401
	2. Report total annual employee turnover rate (whether voluntary or involuntary) for full-time employees during the reporting period, by age-group (as per the GRI's employee age group categories: (a) under 30 years old, (b) 30-50 years old, and (c) over 50 years old)	Employee turnover	30	-	
S.4 Gender Pay Ratio	1. Report the median total compensation for women compared to the median total compensation for men (as a ratio)	Gender Pay Ratio	31	-	GRI 405
S.5 Health and Safety	1. Report on the total of injuries and fatalities occurred in each of the past three years including the reporting year	Health and Safety	33	-	GRI 403
	2. Report lost days due to work injury in each of the past three years including the reporting year	Health and Safety	33	-	
	3. A description of occupational health and safety measures adopted, and how they are implemented and monitored	Health and Safety	33	-	
S.6 Non-Discrimination	1. A statement on how the organisation addresses harassment and discrimination matters	Human rights and Non-Discrimination and labor law	32,33	-	GRI 406 ,GRI 3
	2. A statement of the board/ management approach, including whether it is subject to any country, regional, or industry-level regulations and policies	Human rights and Non-Discrimination and labor law	32,33	-	
S.7 Nationalisation	1. A statement of the board/ management approach to increase nationalisation, including whether it is subject to any country regulations and policies	Nationalization	34	-	GRI 406, GRI 3
S.8 Community Investment	1. Amount invested in the community as a percentage of company revenues	Community Investment	35	-	GRI 3
	2. Description of the scope and impact of its community investment initiatives	Community Investment	35	-	

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
S.9 Human Rights	1. A statement on how the organisation addresses human rights	Human rights and Non-Discrimination and labor law	32,33	-	GRI 412, GRI 3
	2. A statement of the board/ management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies	Human rights and Non-Discrimination and labor law	32,33	-	
	3. A description of the following (where applicable): 3.1 Policies (and if it also covers suppliers and vendors) 3.2 Commitments 3.3 Goals and targets 3.4 Responsibilities	Human rights and Non-Discrimination and labor law	32,33	-	
S.10 Management Composition/ Diversity	1. Report percentage of male to female metrics, as per the below categories: 1.1 Entry-level	Management composition	31	-	GRI 405
	1.2 Mid-level	Management composition	31	-	
	1.3 Senior/Executive level positions	Management composition	31	-	
S.11 Development and Training	1. Report average hours of training, as per the below categories:	Employee Training and Development	34	-	GRI 404
	1.1 By Sex	Employee Training and Development	34	-	
	1.2 By Employee category (Full-time, part-time, internship etc.)	Employee Training and Development	34	-	

Area: Governance

G.1 Board Composition	1. Report board size	Governance	37-40	-	GRI 2
	2. Report female board directors by and percentage of the Board size	Governance	37-40	-	
	3. Report composition of the board and its committees by:	Governance	37-40	-	
	3.1 Executive or non-executive	Governance	37-40	-	
	3.2 Independence	Governance	37-40	-	
	3.3 Tenure	Governance	37-40	-	
	3.4 Representation (appointed or elected)	Governance	37-40	-	
	3.5 Details of non-compliance with regulations, as well as a description of the corrective actions taken	None	37-40	-	

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
G.2 Collective Bargaining	1. Report total enterprise headcount covered by collective bargaining agreements (Unions) (if applicable)	NA	-	-	GRI 407
	2. Provide a description of the process by which employees negotiate their contracts with the organisation to determine their terms of employment (e.g., compensation, benefits, hours, leave, occupational health and safety standards, initiatives to balance work and family etc.)	Collective Bargaining	33	-	GRI 407
G.3 Whistleblowing	1. Provide a description of internal and external mechanisms for seeking advice and reporting concerns on organisational integrity	Whistleblowing	43	-	GRI 2
	2. Provide a description on awareness initiatives conducted by the organisation	Whistleblowing	43	-	
G.4 Data Privacy	1. Provide a description of the company's Data Privacy policy	Data Privacy and Customer Protection	45	-	GRI 2
	2. Provide a statement of the steps taken to comply with Personal Data Protection Law (PDPL) rules	Data Privacy and Customer Protection	45	-	
G.5 Disclosure Practices	1. Report if the company provides its sustainability data to sustainability supporting organisations such as the Global Reporting Initiative (GRI) Secretariat, United Nations (UN), CDP etc.	Disclosure Practice	45	-	GRI 2
	2. Report if the company focuses on specific UN Sustainable Development Goals (SDGs), including setting targets and reporting progress	Disclosure Practice	45	-	
	3. State whether the company publishes a sustainability report and/or how it integrates sustainability data in its disclosures	Disclosure Practice	45	-	
G.6 Conflict of Interest	1. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: 1.1 Cross-board membership	Conflict of interest	43	-	GRI 2
	1.2 Cross-shareholding with suppliers and other stakeholders	Conflict of interest	43	-	GRI 2
	1.3 Existence of controlling shareholders	Conflict of interest	43	-	GRI 2

KPI	Main Reporting Component(s)	Location	Page No.	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
	1.4 Related parties, their relationships, nature, transactions, and outstanding balances	Conflict of interest	43	-	GRI 2
G.7 Supplier Code of Conduct	1. Provide a description of the company's Supplier Code of Conduct	NA	-	The Bank is Currently in the process of developing supplier code of conduct.	GRI 2
	2. Report the percentage of suppliers that comply with the company's code of conduct and the compliance assessment mechanism	NA	-	The Bank is Currently in the process of developing supplier code of conduct.	
G.8 Incentivised Pay	1. Report if executives are formally incentivised to perform on sustainability	NA	-	Khaleeji is dedicated to embedding sustainability into our core practices and incorporating sustainability Key Performance Indicators (KPIs) into our operational framework. While we acknowledge the significance of aligning financial rewards with long-term sustainability objectives, we do not yet have a formalized system that ties incentives or bonuses directly to sustainability performance.	GRI 2
	2. Report the percentage of executive compensation tied to ESG performance metrics	NA	-		
	3. Provide a description of other links between executive performance and sustainability performance (if any)	NA	-		
G.9 Ethics & Anti-Corruption	1. Report if your company follows an Ethics and/or Anti-Corruption policy	Adherence to the policy	32	-	GRI 2, GRI 3
	1.1 If yes, report the percentage of the workforce that has formally certified its compliance with the policy (provide description of certification and process)	Adherence to the policy	32	-	
	2. Provide a statement of the company's commitment towards its ethics and/or anti-Corruption policy/position	Adherence to the policy	32	-	
G.10 Assurance	1. Provide a description of the process by which sustainability disclosures are assured or validated	NA	-	NA	GRI 2, GRI 3
	1.1 Report if the company's sustainability disclosures are assured or validated by an independent third party	NA	-	NA	

GRI Index Referencing

Khaleeji has reported the information cited in this GRI content index for the period January 2024 to December 2024 with reference to the GRI Standards.

GRI 1: Foundation 2021

S. No	GRI 1 – General Disclosures	Location
1	Organizational details	7
2	Entities included in the organization’s sustainability reporting	7
3	Reporting period, frequency and contact point	6
4	Restatements of information	Electricity figures and GHG Emission of year 2022 and 2023 (Pg : 24-25)
5	External assurance	NA
6	Activities, value chain and other business relationships	7
7	Employees	29,30
8	Workers who are not employees	29,30
9	Governance structure and composition	37-40
10	Nomination and selection of the highest governance body	37-40
11	Chair of the highest governance body	37-40
12	Role of the highest governance body in overseeing the management of impacts	37-40
13	Delegation of responsibility for managing impacts	37-40
14	Role of the highest governance body in sustainability reporting	37-40
15	Conflicts of interest	43
16	Communication of critical concerns	43
17	Collective knowledge of the highest governance body	37-40
18	Evaluation of the performance of the highest governance body	41
19	Remuneration policies	41,42
20	Process to determine remuneration	41,42
21	Annual total compensation ratio	41,42
22	Statement on sustainable development strategy	16,17
23	Policy commitments	16
24	Embedding policy commitments	16

S. No	GRI 1 – General Disclosures	Location
25	Processes to remediate negative impacts	20
26	Mechanisms for seeking advice and raising concerns	43
27	Compliance with laws and regulations	No case of non-Compliance
28	Membership associations	NA
29	Approach to stakeholder engagement	11
30	Collective bargaining agreements	33

S. No	Material Topics	Location
1	Process to determine material topics	16,17,18
2	List of material topics	17
3	Management of material topics	16,17,18

GRI Indicator	Disclosure	Location
GGRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	20
	201-3 Defined benefit plan obligations and other retirement plans	41
	201-4 Financial assistance received from government	Nil
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	As per Bahrain Labour Law
	202-2 Proportion of senior management hired from the local community	34
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	NA
	203-2 Significant indirect economic impacts	NA
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	NA
	205-2 Communication and training about anti-corruption policies and procedures	32
	205-3 Confirmed incidents of corruption and actions taken	Nil
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	NA

GRI Indicator	Disclosure	Location
GRI 302 Energy Consumption	302-1 Energy consumption within the organization	24
	302-2 Energy consumption outside of the organization	24
	302-3 Energy intensity	24
	302-4 Reduction of energy consumption	24
GRI 303 Water Management	303-1 Interactions with water as a shared resource	26
	303-3 Water withdrawal	26
	303-4 Water discharge	26
	303-5 Water consumption	26
GRI 305 Emissions	305-1 Direct (Scope1) GHG emissions	25
	305-2 Energy indirect (Scope 2) GHG emissions	25
	305-3 Other indirect (Scope 3) GHG emissions	25
	305-4 GHG emissions intensity	25
	305-5 Reduction of GHG emissions	25
GRI 306 Waste Management	306-1 Waste generation and significant waste-related impacts	26
	306-2 Management of significant waste-related impacts	26
	306-3 Waste generated	26
GRI 308 Supplier Assessment	308-1 New suppliers that were screened using environmental criteria	NA

GRI Indicator	Disclosure	Location
GRI 401 Employment	401-1 New employee hires and employee turnover	30
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	33
	401-3 Parental leave	33
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	33
GRI 403 Occupational Health and Safety	403-1 Occupational health and safety management system	33
	403-2 Hazard identification, risk assessment, and incident investigation	33
	403-3 Occupational health services	33
	403-4 Worker participation, consultation, and communication on occupational health and safety	33
	403-5 Worker training on occupational health and safety	33
	403-6 Promotion of worker health	33
	403-8 Workers covered by an occupational health and safety management system	33
	403-9 Work-related injuries	33
	403-10 Work-related ill health	33

GRI Indicator	Disclosure	Location
GRI 404 Training and Development	404-1 Average hours of training per year per employee	34
	404-2 Programs for upgrading employee skills and transition assistance programs	34
	404-3 Percentage of employees receiving regular performance and career development reviews	34
GRI 405 Diversity & Inclusion	405-1 Diversity of governance bodies and employees	28
	405-2 Ratio of basic salary and remuneration of women to men	31
GRI 406 Non- Discrimination	406-1 Incidents of discrimination and corrective actions taken	32
GRI 407 Freedom of Association	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	NA
GRI 408 Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	NA
GRI 409 Forced Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	NA
GRI 413 Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	35
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria actions taken	NA
	414-2 Negative social impacts in the supply chain and actions taken	NA
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil

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Thank You



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