

# ESG Report

**Bahrain Family Leisure Company B.S.C. (BFLC)**

Kingdom of Bahrain

June 2025

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## About this report

This Environmental, Social, and Governance (ESG) Report has been prepared in alignment with the Central Bank of Bahrain (CBB) ESG Reporting Module, issued in November 2023. The report complies with the CBB's directive for licensed companies to submit annual ESG disclosures that are consistent, transparent, and comparable, facilitating stakeholder's understanding of the company's sustainability performance, risk exposure, and long-term value creation.

This report outlines the Environmental, Social, and Governance (ESG) performance of Bahrain Family Leisure Company B.S.C (BFLC) across all its restaurant and catering operations for the financial year covering 1 January 2024 to 31 December 2024. It provides disclosures on key performance indicators (KPIs) in line with the requirements set out in Annexure 1 of the CBB Module. The report emphasises BFLC's dedication to transparent reporting by clearly defining metrics, assumptions, and explanations, especially in cases of partial or unavailable data.

Beyond meeting national regulatory standards, the report also aligns with globally recognised frameworks and best practices, such as the Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (SDGs). It is guided by material issues relevant to the restaurant industry and reflects evolving ESG priorities within the sector.

Through this publication, BFLC reinforces its ongoing effort to ethical business conduct, stakeholder engagement, and continuous enhancement of its ESG performance.

### Reporting Boundary

The reporting boundary for this report is limited to Bahrain Family Leisure Company B.S.C and its branches in Bahrain. The information provided focuses exclusively on BFLC's own operations and does not cover the performance or activities of its subsidiaries. This exclusion is due to variations in operational structures and the current unavailability of consistent data across all entities.

### Disclaimer

This report includes forward-looking statements that pertain to future events and anticipations. While these statements are grounded in responsible assumptions, it is essential to acknowledge that they are subject to various risks and uncertainties. Consequently, the outcomes might vary from the expectations conveyed in these forward-looking statements. The Company values your inputs and encourages you to share your feedback at [info@bflc.com.bh](mailto:info@bflc.com.bh)

## Message from the Chairman

### Statement from the Chairman of the Board of Directors – Abdul Lateef Khalid Alaujan

Bahrain Family Leisure Company B.S.C (BFLC) has always been about more than just food - it is about people, experiences, and community. In 2024, BFLC took significant steps in formalizing our Environmental, Social, and Governance (ESG) commitments. While hospitality has always been rooted in care, community, and quality, this year marked a meaningful evolution – embedding ESG into its operational decisions, culture, and long-term vision.

As the food and hospitality landscape evolves with rising sustainability expectations and social awareness, we recognise the vital role BFLC plays in promoting ethical sourcing, reducing environmental impact and supporting local communities. BFLC is proud to align with national development goals and broader net-zero ambitions by prioritising responsible operations that create lasting value.

Throughout the year, we undertook a review of our sourcing, energy use, water consumption, and community engagement efforts. We initiated steps to enhance transparency and introduced training to raise internal awareness across all levels of staff. Our suppliers and partners have also been engaged in this journey, as we work together to adopt more sustainable and inclusive practices.

We believe that trust is built through action and accountability. That is why this report reflects our first step towards ESG disclosures based on recognised industry standards. It is both a commitment to our stakeholders and a benchmark for our future progress.

Going forward, we are focused on building strong foundations, improving operational efficiency, minimising food waste, investing in employee well-being, and creating welcoming, inclusive dining spaces and catering experience for a wide range of customers. Through collaboration and continuous learning, we aim to contribute to a thriving, sustainable food ecosystem.

On behalf of the Board of Directors, I extend my sincere gratitude to our employees, workers, suppliers, and community partners. Your support empowers us to serve with integrity, innovate with purpose, and grow responsibly.



**Abdul Lateef Khalid Alaujan**

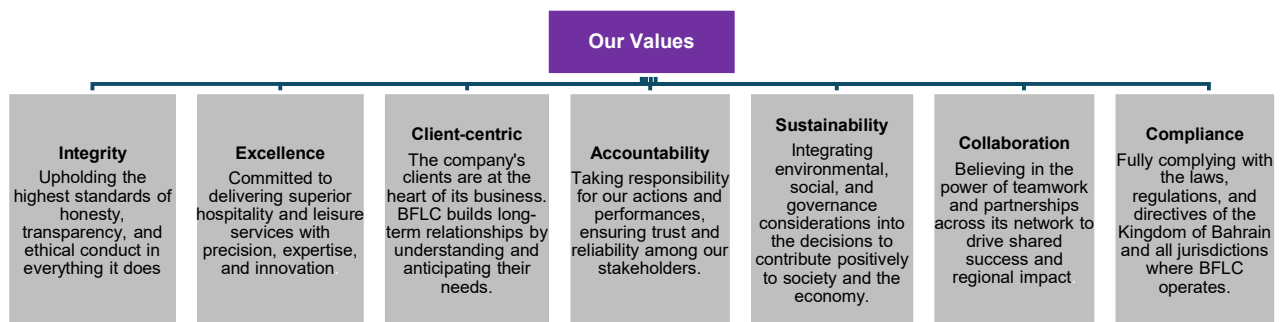
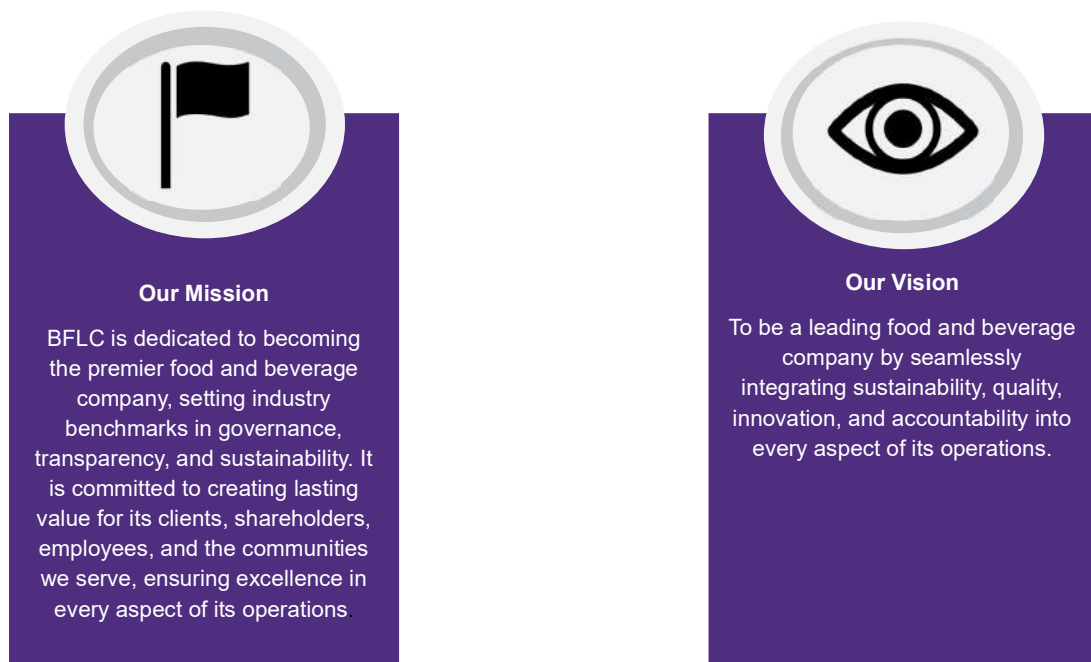
Chairman of the Board of Directors

## About BFLC

Bahrain Family Leisure Company B.S.C (BFLC) is a Bahraini Shareholding Company registered with Ministry of Industry and Commerce in the Kingdom of Bahrain. It is established on the guidelines of economic activities and the participation of the private and public sectors in Bahrain. The Company has obtained its Commercial Registration in 1994.

BFLC currently owns and operates a franchise restaurant in the Kingdom under the brand name of Bennigan's. BFLC also operates its own restaurant brand under the name of Cucina Italiana and provides catering services under the brand name of Kazbah Catering. All outlets are an important sign in the Bahrain tourism industry today.

BFLC is following a growth plan to develop new concepts in restaurant business and add more customers to its catering services across the Kingdom of Bahrain.



## Our services

BFLC offers a diverse range of hospitality and leisure services tailored to meet the evolving preferences of our guests across Kingdom of Bahrain. Leveraging deep industry expertise and a robust operational framework, we provide both homegrown and franchise dining experiences through a multifaceted platform that spans casual dining, fine gastronomy, catering, and entertainment. Our services are designed to create memorable experiences, support Bahrain's tourism sector, and ensure operational excellence across every touchpoint. Our key offerings include:

### Restaurant Management

BFLC operates a variety of casual dining and franchise restaurants, ensuring high-quality food and service. Some of their well-known brands include:

Bennigan's  
Cucina Italiana

### Catering Services

Provides customized catering solutions for events, corporate functions, and private gatherings.

Kazbah Catering – A specialized catering service providing high-quality food for events and private functions.

### Catering and Franchise Operations

BFLC manages both catering services and franchise brands, ensuring high standards of food quality and service. BFLC's operations focus on:

Quality Control  
Market Adaptation

### Event Hosting & Entertainment

BFLC enhances the dining experience by organizing various events and entertainment programs, including:

Live Music & Performances  
Theme Nights & Special Promotions  
Interactive Experiences

### Hospitality & Leisure Services

BFLC is committed to providing exceptional hospitality experiences through:

Customer-Centric Approach  
Innovative Dining Concepts  
Sustainability Initiatives

### Customer Experience Enhancement

BFLC prioritizes customer satisfaction by:

Feedback & Improvement Program  
Loyalty & Rewards Programs  
Digital Engagement

### Culinary Training & Development

BFLC invests in the continuous growth of its culinary and hospitality teams by providing:

Chef Training Programs  
Sustainability & Food Safety Training  
Innovation & Menu Development

## Our Accolades and Recognitions



## 2018

In 2018, Bennigan's won Bahrain's Best North American Restaurant at the FACT Dining Awards, highlighting its excellence in cuisine and service.



## 2013

In 2013, Cucina Italiana won Best Italian Restaurant at the Time Out Bahrain Restaurant Awards, showcasing its excellence in authentic cuisine.



## 2013

In 2013, Bennigan's earned the CITIBANK-FACT Award as Bahrain's Favorite North American Restaurant, celebrating its culinary excellence.

## Sustainability Ahead

BFLC offers a diverse service portfolio that enhances Bahrain's hospitality and leisure sector, including restaurant management with both homegrown and international franchise brands, customised catering solutions for corporate and private events, and engaging entertainment experiences through themed nights and live performances.

BFLC has initiated a structured ESG journey with a comprehensive materiality assessment that leverages global ESG standards and stakeholder insights. This assessment has shaped the foundation for developing a clear governance framework and a detailed ESG strategy with defined goals, KPIs, and targets aligned with BFLC's business operations and sustainability ambitions.

Moving towards a sustainable and resilient future, BFLC is actively embedding environmental, social, and governance (ESG) principles across its operations. The company strives to reduce its environmental impact, enhance social value, and uphold strong governance practices to contribute positively to its communities and stakeholders. BFLC's ESG aspirations are driven by several core priorities:

### **Carbon footprint reduction**

### **Sustainable resource use and waste minimisation**

### **Energy and Water Efficiency**

### **Commitment to health, safety and well-being of employees and customers**

### **Promotion of diversity, equity, and inclusive work culture**

### **Strengthening governance frameworks to ensure accountability and integrity**

Through these focused efforts, BFLC aims to build long-term resilience and create shared value aligned with global sustainability goals and regional development priorities.

## Materiality Assessment

BFLC adopted a structured, benchmark-driven approach aligned with best global practices to identify and prioritise the most relevant Environmental, Social, and Governance (ESG) topics for the company. The process was designed to ensure that BFLC's ESG focus areas are strategic, forward-looking, and aligned with stakeholder expectations in the restaurant industry.

Our materiality assessment serves as a foundation for shaping responsible business practices and guiding our sustainability efforts. It reflects a deep dive into the most relevant ESG topics by drawing on insights from peer institutions, both national and international, and aligning with industry-specific standards from global frameworks such as the SASB, WEF, S&P Global, and MSCI. This helped us benchmark the best practices and create a consolidated list of key topics.

The key steps in the materiality assessment included:

### 1. Understand

BFLC mapped its ESG landscape through a comprehensive review of international standards and industry benchmarks, including peer disclosures and recognised frameworks such as the SASB Standards, MSCI, and S&P Global Sustainability and World Economic Forum (WEF) Benchmarks.



### 2. Assess

Each identified ESG topic was evaluated based on its relevance to BFLC's sector and operations, considering factors such as scale, scope, and likelihood of impact. Topics mentioned by peers and industry frameworks were scored and consolidated into broader themes to provide a clear prioritisation basis.



### 3. Prioritise

Using a scoring matrix and heatmap analysis, BFLC prioritised the material topics that are most significant for its business and stakeholders. This approach combined both top-down benchmarking and bottom-up thematic companying to focus on critical ESG areas.



### 4. Validate

The preliminary list of material topics was internally validated to ensure alignment with BFLC's strategic priorities and operational realities, forming the basis for focused ESG management and reporting.



### 5. Revisit

BFLC plans to conduct periodic reviews of its materiality assessment to stay current with evolving ESG trends, stakeholder expectations, and regulatory developments, thereby continuously enhancing its sustainability strategy.

While the current approach is primarily desk-based and benchmark-driven, BFLC aims to incorporate broader stakeholder consultation in future iterations to further enrich its ESG focus and impact.

## Assessment Outcomes

21 topics were selected out of the 48 proposed material topics based on peer benchmarking and industry standards.

## List of Material Topics

| Legend |                 |
|--------|-----------------|
|        | Low Priority    |
|        | Medium Priority |
|        | High Priority   |

|                 |             |                                 |
|-----------------|-------------|---------------------------------|
| Material Topics | Environment | Waste Management                |
|                 |             | Water & Wastewater management   |
|                 |             | Energy Management               |
|                 |             | Climate Change Management       |
|                 |             | GHG Emissions                   |
|                 |             | Environmental Management        |
|                 |             | Sustainable Packaging           |
|                 |             | Biodiversity                    |
|                 | Social      | Raw Material Sourcing           |
|                 |             | Product Quality & Safety        |
|                 |             | Labour Practices                |
|                 |             | Supply Chain Management         |
|                 |             | Customer Relations & Welfare    |
|                 |             | Human Capital Management        |
|                 |             | Occupational Health & Safety    |
|                 |             | Diversity and Equity            |
|                 |             | Community Relations             |
|                 |             | Stakeholder Engagement          |
|                 | Governance  | Governance                      |
|                 |             | Cybersecurity & Data Protection |
|                 |             | Ethics and Compliance           |

## Risk Management

(CBB: E.7)

BFLC has established a structured risk management framework under the oversight of its Board of Directors, which holds overall responsibility for monitoring and reviewing the company's risk management. The Board ensures that appropriate policies and controls are in place to manage risks effectively and receives regular updates from the Financial Controller to assess the adequacy and effectiveness of these controls.

The company's risk management approach covers a broad range of risks, including credit risk, interest rate risk, price risk, foreign exchange risk, and liquidity risk. BFLC is implementing proactive measures to identify, assess, and mitigate these risks to safeguard the company's financial stability and operational continuity.

Key Risks and Mitigation Strategies:

- **Credit Risk:** BFLC mitigates credit risk by working with highly rated financial institutions and closely managing customer receivables.
- **Interest Rate Risk:** BFLC's exposure to interest rate fluctuations is limited, with minimal expected financial impact.
- **Currency Rate Risk:** Most foreign currency transactions are in US Dollars, effectively pegged to the Bahrain Dinar, reducing exposure.
- **Liquidity Risk:** BFLC actively monitors liquidity requirements on a regular basis to ensure sufficient funds are available to meet obligations.
- **Price Risk:** Investment portfolios are diversified to manage price risk, with limited sensitivity to fair value changes

## Climate Risks Mitigation

(CBB: E.7)



BFLC acknowledges that climate-related risks, both physical and transition-related, pose emerging challenges to businesses across sectors, including the restaurant business. While climate risk is not yet embedded as a formal component of our enterprise risk management framework, we recognise the importance of proactively integrating climate considerations into our long-term strategy and operations.

As part of our ESG roadmap, we recognize the value of understanding climate-related risks across our value chain. We are looking into ways to identify these risks and explore potential strategies to address them.

To proactively address climate-related challenges, we are exploring the possibility of establishing a climate-risk management approach tailored to our operations and supply chain dynamics. This could involve an initial mapping of climate-related vulnerabilities, including physical risks such as extreme weather events, flooding, and heatwaves, as well as transition risks related to evolving regulations, shifts in energy markets, and changing customer expectations.

Given the nature of our operations, including ingredient sourcing, food storage, preparation, and customer service, BFLC could be exposed to the following climate-related risks:

| Physical Risks                                                                                                                                                                                                                                                                                                                                           | Transition Risks                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Water scarcity may affect cooking, cleaning, and sanitation processes, particularly in drought-prone regions.</li> <li>• Increased frequency of heatwaves can strain HVAC and refrigeration systems, raising utility costs and risking food safety due to spoilage or improper storage temperatures.</li> </ul> | <ul style="list-style-type: none"> <li>• Stricter regulations on food waste management and single-use plastics (e.g., takeout packaging) may increase compliance costs.</li> <li>• Carbon pricing and energy efficiency mandates may increase operating expenses, especially for high-energy-consuming kitchen equipment.</li> <li>• Reputational risks if stakeholders expect greater environmental responsibility across supply chains.</li> </ul> |

- |                                                                                                                                                             |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <ul style="list-style-type: none"> <li>• Rising temperatures may increase spoilage risks for perishable food items, affecting menu availability.</li> </ul> |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

BFLC intends to evaluate the potential financial and operational impacts these risks could pose to restaurant operations. We recognise that disruptions can affect everything from food supply to kitchen efficiency and customer satisfaction. In response, the company intends to identify and consider adaptive strategies that could help mitigate these risks and enhance resilience across our restaurant ecosystem.

Through these efforts, we intend to align our operations with national climate goals and broader global climate expectations. This reflects our company's interest in promoting sustainable dining, responsible sourcing, and environmentally conscious restaurant practices.

Our approach supports not only our environmental efforts but also the well-being of our employees, customers, and the broader communities we serve.

## Looking Ahead

We are exploring key initiatives in order to address climate-related risks:

- Engagement in climate education and training for employees.
- Reviewing operational practices to identify opportunities for enhancing environmental performance

## ESG Framework and SDG Mapping



This section presents the alignment of BFLC's material sustainability topics and corresponding KPI's with the United Nations Sustainable Development Goals (SDGs), offering a structured view of the Company's contribution to national and global sustainability agendas. By mapping key material issues and performance indicators against relevant SDGs, BFLC aims to demonstrate how its sustainability priorities are interconnected with broader development objectives. BFLC's sustainability strategy is underpinned by measurable KPI's and material themes that reflect industry's best practices and align with the SDGs, reinforcing its commitment to responsible growth.

We have established a robust ESG framework designed to embed sustainability into every aspect of our operations. As part of this framework, we have identified clear key performance indicators (KPIs) that align with our strategic objectives. These KPIs will be continuously monitored through a systematic process, enabling us to track our progress. We will measure performance against predefined targets and transparently report these results to our stakeholders.

The following mapping highlights how BFLC's identified material topics and sustainability performance metrics contribute to selected SDGs, ensuring coherence between operational goals and global sustainability imperatives. Through this impact mapping, BFLC connects its material sustainability focus areas with applicable SDGs, providing transparency on how its initiatives support wider social, environmental, and economic progress.

| Material Topic   | CBB Disclosure        | Key Performance Indicator                                                                                                                | Target                                            | Alignment with UNSDG Targets                                                                                                                                                                                                                                                                                          |
|------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ENVIRONMENT      |                       |                                                                                                                                          |                                                   |                                                                                                                                                                                                                                                                                                                       |
| Waste Management | E.9: Waste Generation | Waste disposal methods against types of waste                                                                                            | Feasibility study for waste disposal options      | 12.4: By 2020, achieve the environmentally sound management of chemicals and all waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment. |
|                  |                       | Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste (hazardous and non-hazardous). | Reduce waste generation by 10% in the first year. | 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.                                                                                                                                                                                                              |
|                  |                       | The total amount of water consumption per month by BFLC (L/Kl)                                                                           | Baseline water consumption mapped within one year | 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.                                                                       |



| Material Topic                | CBB Disclosure                                                      | Key Performance Indicator                                               | Target                                                         | Alignment with UNSDG Targets                                                                                                                                                                                                                                                                                         |
|-------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Water & Wastewater Management | E.8: Water Usage                                                    | The total annual amount of water recycled/reclaimed by the organisation | Increase the Reuse/ Recycle wastewater                         | 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.                                                           |
| Energy Management             | E.2: Energy Consumption<br>E.3: Energy Intensity<br>E.4: Energy Mix | Total energy consumption (in MWh/year)                                  | Baseline energy consumption mapped within one year             | 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.                                                                                                                                                                                                                             |
|                               |                                                                     | Energy intensity (Energy used per MT of total revenue) (MWh/MT)         | Baseline energy consumption mapped within one year             | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.                                                                                                                                                                                                                          |
|                               |                                                                     | Total renewable energy consumption (in MWh/year)                        | Assessment of renewable energy integration                     | 7.3 By 2030, double the global rate of improvement in energy efficiency.                                                                                                                                                                                                                                             |
|                               |                                                                     |                                                                         |                                                                |                                                                                                                                                                                                                                                                                                                      |
| SOCIAL                        |                                                                     |                                                                         |                                                                |                                                                                                                                                                                                                                                                                                                      |
| Product Quality & Safety      | S.5: Health and Safety                                              | Educate employees on food handling, hygiene, and safety protocols.      | 100% training to all the employees on product quality & safety | 12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.                                                                                                                                         |
|                               |                                                                     | Number of complaints about food quality and safety                      | Reduce complaints by 30% from baseline                         | 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment |
| Supply Chain Management       |                                                                     | % of ingredients sourced locally                                        | Increase to 50% ingredients sourced locally                    | 12.6 Encourage companies, especially large and transnational companies, to                                                                                                                                                                                                                                           |



| Material Topic               | CBB Disclosure                                                                                                                                             | Key Performance Indicator                                                                                      | Target                                                                                                   | Alignment with UNSDG Targets                                                                                                                                                                                                    |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              | NA                                                                                                                                                         | % of suppliers evaluated on sustainability criteria                                                            | Assess 80% of key suppliers on sustainability criteria                                                   | adopt sustainable practices and to integrate sustainability information into their reporting cycle.<br><br>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities. |
| Customer Relations & Welfare | S.8: Community Investment                                                                                                                                  | Net Promoter Score (NPS)                                                                                       | Track Net Promoter Score on quarter basis                                                                | 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products                                                                                             |
|                              |                                                                                                                                                            | Percentage of repeated customers                                                                               | Reach 60% repeated customer rate                                                                         | 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.                                                                      |
| Raw Material Sourcing        | NA                                                                                                                                                         | % of raw materials with sustainability certifications                                                          | Reach 100% of certified materials                                                                        | 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.                                                                                                            |
|                              |                                                                                                                                                            | Evaluating the quality and consistency of raw materials supplied ensures adherence to required specifications. | Increase the percentage of locally sourced or eco-friendly ingredients to align with environmental goals | 12.2 By 2030, achieve the sustainable management and efficient use of natural resources                                                                                                                                         |
| Labour Practices             | S.1: Total Workforce by sex, age-group, and employment type<br><br>S.2: Child and Forced Labour<br><br>S.3: Employee Turnover<br><br>S.4: Gender Pay Ratio | % of staff trained in workplace safety                                                                         | Train 100% of staff annually                                                                             | 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.                                       |
|                              |                                                                                                                                                            | % of audits confirming no child or forced labour in operations or key suppliers                                | 100% of audits confirm compliance                                                                        | 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.                                     |
|                              |                                                                                                                                                            |                                                                                                                |                                                                                                          | 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.                                                                                                                             |
|                              |                                                                                                                                                            |                                                                                                                |                                                                                                          | 8.7 Take immediate and effective measures to                                                                                                                                                                                    |



| Material Topic    | CBB Disclosure                                                                                        | Key Performance Indicator                               | Target                                                                           | Alignment with UNSDG Targets                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   | S.9: Human rights<br><br>S.10: Management Composition/Diversity<br><br>S.11: Development and Training |                                                         |                                                                                  | <p>eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p> |
| <b>GOVERNANCE</b> |                                                                                                       |                                                         |                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Governance</b> | G.1: Board Composition                                                                                | Number of governance policies reviewed/updated annually | Maintain a diverse Board that upholds ethical standards & demonstrates integrity | 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.                                                                                                                                                                                                                                                                                     |
|                   |                                                                                                       | Number of reported ethical violations or breaches       | Zero-tolerance for governance violations with annual disclosures                 | <p>16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all.</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels.</p> <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.</p>                                                                                                                               |



BAHRAIN'S PREMIER CASUAL DINING OPERATOR  
الشركة البحرينية للترفيه العائلي ش.م.ب  
BAHRAIN FAMILY LEISURE COMPANY B.S.C

# ENVIRONMENTAL

## Environmental Sustainability

At BFLC, environmental sustainability is a core priority. Our comprehensive efforts reflect our dedication to driving positive change and a sustainable future. By taking proactive measures to assess risks, we prioritise the well-being of people and the environment.

We recognise the vital role water plays in both our operations and the broader community, and we actively strive to minimise consumption while promoting access to clean water and sanitation.

We are dedicated to shifting towards accessible and sustainable energy solutions. Our goal is to reduce reliance on fossil fuels and encourage the use of renewable energy sources. We focus on improving energy efficiency and implementing sustainable solutions to lower our environmental impact and support a greener future. We are making efforts to reduce our greenhouse gas emissions through the adoption of cleaner energy practices. We are actively developing adaptation strategies to reduce greenhouse gas emissions in all our operations.

We are making efforts to reduce waste and making the best use of resources across all BFLC operations. By encouraging responsible consumption and cutting down on waste, we strive to lower our environmental impact. We prioritise the use of eco-friendly products, and sustainable production practices. By following sustainable land use practices, we aim to minimise any harm to the environment and support a healthy ecosystem.

Through these efforts, we are actively contributing to global sustainability goals and play our part in creating a more sustainable future. We continuously evaluate our practices and strive for innovation to drive positive environmental change. Together, we are building a more sustainable and resilient organisation that positively impacts the communities we serve and the planet we share. We are currently in the process of formulating an ESG policy to align our operations with sustainable and responsible business practices.

## OVERVIEW OF OUR ENVIRONMENTAL IMPACTS

Bahrain has experienced substantial growth in its hospitality and leisure industry over the years. Bahrain Family Leisure Company (BFLC), a leading name in the sector, has successfully introduced innovative dining experiences across the Kingdom. With a strong presence in the restaurant industry, BFLC has played a pivotal role in enhancing Bahrain's restaurant culture, offering high-quality culinary experiences and contributing to the country's vibrant hospitality landscape.

### 2024 HIGHLIGHTS



ELECTRICITY CONSUMPTION

**3059.25 GJ**



GHG EMISSIONS

**643.96 tCO<sub>2</sub>e**



ENERGY INTENSITY

**0.00256 GJ/BHD**



EMISSIONS INTENSITY

**0.000474 tCO<sub>2</sub>e/BHD**



FUEL CONSUMPTION

**417.508 GJ**



WATER CONSUMPTION

**10862 KL**

## Energy Management & Emissions



**CBB: E.1, E.2, E.3, E.4, E.5, E.6, E.10**

**GRI: 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5**

At BFLC, we recognise that effective energy management is essential to running sustainable operations and contributes meaningfully to national environmental and climate goals. As a responsible hospitality brand, we are committed to understanding, optimising, and strategically managing our energy use across all locations. This strengthens our operational efficiency while significantly reducing our environmental footprint. We are working to identify and encourage the replacement of older equipment with energy-efficient alternatives and to use technology that reduces energy usage.

Electricity and LPG are the primary source of energy utilised by BFLC across our operations. This demand underscores the importance of efficient energy use to support smooth and sustainable operations.

The electricity consumed by BFLC is supplied by the Electricity and Water Authority (EWA) of Bahrain, the national utility provider responsible for delivering reliable power across the Kingdom.

| Energy usage                                                               | Unit   | Consumption in FY 2024 |
|----------------------------------------------------------------------------|--------|------------------------|
| Electricity consumption-Indirect energy consumption (Non-renewable source) | GJ     | 3,059.25               |
| LPG consumption-Direct energy consumption (Non-renewable source)           | GJ     | 417.508                |
| Total energy consumption                                                   | GJ     | 3476.76                |
| Energy Intensity                                                           | GJ/BHD | 0.00256                |

### Focus on energy efficiency

We recognise the importance of energy efficiency and the transition to cleaner energy sources as part of our sustainability strategy. As part of our ongoing efforts, we are looking into ways to better understand our energy consumption patterns and explore potential opportunities that may support a transition to more sustainable energy practices.

Assessment of Renewable Energy Integration:

We are also enhancing our systems for collecting and reporting energy data to support better decision-making and improve transparency. These improvements will help track performance over time and identify areas for further efficiency gains.

While renewable energy remains an area of interest, one of the key challenges we face is that BFLC operates at Alsaifir hotel property. This limits our ability to independently pursue infrastructure modifications, such as solar panel installations, due to property ownership and structural constraints.

### Emissions Monitoring

BFLC recognises the growing importance of reducing greenhouse gas (GHG) emissions as part of Bahrain's broader climate ambitions, therefore we are reporting our Greenhouse Gas (GHG) emissions for the first time in this ESG report, marking a significant step toward greater transparency and accountability in our environmental performance. In line with national goals and our internal sustainability priorities, we are actively working to track, manage and reduce our Scope 1 and Scope 2 emissions across our operations. Our primary sources of emissions include LPG which is used for cooking purposes (Scope 1) and electricity consumption at our facilities (Scope 2).

| Indicator                                                      | Unit                   | Consumption value for FY 2024 |
|----------------------------------------------------------------|------------------------|-------------------------------|
| Total Scope 1 GHG emissions                                    | tCO <sub>2</sub> e     | 26.71                         |
| Total Scope 2 GHG emissions                                    | tCO <sub>2</sub> e     | 617.25                        |
| Total Scope 3 GHG emissions                                    | -                      | Data not available            |
| Total scope 1 and 2 emissions                                  | tCO <sub>2</sub> e     | 643.96                        |
| Emissions intensity (total annual GHG emissions/total revenue) | tCO <sub>2</sub> e/BHD | 0.000474                      |

## Focus on emission reduction

We aim to minimise GHG and pollutant emissions across our operations, especially in our restaurants. These restaurants are not only energy-intensive but also provide significant opportunities for emissions efficiency improvements. BFLC does not currently account for Scope 3 emissions, we are taking clear steps to reduce operational (Scope 1 and 2) emissions.

In Bahrain, national initiatives like the National Energy Strategy and the National Renewable Energy Action Plan (NREAP) are driving the transition towards renewable energy and setting targets to increase the share of renewable sources in the energy mix. Bahrain aims to generate 5% of its electricity from renewable sources by 2025, with further plans to increase this to 20% by 2035. Additionally, Bahrain has implemented the Net Metering Resolution to encourage the use of solar power in businesses and households, supporting self-consumption and grid contribution.

Although BFLC does not currently have an active policy or plan for renewable energy adoption, this is a key opportunity for us to align with Bahrain's national direction on energy transition. In the absence of current renewable energy projects, this is recognised as a challenge that we will address in the future to support national emissions reduction efforts.

### *Key Opportunities for BFLC's Future Emissions Management:*

- Establish a system to separately track energy consumption and greenhouse gas (GHG) emissions for BFLC-operated outlets within hotels and the services the company is providing, enabling accurate calculation of the company's total emissions.
- Explore the adoption of renewable energy solutions such as solar energy, in line with Bahrain's National Renewable Energy Action Plan (NREAP) which encourages private sector participation through initiatives like the Net Metering Resolution.

### *Challenges in Energy Transition:*

While BFLC is exploring opportunities to improve energy efficiency and reduce emissions, transitioning from LPG to more sustainable alternatives like biogas presents significant challenges in the current regional context. In Bahrain, the infrastructure, regulatory support, and market availability for biogas adoption in the commercial sector are currently underdeveloped.

Further, as BFLC operates at Alsafir hotel property, the company is not permitted to make structural or energy-related changes to the building it works at. This includes the installation of renewable energy solutions such as solar panels, which can only be implemented if the property owner or hotel initiates the installation. This dependency on property owner's limits BFLC's direct control over adopting on-site renewable energy sources.

In the meantime, BFLC is working to:

- Finalise and publish its baseline GHG emissions inventory.
- Begin reporting annual Scope 1 and 2 emissions transparently.
- Develop internal reduction targets, aligned with national frameworks and global best practices.
- Integrate emissions intensity metrics into business performance tracking and decision-making processes.

## Water Conservation

CBB E.8

GRI 303-1, 303-3, 303-4, 303-5, 303-6



Water is a precious and essential component of restaurant companies. Since Bahrain faces significant water scarcity, characterised by limited rainfall, high population density, and a heavy reliance on desalinated water for both domestic and commercial demands, it becomes our responsibility to monitor our water use and reduce our water consumption. As a responsible business, BFLC prioritises the provision of clean water and sanitation services to all our employees as well as customers, considering the unique water-related challenges faced by the region.

### Promoting Responsible Water Use

As a restaurant operator in a water-stressed region, BFLC recognises the imperative of responsible water stewardship. Our efforts in water conservation are deeply embedded within our ESG framework, where it is identified as a material priority. We are focused on minimising water wastage by improving operational practices and adopting efficient protocols. To enhance long-term sustainability, we are planning to actively invest in water-saving technologies that reduce consumption while maintaining hygiene and product quality.

Additionally, we are exploring opportunities to optimise water use for non-potable purposes, such as cleaning floors, chillers, and tables, by adopting water efficient practices and technologies. To ensure continuous improvement and transparency, we are also in the process of establishing robust water performance indicators and implementing systems for regular tracking and reporting. These efforts reflect our strategic objectives to optimise water use across all facilities, align with national sustainability goals, and contribute to the achievement of SDG 6 on improving water-use efficiency.

### Water usage

Since 2024, BFLC has actively monitored its water usage and implemented concrete, measurable initiatives to significantly reduce consumption across all facilities. BFLC's water consumption for FY24 relies entirely on municipal water, ensuring a standardised and regulated supply. By prioritising clean water and sanitation services, we strive to ensure the well-being and health of our people in Bahrain.

| Indicator                                                            | Unit of Measurement | Reported value for FY 2024 |
|----------------------------------------------------------------------|---------------------|----------------------------|
| Total annual amount of water consumed by the organisation            | KL                  | 10,862                     |
| Total annual amount of water withdrawn by the organisation           | KL                  | 10,862                     |
| Total annual amount of water recycled/ reclaimed by the organisation | -                   | Not Applicable             |

BFLC's operations involve substantial water usage due to the nature and scale of our restaurant and hospitality services. Water is a critical input across multiple functional areas, and managing it efficiently is central to our sustainability strategy.

The operational areas where we utilise water include:

- **Food Preparation & Kitchen Operations:** Water is essential for cooking, cleaning, and maintaining hygiene standards in all our restaurant kitchens.
- **Hygiene and Sanitation:** Used extensively for cleaning floors, equipment, fresh produce and storage areas to ensure food safety and regulatory compliance.
- **Customer Facilities:** Required for restrooms, handwashing stations, and other guest amenities across our outlets.
- **Staff Welfare:** Supports kitchen and breakroom facilities, as well as general workplace hygiene.

## Water Feasibility Study

Recognising the scale of our water footprint, BFLC intends to undertake all necessary steps to minimize the water footprints in coming years. This initiative aims to optimise water usage, reduce wastage, and improve efficiency across all restaurant operations.

This study will involve a detailed assessment of water consumption patterns at each facility, establishing process-level benchmarks, such as litres used per kilogram of product, to measure performance and drive improvements. It will also identify inefficiencies, including leakages, outdated infrastructure, or excessive water use during cleaning and processing activities.

A key focus will be to explore viable opportunities for water reuse and recycling. Potential areas of intervention include:

- Utilising greywater for non-potable purposes such as floor and vehicle washing
- Recovering condensate from HVAC and cooling systems
- Treating wastewater for reuse in suitable operational processes

In parallel, the study will evaluate the adoption of advanced water-saving technologies, such as:

- Low-flow fixtures to reduce usage without compromising performance
- Clean-in-place (CIP) systems to minimise water requirements during equipment cleaning
- IoT-enabled metering for real-time monitoring and leakage detection

Through this initiative, BFLC intends to significantly reduce its water footprint, enhance operational resilience, and contribute to national sustainability goals, including SDG 6.4 on water use efficiency.

## Waste Management

**CBB: E.9**

**GRI: 306-1, 306-2, 306-3, 306-4, 306-5**



We prioritise minimising food waste and encouraging responsible sourcing practices throughout our restaurant operations. We focus on improving kitchen efficiency, reducing preparation errors and limiting waste. We also optimise our packaging by choosing the right product pack sizes and favoring bulk purchases wherever feasible, thereby reducing unnecessary packaging and preventing excess waste.

We also work closely with our restaurant teams to enhance inventory tracking, monitor stock levels, and reduce losses due to over-ordering or spoilage. Accurate food labeling and inventory control play a vital role in maintaining food quality and minimising waste.

In line with our broader sustainability goals, we monitor the total weight and types of material used across our restaurant brands. This includes takeaway containers, cups, and shipping materials from suppliers. BFLC is actively exploring innovative and more sustainable product and packaging options to reduce environmental impact while maintaining the quality and safety of our food products.

### Food Quality and Safety

To ensure consistency and compliance with food quality standards, we have a dedicated hygiene manager who conducts weekly checks across our facilities. These regular inspections help maintain alignment with shelf-life requirements and uphold our efforts to food safety.

The hygiene manager plays a crucial role in ensuring food safety and quality across our facilities. His/her responsibilities include:

- Conducting weekly food safety checks to ensure compliance with hygiene standards.
- Monitoring and maintaining alignment with shelf-life requirements.
- Supporting food quality assurance efforts by identifying and addressing potential issues.
- Collaborating with restaurant teams to enhance inventory tracking and reduce losses due to over-ordering or spoilage.
- Providing guidance and training to staff on the best practices for food safety and hygiene.

Through these efforts, the hygiene manager helps uphold our efforts for minimising food waste, while maintaining food quality and safety.

### Upholding responsible waste management practices

As a restaurant company operating in Bahrain, BFLC recognises the critical importance of responsible waste management in ensuring environmental sustainability. We are making efforts to minimising waste generation across all our restaurants and adopting practices that align with national priorities and circular economy principles. Our waste management approach is guided by compliance with local regulations, reduction of landfill dependency, and promotion of resource recovery wherever feasible.

#### *Challenges to tracking waste generation*

The Supreme Council for the Environment in Bahrain has established a formal waste disposal guideline, including requirements for waste profiling, classification, and the use of government-provided waste manifests for municipal and hazardous waste. In the restaurant sector, the application of these processes tends to vary, largely because establishments like ours typically do not generate significant quantities of hazardous waste that would necessitate detailed regulatory tracking. At BFLC, the majority of waste consists of organic material, food waste and general packaging, which is managed through centralised disposal at the Alsafir hotel common dump yard, in line with current operational practices.

Currently, BFLC does not track waste generated specifically by its own operations, as waste collection is done collectively for the entire hotel building where the restaurant is located. This limits our ability to independently measure or track waste attributable to our restaurants. However, we acknowledge this as an area of improvement and are exploring opportunities to align with the national waste management framework in the future.

Despite this, BFLC implements basic waste segregation practices at its restaurant outlet. Waste is systematically sorted into categories such as food waste, bottles waste, cans waste, and packaging materials. This approach helps reduce cross-contamination and supports downstream recycling and disposal efforts.

Looking ahead, BFLC intends to start waste monitoring across its operations. We plan to collaborate with hotel partners and waste management service providers to establish systems that allow for accurate tracking of waste generated by our restaurant activities. This will support the development of targeted waste reduction strategies and further align with our sustainability objectives.

To align with ESG vision on waste management, BFLC is currently evaluating the possibility of initiating a comprehensive waste management feasibility study. This potential study could lay the groundwork for reducing solid, organic, and packaging waste, and for strengthening waste segregation and reuse practices across BFLC's locations.

When undertaken, the study would aim to cover the following areas:

- **Baseline Mapping and Categorization of Waste**  
Detailed assessment of waste streams across BFLC's operations, covering plastic waste, non-hazardous waste and hazardous waste where applicable. This would quantify the total waste generated per facility (in MT/month), forming the basis for future benchmarking.
- **Outlet-wise Waste Profiling**  
Waste profiles for each location to assess source points, frequency, and types of waste generated. This could enable tailored waste reduction plans.
- **Initiation of Disposal Methods**  
Depending on classification outcomes, potential disposal pathways might include:
  - Municipal waste: landfilling, recycling, treatment, or reuse within Bahrain
  - Hazardous waste: disposal through an authorised vendor at an appropriate site.
- **Feasibility Assessment for Waste Diversion**  
Explore potential alternatives to landfill disposal, including:
  - Composting of organic food waste
  - Recycling partnerships for packaging materials (bottles, cans, plastics, etc.)
  - Donation or secondary use of near expiry but safe food (in compliance with health standards)
- **Segregation and Collection Infrastructure**  
Review of current segregation bins and collection systems at all outlets. Options such as color-coded waste bins, compactors, and labelling protocols may be reviewed.

This proposed roadmap reflects BFLC's intention to build a more circular and responsible waste management approach in the long term. While plans are still under consideration, BFLC remains open to exploring such opportunities in the future as part of its broader ESG ambition.



BAHRAIN'S PREMIER CASUAL DINING OPERATOR  
الشركة البحرينية للترفيه العائلي ش.م.ب  
BAHRAIN FAMILY LEISURE COMPANY B.S.C



# SOCIAL

## OVERVIEW OF OUR SOCIAL IMPACTS

At BFLC, our approach to social responsibility is rooted in the belief that sustainable business success is built on strong relationships with our employees, customers, suppliers, and the communities we serve. We strive to create a positive and inclusive work environment, support employee well-being, uphold fair labour practices, and contribute meaningfully to society through our operations.

This section outlines the key areas where BFLC creates social impact, including workforce development, diversity and inclusion, health and safety, community engagement, and responsible sourcing. By continuously listening to our stakeholders and aligning with internationally recognised social standards, we aim to build a more resilient and equitable business for the future.

### FY 2024 HIGHLIGHTS



Gender Pay Ratio

**0.59**



Nationalisation

**15%**



Work-related Injury and fatality

**0**

## Social & Community Impact

### Social and Community Impact at BFLC

At Bahrain Family Leisure Company (BFLC), we recognise that our employees are the backbone of our success. We believe people are at the heart of our business and take pride in our outstanding work culture. We strive to be an optimal employer to our workforce, as well as a valued partner to our communities and government. With this we pride ourselves to: -

- Enhance health, wellbeing, and quality of life for all through sustainable practices.
- Provide a safe, healthy and stimulating workplace for our staff and stakeholders.
- Foster an environment of equality and mutual respect, free of discrimination in all forms and complying with legislation that protects individual Human Rights.
- Support charitable, environmental and education initiatives to deliver positive impacts on society, the communities we work in and the environment.
- Support employees' personal and professional goals through equal opportunities, fair remuneration, and investment in career development.

### Diversity and Inclusion

We strive to cultivate a diverse and inclusive work culture where individuals from all backgrounds feel welcomed and empowered. BFLC actively promotes equality in recruitment, career advancement, and workplace interactions. Our policies prohibit discrimination, harassment, and intimidation of any kind. We believe that diversity enhances innovations, enriches perspectives, and strengthens team performance.

### Nationalisation

BFLC ensures to support our national workforce development by providing meaningful employment opportunities to Bahraini nationals. To meet the government priorities and guidelines, we will expand our Bahraini workforce in the coming year, equipping them with the necessary skills, training, and professional development opportunities to enhance efficiency and capability. Our approach to nationalisation reflects our long-term vision of contributing to Bahrain's economic resilience and sustainable growth.

## Employment

**CBB: S.1, S.3, S.4, S.7, S.10**

**GRI: 401-1, 401-2, 401-3, 405-1, 405-2**



BFLC fosters a workplace that is safe, fair, and inclusive, ensuring the well-being and growth of every employee. We understand that our people are the foundation of our success, values, and long-term sustainability. By implementing fair employment practices, fostering inclusivity, and maintaining continuous engagement, we create an environment that supports talent, protects rights, and celebrates diversity.

At BFLC, we go beyond regulatory compliance to create lasting social value and strengthen long-term resilience. Our approach to employment and workforce well-being aligns with the United Nations Sustainable Development Goals (SDGs), particularly those promoting inclusive growth, gender equality, and decent work for all. By integrating these global goals into our workforce strategies, we enhance operational resilience while driving meaningful impact in the communities we serve.

### Diversity and inclusion

Our company is multicultural. Our goal is to offer our staff a place of employment where everyone feels safe and empowered to voice their concerns. We aspire to provide a workplace where differences and strengths are accepted and valued, and where there are chances for everyone to work together, contribute, and help us realise our full potential.

As of December 31, 2024, BFLC employed a total of 48 dedicated full-time employees who drive innovation, efficiency, and service excellence across our operations. We believe that a diverse workforce enhances creativity, productivity, and team culture. While we are in the early stages of our Diversity & Inclusion (D&I) journey, with women currently representing 15% of our workforce, we see a clear opportunity to strengthen gender diversity across all levels. Out of which, two of our female employees hold middle management roles, contributing meaningfully to decision-making processes.

Table 1. Total number of employees by gender



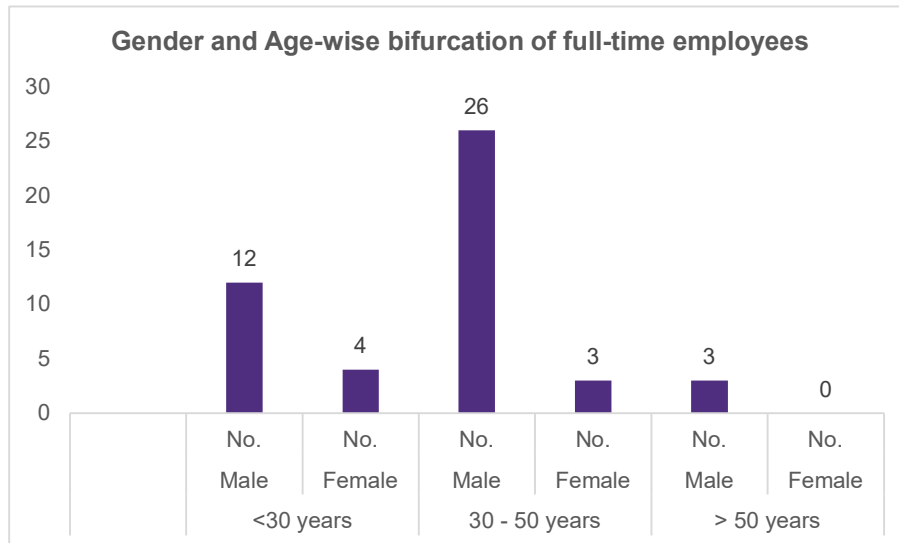
| Gender       | Full-time employees       |             |
|--------------|---------------------------|-------------|
|              | (as of December 31, 2024) |             |
| Male         | 41                        | 85%         |
| Female       | 7                         | 15%         |
| <b>Total</b> | <b>48</b>                 | <b>100%</b> |
| Gender       | Contract workers          |             |
|              | (as of December 31, 2024) |             |
| Male         | 27                        | 84%         |

|              |           |             |
|--------------|-----------|-------------|
| Female       | 5         | 16%         |
| <b>Total</b> | <b>32</b> | <b>100%</b> |

Table 3. Employee as per employment type

| Category                        | <30 years |          | 30 - 50 years |          | > 50 years |          |
|---------------------------------|-----------|----------|---------------|----------|------------|----------|
|                                 | Male      | Female   | Male          | Female   | Male       | Female   |
|                                 | No.       | No.      | No.           | No.      | No.        | No.      |
| <b>EMPLOYEE LEVEL</b>           |           |          |               |          |            |          |
| Senior management (Executive)   | -         | -        | 1             | -        | -          | -        |
| Middle management               | 2         | -        | 5             | 2        | 1          | -        |
| Junior management (Entry-level) | -         | -        | 1             | -        | -          | -        |
| Other support staff             | 10        | 4        | 19            | 1        | 2          | -        |
| <b>TOTAL</b>                    | <b>12</b> | <b>4</b> | <b>26</b>     | <b>3</b> | <b>3</b>   | <b>-</b> |
| <b>EMPLOYMENT TYPE</b>          |           |          |               |          |            |          |
| Full-time                       | 12        | 4        | 26            | 3        | 3          | 0        |
| Part-time                       | -         | -        | -             | -        | -          | -        |
| Contract/ Worker                | -         | -        | 27            | 5        | -          | -        |
| <b>TOTAL</b>                    | <b>12</b> | <b>4</b> | <b>53</b>     | <b>8</b> | <b>3</b>   | <b>0</b> |

Table 2. Total number of employees per age group and gender



## Gender Equality

Promoting gender equality and reducing inequalities is a critical endeavor. At our company, we are intended to foster a more inclusive and equitable workforce, striving to create equal opportunities for all employees. While progress may be slow, we have set gender equality and the reduction of inequalities as long-term targets within all our operations.

0.59

## GENDER PAY RATIO

BFLC has also disclosed its Gender Pay Ratio, currently recorded at 0.59, indicating that the median total compensation of women is 0.59 times that of men. This reflects pay disparities that may be linked to the small number of women employed and their job roles. We acknowledge this and are making efforts to conduct deeper analysis and addressing any structural or policy barriers that may exist. Establishing a baseline is the first step, and our objective is to build a fair and equitable compensation framework. Upholding the principle of equal pay for equal work, we continuously review compensation structures to identify and address any disparities, reinforcing our approach to equity, transparency, and inclusivity. Through diversity initiatives and fair hiring practices, BFLC fosters a work environment where every individual regardless of background feels valued, empowered, and

supported in their professional journey.

Furthermore, we actively promote transparency and fairness in our remuneration and promotion practices. We regularly review our compensation structure to ensure it is free from gender or other biases. We also conduct periodic assessments to identify and address any potential pay gaps or disparities that may exist within our operations.

## Employee Turnover and Retention

Employee retention remains an important focus area, particularly in the context of Bahrain's evolving labour market. In 2024, BFLC recorded a total annual turnover rate of 33.7%. In this year, a total of 17 employees left the organisation, out of which 4 are females and 13 are males. A significant contributing factor to this turnover was the closure of one of our outlets during the financial year 2024. This operational change naturally led to a reduction in the workforce.

33.7%

Employee  
Turnover rate

|                                           |              |
|-------------------------------------------|--------------|
| Total employees who left the organisation | 17           |
| Females who left the organisation         | 4            |
| Males who left the organisation           | 13           |
| Employees at the beginning of the year    | 53           |
| Employees at the end of the year          | 48           |
| Average employees                         | 50.5         |
| <b>Turnover rate</b>                      | <b>33.7%</b> |

### Employee turnover with age distribution

| Sl. No. | Category                      | Unit | FY24      |               |            |
|---------|-------------------------------|------|-----------|---------------|------------|
|         |                               |      | <30 years | 30 - 50 years | > 50 years |
| 1       | Full-Time employees' turnover | Nos  | 0         | 16            | 1          |

## Nationalisation and Local Impact

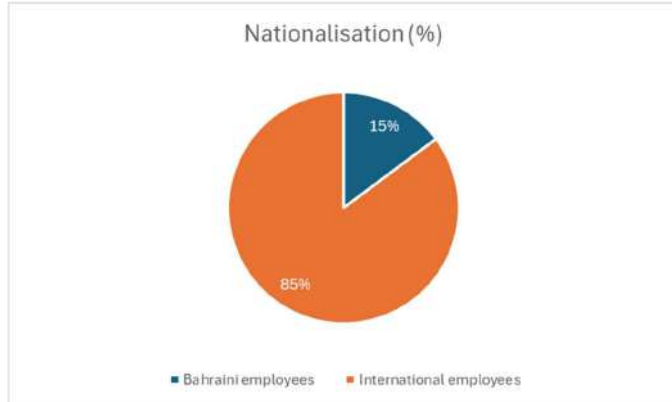
BFLC supports the Kingdom of Bahrain's economic development by investing in national talent and fostering inclusive employment opportunities for Bahraini citizens. The company views nationalisation not only as a policy goal but as a strategic imperative to build a resilient, homegrown workforce that is equipped to lead the organisation into the future.

As of the reporting period, Bahraini nationals form 15% of the total workforce across various departments. We understand that we need to employ more national workforce. We are actively seeking to increase the number of qualified Bahraini employees across our business units. The Company continues to make consistent efforts to attract, retain, and develop local talent through structured recruitment initiatives, internship and graduate programs, and on-the-job training opportunities tailored to national employees.

BFLC recognises the importance of contributing to Bahrain's long-term economic sustainability and remains focused on striking the right balance between compliance, workforce diversity, and service excellence in the restaurant and hospitality industry.

| Employee Type | Number of Employees | Total Percentage |
|---------------|---------------------|------------------|
|---------------|---------------------|------------------|

|                         |           |             |
|-------------------------|-----------|-------------|
| Bahraini Employees      | 7         | 15%         |
| International Employees | 41        | 85%         |
| <b>Total</b>            | <b>48</b> | <b>100%</b> |



BFLC is dedicated to cultivating a fair, inclusive, and empowering work environment that aligns with national priorities. Through forward-thinking initiatives such as formalising employment, promoting diversity and inclusion, and advancing nationalisation efforts we strive to uphold the highest standards of labour practices and employee well-being. Our approach to ethical conduct, continuous learning, and responsive grievance mechanisms further strengthens our mission to build a resilient, engaged workforce that actively contributes to Bahrain's sustainable development goals.

As of the current reporting period, the company employs a total workforce of 48 employees, comprising 7 Bahraini nationals and 41 expatriates. According to the Bahrainisation target rates set by the Labour Market Regulatory Authority (LMRA), companies with 20 to 99 employees are required to maintain a minimum Bahrainisation rate of 27.5%. For our company, this equates to a minimum of 14 Bahraini employees.

Presently, BFLC's Bahrainisation rate stands at 14.58%, indicating a shortfall in meeting the mandated target. We acknowledge this gap and recognise the importance of aligning our employment practices with national objectives aimed at increasing the participation of Bahraini nationals in the workforce.

## Our Approach to Improvement

We are actively developing strategies to enhance our Bahrainisation performance in the near future. These include:

### Targeted Recruitment



Prioritizing the hiring of Bahraini talent across all functional levels through partnerships with local recruitment agencies, universities, and government-led employment initiatives.

### Training and Development



Establishing in-house skill development and upskilling programs to attract Bahraini candidates and support their career growth within the organization.

### Succession Planning Programs



Creating clear pathways for Bahrainis to move into leadership and technical roles to ensure long-term retention and growth within the organization.

### Incentivised Schemes



Exploring potential incentive schemes to encourage departments to increase the ratio of Bahraini employees in their teams.

## Future Outlook

We aim to progressively close the Bahrainisation gap and ensuring full compliance with LMRA requirements. By aligning our employment policies with the Kingdom's labor directives, we aim to contribute to national workforce development while strengthening our own organisational sustainability.

## Health, Safety and Well-being

CBB: S.5

GRI: 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10



BFLC is intended to fostering a safe, healthy, and supportive work environment. We prioritise protecting the physical and mental well-being of our employees and stakeholders by embedding health and safety principles into our operational practices. BFLC aims to continuously improve workplace safety standards, uphold food safety integrity, and promote overall employee well-being through proactive management and ongoing approach to best practices.

### Employee Health and Safety

At BFLC, the health and well-being of our staff is a top priority, and we are aiming to provide comprehensive resources that promote both physical and mental well-being. By doing so, we not only fulfill our duty of care but also create a positive and supportive work environment that values their contributions.

Our health and safety framework is built upon the Labour Law for the Private Sector and the Civil Defence Law, through which Bahrain ratified ILO Convention No. 155 on Occupational Safety and Health. In addition to adhering to national regulations, we align with regional conventions and industry best practices to maintain workplace safety. We enforce strict occupational health and safety standards, ensuring that every employee operates in a secure, hazard-free environment. To uphold compliance with Bahrain's labour laws and global benchmarks, we conduct regular safety audits, risk assessments, and comprehensive training programs.

To translate these approaches into action, BFLC is constantly working on a robust Health, Safety and Security Policy. This comprehensive framework defines our approach to hazard identification, emergency response, and workplace protection. It includes detailed guidelines on fire safety protocols, the use of extinguishers and sprinkler systems, and standard procedures for emergencies such as power outages, fires, earthquakes, and bomb threats. Clear evacuation plans and designated emergency exits are in place across all operational outlets to ensure workplace safety and preparedness.

Additionally, our policy framework ensures that all employees understand the importance of reporting violence, abuse, or any unsafe conditions through a confidential and structured mechanism. This promotes a culture of trust and accountability.

| Indicators                             | 2024 | 2023 | 2022 |
|----------------------------------------|------|------|------|
| Number of cases of injuries            | 0    | 0    | 0    |
| Number of cases of fatalities          | 0    | 0    | 0    |
| Number of lost days due to work injury | 0    | 0    | 0    |

We believe that safety is a shared responsibility, and we actively engage employees in building a culture of awareness, accountability, and preparedness. All employees undergo mandatory health and safety training to ensure they are well-versed in safety protocols. Regular refresher sessions reinforce essential procedures and keep staff informed about policy updates. Additionally, we conduct simulated safety drills for various emergency situations, equipping employees with the knowledge and confidence to effectively manage risks and maintain a secure work environment.

In conclusion, as a company with a significant number of employees, it is crucial to prioritise their health and well-being. By implementing targeted initiatives, providing support systems, promoting transparency, and fostering a sense of community, we demonstrate our efforts to the holistic well-being of our workforce. This approach not only enhances their quality of life but also contributes to the overall success and sustainability of our organisation.

### Food quality and Safety

At BFLC, we are delivering exceptional dining experiences while ensuring the highest standards of food quality and safety. Our dedication to food safety, hygiene, and customer well-being is embedded in our operational framework, aligning with global best practices and regulatory requirements.

We follow stringent food safety protocols, ensuring that all ingredients meet international quality benchmarks and are sourced from trusted suppliers. We implement rigorous hygiene standards across all operations, including proper food storage, handling, and preparation to prevent contamination.

Regular reviews are conducted by our hygiene inspector to uphold compliance with Bahrain's food safety regulations, ensuring that our kitchens maintain the highest standards of cleanliness and operational efficiency. Our staff undergoes continuous training in food safety practices, allergen management, and emergency response procedures to safeguard customer health.

Additionally, BFLC integrates advanced monitoring systems to track food quality, temperature control, and expiration dates, ensuring that all products served meet strict safety criteria. By prioritising transparency, accountability, and continuous improvement, we reinforce our commitment to delivering safe, high-quality dining experiences to our customers.

## Health and Safety Monitoring

As part of the company's stringent food safety and hygiene practices, a certified health inspector visits the outlet on a weekly basis to conduct thorough evaluations. These inspections focus on key parameters including personal hygiene of staff, food handling practices, cleaning and sanitation, equipment condition, documentation, and overall outlet hygiene.

We ensure that we conduct our own regular evaluations and monitoring activities to uphold food safety and quality standards across both the outlet and the supplier end.

**The weekly health inspection for Outlet visits confirm compliance in the following areas:**



### Personal Hygiene

We ensure that personal hygiene standards are strictly followed including proper uniform, use of gloves and headgear, clean hands and nails, and no visible signs of illness among staff.



### Food Handling

We ensure that food handling practices meet safety guidelines, with strict time and temperature control, no expired or spoiled food present, and complete separation of raw and cooked food.



### Cleaning and Sanitation

We ensure that comprehensive cleaning and sanitation protocols are in place, including proper waste bin management, utensil sanitation, and regular pest control measures.



### Equipment and Facility Condition

We ensure that all equipments, including refrigerators and freezers, are well-maintained, with temperatures regularly monitored and minor issues like broken parts promptly addressed.



### Documentation and Records

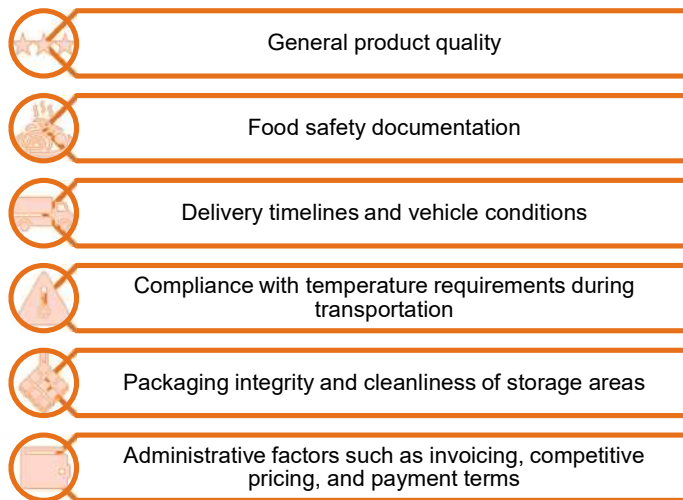
We maintain food safety training records, pest control logs, cleaning checklists, and receiving records are consistently updated



### General Observations

Overall cleanliness is maintained at regular intervals to maintain hygiene. Small issues, like loose parts of water taps, are immediately escalated and resolved.

**The health inspector conducts the supplier evaluation process regularly, which includes checking of various standards as below:**



These regular inspections and supplier evaluation processes help us proactively maintain and monitor food safety and hygiene standards across our operations.

### Food Handling and Hygiene Standards

We prioritise the health and safety of our customers by implementing strict food safety protocols across all our restaurant operations. Standard Operating Procedures (SOPs) are firmly in place to ensure that food handling, preparation, and storage meet the highest hygiene and safety standards.

Our key food safety procedures include:

- **Washing and Sanitization of Fruits and Vegetables**

All fruits and vegetables are thoroughly washed and sanitized to remove dirt, pesticides, and harmful microorganisms before they are processed or served for consumption.

- **Cooling of Cooked Food**

Cooked food is cooled following the recommended time and temperature guidelines using a blast chiller in accordance with the Food Safety regulations. All kitchen staff trained in operating the blast chiller are responsible for executing and recording the cooling process correctly.

- **Thawing of Frozen Chicken/Fish**

Frozen chicken is thawed under controlled conditions to ensure safe and hygienic thawing by transferring them from deep freezer to chiller in accordance with food safety guidelines

### **Roles and Responsibilities:**

The reporting flow within BFLC is structured to ensure clear communication and accountability across both kitchen and outlet operations.

On the kitchen side, the kitchen staff are primarily responsible for ensuring that all SOPs related to food washing, cooling, and thawing are diligently followed. In case of any issues or food safety concerns, the kitchen staff are required to immediately escalate the issue to the Chefs or Cooks. The Chefs or Cooks supervise kitchen hygiene and will then report the concern to the Executive Chef. The Executive Chef consolidates all the kitchen reports and escalates the issue to the Hygiene Officer for timely intervention and corrective actions.

Similarly, on the outlet side, the Servers or Outlet Staff are responsible for maintaining food service hygiene. In case of any issues, the Servers or Outlet Staff will report to the Floor Supervisor, who oversees outlet operations and escalate reports to the Hygiene Officer.

On both sides, the Hygiene Officer is responsible for conducting detailed investigations, performing audits, implementing corrective measures, and coordinating with the Operations Manager for further action. The Operations Manager reviews all hygiene and safety reports, enforces food safety policies, ensures corrective actions, and communicates critical matters to Upper Management when required. The reporting flow within BFLC is structured to ensure clear communication and accountability across both kitchen and outlet operations.

These practices reflect BFLC's commitment to maintaining a safe and hygienic food environment, aligned with best practices in health and safety management. Through these efforts, we aim to safeguard consumer health and uphold our responsibility towards delivering safe, high-quality food in all our restaurants.

## Development and Training

**CBB: S.11**

**GRI: 404-1, 404-2, 404-3**

At BFLC, we firmly believe that investing in the upskilling and training of our employees is paramount to their personal growth and the overall success of our company. In line with this belief, we have implemented a comprehensive program to educate and upskill our employees across all our operations.

Our efforts towards employee development ensure that our team members receive the necessary training to excel in their roles while advancing their careers. We invest in structured learning programs, leadership development, and skill enhancement initiatives to empower our employees and drive operational excellence.

### Training Objectives and Strategic Focus

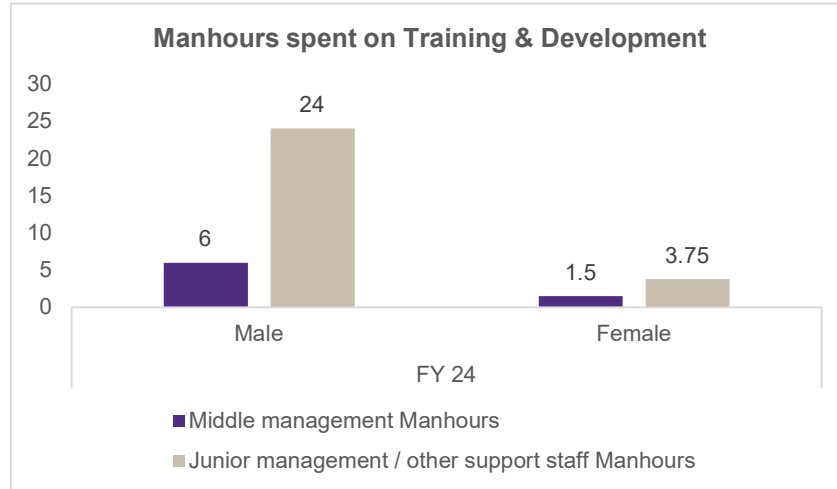
The core aim of our training initiatives is to cultivate a workplace culture rooted in competence, safety, responsibility, and compliance. We believe that a well-trained workforce is essential for advancing the company's objectives while maintaining ethical and regulatory integrity. Our focus goes beyond compliance—training is regarded as a strategic investment that fuels continuous improvement, operational excellence, and innovation.

Moreover, as part of our social responsibility and alignment with Bahrain's nationalization agenda, we place a strong emphasis on training and developing Bahraini nationals. Supporting local talent is not only a regulatory requirement but a vital part of our mission to contribute to the Kingdom's economic diversification and sustainable development.

Table 1. Total number of employees provided training in FY24

| Category            | Units    | FY 24 |        |
|---------------------|----------|-------|--------|
|                     |          | Male  | Female |
| Senior management   | Number   | 1     | -      |
|                     | Manhours | 0     | -      |
| Middle management   | Number   | 8     | 2      |
|                     | Manhours | 6.00  | 1.50   |
| Junior management   | Number   | 32    | 5      |
|                     | Manhours | 24.00 | 3.75   |
| Employment type     |          |       |        |
| Full-time employees | Number   | 41    | 7      |
|                     | Manhours | 30.00 | 5.25   |
| Part-time employees | Number   | -     | -      |
|                     | Manhours | -     | -      |
| Contract workers    | Number   | 27    | 5      |
|                     | Manhours | 20.25 | 3.75   |

Table 2. Total hours of training given in FY24 gender wise



Currently, an average of 15 staff members are trained per week, with each training session lasting between 45 minutes to 1 hour.

## Focus on Nationalization

Beginning next year, we intend to strengthen our efforts to empowering Bahraini nationals within our workforce. Understanding that developing local talent is crucial for sustainable economic growth and social progress, we will introduce a structured approach to identifying, recruiting, and training Bahrainis across various departments. Through tailored development programs, we seek to equip them with essential technical and leadership skills, enabling them to excel in their current roles while fostering future career opportunities.

BFLC's nationalization strategy will be strengthened through mentorship programs, hands-on training, and access to formal certifications, providing employees with clear career pathways and opportunities for professional growth. These initiatives aim to enhance workforce retention while enriching the local talent pool. By actively cultivating a skilled and competitive labour market, BFLC will align with Bahrain's national vision, making a meaningful and lasting contribution to the country's economic development.

## Regular Trainings for All Employees

We regularly provide training sessions on corporate governance, ethics and health & safety. These programs are designed to strengthen our efforts towards integrity, transparency, and the well-being of our employees in the workplace. The key areas of the training include:

**Code of Conduct and Ethics Training:** Educating employees on the company's ethical principles and expected workplace behaviour. Employees receive this training at the time of joining the company. It is hands-on, practical training that ensures employees fully understand and can apply these principles in their daily work.

**Health and Safety Awareness:** Regular refresher courses focusing on workplace hazards, emergency response protocols, and the proper use of personal protective equipment. We provide specific training on food contamination risks and prevention to maintain the highest standards of food safety.

We are actively working to enhance and broaden our training framework. We plan to incorporate comprehensive ESG training programs that will become an integral part of our workforce development strategy.

- **Basic ESG Awareness Training:** Designed for all employees to build foundational knowledge about sustainability principles, climate change, social responsibility, and governance.

- **Specialised ESG Training:** Targeted at key personnel involved in sustainability reporting, data management, and ESG strategy implementation. This will include modules on ESG data collection, analysis, regulatory compliance, and best practices.
- **Leadership and Governance Training:** Strengthening the capabilities of our governance bodies and management teams to oversee ESG initiatives and ensure accountability.

In conclusion, BFLC's efforts towards training and development reflects its unwavering dedication to operational excellence and employee well-being. By prioritising structured learning and mentorship, the company cultivates a workforce that is not only highly skilled but also motivated to innovate and excel in every aspect of their professional journey. Through continuous investment in employee growth and empowerment, BFLC ensures that its team remains adaptable, forward-thinking, and ready to meet the evolving demands of the hospitality industry.

## Community Investment

**CBB: S.8**

**GRI: 413-1, 413-2**



At BFLC, we are planning to create a meaningful impact that extends beyond our business operations by actively investing in the communities we serve. As a key player in Bahrain's restaurant industry, we recognise our responsibility to support local talent, promote social welfare, and contribute to sustainable development.

Starting next year, BFLC will strengthen its community investment initiatives by collaborating with its vendors to provide free meals to those in need. This effort will be an integral part of our social contribution strategy. As a core focus, we will emphasise on food donation and support to vulnerable groups. We plan to partner with our vendors to distribute surplus meals from our operations to NGOs, helping to combat food insecurity and ensure that underprivileged individuals and families have access to nutritious food.

Through these initiatives, BFLC aims to create lasting value, strengthen community ties, and foster a more inclusive and resilient society.

## Ethics and Integrity

**CBB: S.2, S.6, S.9**

**GRI: 402-1, 408-1, 409-1, 411-1, 416-1, 416-2**



Respect for human rights, equity, and fair labour practices is central to our organisational ethos. We are dedicated to cultivating a workplace where every individual is treated with dignity, provided with equal opportunities, and supported through ethical and transparent policies. Our approach aligns with global standards and is firmly rooted in Bahrain's constitutional values, National Action Charter, and the National Human Rights Plan (2022–26).

We recognise that safeguarding human rights and promoting fairness are fundamental to creating an inclusive, resilient, and future-ready organisation. Through robust governance, transparent communication, and continuous improvement, we foster a safe, respectful, and equitable workplace where every employee can succeed.

### Fair Labour Practices

We are dedicated to upholding fair labour practices that ensure a respectful, equitable, and supportive work environment for all employees.

Guided by Bahrain's labour regulations and global best practices, we prioritise fair wages, safe working conditions, and equal opportunities for career growth. We are preventing unfair labour practices, ensuring non-discrimination, and promoting employee well-being through structured policies and continuous engagement.

Starting next year, BFLC will enhance its fair labour initiatives by improving workplace protections, expanding training programs, and strengthening employee feedback and dispute resolution mechanisms. By fostering a fair and inclusive work environment, we aim to empower our workforce and support Bahrain's vision for a competitive and sustainable labour market.

### Safeguarding Human Rights

At BFLC, we understand that protecting human rights is both a fundamental duty and a crucial element of sustainable business success and community well-being. Our approach is firmly grounded in Bahrain's legal and constitutional framework, ensuring that inclusivity, fairness, and non-discrimination are integral to our organisational culture. We are drafting policies that embody Bahrain's commitment to equity and respect, fostering a workplace where every individual is valued and empowered.

## Zero- tolerance

### violation of human rights

discrimination, harassment, and unsafe working conditions. To uphold these standards, we will establish robust internal controls, conduct regular audits, and maintain ongoing engagement with employees and partners. Additionally, we will carry out comprehensive risk assessments to identify potential vulnerabilities and proactively implement mitigation measures.

Beyond compliance, we view human rights as integral to our culture and corporate identity. We seek to foster an environment where fairness, transparency, and accountability are not just policies but lived values. This approach helps us build lasting relationships with our employees, partners, and the communities where we operate.

### Fostering a culture of equality and non-discrimination

The Company aims to creating an inclusive, respectful, and supportive work environment where all employees are treated fairly and have equal opportunities to grow and succeed.

Throughout the reporting year, no cases of discrimination were identified or reported. This reflects the Company's proactive efforts to maintain a harmonious and equitable workplace. Moving forward, the Company recognises the importance of formalizing its efforts through the development of structured policies and training programs. These future initiatives will aim to further embed the principles of equality, diversity, and inclusion into the organisational framework, ensuring sustained awareness and accountability across all levels of the Company.

**Zero** incidents or cases of  
breaches reported of discrimination

### Upholding Labour Rights: Eradicating Child and Forced Labour

At BFLC, we uphold ethical labour practices and are dedicated to eradicating child and forced labour across our operations and supply chain. Our approach aligns with global standards and Bahrain's labour regulations, demonstrating our unwavering commitment to fair employment and the protection of human rights.

Starting next year, BFLC will implement enhanced monitoring mechanisms, risk assessments, and supplier due diligence to prevent exploitative labour practices. We will collaborate with industry partners and local authorities to strengthen compliance and support initiatives that protect vulnerable workers.

BFLC will further advance its efforts by investing in education and awareness programs to equip employees and stakeholders with knowledge of labour rights and ethical employment practices. By fostering a culture of transparency and accountability, we strive to support Bahrain's broader vision of a fair, inclusive, and sustainable labour market.

### Customer Relations & Welfare

At BFLC, we are making an effort to deliver exceptional customer experiences while prioritising customer welfare, satisfaction, and engagement. Our approach to customer relations is built on transparency, responsiveness, and continuous improvement, ensuring that every guest feels valued and cared for.

We actively seek customer feedback through surveys, reviews, and direct interactions, allowing us to continuously refine our services. We maintain open communication channels, including digital platforms like WhatsApp groups, and in-person support, ensuring that guests can easily share their experiences and concerns. Our efforts to enhance responsiveness and service excellence drive us to address customer needs promptly and effectively. Through our social surveys, we conduct polls where we ask questions to our customers and staff regarding the quality and quantity of food.

The health and well-being of our customers is paramount. We implement strict hygiene protocols, food safety measures, and sanitation practices across all outlets. Our staff undergoes regular training in food handling, allergen management, and emergency response procedures to safeguard customer health. Additionally, we provide clear allergen information on menus, empowering guests to make informed dining choices.

BFLC continuously evaluates and enhances its customer service strategies, leveraging technology, innovation, and industry best practices to improve guest experiences. By fostering strong customer relationships, prioritising well-being, and embracing inclusivity, we ensure that every interaction with BFLC reflects our dedication to quality, care, and excellence.



BAHRAIN'S PREMIER CASUAL DINING OPERATOR  
الشركة البحرينية للترفيه العائلي ش.م.ب  
BAHRAIN FAMILY LEISURE COMPANY B.S.C

# GOVERNANCE

## OVERVIEW OF OUR GOVERNANCE IMPACTS

Strong corporate governance is at the heart of BFLC's efforts to ethical business practices and long-term value creation. Our governance framework is designed to uphold transparency, accountability, and integrity in all aspects of our operations, thereby reinforcing stakeholder confidence and enabling sustainable growth.

BFLC's Board of Directors plays a key role in guiding the company's strategic direction, overseeing performance, and ensuring compliance with all legal and regulatory requirements, including those set forth by the Central Bank of Bahrain (CBB). The Board is supported by dedicated committees that focus on audit, risk management, and executive oversight, ensuring that decisions are made with diligence, prudence, and fairness.

### 2024 HIGHLIGHTS



Supplier Compliance Rate

**100%**



Total number of seats occupied  
by Men in Board

**6**



Total number of seats occupied  
by Women in Board

**1**

## Corporate Governance and Compliance

**CBB: G.1, G.3, G.6, G.9**

**GRI: 205-1, 205-2, 205-3, 206-1**



BFLC maintains highest standards of corporate governance, transparency, and accountability. The Company complies with all governance requirements and implements robust oversight through its Board of Directors, specialized committees, and Executive Management. They periodically review the governance practices and take necessary measures to ensure alignment with regulatory directives from the Central Bank of Bahrain (CBB), the Ministry of Industry and Commerce, the Bahrain Bourse, and both internal and external auditors.

Bahrain's publicly listed companies must adhere to strict reporting requirements set by the Central Bank of Bahrain and the Bahrain Bourse. These include corporate governance requirements and meticulous documentation of shareholders' meetings and disclosures. These obligations are crucial for maintaining investor confidence and promoting good governance practices in Bahrain's capital market. BFLC strictly follows the Corporate Governance Policy which outlines key corporate governance code principles of the Ministry of Industry, Commerce and Tourism and the updated regulatory requirements, and particularly the High-Level Controls of the Central Bank of Bahrain which includes effective board, loyalty of directors, financial controls, fair remuneration, clear management structure, shareholder involvement, financial statement integrity, and social responsibility.

### Corporate Governance Code

The Board and the Company's employees are expected to maintain the highest level of corporate ethics and personal behaviour. The Company has established the Code which provides an ethical and legal framework for all employees in the conduct of our business. The Code also defines how the Company relates to its employees, shareholders and the community in which we operate.

The Board of Directors has adopted the corporate governance Code and a company Whistleblower Policy to monitor compliance with the company's ethics. The Code provides clear directions on conducting business internationally, interacting with the Government entities, communities, business partners and general workplace behaviour having regard to the best practice of corporate governance models and ethics. The Code also sets out a behavioural framework for all employees in the context of a wide range of ethical and legal issues.

### Code of Conduct/Code of Ethics

The Company has adopted the Code of Conduct / Code of Ethics policy describing the standards expected from each employee of the Company.

- Support and maintain a workplace that provides equal opportunities to all.
- Respecting the confidentiality of information obtained during business.
- Maintaining independence in thought and responsibility.

### Board Composition

The Board of Directors (BoDs) at BFLC consists of the seven Board members who were elected or nominated in accordance with the Memorandum and Articles of Association of the Company and the Bahrain Commercial Companies Law. BFLC's BoDs comprises experienced professionals with deep expertise in governance, business operations, and strategic oversight.

The Board's primary role is to govern the company by setting its overall direction, policies, and practices, while delegating operational authority to the Executive Management. Guided by the Commercial Companies Law and the Corporate Governance Code issued by the Ministry of Industry and Commerce in Bahrain, the Board ensures that all governance responsibilities are

executed with integrity and accountability. It represents the interests of all shareholders, safeguards the company's long-term value, and ensures that effective governance frameworks and ethical standards are embedded across all levels of the organisation.

BFLC's Board of Directors consists of seven members, demonstrating initial steps towards gender diversity, with one female board member.

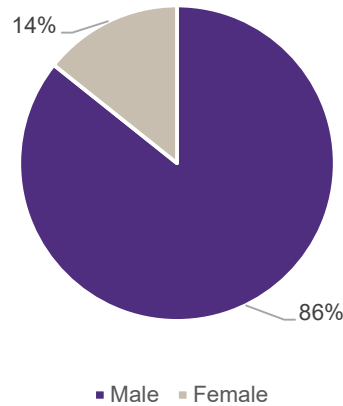
Table 1. Board composition

| S. No | NAME OF BOARD MEMBER                         | GENDER | TITLE             | NATIONALITY | TYPE          | TENURE   | REPRESENTATION |
|-------|----------------------------------------------|--------|-------------------|-------------|---------------|----------|----------------|
| 1.    | Mr. Abdul Lateef Khalid Al Aujan             | Male   | Chairman          | Bahraini    | Independent   | 30 Years | Elected        |
| 2.    | Mr. Ahmed Janahi                             | Male   | Chairman          | Bahraini    | Non-Executive | 4 Years  | Elected        |
| 3.    | Mr. Mohamed Al Kayed                         | Male   | Managing Director | Bahraini    | Non-Executive | 1 Year   | Nominated      |
| 4.    | Mr. Adel Salman Kanoo                        | Male   | Director          | Bahraini    | Independent   | 24 Years | Elected        |
| 5.    | Mr. Bashar Mohd Alhasan                      | Male   | Director          | Bahraini    | Independent   | 27 Years | Elected        |
| 6.    | Mr. Sharif Mohd Ahmedi                       | Male   | Chairman          | Bahraini    | Independent   | 21 Years | Elected        |
| 7.    | Mrs. Reem Alrayes (Joined in September 2024) | Female | Director          | Bahraini    | Non-Executive | <1 Year  | Nominated      |
| 8.    | Charbel Sarkis (Left in September 2024)      | Male   | Director          | Bahraini    | Non-Executive | 4 Year   | Elected        |

The following table and pie chart depicts gender wise bifurcation of the Board.

| Gender | Number | Percentage (%) |
|--------|--------|----------------|
| Male   | 6      | 86%            |
| Female | 1      | 14%            |
| Total  | 7      | 100%           |

Board gender-wise bifurcation (%)

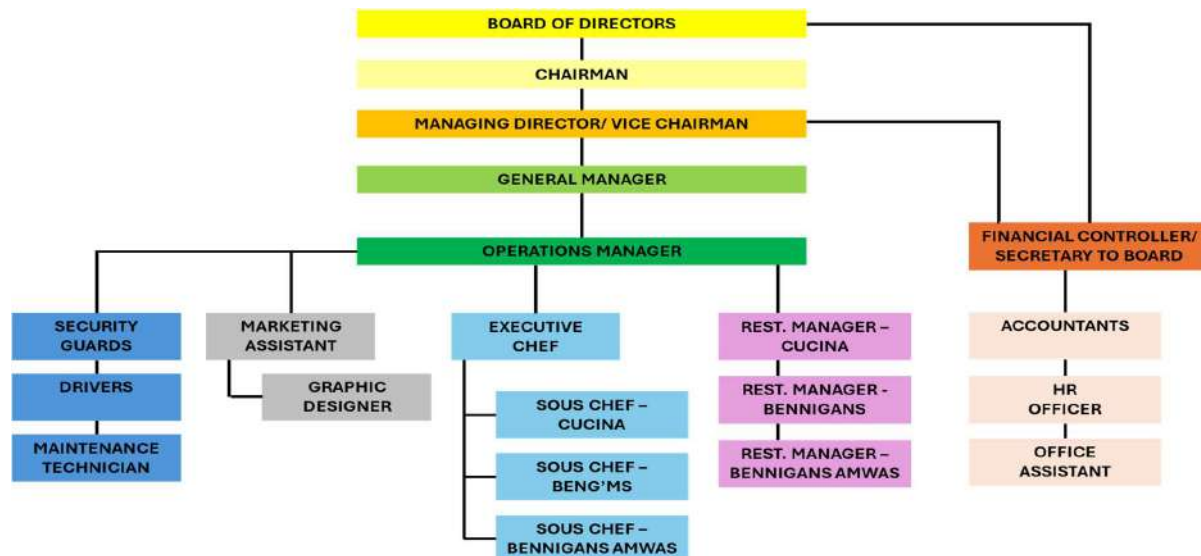


We recognise the importance of diversity at the leadership level and are intended to fostering inclusive governance practices. As part of this effort, BFLC is proud to include female representation on its Board of Directors. This not only reflects the company's dedication to gender inclusivity but also brings diverse perspectives to strategic decision-making, contributing to more balanced and effective corporate governance. The presence of women in leadership roles is a positive step toward greater equality and reinforces BFLC's alignment with global best practices in board diversity.

## Corporate Governance Structure

BFLC follows a well-defined organisational structure that ensures clear reporting lines, accountability, and effective oversight. The governance framework is designed to support strategic decision-making and operational efficiency across all levels of the business. The structure includes the Board of Directors, Chairman, Managing Director / Vice Chairman, and extends through to various departmental heads and operational roles. Each tier of leadership is aligned with BFLC's objectives to maintain transparency, foster responsibility, and ensure sound management practices.

The following chart outlines the company's organisational structure, showing the reporting hierarchy and the relationship between key functional roles.



## Committees

BFLC has established three specialized committees to support effective governance and ensure focused oversight across key areas of the company's operations. These committees strengthen the decision-making in their respective domains.

The Board regularly reviews the composition of these Committees to align with legal requirements and to support the Company's effective functioning. The Committees include:

| Committee                                                                              | Objective                                                                                                                                                                                                                                                                                                                                                               | Members                                                                                                                                                                                                                               | Type                                                                                                                                                                                   | Number of meetings |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Audit Committee                                                                        | The Audit Committee is responsible for:<br>1) Reviewing the internal audit program and internal control system, considers major findings of internal audit reviews, investigations, risk management and managements response.<br><br>2) Ensuring coordination among the internal and external auditors.                                                                 | 1. Mr. Bashar Mohd Alhasan<br><br>2. Mr. Mohamed Al Kayed<br><br>3. Mr. Charbel Sarkis (left on 5th Sept 2024)<br><br>4. Mr. Sharif Mohd Ahmadi (joined Audit Committee on 30th Oct 2024)                                             | Non-Executive / Independent<br><br>Non-Executive / Non- Independent<br><br>Non-Executive / Non- Independent<br><br>Non-Executive / Independent                                         | 4                  |
| Executive Committee                                                                    | The Executive Committee is responsible for:<br>1) Reviewing the internal audit program and internal control system, considers major findings of internal audit reviews, investigations, risk management and managements response.<br><br>2) Ensuring coordination among the internal and external auditors.                                                             | 1. Mr. Ahmed Janahi<br><br>2. Mr. Adel Salman Kanoo<br><br>3. Mr. Sharif Mohd Ahmadi (left EXCOM on 30 Oct 2024)<br><br>4. Mr. Mohamed Al Kayed (left EXCOM on 30 Oct 2024)<br><br>5. Mrs. Reem Alrayes (joined EXCOM on 30 Oct 2024) | Non-Executive / Non- Independent<br><br>Non-Executive / Independent<br><br>Non-Executive / Independent<br><br>Non-Executive / Non- Independent<br><br>Non-Executive / Non- Independent | 4                  |
| Nomination and Remuneration Committee, Corporate Governance committee (NRCG Committee) | The NRCG Committee is responsible for:<br>1) identifying qualified candidates for the Board of Directors and senior executive management, excluding internal auditors<br>2) overseeing the Board and committee composition, recommends director appointments and removals, and develops a succession plan for the Board and senior management, ensuring regular reviews | 1. Mr. Abdul Lateef Khalid Al Aujan<br><br>2. Mr. Ahmed Janahi<br><br>3. Mr. Adel Salman Kanoo<br><br>4. Mr. Sharif Mohd Ahmadi<br><br>5. Mr. Charbel Sarkis (left on 5th Sept 2024)                                                  | Non-Executive / Independent<br><br>Non-Executive / Non- Independent<br><br>Non-Executive / Independent<br><br>Non-Executive / Independent<br><br>Non-Executive / Non- Independent      | 2                  |

| Committee | Objective                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Members                                         | Type                             | Number of meetings |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------|--------------------|
|           | 3) setting remuneration and incentive policies for the Board and senior management, aligning them with market standards to attract and retain top talent.<br>4) ensuring that corporate governance principles are upheld through policies, processes, and ethical business practices, fostering accountability, integrity, and shareholder confidence<br>5) promoting a strong corporate culture and ensuring the company's commitment to governance extends beyond compliance to a foundation of integrity | 6. Mrs. Reem Alrayes (joined in September 2024) | Non-Executive / Non- Independent |                    |

BFLC has also initiated the formation of an ESG Committee to oversee, guide, and strengthen the company's sustainability efforts and ensure alignment with its environmental, social, and governance objectives.

## Code of Conduct

At BFLC, we uphold a strong code of conduct that aligns with our values of integrity, inclusion, and accountability. The following principles guide the behaviour and expectations of our employees and management:

The company promotes equal opportunities for all employees, ensuring a fair and inclusive workplace that respects diversity and merit. Open and effective communication is actively encouraged to foster collaboration and strengthen team dynamics across all levels of the organisation. The Code strictly prohibits any form of bribery, corruption, or unethical behaviour and provides clear guidelines for acceptable business practices, including transparency in giving and receiving gifts and interactions with government bodies and external partners.

Both management and employees are expected to maintain independence in their roles while being responsible in decision-making. We promote innovation and support initiatives that contribute to business growth and improvement. New ideas from employees are welcomed and valued. Suggestions are reviewed by the Administration Officer and Operation Manager and discussed in weekly management meetings. Viable ideas that reduce costs or increase revenue will be highly appreciated.

Employees are expected to perform their duties with care, professionalism, and a commitment to excellence while maintaining confidentiality of company affairs and sensitive information at all times. Employee grievances are addressed in a structured and timely manner through the HR & Administration Manager, with outcomes communicated clearly to the concerned individuals. Employees are required to wear clean and appropriate clothing/uniforms to maintain professionalism and hygiene at the workplace. All offices and workspaces must be kept clean and well-maintained to ensure a safe and productive work environment.

## Ethics & Anti-corruption

BFLC is maintaining the highest standards of integrity, transparency, and ethical conduct across all levels of the organisation. The company has a Code of Conduct that strictly prohibits all forms of bribery, corruption, and unethical conduct. Directors are expected to act in good faith, avoid conflicts of interest, protect company assets, and comply with all applicable laws and regulations.

It is strictly prohibited in BFLC to offer, accept, or facilitate bribes, kickbacks, or any form of improper payment, whether directly or indirectly. These principles are reinforced through clear guidelines on conflict of interest, confidentiality, use of company assets, and professional conduct.

All employees receive hands-on training on company's ethical principles and expected workplace behaviour at the time of joining the company.

## Whistleblowing

The Board of directors has adopted the corporate governance code and a company Whistle blower policy to monitor compliance with company ethics. The Code of Conduct provides clear directions on conducting business internationally, interacting with governments, communities, business partners and general workplace behaviour having regard to the best practice corporate governance models. The Code of Conduct sets out a behavioural framework for all employees in the context of a wide range of ethical and legal issues.

## **Conflict of Interest**

BFLC maintains a strong governance framework to identify, disclose, and manage conflicts of interest in a transparent and structured manner. The Company has clear mechanisms in place for dealing with situations where personal or professional interests may conflict with those of the organisation, as outlined in its Corporate Governance policy.

In 2024, no instances of conflict of interest have arisen at BFLC. In the instance of a conflict of interest arising as a result of any business transaction or any type of resolution to be taken, the concerned Board member shall refrain from participating in the discussion of such transaction or resolution to be taken. In this respect, BFLC Board members usually inform the Board of a potential conflict of interest prior to the discussion of any transaction or resolution. The Board member(s) concerned would also refrain from voting in any instance where a conflict of interest shall arise.

## Cybersecurity and Data protection



**CBB: G.4**

**GRI: 418-1**

At BFLC, we prioritise the security and confidentiality of our data, ensuring that customer, employee, and business information is safeguarded against cyber threats. Our approach to cybersecurity and data protection is built on robust security measures, compliance with regulatory standards, and continuous monitoring to mitigate risks and uphold trust.

BFLC adheres to industry's best practices, ensuring that data handling, retention, and disposal processes align with regulatory requirements. While BFLC currently does not have a formal cybersecurity policy in place, we are actively in the process of formulating a comprehensive policy that will align with the cybersecurity standards and protocols of Gulf Hotels Group.

As technology advances, BFLC continues to focus on continuous improvement in cybersecurity and data protection. We leverage real-time monitoring tools and industry partnerships to enhance security resilience. By prioritising transparency, compliance, and proactive risk management, BFLC ensures that its digital ecosystem remains secure, reliable, and aligned with global cybersecurity standards. We aim to ensure that once implemented, our cybersecurity framework will support safe digital operations and build stakeholder trust through transparency and accountability.

## Supplier Code of Conduct



**CBB: G.7**

**GRI: 308-1, 308-2, 414-1, 414-2**

Responsible sourcing is the cornerstone of sustainable business conduct for our company. As a leading player in Bahrain's restaurant industry, we recognise the critical role that our suppliers and vendors play in upholding our values and helping our efforts to deliver quality, ethics, and sustainability.

To this end, BFLC has established a formal Supplier Code of Conduct that sets forth clear expectations for legal compliance, ethical behaviour, product quality, and sustainability. This code applies to all entities engaged in our supply chain and reflects our dedication to responsible procurement practices that support long-term value creation.

The company follows a structured and transparent process for supplier selection and evaluation. Key aspects of this procedure include:

- **Supplier Background and Profile Documentation**  
BFLC maintains a detailed record of each supplier's company profile, including their history, business background, ownership structure, and key operational details. This helps in understanding the credibility and capacity of the supplier.
- **Regular File Review and Monitoring**  
The Operations team is responsible for routinely updating supplier records and ensuring compliance through regular review processes in collaboration with the Financial Controller. This ensures that all supplier files remain current and reflective of any operational or quality changes.
- **Assessment of Reliability and Product Quality**  
The Supplier Code of Conduct specifically addresses the dependability, quality, and consistency of goods and

services provided by suppliers. It highlights the importance of working with partners who can meet BFLC's standards across various product categories, including food items, packaging, and support services.

- **Alignment with Strategic Goals**  
The selection process considers the supplier's ability to support BFLC's strategic goals such as business growth, customer satisfaction, and innovation. Suppliers who bring in differentiated or high-performing products are given preference.
- **Information Gathering and Due Diligence**  
Prior to selection, comprehensive due diligence is undertaken to collect and verify all available information about potential suppliers. This may include reputation in the market, legal and regulatory compliance history, financial standing, and previous client references.

BFLC fosters long-term relationships with suppliers who share our values and adhere to ethical and sustainable practices . Through this structured and principle-driven approach, we ensure that our supply chain remains resilient, transparent, and aligned with global ESG expectations.

The company has a total of 78 suppliers and all the suppliers comply with our code of conduct.

| Indicator                                                                                                      | Percentage of suppliers in compliance (%) |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Total number of suppliers                                                                                      | 78                                        |
| Number of suppliers complying with code of conduct                                                             | 78                                        |
| Percentage of suppliers that comply with the company's code of conduct and the compliance assessment mechanism | 100%                                      |

By holding its suppliers to the same high standards, it applies internally, BFLC ensures that every partnership contributes meaningfully to its value-driven approach. As the Company continues to scale its operations, our efforts to responsible sourcing remains firm, anchored in robust governance, guided by ethical standards, and driven by long-term sustainability. As the next step forward, BFLC is working to formally integrate environmental stewardship and social impact into its supplier selection and compliance processes, ensuring full alignment with the company's broader ESG objectives. This evolution reflects BFLC's belief that ethical procurement is not only a commercial imperative, but a strategic lever for systemic, positive change across the value chain.

## ESG Governance Alignment

**CBB: G.2, G.8, G.10**

**GRI: 308-1, 308-2, 414-1, 414-2**



BFLC is intended to maintain the highest standards of governance, transparency, integrity, and accountability. We are progressively working towards enhancing its ESG governance and aligning its human resource policies with globally recognised sustainable practices. We acknowledge the importance of transparent governance, fair labour practices, and the integration of ESG metrics into management systems.

### Collective Bargaining

Currently, we do not have formal agreements or processes in place for collective bargaining. However, BFLC fosters a workplace that supports fair and open communication with employees. The company has initiated the process of tracking labour-related data from this financial year and aims to develop structured employee engagement and representation mechanisms in the future.

### Incentivised Pay

At present, we have not implemented a formal system where executive, or employee compensation is directly linked to ESG performance. However, BFLC recognises the potential of ESG-linked incentive structures to drive sustainable growth and is considering the introduction of such mechanisms in the future to further embed sustainability across its operations.

### Assurance

Currently, the company has not undertaken third-party assurance of its ESG indicators. This is because BFLC has only recently started systematically tracking ESG data from the financial year 2024. As the company builds reliable, trackable datasets over time, ESG assurance will be explored to strengthen the credibility and transparency of its sustainability disclosures.



## Disclosure Dashboard

| Area          | KPI                         | Main Reporting Component(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Location                                                                                                                                                | Reason for Partial Disclosure or Non-disclosure if any | Framework it is reported in accordance with, if any |
|---------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------|
| Environmental | 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.)                                                                                                                                                                                                                                                                                                                                                             | Page 19<br>Energy Management & Emissions                                                                                                                |                                                        |                                                     |
|               |                             | 2. A statement of purpose and approach of the board/management towards sustainability matters.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 19<br>Energy Management & Emissions                                                                                                                |                                                        |                                                     |
|               |                             | 3. A description of the following (where applicable):<br>3.1 Policies<br>3.2 Commitments<br>3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets)<br>3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.)<br>3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes. | Page 19<br>Energy Management & Emissions<br><br>Page 21 Water Conservation<br><br>Page 23 Waste Management<br><br>Page 12 ESG Framework and SDG Mapping |                                                        |                                                     |
|               | E.2 Energy Consumption      | 1. Report total energy consumed and breakdown by type:<br>1.1 Indirect energy consumed in the form of electricity, heating, cooling (i.e., total of energy purchases)                                                                                                                                                                                                                                                                                                                                                                                                        | Page 19<br>Energy Management & Emissions                                                                                                                |                                                        | GRI: 302 ENERGY 2016                                |
|               |                             | 1.2 Direct energy consumed, classified by renewable and non-renewable sources                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 19<br>Energy Management & Emissions                                                                                                                |                                                        | GRI: 302 ENERGY 2016                                |



| Area | KPI                                | Main Reporting Component(s)                                                                                        | Location                                 | Reason for Partial Disclosure or Non-disclosure if any                                                                       | Framework it is reported in accordance with, if any |
|------|------------------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
|      |                                    | 2. State the standards, techniques, assumptions, and/or calculation tools utilised                                 | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI: 302<br>ENERGY<br>2016                          |
|      | E.3 Energy Intensity               | 1. Report total energy consumed during the year divided by the selected scaling factor (e.g., sales, revenue etc.) | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI: 302:<br>ENERGY<br>2016                         |
|      |                                    | 2. State the standards, techniques, assumptions, and/or calculation tools utilised                                 | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI: 302:<br>ENERGY<br>2016                         |
|      | E.4 Energy Mix                     | 1. Report the percentage of energy used by source, as part of total energy consumption                             | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 302:<br>Energy<br>2016                          |
|      |                                    | 2. Report the percentage of renewable and non-renewable energy used, as part of total energy consumption           | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 302:<br>Energy<br>2016                          |
|      | E.5 Greenhouse Gas (GHG) Emissions | 1. Report total absolute emissions by scope:                                                                       |                                          |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |
|      |                                    | 1.1 Total amount, in CO2 equivalents, for Scope 1                                                                  | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |
|      |                                    | 1.2 Total amount, in CO2 equivalents, for Scope 2                                                                  | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |
|      |                                    | 1.3 Total amount, in CO2 equivalents, for Scope 3 (if applicable)                                                  | Not Applicable                           | BFLC has initiated tracking and calculating scope 1 and 2 emissions from this year, Scope 3 emissions have not been tracked. | GRI 305:<br>Emissions<br>2016                       |
|      |                                    | 2. State the standards, techniques, assumptions, and/or calculation tools utilised                                 | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |
|      | E.6 Emission Intensity             | 1. Report total annual GHG emission during the year divided by the selected scaling factor                         | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |
|      |                                    | 2. State the standards, techniques, assumptions, and/or calculation tools utilised                                 | Page 19<br>Energy Management & Emissions |                                                                                                                              | GRI 305:<br>Emissions<br>2016                       |



| Area | KPI                         | Main Reporting Component(s)                                                                                                                | Location                                                                  | Reason for Partial Disclosure or Non-disclosure if any                                                                           | Framework it is reported in accordance with, if any |
|------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
|      | E.7 Climate Risk Mitigation | 1. Describe how your company identifies, assesses, and manages climate-related risks (including physical risks and transition risks)       | Page 10 & 11<br>Risk management including Climate Risk Mitigation section |                                                                                                                                  | TCFD S1-S3                                          |
|      |                             | 2. Report the amount invested annually in climate-related issues (in BHD or USD) (e.g., research and product innovation)                   | Not Applicable                                                            | No amount was invested in climate-related issues                                                                                 |                                                     |
|      | E.8 Water Usage             | 1. Report the total annual amount of water consumed by the organisation                                                                    | Page 21<br>Water Conservation                                             |                                                                                                                                  | GRI 303: Water and effluents 2018                   |
|      |                             | 2. Report the total annual amount of water withdrawn by the organisation                                                                   | Page 21<br>Water Conservation                                             |                                                                                                                                  | GRI 303: Water and effluents 2018                   |
|      |                             | 3. Report the total annual amount of water recycled/reclaimed by the organisation                                                          | -                                                                         | There is no water recycling or reclaiming practices implemented within BFLC's operations                                         | GRI 303: Water and effluents 2018                   |
|      | 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) | -                                                                         | BFLC's waste generation is not tracked in FY 2024 since waste of the whole Alsafir hotel is collectively generated at one place. | GRI 306: Waste 2020                                 |
|      |                             | 2. Description of the company's waste disposal method(s)                                                                                   | -                                                                         | No specific waste processes have been implemented                                                                                | GRI 306: Waste 2020                                 |
|      |                             | 2.1 Description of the company's sustainable waste management practices (such as recycling initiatives and waste reduction strategies)     | Page 23<br>Waste Management                                               | No initiative took place since waste is collectively generated for the whole hotel                                               | GRI 306: Waste 2020                                 |
|      |                             | 3. State the standards, techniques, assumptions, and/or calculation tools utilised                                                         | -                                                                         | BFLC's waste generation is not tracked in FY 2024 since waste of the whole Alsafir hotel is collectively generated at one place. | GRI 306: Waste 2020                                 |
|      | E.10 Emission Targets       | 1. A statement on how the company addresses its total emission                                                                             | Page 19<br>Energy Management & Emissions                                  |                                                                                                                                  | GRI 305: Emissions 2016                             |
|      |                             | 2. A statement of the board/management approach towards its total emissions, including whether it is subject to any country, regional, or  | Page 19<br>Energy Management & Emissions                                  |                                                                                                                                  | GRI 305: Emissions 2016                             |



| Area   | KPI                                                        | Main Reporting Component(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Location                                 | Reason for Partial Disclosure or Non-disclosure if any | Framework it is reported in accordance with, if any                                  |
|--------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------|
|        |                                                            | industry-level emissions regulations and policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                          |                                                        |                                                                                      |
|        |                                                            | 3. A description of the following (where applicable):<br>3.1 Policies<br>3.2 Commitments<br>3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets)<br>3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.)<br>3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes. | Page 11<br>ESG Framework and SDG Mapping |                                                        | GRI 305: Emissions 2016                                                              |
| Social | S.1 Total Workforce by Sex, Age-Group, and Employment Type | 1. Report total number of employees currently employed within the organisation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 28<br>Employment                    |                                                        | GRI 2: General Disclosures 2021<br><br>GRI 405: Diversity and Equal Opportunity 2016 |
|        |                                                            | 1.1 Composition of the total workforce by sex, as percentage of the total workforce                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 28<br>Employment                    |                                                        | GRI 2: General Disclosures 2021<br><br>GRI 405: Diversity and Equal Opportunity 2016 |
|        |                                                            | 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                                                                                                                                                                                                                                                                                                                                                                                           | Page 29<br>Employment                    |                                                        | GRI 2: General Disclosures 2021<br><br>GRI 405:                                      |
|        |                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                          |                                                        |                                                                                      |



| Area | KPI                         | Main Reporting Component(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Location                                                                    | Reason for Partial Disclosure or Non-disclosure if any | Framework it is reported in accordance with, if any                                        |
|------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------|
|      |                             | percentage of the total workforce                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                             |                                                        | Diversity and Equal Opportunity 2016                                                       |
|      |                             | 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                                                                                                                                                                                                                                                                                                                                                                                                                                  | Page 29<br>Employment                                                       |                                                        | GRI 2:<br>General Disclosures 2021<br><br>GRI 405:<br>Diversity and Equal Opportunity 2016 |
|      | S.2 Child and Forced Labour | 1. A statement on how the organisation addresses prohibition of child and or/forced labour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Pg 40<br>Ethics & Integrity                                                 |                                                        | GRI 408:<br>Child Labour 2016<br><br>GRI 409:<br>Forced or Compulsory Labour 2016          |
|      |                             | 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                                                                                                                                                                                                                                                                                                                                                                                                            | Pg 40<br>Ethics & Integrity                                                 |                                                        |                                                                                            |
|      |                             | 3. A description of the following (where applicable):<br>3.1 Policies<br>3.2 Commitments<br>3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets)<br>3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.)<br>3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes. | Pg 40<br>Ethics & Integrity<br><br>Page 11<br>ESG Framework and SDG Mapping |                                                        |                                                                                            |
|      | 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                                                                                                                                                                                                                                                                                                                                                                                                                                 | Pg 30<br>Employment                                                         |                                                        | GRI 401:<br>Employment 2016                                                                |



| Area | KPI                      | Main Reporting Component(s)                                                                                                                                                                                                                                                 | Location                                    | Reason for Partial Disclosure or Non-disclosure if any | Framework it is reported in accordance with, if any |
|------|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------------|-----------------------------------------------------|
|      |                          | 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) | Pg 30<br>Employment                         |                                                        |                                                     |
|      | S.4 Gender Pay Ratio     | 1. Report the median total compensation for women compared to the median total compensation for men (as a ratio)                                                                                                                                                            | Pg 30<br>Employment                         |                                                        | GRI 405:<br>Diversity and Equal Opportunity 2016    |
|      | S.5 Health and Safety    | 1. Report on the total number of injuries and fatalities occurred in each of the past three years including the reporting year                                                                                                                                              | Page 33<br>Health, Safety & Well-being      |                                                        | GRI 403:<br>Occupational Health and Safety 2018     |
|      |                          | 2. Report lost days due to work injury in each of the past three years including the reporting year                                                                                                                                                                         | Page 33<br>Health, Safety & Well-being      |                                                        |                                                     |
|      |                          | 3. A description of occupational health and safety measures adopted, and how they are implemented and monitored                                                                                                                                                             | Page 33 & 34<br>Health, Safety & Well-being |                                                        | GRI 403:<br>Occupational Health and Safety 2018     |
|      | S.6 Non-Discrimination   | 1. A statement on how the organisation addresses harassment and discrimination matters                                                                                                                                                                                      | Page 41<br>Ethics & Integrity               |                                                        | GRI 406:<br>Non-Discrimination 2016                 |
|      |                          | 2. A statement of the board/management approach, including whether it is subject to any country, regional, or industry-level regulations and policies                                                                                                                       | Page 41<br>Ethics & Integrity               |                                                        |                                                     |
|      | 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                                                                                                                        | Page 30<br>Employment                       |                                                        |                                                     |
|      | S.8 Community Investment | 1. Amount invested in the community as a percentage of company revenues                                                                                                                                                                                                     | -                                           | No amount has been invested in FY 2024.                | GRI 414:<br>Local Communities 2016                  |
|      |                          | 2. Description of the scope and impact of its community investment initiatives                                                                                                                                                                                              | Page 40<br>Community Investment             | -                                                      |                                                     |



| Area       | KPI                                   | Main Reporting Component(s)                                                                                                                                                            | Location                                    | 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                                                                                                                          | Page 40 & 41 Ethics and Integrity           |                                                                                      | GRI 2: General Disclosures 2021                     |
|            |                                       | 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                      | Page 40 & 41 Ethics and Integrity           |                                                                                      |                                                     |
|            |                                       | 3. A description of the following (where applicable):<br>3.1 Policies (and if it also covers suppliers and vendors<br>3.2 Commitments<br>3.3 Goals and targets<br>3.4 Responsibilities | Page 40 & 41 Ethics and Integrity           |                                                                                      |                                                     |
|            |                                       |                                                                                                                                                                                        |                                             |                                                                                      |                                                     |
|            | S.10 Management Composition/Diversity | 1. Report percentage of male to female metrics, as per the below categories:<br>1.1 Entry-level                                                                                        | Page 30 Employment                          |                                                                                      | GRI 405: Diversity and Equal Opportunity 2016       |
|            |                                       | 1.2 Mid-level                                                                                                                                                                          |                                             |                                                                                      |                                                     |
|            |                                       | 1.3 Senior/Executive level positions                                                                                                                                                   |                                             |                                                                                      |                                                     |
|            | S.11 Development and Training         | 1. Report average hours of training, as per the below categories:<br>1.1 By Sex<br>1.2 By Employee category (Full-time, part-time, internship etc.)                                    | Page 37 Development & Training              |                                                                                      | GRI 404: Training and Education 2016                |
|            |                                       |                                                                                                                                                                                        |                                             |                                                                                      |                                                     |
|            |                                       |                                                                                                                                                                                        |                                             |                                                                                      |                                                     |
| Governance | G.1 Board Composition                 | 1. Report board size                                                                                                                                                                   | Page 45 Corporate Governance and Compliance |                                                                                      | GRI 2: General Disclosures 2021                     |
|            |                                       | 2. Report female board directors by number and percentage of the Board size                                                                                                            |                                             |                                                                                      |                                                     |
|            |                                       | 3. Report composition of the board and its committees by:                                                                                                                              |                                             |                                                                                      |                                                     |
|            |                                       | 3.1 Executive or non-executive                                                                                                                                                         |                                             |                                                                                      |                                                     |
|            |                                       | 3.2 Independence                                                                                                                                                                       |                                             |                                                                                      |                                                     |
|            |                                       | 3.3 Tenure                                                                                                                                                                             |                                             |                                                                                      |                                                     |
|            |                                       | 3.4 Representation (appointed or elected)                                                                                                                                              |                                             |                                                                                      |                                                     |
|            |                                       | 3.5 Details of non-compliance with regulations, as well as a description of the corrective actions taken                                                                               | Page 50 Corporate Governance and Compliance |                                                                                      |                                                     |
|            | G.2 Collective Bargaining             | 1. Report total enterprise headcount covered by collective bargaining                                                                                                                  | Not Applicable                              | BFLC does not have formal agreements or processes in place for collective bargaining | GRI 407: Freedom of Association                     |



| Area | KPI                      | Main Reporting Component(s)                                                                                                                                                                                                                                                           | Location                                       | Reason for Partial Disclosure or Non-disclosure if any                                                          | Framework it is reported in accordance with, if any |
|------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
|      |                          | agreements (Unions) (if applicable)                                                                                                                                                                                                                                                   |                                                |                                                                                                                 | and Collective Bargaining 2016                      |
|      |                          | 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.) | Page 51<br>ESG Governance Alignment            | -                                                                                                               | GRI 2: General Disclosures 2021                     |
|      | G.3 Whistleblowing       | 1. Provide a description of internal and external mechanisms for seeking advice and reporting concerns on organisational integrity                                                                                                                                                    | Page 48<br>Corporate Governance and Compliance |                                                                                                                 | GRI 2: General Disclosures 2021                     |
|      |                          | 2. Provide a description on awareness initiatives conducted by the organisation                                                                                                                                                                                                       | Page 48<br>Corporate Governance and Compliance |                                                                                                                 |                                                     |
|      | G.4 Data Privacy         | 1. Provide a description of the company's Data Privacy policy                                                                                                                                                                                                                         | Page 49<br>Cybersecurity and Data protection   |                                                                                                                 |                                                     |
|      |                          | 2. Provide a statement of the steps taken to comply with Personal Data Protection Law (PDPL) rules                                                                                                                                                                                    | -                                              | The company has initiated the process to align with PDPL requirements. For FY 24, the process was not in place. |                                                     |
|      | 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.                                                                                         | SDG mapping done with each section and KPI     |                                                                                                                 | GRI 2: General Disclosures 2021                     |
|      |                          | 2. Report if the company focuses on specific UN Sustainable Development Goals (SDGs), including setting targets and reporting progress                                                                                                                                                | SDG mapping done with each section and KPI     |                                                                                                                 |                                                     |
|      |                          | 3. State whether the company publishes a sustainability report and/or how it integrates sustainability data in its disclosures                                                                                                                                                        | SDG mapping done with each section and KPI     |                                                                                                                 |                                                     |
|      | G.6 Conflict of Interest | 1. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to:                                                                                                                                                    | Page 48<br>Corporate Governance and Compliance |                                                                                                                 | GRI 2: General Disclosures 2021                     |



| Area | KPI                          | Main Reporting Component(s)                                                                                                                                      | Location                                    | Reason for Partial Disclosure or Non-disclosure if any                                                                                                       | Framework it is reported in accordance with, if any |
|------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
|      |                              | 1.1 Cross-board membership                                                                                                                                       |                                             |                                                                                                                                                              |                                                     |
|      |                              | 1.2 Cross-shareholding with suppliers and other stakeholders                                                                                                     |                                             |                                                                                                                                                              |                                                     |
|      |                              | 1.3 Existence of controlling shareholders                                                                                                                        |                                             |                                                                                                                                                              |                                                     |
|      |                              | 1.4 Related parties, their relationships, nature, transactions, and outstanding balances                                                                         |                                             |                                                                                                                                                              |                                                     |
|      | G.7 Supplier Code of Conduct | 1. Provide a description of the company's Supplier Code of Conduct                                                                                               | Page 49 Supplier Code of Conduct            |                                                                                                                                                              |                                                     |
|      |                              | 2. Report the percentage of suppliers that comply with the company's code of conduct and the compliance assessment mechanism                                     | Page 50 Supplier Code of Conduct            |                                                                                                                                                              |                                                     |
|      | G.8 Incentivised Pay         | 1. Report if executives are formally incentivised to perform on sustainability                                                                                   | Page 51 ESG Governance Alignment            | BFLC has not implemented an incentive-based pay structure                                                                                                    | GRI 2: General Disclosures 2021                     |
|      |                              | 2. Report the percentage of executive compensation tied to ESG performance metrics                                                                               |                                             |                                                                                                                                                              |                                                     |
|      |                              | 3. Provide a description of other links between executive performance and sustainability performance (if any)                                                    |                                             |                                                                                                                                                              |                                                     |
|      | G.9 Ethics & Anti-Corruption | 1. Report if your company follows an Ethics and/or Anti-Corruption policy                                                                                        | Not Applicable                              | The company is in the process of introducing a new HR policy which includes Anti-corruption policy. The policy is currently undergoing the approval process. | GRI 205: Anti-corruption 2016                       |
|      |                              | 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) |                                             |                                                                                                                                                              |                                                     |
|      |                              | 2. Provide a statement of the company's commitment towards its ethics and/or anti-Corruption policy/position                                                     | Page 48 Corporate Governance and Compliance | -                                                                                                                                                            |                                                     |
|      | G.10 Assurance               | 1. Provide a description of the process by which sustainability disclosures are assured or validated                                                             | Page 51 ESG Governance Alignment            | BFLC has started a desk review of relevant documents and processes in place. Hence, no assurance has been done this year.                                    |                                                     |
|      |                              | 1.1 Report if the company's sustainability disclosures are assured or validated by an independent third party                                                    |                                             |                                                                                                                                                              |                                                     |