



ABOUT THE REPORT

Welcome to our sixth Annual Sustainability Report. This report provides a comprehensive coverage of our ESG priorities and initiatives for the financial year 2024. This purpose of this report is to offer our valued stakeholders, an overview of our sustainability vision and strategy, along with our ESG linked initiatives and achievements.

Reporting Frameworks and Guidelines

The FY 2024 Sustainability Report has been prepared in accordance with the ESG guidelines set forth by the Unified GCC ESG Disclosure Metrics. The disclosures contained herein are aligned with the key performance indicators (KPIs) and metrics relevant to Bahrain Bourse's operations and initiatives.

Reporting Boundary, Scope and Period

This ESG report covers Bahrain Bourse's non-financial performance for the period from January 2024 to December 2024.

Responsibility Statement

Bahrain Bourse affirms that this report provides a fair and accurate representation of Bahrain Bourse's non-financial, sustainability, and operational performance for FY 2024. Bahrain Bourse also acknowledges that the content of this report was prepared in collaboration with key departments and developed under the guidance of senior management and department heads.

Contact point

For feedback or inquiries on this ESG report, contact MBSD.INFO@bahrainbourse.com.





STATEMENT FROM THE CEO

In today's rapidly changing global landscape, sustainability is emerging as a fundamental driver of business success and economic resilience. At Bahrain Bourse, we recognize that our future is closely interconnected with how we respond to the challenges of climate change, social equity, and responsible business conduct. As we present our Annual Sustainability Report for 2024, I am proud to highlight the tangible progress we've made in integrating Environmental, Social, and Governance (ESG) principles into our operations.

2024 marks another significant year in our sustainability journey. With the Kingdom of Bahrain playing an active role in the regional transition to a low-carbon economy, we remain committed to supporting this national endeavor. The Central Bank of Bahrain (CBB) has demonstrated its sustainability leadership by mandating ESG disclosures for its licensed entities. This is an important step not only in encouraging ESG disclosures but also in positioning Bahrain as a future hub for sustainable corporate citizenship.

Our efforts are a part of a broader vision to drive change across the capital market. Since 2020, we've implemented a comprehensive set of ESG quidelines for market participants, helping them align with global sustainability standards while fostering a culture of responsibility. We are also proud to have supported the launch of the unified GCC ESG guidelines in 2022. This regional initiative enhances our collective ability to promote sustainable investment practices across the Gulf, further solidifying Bahrain's role as a key player in responsible finance. In 2024, we became a signatory to the Net Zero Financial Services Providers Alliance (NZFSPA), demonstrating our continued commitment to decarbonization efforts and

The importance of ESG is clear: it is not just about mitigating risks, but also about seizing opportunities. From enhancing environmental stewardship to ensuring social equity and upholding governance standards, our approach is designed to create long-term value. It is evident that a sustainable marketplace is one that will thrive, attract investment, and foster innovation.

Looking ahead, we are fully committed to Bahrain's decarbonization efforts and achieving a net-zero economy. ESG will continue to play a critical role in guiding our strategy and actions, from rethinking how we do business to creating new pathways for sustainable growth. As we move forward, our focus will be on empowering our stakeholders to adopt these principles, ensuring that together, we can accelerate the transition to a low-carbon future.

I want to take this opportunity to express my gratitude to all of our partners, stakeholders, and team members who have been instrumental in driving Bahrain's ESG agenda. The progress we've made so far is a foundational milestone for the journey ahead, and with your continued support, we remain confident of achieving our goal of a more sustainable and prosperous future for Bahrain and beyond.

Khalifa bin Ebrahim Al-Khalifa Chief Executive Officer

The importance of ESG is clear: it is not just about mitigating risks, but also about seizing opportunities.



ABOUT

BAHRAIN BOURSE

At Bahrain Bourse, we play a pivotal role in governing and strengthening the capital markets of Bahrain. As a Self-Regulated Organization (SRO) and a front-line regulator, we provide a comprehensive platform for the listing and trading of various securities, including Equities, Real Estate Investment Traded Funds (REITs), Government Bonds and Sukuks, Treasury Bills (T-Bills), Mutual Funds.

Our mission is to offer our stakeholders the advanced investment and trading solutions, based on principles of transparency and accountability, thereby providing investors, issuers, and intermediaries with valuable settlement and clearance solutions to meet their financial objectives. Our operations are guided by seven core values: Transparency, Integrity, Efficiency, Fairness, Flexibility, Teamwork, and Commitment to Excellence. These values form the foundation of our business practices and have enabled us to position both our organization and the Kingdom of Bahrain as an "Oasis of Investment Opportunities" within the Gulf Cooperation Council (GCC) region and the broader global capital markets.

Established in 1987 as the Bahrain Stock Exchange (BSE), Bahrain Bourse has evolved significantly over the decades, marking key milestones along its journey. Our growth has been underpinned by the steadfast support of the Government of the Kingdom of Bahrain and the continued trust of our broader stakeholder community. In 2010, Bahrain Bourse was reconstituted as a shareholding company under Law No. 60 of 2010, officially succeeding the BSE. Today, Bahrain Bourse stands as the sole licensed exchange in the Kingdom, operating under the regulatory oversight of the Central Bank of Bahrain (CBB).

Bahrain Clear, a fully owned subsidiary of Bahrain Bourse, was established in June 2017 as a clearing and settlement house. Bahrain Clear is licensed by the CBB and provides pre-trade and post-trade services to investors, including transaction depository, clearing, settlement, central registry, and registration services.

Over the years, Bahrain Bourse has actively expanded its regional and international engagement through memberships of several prominent organizations, including the Arab Federation of Capital Markets (AFCM), the International Organization of Securities Commissions (IOSCO), the World Federation of Exchanges (WFE), the Africa & Middle East Depositories Association (AMEDA), and the Association of National Numbering Agencies (ANNA). In alignment with its commitment to sustainability and transparency, Bahrain Bourse is also a partner exchange member of the Sustainable Stock Exchanges (SSE) Initiative and a member of the Middle East Investor Relations Association – Bahrain Chapter (MEIRA), reinforcing its role as a proactive participant in the global capital markets ecosystem.

FY 2024 HIGHLIGHTS



Market Capitalization BHD 7.69 BILLION



Bahrain All Share Index (Points) 1,985.913



Number of Transactions 17,014



Volume of Shares Traded 1.48 BILLION



Value of Shares Traded BHD 319.798 MILLION

STRATEGY OVERVIEW

Bahrain Bourse is focused on strengthening its position as a leading financial hub through a strategy that prioritizes innovation, market development, and investor engagement. Our approach is built around four strategic pillars that support long-term growth, operational efficiency, and the development of a resilient and sustainable capital market. These focus areas are designed to ensure we stay aligned with market dynamics, technological progress, and the evolving needs of the financial ecosystem — both regionally and globally. These strategic pillars are outlined below.



Digital Transformation Leadership



Financial Stability & Operational Excellence



Market Accessibility & Inclusivity



Talent Development & Organizational Culture











At Bahrain Bourse, we are committed to an enterprise-wide digital transformation, thereby ensuring that Bahrain's capital market ecosystem is equipped with cutting-edge technology and innovative solutions. By embracing advanced digital tools, we aim to enhance market transparency, improve data accessibility, and streamline trading processes. Our focus is on building a future-ready, techdriven marketplace that fosters seamless integration and global connectivity for investors and market participants alike.

We are focused on ensuring the longterm stability of Bahrain's financial markets by fostering a resilient, robust, and efficient infrastructure. Our strategy includes optimizing operational processes through automation, improving risk management practices, and ensuring consistent financial performance. By continuously enhancing operational efficiency, we will reduce costs, increase speed, and enable a competitive edge in the financial ecosystem, ensuring Bahrain Bourse remains a trusted and stable platform for all market participants.

One of our critical goals is to create an inclusive, accessible, and diverse investment landscape. By enhancing market access for a wider range of participants-both domestic and international—we strive to empower investors from all backgrounds to engage with the market. This includes reducing barriers to entry, upgrading to new, user-friendly platforms, and offering innovative investment products that cater to evolving investor needs. We are dedicated to cultivating an open market that supports sustainable growth and attracts global investment flows, conducive to the growth of Bahrain's economy.

At Bahrain Bourse, we believe that a strong, innovative workforce is critical to our success. Our strategy focuses on development of world-class talent, and building an organizational culture that champions collaboration, agility, and continuous learning. We are committed to nurturing skills and capabilities that align with the latest market trends, foster leadership, and encouraging a culture of inclusivity, innovation, and ethical conduct. By attracting and retaining top talent, we continue to drive Bahrain Bourse's institutional capacity and elevate its position as a preferred organization for professional growth and development.



OUR ESG **APPROACH**

Our ESG strategy is anchored in our commitment to responsible, ethical business practices. We understand that our role extends beyond just regulating the Kingdom's Capital Markets—it encompasses our impact on the environment and the communities we serve. Over the years, embedding the principles of ESG have become an integral part of our long-term strategic vision, helping us navigate a complex and rapidly evolving financial landscape. Addressing global challenges such as climate change, shifting workforce dynamics, and rising stakeholder expectations is essential to ensuring our longterm growth and resilience. Our forward-looking approach reflects our dedication to building institutional strength in the face of these sustainability and climate-related challenges.

By aligning our Environmental, Social, and Governance practices with internationally recognized standards, we actively support Bahrain's national development goals, particularly those outlined in the UN Sustainable Development Goals (SDGs). This commitment is demonstrated in our focus on environmental stewardship, empowering people, and embedding sound governance across all areas of our operations.

In 2024, we enhanced our sustainability agenda by focusing on three core priorities: strengthening ESG governance, engaging stakeholders, and evaluating the impact of our initiatives.

As part of this renewed focus, we became a signatory to the Net-Zero Financial Services Providers Alliance (NZFSPA)—a global coalition of exchanges committed to achieving net-zero emissions within their operations and markets. Our membership in the NZFSPA marks a significant milestone in our sustainability and climate journey. As part of the NZFSPA framework, Bahrain Bourse has begun pursuing well-defined climate targets that address both our internal operations and our responsibilities as a market regulator. Through a phased and strategic approach, we are embedding decarbonization pathways into our business, while encouraging and enabling market participants to align their own practices with net-zero goals.







Stakeholder Engagement & Materiality Assessment and external stakeholders to better understand needs and expectations. A central component issues most relevant to our business.



have established key performance indicators (KPIs) across our Environmental, Social, and evaluation. The resulting data and related to our stakeholders on a regular basis.

KEY DATA & OUTCOMES - 2024



Environment



Social



Governance



256.61 TCO2e emissions generated



45% representation of women



SBoard Committees



2.98 TCO2e per unit of revenue



99% Bahrainization



cyber security or data breaches



1,339.12 GJ Energy Consumed



2,068
hours
spent on Training



100% of employees trained on Anti-Money Laundering



ESG HIGHLIGHTS

In 2024, we made significant progress across the three foundational pillars of Environment, Social Responsibility, and Governance (ESG). Our initiatives adopt a multi-faceted approach, addressing key priority areas including operational efficiency, responsible energy use, regulatory-driven environmental stewardship, community investments, the promotion of digital literacy, employee well-being, and the advancement of sound corporate governance practices.

As part of our impact monitoring, we align with the UN Sustainable Development Goals (SDGs). These 17 global goals provide a roadmap for addressing key sustainability-linked issues, from climate action to inclusive economic growth. Through the implementation of our programs, we seek to both evaluate the effectiveness of our initiatives and actively support the Kingdom of Bahrain's national objectives pertaining to social and economic development.



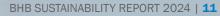












ENVIRONMENTAL PERFORMANCE

Focus Area



ENVIRONMENTAL STEWARDSHIP



Net Zero Financial Services Providers Alliance

Bahrain Bourse participated in the Net Zero Financial Services Providers Alliance (Exchange Group).



National Tree Week

We actively participated in National Tree Week—an annual initiative launched under the Patronage of HRH Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister.



Most Sustainable Practices in ESG Bahrain

We were awarded the 'Most Sustainable Practices in ESG Bahrain 2024' by Global Banking Finance Review.



Updated the Listing Rules

We updated the listing rules to incorporate mandatory ESG reporting requirements in line with the Central Bank of Bahrain's reporting guidance.

SOCIAL PERFORMANCE

Focus Area





We conducted the "Ring the Bell for Gender Equality" for the sixth consecutive year with participation from public and private sector representatives. This year, also rolled out of Board membership program with Bahrain Institute of Banking & Finance.



SOCIAL PERFORMANCE

Focus Area





Youth City 2030

We participated in 13th Edition of 'Youth City 2030' conducted by Ministry of Youth & Sports.



Sustainability Hackathon

We participated in the Bahrain Islamic Bank (BiSB) Sustainability Hackathon in collaboration with INJAZ and Supreme Council for Environment.



REHC Partnership

Bahrain Bourse partners up with the Rashid Equestrian and Horseracing Club (REHC) for the 2024/2025 horseracing season.



TradeQuest (the 26th edition)

We launched the 26th Edition of TradeQuest Program for High School and University Students.



Smart Investor Program

We proudly announced the launch of the 6th Edition of the Smart Investor Program in partnership with INJAZ Bahrain. This program, which has become an integral part of the government school curriculum, is designed to develop fundamental financial literacy skills amongst 4th grade elementary students.

SOCIAL PERFORMANCE

Focus Area



STAKEHOLDER ENGAGEMENT



Best Strategic Partnerships in Capital Markets

We were awarded the 'Best Strategic Partnerships in Capital Markets – Bahrain 2024' Award from International Finance Magazine.



ESG Awareness Session

We participated in "ESG and Sustainability Reporting Practices" Awareness Session held at University of Bahrain – College of Business Administration aimed to enhance students understanding on ESG.



Investor Relations Workshop

We conducted Investor Relations Workshop – Unlocking Value Through Sustainability - in collaboration with Middle East Investor Relations Association (MEIRA).



Ring the Bell for Financial Literacy

We participated in the World Federation of Exchanges' annual 'Ring the Bell for Financial Literacy' event, joining 100 other global exchanges. This marks our seventh consecutive year of participation, reaffirming our commitment to advancing investor education and awareness through collaboration with both local partners and international exchanges.

SOCIAL PERFORMANCE

Focus Area



STAKEHOLDER ENGAGEMENT



TradingTech Summit MENA

We proudly inaugurated the TradingTech Summit MENA - the region's premier forum for capital markets innovation - in strategic partnership with the Arab Federation of Capital Markets.



Board Mentorship Program

We announced the launch of the 2nd edition of the Board Mentorship Program. The specialized initiative aims to develop board-ready candidates for future Board of Directors positions, empowering them to contribute effectively to the governance and success of their organizations.



Members Annual Meeting

We conducted our annual meeting for its members including brokers and market makers at Bahrain

SOCIAL **PERFORMANCE**

Focus Area



EMPLOYEE RECOGNITION

Long Service Award Ceremony

We organized the "Long Service Award Ceremony" to recognize the dedication and contributions of 19 employees who have completed 5, 10, 15, 20, and 25 years of service at Bahrain Bourse and Bahrain Clear.



SOCIAL PERFORMANCE

Focus Area



BUSINESS ETHICS, RISK AND COMPLIANCE



ISO 22301:2019 Certification

Bahrain Bourse attains ISO 22301:2019 Certification for Business Continuity Management Systems

Staff Training

These trainings include topics such as Anti-Money Laundering for employees handling investor transactions & Insider Awareness Training for all the staff at Bahrain Bourse and Bahrain Clear.

AML Training

100% of our employees are trained on Anti Money Laundering.

Focus Area



EMPLOYEE HEALTH & WELLBEING



Breast Cancer Awareness

As part of the Breast Cancer Awareness month in October, we organized an informative session on breast cancer for our employees to raise awareness about this important health issue.



Mental health awareness session

We hosted a mental health awareness session for employees on World Mental Health Day, in collaboration with a Consultant Psychiatrist at Al Kindi Hospital

Focus Area



HUMAN RIGHTS



Code of Conduct and Ethics

Our Code of Conduct and Ethics continues to follow and abide with all clauses pertaining to the Bahrain Labor Law. Through our HR Policy (Clause 10.1), we ensure fair treatment of all employees in accordance with the requirements of Kingdom of Bahrain's Human Right laws.

Human Rights

No violations or incidents relating to human rights, discrimination, corruption or bribery were reported in 2024.

National Suggestions & Complaints System

We continue to provide redressal mechanisms for complaints or dissatisfaction through the National Suggestions and Complaints System.

GOVERNANCE

PERFORMANCE

Focus Area



DATA PRIVACY/ CYBER SECURITY

Information, Cybersecurity & Data Privacy Policy

Bahrain Clear initiated the Information, Cybersecurity & Data Privacy Policy to strengthen its practices and controls related to data privacy and cybersecurity and align with international standards.

PDPL Initiatives

We continue to comply with Bahrain's Personal Data Protection Law (PDPL) regulations and our initiatives on PDPL are aligned with local requirements and internationally recognized standards.



ESG GOVERNANCE

Strong governance is essential to ensuring that sustainability is effectively embedded across our operations and strategic priorities. At Bahrain Bourse, our ESG governance framework has been structured to promote clear accountability, informed decision-making, and alignment with both our business objectives and sustainability goals.

ESG Governance and Oversight

A well-defined ESG governance structure is essential to embedding sustainability into our business model and decision-making processes. At Bahrain Bourse, comprehensive ESG oversight is integrated into our broader corporate governance framework to ensure strategic alignment, accountability, and transparency across all levels of the organization. ESG-linked initiatives and programs are reviewed regularly as part of our organizational performance and risk management framework. This includes setting ESG-related objectives, monitoring progress against key performance indicators, and identifying emerging sustainability risks and opportunities across the organization. By doing so, we aim to institutionalize ESG across all business departments — not only to meet disclosure expectations, but also to create long-term value for our stakeholders.

Our ESG governance framework emphasizes collaboration and cross-functional engagement. Through structured engagements, we foster organization-wide participation in advancing ESG priorities. This collective approach helps ensure that sustainability is integrated into core operations, from policy development and data management to impact assessment and stakeholder engagement (both – internal and external).

Our internal stakeholder engagement strategy ensures that we engage and connect with all key internal stakeholders right from the relevant board committees, the CEO and the senior leadership team, our business departments, and our people across the organization. This ensures that our ESG objectives are aligned to our long-term strategy, and that all sustainability related considerations are integrated into key decision-making processes.

Our ESG governance framework has been structured to promote clear accountability, informed decision-making, and alignment with both our business objectives and sustainability goals.



ESG Governance Framework

Board of Directors

Chief Executive Officer

Senior Director of Partnership Development, Sustainability & Communication

Sustainability Team

ESG GOVERNANCE

Management-Level Responsibilities

Operational responsibility for ESG initiatives lies with the Sustainability Team, chaired by a Head and members comprising representatives from key departments. This cross-functional Committee is tasked with advancing sustainability initiatives, integrating ESG principles into internal operations, and overseeing community engagement efforts. It ensures that ESG objectives are translated into actionable plans and embedded across the organization's departments and operations.

Strategy & Implementation: Formulate and execute the sustainability strategy for Bahrain Bourse and Bahrain Clear, ensuring alignment with national goals (e.g., Net-Zero 2060) and international frameworks (e.g., UN SDGs).

ESG Integration: Embed Environmental, Social, and Governance principles into core operations, policies, and market practices to promote responsible business conduct.

Performance & Reporting: Monitor sustainability performance and ensure transparent reporting through regular sustainability reports

Regulatory Compliance: Ensure adherence to local and international sustainability-related regulations and standards.

Capacity Building: Enhance internal sustainability capabilities through staff training, education, and awareness initiatives.

Role of ESG Governance Framework in Driving Value

Our ESG governance framework not only ensures regulatory compliance and transparency but also serves as a strategic lever to improve long-term business performance. A robust governance framework enables us to proactively identify emerging climate risks and opportunities and proactively assess their potential financial and operational impact on our internal operations as well as the broader marketplace. This framework also enables us to uncover ESG related opportunities for the Exchange and the wider capital markets.

We also leverage our ESG Governance framework to align with the Net-Zero Financial Services Providers Alliance (NZFSPA) targets, which has guided the development of internal decarbonization pathways. These initiatives not only help through our emission reduction efforts but also position us to steer the wider capital markets towards decarbonization goals.

Through structured ESG oversight, we've strengthened our ability to make informed decisions—such as measuring and monitoring ESG metrics on a periodic basis and developing financial literacy programs aimed at social and economic progress of the community in which we operate. These measures have led to increased accountability and stronger community engagement, enhancing our reputation and stakeholder trust.

By formalizing ESG into planning and operations, we are also enhancing organizational resilience. For instance, our Sustainability Team evaluates emerging sustainability trends and integrates material risks into our annual risk reviews. This approach ensures that ESG is not treated as a standalone initiative but as a core driver of operational excellence and long-term value creation.



MATERIALITY ASSESSMENT

Conducting a materiality assessment is a critical step in understanding which Environmental, Social, and Governance (ESG) issues are most significant to Bahrain Bourse's long-term success and to the interests of our stakeholders. This process allows us to identify and prioritize the sustainability topics that have the greatest relevance to our business operations, regulatory context, and the broader market ecosystem in which we operate.



By aligning our ESG focus areas with stakeholder expectations and business priorities, the materiality assessment helps ensure that our sustainability strategy remains relevant, data-driven, and impactful.



Engage

Create a long-list of potential material topics based on industry trends, peer-benchmark and relevant regional guidelines. Identify stakeholder groups (internal and external) to engage with.

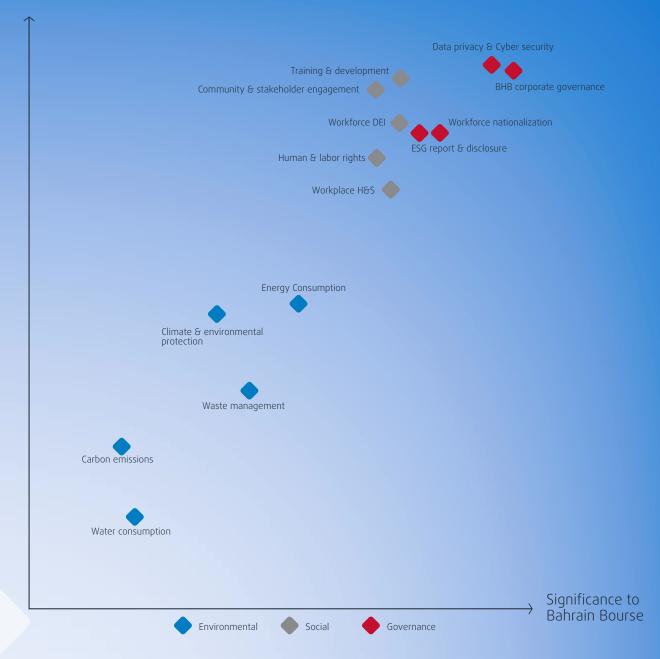


The results of the materiality assessment were consolidated and presented to the Management for review and approval.

The final list of material topics was then sense-checked and that was fed into a materiality assessment matrix. The topics were then ranked and visualized to showcase the topics which are of most importance to Bahrain Bourse.

Based on the materiality assessment and the topic's relevance to Bahrain Bourse's initiatives, material topics were selected based on interlinked priorities in the 2024 reporting cycle.

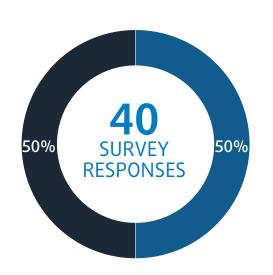
Significance to Stakeholders



MATERIALITY SURVEY RESPONSES

Material Topics By Pillar

The following topics were among the three most important topics under each of the Environmental, Social, and Governance pillars. (Numbers indicate the proportion of the respondents who rated each topic to be of Very High importance.)







The survey responses included a diverse mix of internal and external respondents, ensuring a balanced representation from all stakeholders.



ENVIRONMENTAL





SOCIAL

GOVERNANCE

50%

Energy Consumption

67%

Training & Development

83%

Bahrain Bourse's Corporate Governance

37%

33%

Carbon Emissions & Air Pollution

Climate &

Protection

Environmental

58%

60%

Workforce Diversity & Inclusion

83%

Data Privacy & Cyber Security

Human & Labor rights

63%

ESG Disclosure & Reporting Frameworks

Internal & External Stakeholder – Issue Alignment

For each of the Environmental, Social and Governance pillars, the table mapping indicates the most material topics that have been identified by both internal and external stakeholders

INTERNAL

Energy Consumption

Climate & Environmental Management

Waste Management

EXTERNAL

Energy Consumption

Climate & Environmental Management

Waste Management

INTERNAL

Training & Development

Workforce Nationalization

Human & Labor rights

EXTERNAL

Training & Development

Workforce Nationalization

Human & Labor rights

INTERNAL

Bahrain Bourse's Corporate Governance

Data Privacy & Cyber Security

ESG Disclosure & Reporting Frameworks

EXTERNAL

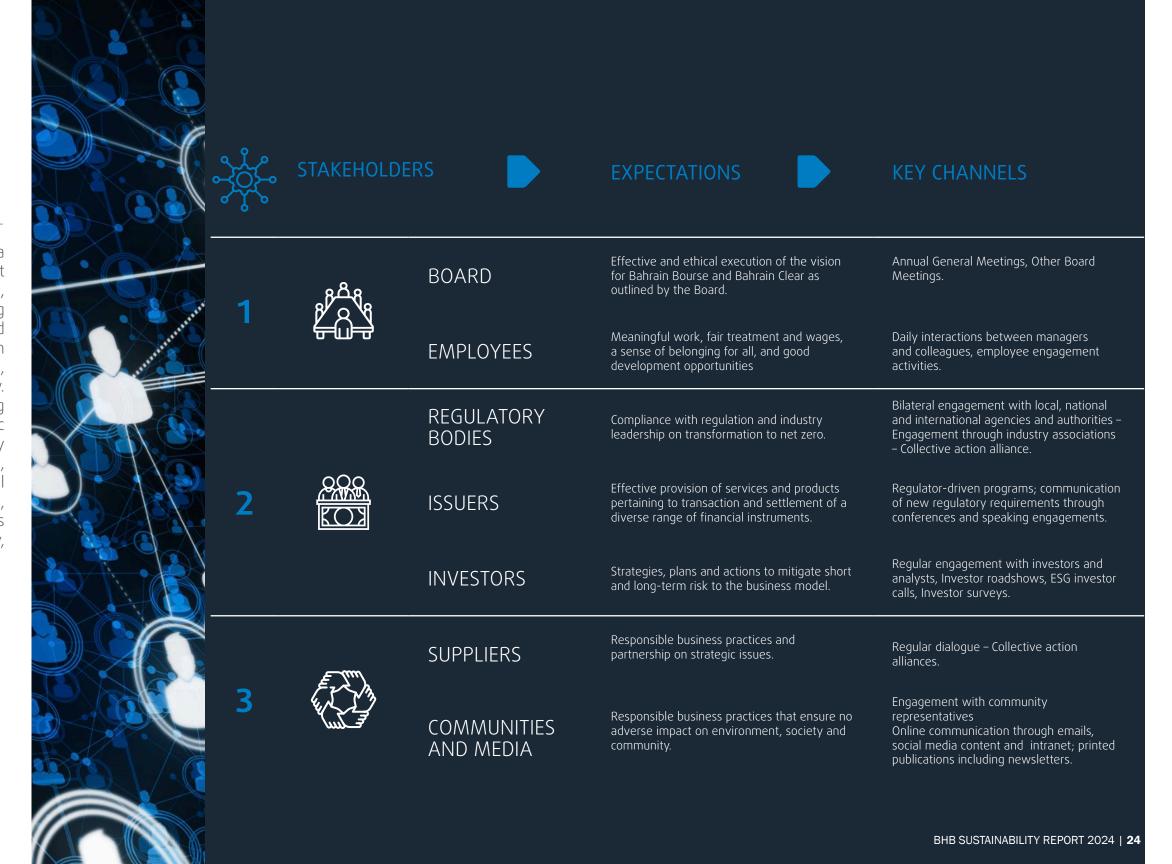
Bahrain Bourse's Corporate Governance

Data Privacy & Cyber Security

ESG Disclosure & Reporting Frameworks

STAKEHOLDER ENGAGEMENT

We engage in ongoing collaboration with a broad range of stakeholders to ensure that our sustainability efforts remain responsive, inclusive, and aligned with evolving expectations. Through regular dialogue and structured engagement activities, we gain meaningful insights into stakeholder priorities, emerging concerns, and areas of opportunity. This feedback plays a critical role in informing our ESG reporting and shaping the strategic direction of our sustainability initiatives. By actively incorporating stakeholder perspectives, we are better equipped to address material issues, enhance operational effectiveness, and align our actions with the expectations of those we serve—ensuring transparency, accountability, and long-term value creation.





OUR ENVIRONMENT

As the Kingdom of Bahrain undergoes a transition toward a more sustainable and inclusive future, recognizing environmental stewardship as a strategic component of national development is imperative.

Sustainability is now regarded as an essential element of economic progress, consistent with the objectives outlined in Bahrain Economic Vision 2030, which emphasizes the creation of a diversified economy grounded in principles of environmental responsibility and sustainable growth. The Kingdom of Bahrain, despite pressing challenges such as rising temperatures, limited freshwater resources, and coastal vulnerability, remains firmly committed to environmental sustainability, recognizing its central role in securing long-term national resilience and prosperity.

As part of this vision, Bahrain has made significant commitments to address climate change and transition to a low-carbon economy. Bahrain's net-zero by 2060 pledge, its alignment with the Paris Agreement, and its target to generate 10% of energy from renewable sources by 2035 reflect a clear and actionable national strategy.

At Bahrain Bourse, we continue to view environmental sustainability as a strategic imperative embedded within our operations and market leadership. As an enabler of capital markets, we have a key role to play in accelerating the transition to a green economy by promoting sustainable finance, engaging market participants, and embedding environmental responsibility into our own practices. Guided by our Sustainability Team, we are implementing a range of initiatives to minimize our environmental impact and support broader climate resilience efforts. These efforts are closely aligned with both national goals and international ESG standards, ensuring we remain both locally relevant and globally responsive.



Our environmental strategy focuses on four key pillars:



Energy Efficiency and Consumption

Improving operational efficiency through smarter infrastructure and reduced energy usage.



Emissions Management

Measuring and mitigating greenhouse gas emissions, with a view to aligning with emerging global disclosure standards.



Water and Waste Management

Promoting responsible resource use, waste reduction, and recycling across our facilities.



Climate Risk Mitigation

Proactively assessing and managing environmental risks within our enterprise risk framework and strategic planning processes.



Approach to Data Management

We adopt a structured, data-driven approach to managing our environmental impact. By closely tracking indicators such as energy use, greenhouse gas emissions, water consumption, and waste generation, we can identify areas for improvement and implement targeted actions that align with recognized global sustainability standards. This evidence-based monitoring not only supports operational efficiency but also reinforces our broader environmental responsibility.



Stewardship Efforts & Leading the Market

Beyond our internal practices, we play a proactive role in advancing environmental transparency across Bahrain's capital markets. We work closely with listed companies to encourage adoption of international sustainability-linked disclosure frameworks and environmental management practices—supporting improved reporting quality and integration of climate-related considerations into business strategy. As a key stakeholder in the marketplace, Bahrain Bourse embraces its dual role: reducing its own environmental footprint while enabling the broader financial ecosystem to transition toward more sustainable practices. Through technical guidance, capacity-building efforts, and thought leadership, we continue to foster a culture of environmental accountability within the capital markets.



Sustainability Alliances

Looking ahead, we are enhancing the integration of ESG principles within our governance framework by aligning with internationally recognized standards, including the Global Reporting Initiative (GRI), GHG Protocol, and the Central Bank of Bahrain's ESG Requirements Module. Our recent membership in the Net Zero Financial Service Providers Alliance (NZFSPA) further strengthens our commitment to supporting Bahrain's Net Zero by 2060 ambitions. Through this platform, we aim to accelerate the decarbonization of capital markets by promoting climate-aligned financial instruments, encouraging net-zero strategies among market participants, and setting an example through our own environmental actions.

ENERGY CONSUMPTION

At Bahrain Bourse, we recognize that responsible energy consumption is essential for both environmental sustainability and operational efficiency. Aligned with the United Nations Sustainable Development Goal (SDG) 7, which advocates for affordable and clean energy, we are committed to optimizing energy use, reducing our carbon footprint, and advancing sustainable practices throughout our operations.



95%

of energy consumption in 2024 was electricity



5%

of energy consumption in 2024 was

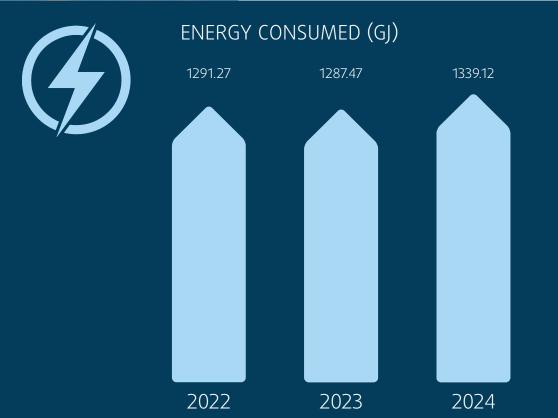


- As a financial exchange, our operations are inherently reliant on advanced, data-driven technologies. From trading engines and market surveillance systems to data centers and infrastructure that support continuous operations, our systems require a stable and continuous supply of electricity. Given this energy-intensive nature of our work, optimizing energy use is not only an environmental responsibility but also a business imperative—supporting both operational resilience and national climate goals.
- ▶ In 2024, electricity accounted for approximately 95% of our total energy consumption, driven largely by IT infrastructure such as servers and data centers, as well as workspace utilities including HVAC systems and lighting. The remaining 5% was attributable to fuel consumption by our vehicle fleet. In 2024, overall energy consumption increased by 4%, reflecting the ongoing expansion of digital services and the energy demands of maintaining uninterrupted market operations.
- Our energy management strategy is guided by two core pillars Continuous Monitoring by leveraging real-time systems to track energy usage across operations, allowing for data-informed decisions and identification of efficiency opportunities and Targeted Improvements that focus on implementing practical interventions to reduce energy waste while maintaining the performance standards required for uninterrupted market functioning.
- This proactive approach supports our ambition to decouple energy consumption from business growth, while aligning with Bahrain's national net-zero target by 2060. By embedding energy efficiency into our operations, we aim to reduce emissions, control operational costs, and contribute meaningfully toward a low-carbon economy transition.

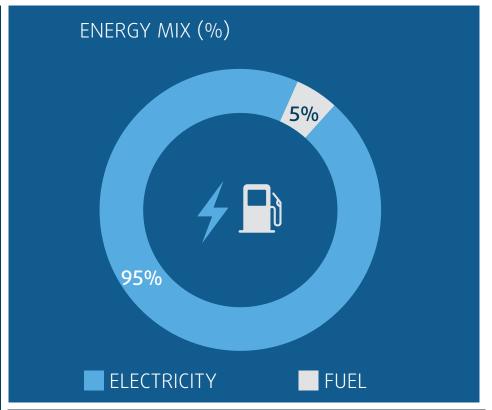


ENERGY CONSUMPTION





Energy Consumption	2022	2023	2024	
A. Direct Energy from Non – Renewable Sources				
Petrol Consumption (L)	1507	1912	2050.11	
Direct Energy Consumption) (GJ)	52.87	67.07	71.92	
B. Indirect Energy Consumption (GJ)				
Electricity Consumption (kWh)	344	339	352	
Electricity Consumption (GJ)	1238.4	1220.4	1267.2	
Total Energy Consumption (A+B) (GJ)	1291.27	1287.47	1339.12	
Disclosure E.2: Energy Consumption				



Energy Mix	2022	2023	2024
Electricity	96%	95%	95%
Fuel (Petrol)	4%	5%	5%

Energy Intensity	2022	2023	2024
Energy Intensity (GJ per FTE)	14.84	15.15	15.57
Disclosure E.3: Energy Intensity			

Renewable	Non-Renewable	
0%	100%	
Disclosure E.4: Energy Mix		

EMISSIONS MANAGEMENT

Effectively managing greenhouse gas (GHG) emissions is central to addressing climate change and contributing to a more sustainable future. In alignment with UN Sustainable Development Goal 13—which calls for urgent climate action—we are committed to reducing our emissions through a combination of operational efficiencies and strategic interventions.

Our operations, particularly those related to our IT infrastructure, are energy-intensive and rely heavily on uninterrupted electricity. As the volume of financial data continues to grow, so does the energy demand of our digital systems.

We maintain a comprehensive greenhouse gas (GHG) accounting methodology in alignment with the GHG Protocol, measuring Scope 1 (direct emissions from fuel combustion), Scope 2 (indirect emissions from electricity), and Scope 3 (value chain impacts) to ensure full transparency of our emission footprint. Our strategy directly supports Bahrain's Vision 2030 and the Kingdom's netzero 2060 ambition, further exemplified by our membership in the Net Zero Financial Service Providers Alliance (NZFSPA)—a pivotal step to accelerate sector-wide decarbonization. We have developed short- and long-term emission targets, combining operational reductions with strategic partnerships to transition toward a low-carbon economy.



As the volume of financial data continues to grow, so does the energy demand of our digital systems.

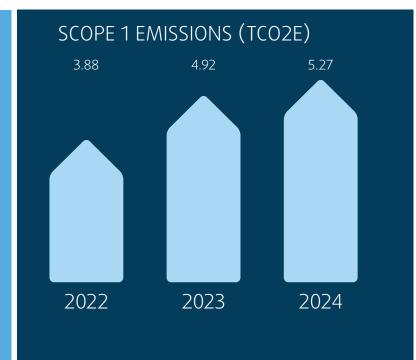


SCOPE 1 EMISSIONS Scope 1 emissions refer to direct greenhouse gas (GHG) emissions from sources owned or controlled by Bahrain Bourse. These emissions typically arise from fuel combustion in stationary sources (e.g., heating systems) and mobile sources (e.g., fleet vehicles). In 2024, Scope 1 emissions increased by 7%, as a result of higher petrol consumption.

SCOPE 2 EMISSIONS Scope 2 emissions represent indirect greenhouse gas (GHG) emissions from purchased electricity, heating, and cooling consumed by Bahrain Bourse. These emissions, generated by our facilities' energy use, constitute 96% of our total emissions footprint. In 2024, we observed a 4% increase in Scope 2 emissions, as a result of increased operational demand and changing energy consumption patterns.

SCOPE 3
EMISSIONS

As per the GHG protocol, Scope 3 emissions includes indirect greenhouse gas (GHG) emissions that occur across an organization's value chain. Due to limited data availability, our current scope for Scope 3 calculations includes business travel, (by air) which accounts for 2% of our total emissions. While this represents a small portion of our overall footprint, we recognize the importance of addressing Scope 3 emissions as part of our comprehensive Net Zero plan.





	2022	2023	2024
Scope 1	3.88	4.92	5.27
Scope 2	240.46	236.96	246.04
Scope 3			5.29
Total	244.34	241.88	256.61
Intensity	2.81	2.85	2.98
Disclosure E.5 & E.6: GHG Emissions & Emissions Intensity			

WASTE MANAGEMENT

We believe that effective waste management practices is key to reducing our environmental impact and contributing to a truly circular economy. Aligned with SDG 12, which focuses on responsible consumption and production, Bahrain Bourse is committed to minimizing waste generation, maximizing recycling, and adopting sustainable waste practices in our operations.

Bahrain generates approximately 1.2 million tons of solid waste annually. To address this challenge, the Supreme Council for Environment (SCE) has enacted key measures, including advanced waste disposal protocols, nationwide recycling programs and bans on plastic waste imports. These initiatives highlight Bahrain's commitment to a circular economy and sustainable resource management.

At Bahrain Bourse, we actively monitor and reduce waste streams, particularly paper, cardboard and e-waste, while ensuring effective recycling through our certified partners. Our digital transformation has been particularly impactful - by adopting paperless processes and electronic signatures, we have already eliminated 22.67 kgs of waste and reduced carbon emissions by 332.64 kgs. To ensure responsible data management, our dedicated Disposal Committee oversees all disposal activities, implementing strict controls to safeguard sensitive information while maintaining our environmental commitments.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Another key innovation is our eAGM platform, which enables virtual shareholder meetings. This solution not only improves accessibility but significantly cuts down on travel-related emissions and material waste associated with traditional meetings.

Looking ahead, we remain committed to finding innovative ways to minimize our environmental footprint. We will continue optimizing our recycling efforts, expanding digital solutions, and engaging our staff in sustainable practices as we work toward our long-term sustainability goals.

22.67 KGS

of waste eliminated in 2024



332.64_{KGS}

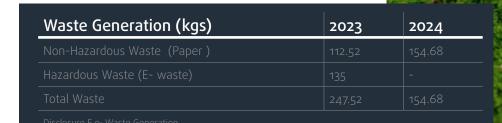
reduction in carbon emissions in 2024



Bahrain Bourse is committed to minimizing waste generation, maximizing recycling, and adopting sustainable waste practices in our operations.



RECYCLE



WATER MANAGEMENT

At Bahrain Bourse, we acknowledge the critical importance of water as a finite and valuable resource. Aligned with the United Nations Sustainable Development Goal (SDG) 6, which emphasizes the need for clean water and sanitation, we are dedicated to responsible water usage, conservation, and ensuring that our operations minimize water waste.

Bahrain's water supply comes from three primary sources: desalinated seawater (29%), non-renewable groundwater (66%), and treated wastewater (5%). The demand for water continues to face increasing pressure from population growth and economic expansion. These challenges highlight the critical need for an effective water resource management across all sectors.

While our operations are not water-intensive, we recognize the importance of responsible water management in Bahrain's resource-constrained environment. We systematically track our annual water consumption to identify trends and improvement opportunities.

	6 CLEAN WATER AND SANITATION	
d	Ø	ij
	2° %)	

Water Usage (m³)	2024
Water Consumed	56,397
Water Withdrawal	56,397
Water Recycled	0
Disclosure F.8: Water Usage	

CLIMATE RISK MITIGATION

Responding to Climate Change: A Strategic Imperative

Climate change has evolved from a consideration for the future to an immediate global challenge, with observable impacts on ecological systems, human health, and economic stability. Rising global temperatures, intensifying weather events, and accelerating environmental degradation are no longer hypothetical scenarios but tangible realities. For the Kingdom of Bahrain, the implications of climate change are particularly acute - manifesting in sea-level rise, increased frequency of heatwaves, and potential disruptions to essential resources such as water and energy.

The Government of Bahrain has proactively acknowledged these challenges through Bahrain Economic Vision 2030, which articulates a national commitment to achieving sustainable economic development while safeguarding its environmental integrity. In alignment with the United Nations Sustainable Development Goals (SDGs)—particularly SDG 13: Climate Action—Bahrain has set ambitious climate targets, including a 30% reduction in carbon emissions by 2035 and a net-zero emissions goal by 2060.





Within this national framework, Bahrain Bourse recognizes its institutional responsibility and strategic potential to contribute meaningfully to climate risk mitigation. As a central actor in the Kingdom's financial markets, we are committed to aligning our operations with national climate objectives and embedding climate resilience into our organizational strategy. This commitment is underpinned by the understanding that environmental responsibility is not merely an obligation, but a catalyst for long-term value creation and sectoral leadership.

In support of these aims, Bahrain Bourse has joined the Net Zero Financial Service Providers Alliance (NZFSPA)—a global initiative aimed at advancing decarbonization efforts across financial market infrastructure. This affiliation reinforces our commitment to both national and international climate goals and positions Bahrain Bourse as a proactive stakeholder in the transition to a low-carbon economy.

Our climate strategy includes the development of quantifiable short-term and long-term targets to reduce Scope 1 (direct emissions), Scope 2 (indirect emissions from electricity), and Scope 3 (value chain emissions) in accordance with established global standards. To achieve these objectives, we are implementing measures focused on improving energy efficiency, reducing operational emissions, and collaborating with stakeholders to address upstream and downstream impacts within our ecosystem.

By institutionalizing these commitments, Bahrain Bourse seeks to advance Bahrain's climate ambitions while supporting the long-term resilience and sustainability of its financial markets. Our efforts reflect a broader recognition that climate action is integral to economic stability, stakeholder confidence, and intergenerational equity.



Joining the Net Zero Financial Service Providers Alliance reaffirms our steadfast commitment to fostering sustainability within the capital market. By aligning with global initiatives such as the Net Zero Pledge, we aim to catalyze meaningful change and contribute to a more sustainable future across the Kingdom of Bahrain.



Shaikh Khalifa bin Ebrahim Al-Khalifa, CEO Bahrain Bourse

CLIMATE RISK MITIGATION

As part of the NZFSPA targets, we have established a comprehensive Net-Zero Transition Plan outlining the strategies and actions to be undertaken to minimize greenhouse gas emissions across our operations and value chain. Our Net-Zero Transition Plan is built on two strategic pillars:





Operational Decarbonization

Exchange Focused

Focus on Internal Operations and Impact : The purpose is to establish clear, measurable internal targets, aligned with science-based climate frameworks for achieving net-zero emissions through a well-defined decarbonization pathway covering Bahrain Bourse's operations (Exchange-focused).

Operational **Impact**

Measurement of GHG emissions (in alignment with the GHG protocol) associated with the Exchange's own operations including energy use from fuel consumption (Scope 1), electricity consumption (Scope 2), and business travel* (Scope 3).

Monitoring & Reporting

Reporting of GHG emissions as part of annual sustainability disclosures, including year-on-year tracking to assess progress, identify trends, and highlight areas for improvement

Integrating **Climate Action**

Integrating climate action and initiatives into our operational strategies, including resource management, energy efficiency measures, and carbon offsetting instruments.

Climate Regulations & Advocacy

Market Focused

Focus on Market Participants : The purpose is to establish a comprehensive regulatory framework for market stewardship, aimed at guiding and influencing the wider financial ecosystem towards robust decarbonization pathways through enhanced climate disclosure practices, enabling sustainability linked market products, and comprehensive stakeholder engagement

Mandating Climate Disclosures

Establish a standardized framework for consistent and comparable climate-related disclosures and amend listing rules to mandate market participants (listed entities), to disclose relevant sustainability and climate metrics

Regulation of Sustainability/ Climate Products

Establishing an enabling regulatory framework to support the growth of sustainability/ climate linked products and ensuring its credibility.

Awareness & Advocacy

Engage with market participants including listed entities, financial institutions, peer regulators, market associations, and educational institutions to drive awareness about sustainability/ climate related considerations.

Near-term Targets

Long-term Targets (Net Zero)



Net – Zero **Emissions Target**

(Scope 1, 2, 3)

Baseline Year

2024

(Emissions reduction targets are set in comparison to the emissions in the baseline year).



↓30% by 2030

Scope 1 & 2 : Bahrain Bourse aims to reduce Scope 1 and Scope 2 emissions by 30 per cent by 2030,

↓90% _{by} 2050

Scope 3 Engagement: Mandating participation in carbon offsetting programs during business-related air travel, when available.

Bahrain Bourse aims to reduce its absolute Scope 1, 2 and 3 emissions by 90% by 2050, compared to 2024 as the base vear

compared to 2024 as the base year.

^{*}Measurement of Scope 3 emissions is subject to limitations arising from data availability and the complexity of calculation methodologies. At present, Scope 3 reporting is restricted to business-related air travel. Current efforts are quided by practical feasibility related to data availability and its measurement.



OUR PEOPLE

Our employees are key to our success and growth. We are committed to fostering a workplace that empowers them to reach their full potential, promotes collaboration, and supports continuous professional development. We believe a thriving organization is built by individuals who embody our core values of transparency, fairness, excellence, integrity, flexibility, efficiency, and teamwork. In alignment with Bahrain's Vision 2030, we have established four key pillars to support our people: attracting the right talent, protecting employee rights, investing in learning and development, and prioritizing health and wellbeing. These pillars reflect our unwavering commitment to creating an inclusive, equitable, and resilient workplace where our employees can excel and succeed.

At Bahrain Bourse, we recognize that our continued success is rooted in the capabilities, integrity, and dedication of our people. In an increasingly dynamic financial landscape, it is their expertise and agility that enable us to adapt, innovate, and lead.



► Attracting and Retaining Talent

We are committed to fostering a high-performance culture by attracting individuals who bring not only strong technical skills but also a shared commitment to our values. Our recruitment practices are grounded in meritocracy, objectivity, and equal opportunity—ensuring fairness and inclusivity at every stage of the hiring process. By embracing diversity and inclusion as strategic strengths, we cultivate an environment where varied perspectives drive innovation and organizational growth.

► Safeguarding Employee Rights

Our approach to human capital management goes beyond compliance. We fully adhere to Bahrain's labor laws and uphold global principles of ethical employment, ensuring fair compensation, safe working conditions, and equal access to growth opportunities. We enforce strict zero-tolerance policies for any form of discrimination or harassment and foster a workplace culture built on mutual respect, equity, and dignity.

▶ Building Capabilities through Continuous Learning

As part of our commitment to long-term organizational resilience, we invest in the continuous development of our workforce. Our training and development programs are tailored to address emerging trends in financial markets and equip employees with the skills required to thrive in a technology-driven, innovation-focused industry. In alignment with Bahrain Economic Vision 2030, we support capacity-building initiatives that promote both technical excellence and leadership development across all levels of the organization.

▶ Promoting Health, Safety, and Wellbeing

Employee wellbeing remains a central priority. We have implemented comprehensive policies and programs that address physical, mental, and emotional health, including access to healthcare services, fitness activities, and mental health resources. Our flexible work arrangements and wellbeing initiatives aim to support a sustainable work-life balance, recognizing that employee wellbeing directly contributes to engagement, productivity, and organizational success.



ATTRACTING THE RIGHT TALENT

At Bahrain Bourse, we prioritize building a workforce that combines the right skills and values, relevant to our institutional performance and regulatory performance.

Our employee recruitment process is based on merit, fairness, and transparency, ensuring candidates are selected for their qualifications, experience, and potential to contribute to our goals. In full compliance with Bahrain's Labor Law, we uphold the highest ethical standards, prohibiting child labor, forced labor, and discrimination of any kind, thereby ensuring a safe and inclusive environment for all employees.

Our team consists of 86 employees, with 47 male employees (55%) and 39 female employees (45%). In 2024, we achieved an 8% increase in female representation, reflecting our ongoing efforts to enhance workplace diversity. At present, we do not have part-time employees in our workforce.

By systematically tracking employee turnover by gender and age, we gain valuable insights that help refine our talent strategy. These metrics guide data-driven improvements in recruitment, engagement, and retention—key elements for building a high-performing, inclusive workforce. As a result, employee turnover has decreased by 28.5% (from 7 to 5) over the past year, reflecting improved retention and higher employee satisfaction. This progress not only supports Bahrain Bourse's long-term success but also aligns with the Kingdom's vision for sustainable economic growth.

18%

increase in female representation in 2024



↓28.5%

decrease in employee turnover in 2024



Our employee recruitment process is based on merit, fairness, and transparency, ensuring candidates are selected for their qualifications, experience, and potential to contribute to our goals.



Employee Turnover	2023	2024
Turnover Rate	8%	6%
Total Turnover		
Female	6	
Male	1	3

Workforce	2023	2024
Total Employees	85	86
By Gender		
Male	49	47
Female	36	39
By Age Group		
Age 18 - 29	28	29
Age 30 - 50		50
Age 51+	6	
By Employment Type		
Full-Time	85	86
Part-Time	О	О
Intern	0	0
By Management Level		
Entry and Mid Level		
Male	39	40
Female	36	34
Senior Executive Level	10	12
Male		
Female		
Disclosure S.1 & S.10: Total Workforce Compo		

PROTECTING EMPLOYEE RIGHTS

At Bahrain Bourse, we are committed to upholding the rights of our employees and fostering a fair work environment for all. In alignment with the United Nations Sustainable Development Goal (SDG) 8, which advocates for decent work and economic growth, we are committed to offering fair wages, safe working conditions, and equal opportunities for personal and professional development.

In alignment with Bahrain's Labor Law and international human rights standards, including the ILO Declaration on Fundamental Principles and Rights at Work, our policies strictly prohibit forced labor, child labor, and exploitation, ensuring ethical practices throughout our operations and supply chains. All our staff are expected to adhere to our Code of Conduct and Ethics, which outlines the standards for professional behavior, workplace relationships, and stakeholder interactions.

Violations are addressed through clear and transparent disciplinary procedures to maintain accountability at every level. To further safeguard integrity and employee rights, we have implemented robust frameworks, including:

- ▶ A whistleblowing policy, ensuring confidential reporting of misconduct, overseen by the Audit and Risk Committee.
- ▶ A grievance mechanism that provides employees and stakeholders with a fair, impartial process for raising concerns and ensuring prompt resolutions.

These initiatives reinforce our commitment to a culture of trust. transparency, and accountability, in line with Bahrain's vision for sustainable economic growth.





NATIONALIZATION

As a strategic partner in Bahrain's Vision 2030, we are committed to ensure that our economic growth and progress is rightly proliferated towards the development and upskilling of Bahraini nationals.

With 99% of our employees being Bahraini nationals, we continue to nurture local expertise that fuels both our organizational success and the broader national progress. This focus on empowering Bahraini professionals ensures the creation of a future-ready workforce, equipped to adapt to evolving market demands while actively contributing to the Kingdom's sustainable development goals.

99%

of our employees are Bahraini nationals







Our focus on empowering Bahraini professionals ensures the creation of a future-ready workforce, equipped to adapt to evolving market demands while actively contributing to the Kingdom's sustainable development goals.



4.4

DIVERSITY & INCLUSION

We believe that fostering a diverse and inclusive workplace is essential for driving innovation and ensuring equal opportunities for all.

Aligned with the United Nations Sustainable Development Goal (SDG) 5, which advocates for gender equality, we uphold a zero-tolerance against discrimination—ensuring equal opportunities for all employees, irrespective of gender, race, disability, religion, or background.

Bahrain has demonstrated a steadfast commitment to advancing gender equality and fostering an inclusive society. By ratifying key international agreements—including the Arab Charter on Human Rights and the Convention on the Rights of Persons with Disabilities—the Kingdom has reinforced its dedication to diversity, equal opportunity, and social progress. Our labor laws further emphasize on this commitment, ensuring workplace equity and removing barriers for individuals of all genders and backgrounds. To institutionalize these principles, we have established an Equal Opportunities Committee tasked with integrating gender balance and inclusion into the strategic objectives of BHB and BHC. This initiative ensures that diversity is not just encouraged but embedded in the foundation of our organizational culture, empowering every employee to thrive.

Proactive Initiatives Driving Change

▶ Ring the Bell for Gender Equality

A five-year partnership with the UN to advance women's economic participation.





INVESTING IN LEARNING & DEVELOPMENT

At Bahrain Bourse, we recognize that continuous learning and development are key to maintaining a competitive edge in the dynamic financial and capital markets. By investing in training and development, we empower our employees to adapt to emerging challenges, hone their expertise, and contribute to an engaged workplace.

Our training programs are strategically designed to align with both our business objectives and the evolving demands of the financial industry. These initiatives ensure our workforce remains agile, highly skilled, and well-equipped to navigate challenges and capitalize on new opportunities. In 2024, we offered a diverse array of training opportunities, including internal workshops, external programs, and partnerships with universities and institutions. These comprehensive learning and development experiences are designed to foster professional growth and drive both individual and organizational success.





Internal Trainings

Our internal training programs are carefully crafted to address key thematic areas relevant to our business and the broader financial landscape. These programs ensure that employees are well-equipped to navigate industry complexities and uphold the highest standards of compliance and ethical behavior.

- ► Anti-Money Laundering (AML) Training: In alignment with the Central Bank of Bahrain's regulations, we have conducted extensive AML awareness training sessions for relevant teams across the organization. Additionally, we hosted a virtual AML workshop conducted by Bahrain Institute of Banking and Finance (BIBF), targeting employees from Bahrain Clear, Trading Operations, and Risk Management department. These sessions ensure employees are wellversed in the latest AML regulations and compliance practices.
- ▶ Insider Trading Awareness: The Compliance department organized an Insiders Awareness Session for all employees of Bahrain Bourse and Bahrain Clear. This initiative reinforces our commitment to ethical behavior and compliance, ensuring a thorough understanding of the Insiders' Guidelines.

Our collaboration with world-class service providers ensures that employees have access to top-tier training and development opportunities. These partnerships enable us to deliver industry-leading programs that align with global best practices and emerging trends in the financial sector. Through our partnership with BIBF, we offer specialized workshops and training sessions tailored to the needs of our employees and the financial industry. We work with several other renowned international institutions to provide advanced learning opportunities, ensuring our team remains at the forefront of industry developments.



We actively support our employees in pursuing external certifications and professional development programs that contribute to their career growth. These programs equip our workforce with the necessary skills and knowledge, enabling them to tackle complex challenges and drive innovation. Through our Learning and Development programs, employees are encouraged to pursue globally recognized certifications such as:

Chartered Financial Analyst (CFA) Project Management Professional (PMP) Certified Anti-Money Laundering Specialist (CAMS) People Analytics Corporate Governance Best Practices Capital Markets Professional Certificate Advanced Fixed Income Analysis Business and Strategy Auditing

> Our collaboration with world-class service. providers ensures that employees have access to top-tier training and development opportunities.

E DEVELOPMENT

In 2024, our employees collectively spent 2,068 hours in training, with male employees completing 1,287 hours and female employees completing 781 hours. Key training initiatives included trainings on:

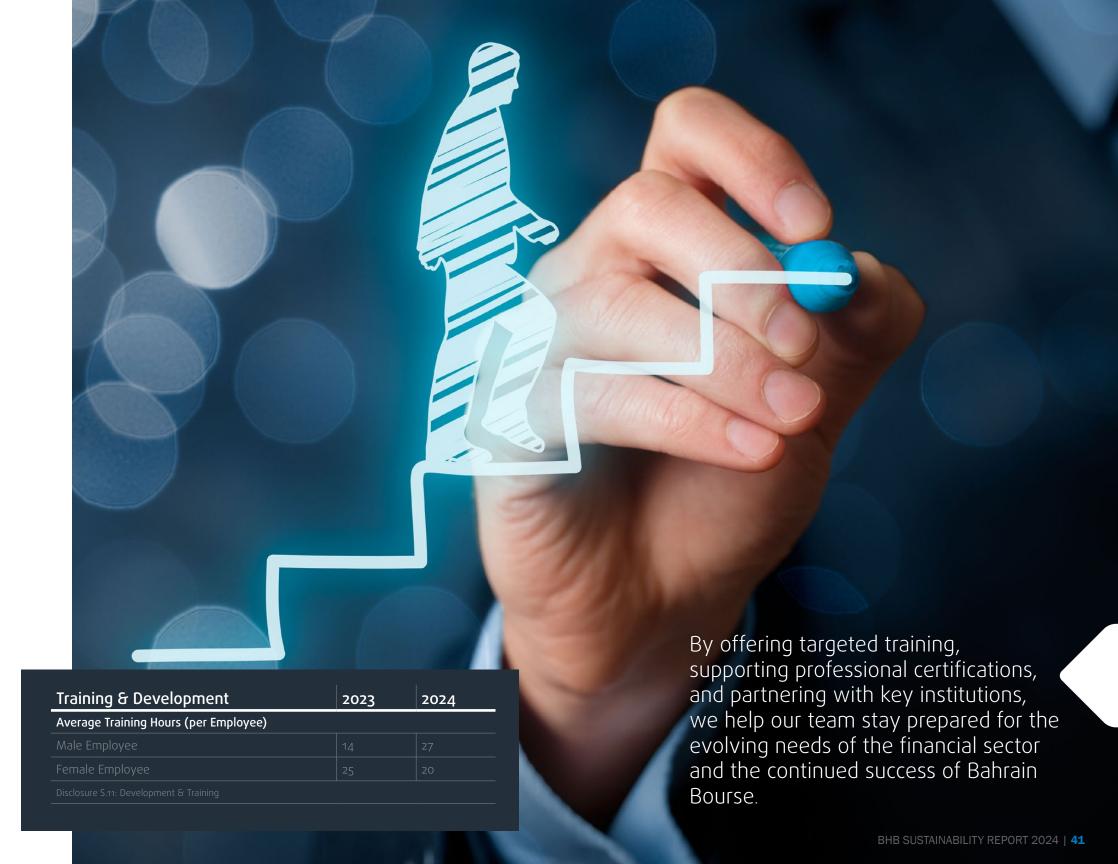
Leadership and Personal Development: Programs such as High Impact Leadership, Leading With Self-Awareness, and Personal Development Planning were designed to build confidence, self-awareness, and leadership skills.

Technical and Regulatory Expertise: Employees participated in specialized courses like Regulatory Compliance Programme, Bahrain VAT Compliance Diploma, and Fundamentals of Financial Risk Management (FFRM), ensuring they remain at the forefront of industry regulations and best practices.

Communication and Team Building: Training sessions such as Communicating for Success, Building High Performance Teams, and Managing Different Personalities helped strengthen interpersonal skills and team collaboration.

Technology and Data Proficiency: Courses like MS Excel Data Analysis and Visualization, Advanced PowerPoint & Infographic Design, and Artificial Intelligence Tools for Productivity equipped employees with cutting-edge technical and presentation skills.

Compliance and Risk Management: Multiple sessions on Anti-Money Laundering Awareness Programme and the ICA International Diploma in Governance, Risk, and Compliance ensured a deep understanding of compliance frameworks and risk mitigation strategies.



4.6

PRIORITIZING HEALTH & WELLBEING

At Bahrain Bourse, we recognize that the health and well-being of our employees are critical to long-term organizational resilience and performance. In line with United Nations Sustainable Development Goal (SDG) 3—which aims to promote well-being for all we have taken a proactive and structured approach to supporting both the holistic well-being of our employees.



fatalities recorded in 2024







Physical Health & Safety

We conduct health and safety initiatives on a regular basis to protect and promote physical wellness of our employees.



Routine first aid training sessions and health screenings are conducted to ensure readiness and early detection of potential health issues.

Health **Awareness** Campaigns

We hosted a Breast Cancer Awareness session to educate employees on early detection and preventive care.

Safe Work **Environment** In 2024, we recorded zero workplace injuries or fatalities, reflecting our commitment to maintaining a safe and secure working environment.



Mental Wellbeing

Mental health is a critical factor with significant consequences for overall employee well-being and engagement. We promote a supportive culture through various initiatives aimed at educating and raising awareness about

Mental Health Awareness Sessions

Annual workshops that focus on practical strategies for maintaining work-life balance,

Culture of Openness

encourages open dialogue about mental health, helping reduce stigma and promote early

Health & Safety	2022	2023	2024
Number of injuries and/ or fatalities	0	О	0
Lost days due to work injury	0	О	0

SUPPORTING COMMUNITY DEVELOPMENT

At Bahrain Bourse, we firmly believe that sustainability transcends financial performance and encompasses a proactive commitment to the communities we serve. Aligned with the United Nations Sustainable Development Goal (SDG) 11, which emphasizes the importance of building sustainable communities to drive long-term economic growth, we recognize the pivotal role of the financial sector in fostering societal well-being and development.

As the national stock exchange of the Kingdom of Bahrain, we are uniquely positioned to not only facilitate capital creation but also to enhance social and human capital through impactful, community-driven initiatives. Our community development initiatives are designed to create a lasting positive impact by equipping individuals with the knowledge and skills necessary to thrive in an ever-evolving financial landscape.





Promoting Financial Literacy and Education

At the core of our community development strategy is the promotion of financial literacy. We are committed to empowering individuals with the tools needed to make informed financial decisions, which we believe is essential for sustainable economic growth. Our initiatives are aligned with the goals of the Bahrain Economic Vision 2030, which emphasizes quality education and skill development for the Kingdom's youth. By integrating youth-focused education with real-world financial skills, we ensure a financially savvy workforce ready to drive Bahrain's economic future.

Our Key Initiatives include:

TradeQuest Program Engages high school and university students in hands-on learning about investing, financial markets, and sustainable investment practices.

Smart Investor Program

Imparts knowledge on money management and savings to students aged 9–12 through interactive sessions, delivered in partnership with INJAZ Bahrain.

BIBF Investment Academy

Offers tailored financial training programs for investors at all levels.



Empowering Women and Underrepresented Groups

We are deeply committed to fostering inclusivity and diversity within the financial sector. Our initiatives aim to ensure that women and underrepresented communities have equal access to the knowledge and opportunities needed to engage with and benefit from financial markets. Through targeted workshops and training sessions, we provide women with the skills and knowledge required to pursue careers in finance or make informed investment decisions. Programs such as ESG awareness, investment instruments, and market education are tailored to address the unique needs of female participants.



Supporting Bahrain's Net Zero

To demonstrate our commitment to environmental stewardship, we actively participated in National Tree Week—an annual initiative launched under the patronage of HRH Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister, to be observed every third week of October. Shaikh Khalifa bin Ebrahim Al-Khalifa, CEO of Bahrain Bourse, participated in the activity at the Bahrain Financial Harbor, reinforcing the organization's alignment with Bahrain's National Action Plan for Net Zero.





OUR GOVERNANCE PILLARS

We recognize that governance is the cornerstone of ESG, playing a vital role in driving sustainable growth and creating lasting value for our stakeholders. It establishes the framework for informed decision-making, effective oversight, and robust risk management, ensuring that organizations maintain credibility while fostering economic growth. Strong governance nurtures responsible business practices, ultimately contributing to a positive and sustainable ecosystem. The key pillars of governance include:





Effective Leadership

Effective leadership is the cornerstone of steering Bahrain Bourse toward its strategic goals while maintaining a steadfast focus on sustainability, ethical practices, and long-term value creation. Our leadership team is deeply committed to fostering a culture of accountability, innovation, and forward-thinking, ensuring that we remain aligned with our mission and vision

Board of Directors

Our Board of Directors provide strategic guidance and rigorous oversight, ensuring that all operations align with our mission, vision, and sustainability objectives. The Board plays a pivotal role in setting the direction for sustainable growth, ethical governance, and stakeholder engagement.

Executive Team

Board of Directors:

Our executive team is entrusted with implementing the Board's directives, managing day-to-day operations, and driving initiatives that enhance organizational performance and deliver value to stakeholders.



Ethical Conduct & Responsible Business Practices

Ethical conduct is at the heart of our governance framework. We are committed to maintaining the highest standards of integrity in all our interactions, from decision-making to stakeholder engagement.

Code of Conduct

All employees, directors, and stakeholders are required to adhere to our comprehensive Code of Conduct, which outlines the principles of ethical behavior, conflict of interest management, and compliance with applicable laws and regulations

Anti-Money Laundering

We have established internal rules to prevent money laundering and financial crime, in alignment with the Central Bank of Bahrain's (CBB) AML guidelines, the Bahrain Anti-Money Laundering Law, and the Financial Action Task Force (FATF) recommendations. Our policies focus on protecting Bahraini capital markets from illicit activities and updating AML procedures in accordance with regulatory changes. These policies include maintaining robust Know-Your-Customer (KYC) practices, conducting enhanced due diligence for highrisk customers, providing periodic AML/CFT training, and cooperating with law enforcement.



Data Privacy and Cyber Security

Data privacy and cybersecurity are central to our governance framework. We are committed to safeguarding personal information and ensuring robust cybersecurity measures to protect our operations and stakeholders.

Information Security Management System (ISMS)

We have established an Information Security Management System (ISMS) aligned with the ISO/IEC 27001:2022 standards, incorporating comprehensive security measures to protect against data privacy and cybersecurity risks. In 2021, we successfully attained ISO 27001:2013 certification, demonstrating our commitment to maintaining robust information security practices.

Data Privacy Policy

Our Data Privacy Policy ensures compliance with Bahrain's Personal Data Protection Law No. 30 of 2018 (PDPL). Regular data impact analyses ensure that data is collected and used solely for legitimate business purposes.

OUR BOARD & MANAGEMENT

At Bahrain Bourse, robust corporate governance practices are key to ensuring the Exchange's integrity and transparency. Our governance principles are aligned with the regulatory framework mandated by the Central Bank of Bahrain (CBB). Through effective leadership, ethical conduct, and robust oversight, we strive to create long-term value for our stakeholders and maintain our position as a trusted financial marketplace.

Board Diversity & Board Independence

The Board of Directors plays a pivotal role in setting the Exchange's strategic direction and maintaining a robust governance framework. The Board oversees strategic planning, risk management, and corporate governance, ensuring that we operates in alignment with our mission, vision, and sustainability goals. It ensures the design and implementation of key policies and procedures, evaluates management performance through clear key performance indicators (KPIs), and maintains a strong system of internal controls to ensure operational efficiency and regulatory compliance. It also monitors compliance with regulatory requirements and fosters a culture of transparency and accountability.

The Board comprises eight directors, appointed by the Economic Development Board through Resolution No. 1 of 2020, dated 14th June 2020, with the approval of the Central Bank of Bahrain and in accordance with the Memorandum and Articles of Association of Bahrain Bourse, for a three-year term. For further information on Board, please refer to our Annual Report 2024.

Board Committees

To support the efficient functioning of the Board, we have established three key committees: the Executive Committee (EC), Audit and Risk Committee (ARC), Nomination, Remuneration and Corporate Governance Committee (NRCGC). Each committee is responsible for specific corporate governance priorities, aligned with the expertise and experience of its members.

The Executive Committee

is responsible for recommending strategies to develop Bahrain Bourse and directing the Executive Management to prepare relevant studies and reports.

The Audit and Risk Committee

oversees the internal audit program, internal control systems, and the performance of the external auditor. It also ensures compliance with legislative and legal requirements, monitors risk management, and reviews related policies and strategies.

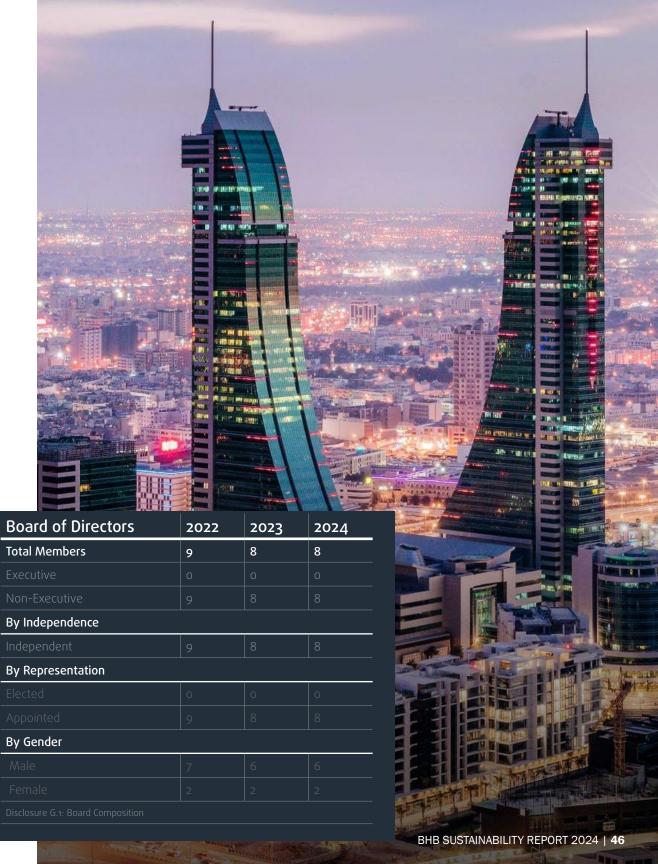
The Nomination, Remuneration, and Corporate Governance Committee

is responsible for nominating qualified candidates for the Board of Directors, recommending suitable candidates for Executive Management positions, reviewing the Remuneration Policy for both the Board and Executive Management, ensuring the implementation of corporate governance rules and principles, and reviewing instructions from regulatory authorities regarding corporate governance.

7

key committees to support the efficient functioning of the Board





ETHICAL CONDUCT & **RESPONSIBLE BUSINESS PRACTICES**

At Bahrain Bourse, ethical conduct and responsible business practices are integral to our mission of fostering a transparent, fair, and efficient financial marketplace. As a key player in Bahrain's capital markets, we recognize our responsibility to uphold the highest standards of integrity, accountability, and governance. Our commitment to ethical behavior not only strengthens our institutional credibility but also aligns with Bahrain's Economic Vision 2030, which emphasizes sustainable economic growth, transparency, and good governance. To ensure these principles are upheld, we have implemented comprehensive internal policies, procedures, and governance frameworks. These include our Code of Conduct, Conflict of Interest Policy, Whistle Blower Policy and Anti - Corruption & Bribery Policy.











Conflict of Interest

Anti - Corruption & Bribery

Whistleblowing

Our Code of Conduct outlines our ethical behavior considerations and provides clear quidance for employees and Board members, empowering them to make responsible decisions that align with both legal requirements and our organizational principles. <u>It includes robust</u> mechanisms for reporting unethical practices, ensuring protection of all stakeholders' interests. By promoting ethical compliance and addressing violations with diligence. We have also established a Code of Conduct to ensure that all our suppliers, including Bahrain Clear B.S.C (c), meet our fundamental expectations regarding legal compliance and ethical standards. The Code emphasizes our commitment to conducting business with transparency, integrity, efficiency, excellence, teamwork, fairness, and flexibility.

Our Conflict-of-Interest Policy emphasizes the importance of transparency and integrity in the decision-making processes of Bahrain Bourse's Board of Directors. It mandates that no Board member may vote on any agreement, arrangement, or proposal in which they have a personal interest, whether direct or indirect. Members are required to declare any such interests to the Board, and these declarations must be formally recorded in the meeting minutes. Additionally, the member with a personal interest must refrain from participating in deliberations or voting on matters related to the transaction, ensuring impartiality and avoiding conflicts of interest. This rule reinforces the Board's commitment to ethical governance, accountability, and fair decision-making in the best interest of the Bourse and its stakeholders.

Our Code of Conduct and Ethics strictly prohibits employees from accepting gifts, hospitality, or benefits exceeding BD 100 if they could influence objectivity or decisionmaking, and any such gifts must be reported in writing to the Head of Department and CEO for appropriate action. Employees are also forbidden from requesting gifts or engaging in bribery, corruption, or any form of unethical behavior, including money laundering or terrorism financing. Any suspected violations, such as bribery, or corruption, must be reported immediately through proper channels, and false or malicious reporting will result in disciplinary action. These guidelines underscore the Bourse's commitment to transparency, integrity, and zero tolerance for unethical practices. 100% of our employees are trained on anti corruption.

Our whistleblowing policy is designed to promote a culture of compliance and integrity, ensuring that our Code of Conduct and Company policies are consistently upheld by all employees. This policy encourages staff to report any violations of the Code of Conduct or illegal activities, with measures in place to ensure accountability. It aims to maintain high standards of honesty and integrity in all operations while fostering trust between the exchange and its stakeholders. The policy also guarantees confidentiality and protection for employees who report irregularities. The Audit and Risks Committee oversees the policy, ensuring that reported issues are promptly investigated by the relevant Board committee.

Disclosure G.7: Supplier Code of

Disclosure G.6: Conflict of Interest

Disclosure G.9: Ethics & Anti-Corruption

Disclosure G.3: Whistleblowing

DATA PRIVACY & CYBER SECURITY

At Bahrain Bourse, data privacy and cybersecurity are integral to our digital transformation and operational resilience. As the financial sector increasingly adopts modern technologies, safeguarding personal information and ensuring robust cybersecurity measures are paramount. We are committed to maintaining the highest standards of data integrity, availability, and confidentiality, in alignment with both local regulations and international best practices.

Bahrain's Personal Data Protection Law No. 30 of 2018 (PDPL) and the National Cybersecurity Strategy form the foundation of our data protection and cybersecurity framework. The PDPL ensures compliance with data privacy requirements, while the National Cybersecurity Strategy emphasizes strong cyber defenses, effective governance, and collective partnerships to create a secure digital environment.

To uphold these standards, we have implemented an Information Security Management System (ISMS) benchmarked to ISO/IEC 27001:2022 international standards. This system integrates multilayered security arrangements to protect against data privacy and cybersecurity threats. In 2021, we achieved the ISO 27001:2013 certification, reflecting our commitment to international business excellence and quality standards.

Our Privacy Policy ensures the protection of personal data in full compliance with the PDPL and international standards. We conduct regular data impact analyses to prevent redundant data collection and ensure that all data is used solely for legitimate business and legal purposes. Additionally, our Information and Cybersecurity Policy is designed to continuously enhance our security processes and controls, safeguarding the Bourse against evolving cyber threats.

Through these measures, Bahrain Bourse remains dedicated to fostering a secure and transparent marketplace, protecting stakeholder data, and upholding the trust placed in us by investors and the broader financial community. By prioritizing data privacy and cybersecurity, we aim to strengthen our resilience and contribute to a safer digital ecosystem in line with Bahrain's vision for a sustainable and secure financial sector.



confirmed data privacy breach incidents in 2024







5.4

RISK MANAGEMENT

An effective risk management framework is critical for identifying and addressing potential risks that could impact business continuity and long-term success of the Exchange. By implementing a comprehensive Enterprise Risk Management (ERM) strategy, we are better equipped to mitigate emerging risks, enabling us to build resilience and adapt to an ever-changing marketplace.

Enterprise Risk Management Framework

Our ERM framework is a systematic, structured process designed to identify, analyze, and evaluate both strategic and operational risks. This framework is underpinned by clear lines of accountability and responsibility, ensuring that risk management is embedded at every level of the organization. The framework consists of three key pillars:

1. Strategic Risk Management

Proactively identifying and managing risks that could impact the long-term success of Bahrain Bourse. The risks include market volatility, regulatory changes, and global financial trends.

2. Accountability and Responsibility

Establishing clear accountability structures, ensuring that risk management roles and responsibilities are defined and adhered to at all levels within the organization. This approach ensures efficient decision-making and timely action on critical risks.

3. Protection of the Balance Sheet

Developing effective measures to mitigate financial risks and safeguard the exchange's assets, particularly from significant market events or stock-related risks that may threaten the financial stability of the Exchange.

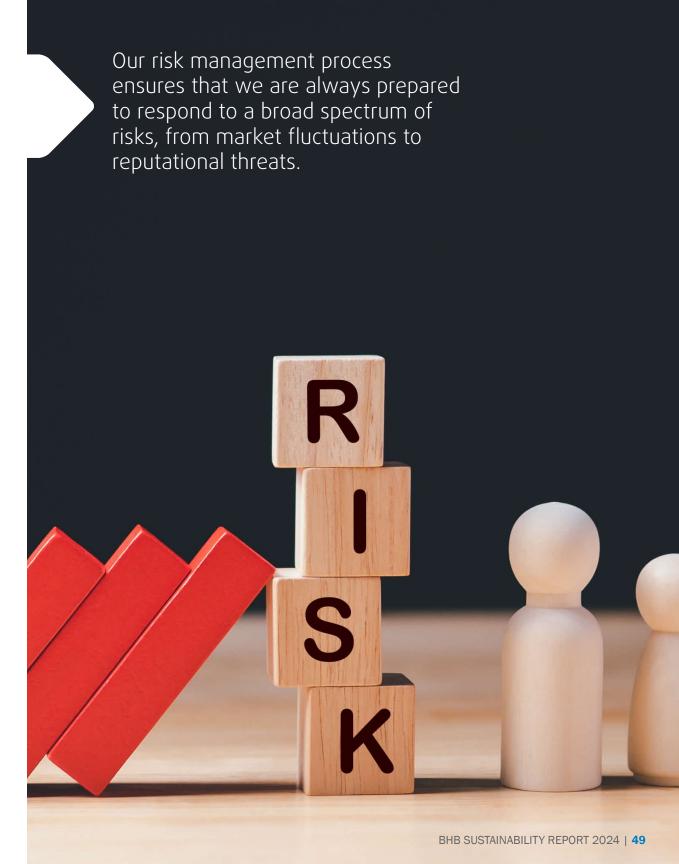
Risk Mitigation and Control

Our approach to risk mitigation is both preventative and reactive, allowing us to continuously monitor emerging threats and address them through targeted strategies. We have integrated Environmental, Social, and Governance (ESG) factors into our risk assessments, ensuring that all risks—whether financial, environmental, social, or governance-related—are considered in the decision-making process. Regular assessments of both internal and external fraud risks are conducted, with action plans developed to address potential vulnerabilities and control measures implemented to mitigate such risks. Our risk management process ensures that we are always prepared to respond to a broad spectrum of risks, from market fluctuations to reputational threats.

Compliance with Regulatory Requirements

We are fully committed to compliance with the regulatory framework established by the Central Bank of Bahrain (CBB) and other relevant authorities. In line with these obligations, we ensure strict adherence to anti-money laundering (AML) regulations, including the identification and reporting of Politically Exposed Persons (PEPs) and sanctioned individuals. This commitment is further reflected in our continuous awareness programs and training sessions, ensuring that our employees are equipped to handle the challenges of a rapidly evolving regulatory environment. In addition, we have established a Disciplinary Appeals Board, which is responsible for enforcing compliance, addressing any breaches, and ensuring that appropriate disciplinary action is taken against non-compliant entities. This mechanism enhances our governance framework and reinforces accountability, maintaining the highest standards of transparency and integrity within the organization.

Our risk management framework not only guides our internal operations but also sets expectations for our stakeholders, reinforcing our commitment to fair and ethical practices across all levels of the organization. We are unwavering in our resolve to conduct business in a manner that earns the trust and confidence of our clients, regulators, and the broader financial community.





CBB INDEX -ESG KPIS

ENVIRONMENTAL

No.	Key Performance Indicator	Reference(s)	Reason for Omission
1	E.1. Environmental Oversight	Page 29 (Section 04 –Governance) Disclosure E.1. Environmental Oversight	N/A
2	E.2. Energy Consumption	Page 21 (Section o3 – Our Environment) 2.1 Energy Consumption Disclosure E.2. Energy Consumption	N/A
3	E.3. Energy Intensity	Page 21 (Section o3 – Our Environment) 2.1 Energy Consumption Disclosure E.3. Energy Intensity	N/A
4	E.4. Energy Mix	Page 21 (Section o3 –Our Environment) 2.1 Energy Consumption Disclosure E.4. Energy Mix	N/A
5	E.5. Green House Gas (GHG) Emissions	Page 22 (Section o3 –Our Environment) 2.2 Emissions Management Disclosure E.5 & E6 Greenhouse gas emissions & Emissions Intensity	N/A
6	E.6. Emission Intensity	Page 22 (Section o3 –Our Environment) 2.2 Emissions Management Disclosure E.5 & E6 Greenhouse gas emissions & Emissions Intensity	N/A
7	E.7. Climate Risk Mitigation	Page 25 (Section o3 –Our Environment) 2.4 Climate Risk Mitigation	N/A
8	E.8. Water Usage	Page 24 (Section o3 –Our Environment) 2.4 Water Management Disclosure E.8 Water Usage	N/A
9	E.9. Waste Generation	Page 23 (Section o3 –Our Environment) 2.3 Waste Management Disclosure E.9. Waste Generation	N/A
10	E.10. Emission Target	Page 22 (Section o3 – Our Environment) 2.2 (Emissions Management) & 2.4 (Climate Risk Mitigation) Bahrain Bourse is committed to supporting the national commitment of net-zero carbon emissions by 2060 and As part of the NZFSPA targets, we have established a comprehensive Net-Zero Transition Plan outlining the strategies and actions to be undertaken to minimize greenhouse gas emissions across our operations and value chain.	



SOCIAL

No.	Key Performance Indicator	Reference(s)	Reason for Omission
1	S.1. Total Workforce by Sex, Age- Group, and Employment Type	Page 29 (Section 04 – Our People) 4.2 Attracting the right talent Disclosure S.1. Workforce Composition	N/A
2	S.2. Child & Forced Labor	Page 30 (Section 04 – Our People) 4.3 Protecting employee rights	N/A
3	S.3. Employee Turnover	Page 29 (Section 04 – Our People) 4.2 Attracting the right talent Disclosure S.3. Employee Turnover	N/A
4	S.4. Gender Pay Ratio	<omitted></omitted>	N/A
5	S.5. Health & Safety	Page 34 (Section o4 – Our People) 4.6 Prioritizing Health and Wellbeing	N/A
6	S.6. Non - Discrimination	Page 31 (Section o4 – Our People) 4.4 Diversity & Inclusion	N/A
7	S.7. Nationalization	Page 30 (Section 04 – Our People) 4.3 Nationalization	N/A
8	S.8. Community Investments	Page 35 (Section o4 – Our People) 4.7 Supporting Community Development	N/A
9	S.9. Human Rights	Page 30 (Section 04 – Our People) 4.2 Protecting Employee Rights Disclosure S.9. Human Rights	N/A
10	S.10. Management Composition & Diversity	Page 31 (Section 04 – Our People) 4.1 Attracting the right talent Table - Disclosure S.3 & S.10: Total Workforce Composition	N/A



GOVERNANCE

No.	Key Performance Indicator	Reference(s)	Reason for Omission
1	G.1. Board Composition	Page 38 (Section o5 – Our Governance) 5.1 Our Board & Management	N/A
2	G.2. Collective Bargaining	Page 39 (Section o5 – Our Governance) 5.2 Ethical Conduct & Responsible Business Practices	N/A
3	G.3. Whistleblowing	Page 39 (Section o5 – Our Governance) 5.2 Ethical Conduct & Responsible Business Practices	N/A
4	G.4. Data Privacy	Page 40 (Section 05 – Our Governance) 5.3 Data Privacy & Cyber Security	N/A
5	G.5. Disclosure Practices	Bahrain Bourse has been regularly disclosing its ESG data through its annual sustainability report.	N/A
6	G.6. Conflict of Interest	Page 39 (Section o5 – Our Governance) 5.2 Ethical Conduct & Responsible Business Practices	N/A
7	G.7. Supplier Code of Conduct	Page 39 (Section o5 – Our Governance) 5.2 Ethical Conduct & Responsible Business Practices	N/A
8	G.8. Incentivized Pay	[Omitted]	Currently, Bahrain Bourse does not have incentive structures or remuneration plans linked to sustainability objectives or targets.
9	G.9. Ethics & Anti-Corruption	Page 39 (Section o5 – Our Governance) 5.2 Ethical Conduct & Responsible Business Practices	N/A
10	G.10. Assurance	[Omitted] G9. External Assurance	Currently, Bahrain Bourse does not undertake external assurance or third-party verification of its ESG disclosures.



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