

Sustainability Report

Business Review

Strategic Review

Corporate Governance

Financial Statements



Sustainability Report

OUR ESG JOURNEY

Capital markets play a pivotal role in shaping the future of the global economy. At Bahrain Bourse, we strive to be at the forefront of the ESG agenda within Bahrain's capital market ecosystem and wider financial community, acting as a catalyst and driver to contribute towards ESG and net zero goals.

At Bahrain Bourse, we value the importance of incorporating Environmental, Social, and Governance (ESG) factors into our day-to-day business operations, to achieve sustainable growth and meet stakeholder expectations. Currently the Kingdom of Bahrain (Bahrain) ranks 100¹ in the UN Sustainable Development Goals (SDGs) Global Ranking. Bahrain Bourse ESG framework is in line with the Kingdom of Bahrain's commitment towards achieving net zero goals by 2060, as well as a number of interim initiatives by 2035. Bahrain Bourse ESG framework is also in line with UN Sustainable Development Goals (SDGs) and Bahrain Vision 2030.

This ESG insert is aligned with United Nations Sustainable Development Goals (UN SDGs) and provides Bahrain Bourse's updates and achievements across ESG aspects covering the year 2021. We believe that good corporate ESG practices are fundamental to our continued success and the delivery of enhanced business performance.

Bahrain Bourse has deployed key initiatives to promote the adoption of Environment, Social and Governance (ESG) among the stakeholders. The efforts had contributed to promote sustainability reporting and disclosure on a voluntary basis, promoting sustainable financial products and responsible investments.

2021 Key Market Statistical Data



¹[Sustainable Development Report 2021](#)

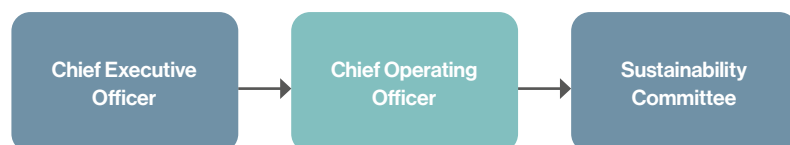
Sustainability Report (Continued)

ESG AT BAHRAIN BOURSE

ESG Governance at Bahrain Bourse

At Bahrain Bourse, we have formally integrated a new ESG committee and team to the existing governance structure to be aligned with the Bahrain Bourse's recently launched ESG Action Plan and Framework.

The ESG Committee is responsible for shaping and delivering the sustainability action plan, and comprises of sustainability subject matter experts from across the business divisions and functions.



Bahrain Bourse ESG Strategy in Year-2

Bahrain Bourse aims to prioritize sustainability in every aspect of our business model to ensure creation of long-term value to our stakeholders. This involved the introduction of strategic goals that focus on key elements associated with the Bahrain Bourse's move towards sustainability. Our ESG strategic themes are focused on five key pillars: promote internal capacity of the exchange in meeting the SSE initiative requirements, promote market education and sustainability/ESG disclosure, promote collaboration and dialogue between companies and investors, promote digital innovation through ESG Data dissemination, and promote development of sustainable financial products such as ESG indices.



Our strategic goals and action plan defines the ambitions for Bahrain Bourse to accomplish its ESG endeavour, supported by short- and medium-term actions.

Bahrain Bourse ESG Initiatives

Bahrain Bourse issued its Environmental, Social and Governance (ESG) Voluntary Reporting Guideline for listed companies in June 2020. In September 2021, Bahrain Bourse and HSBC Bahrain launched a thought leadership publication on Sustainable Finance titled "Evolving ESG Landscape & Capital Markets", which focuses on the sustainable development agenda and green finance. Bahrain Bourse also joined the United Nations Sustainable Stock Exchanges (SSE) initiative to demonstrate its voluntary commitment to promoting sustainable and transparent capital markets in cooperation with listed companies and other related stakeholders.

In addition to the milestones achieved so far, Bahrain Bourse prioritizes sustainability in every aspect of the corporate strategy, operations and risk assessments in order to achieve long-term value for our stakeholders. We have created series of statements, policies and initiatives that addressed Bahrain Bourse's commitment to practice business contributions to environmentally, socially and economically sustainable future.

Sustainability Report (Continued)

2021 ESG HIGHLIGHTS

<p>Promote internal capacity of the exchange in meeting the SSE initiative requirements</p>	<p>Recycling</p> <ul style="list-style-type: none"> - Recycled all paper waste - Recycled a determined percentage of E-Waste <p>Statements & Policies</p> <ul style="list-style-type: none"> - Adopted Whistleblowing Policy as part of the Corporate Governance Policy Manual of Bahrain Bourse to ensure that irregularities and breaches are appropriately reported - Integrated the ESG elements in the corporate risks assessments - Established an Environmental Statement that aims to help protect the planet and minimize environmental impact by complying with all relevant environmental legislation and regulations in the Kingdom of Bahrain - Develop a code of conduct for suppliers that contains business integrity and responsibility to the environment. The supplier Code of Conduct is a mandatory step for pre-engagement with third parties <p>Internal Capacity Training</p> <ul style="list-style-type: none"> - Created a dedicated Sustainability Committee to overseeing the ESG Agenda - Implement ESG training across the business and delivered to all Bahrain Bourse and Bahrain Clear employees <p>Awards</p> <ul style="list-style-type: none"> - Achieved prestigious Information Security Certification ISO 27001:2013 - Accorded with a prestigious award by PAN Finance Awards for “ESG Initiative of the Year” – Bahrain category - Awarded two prestigious accolades by Global Banking & Finance, for “Best Corporate Governance Company” as well as “Best Work Life Balance Program” for the year 2021
<p>Promote market education and sustainability/ESG disclosure</p>	<p>Financial Literacy</p> <ul style="list-style-type: none"> - Launched 1st Edition of the Capital Market Apprenticeship Program - Continued active engagement in various financial literacy programs including Smart Investor, TradeQuest, and the Investment Academy <p>Awareness</p> <ul style="list-style-type: none"> - Conduct Anti-Fraud Awareness Campaign in collaboration with Bahrain Association of Banks through social media targeting all investors and public - Participated in GCC-wide Awareness Campaign in collaboration with Central Bank of Bahrain to raise awareness on fraud prevention within capital markets

Sustainability Report (Continued)

2021 ESG HIGHLIGHTS (Continued)

<p>Promote collaboration and dialogue between companies, and investors</p>	<ul style="list-style-type: none"> - Publicly announced support for People of Determination by conducting sign language training to the Investor Center Team in addition to the home visits to People of Determination - Continue to explore opportunities to promote and support gender equality both within the business and across the market through “Ring the Bell for Gender Equality” as part of United Nations Sustainable Stock Exchanges (SSE) Initiative and World Federation of Exchanges - Conducted Investor Satisfaction Surveys for all stakeholders, and set annual targets. The Investor Satisfaction Survey serves as a key stakeholder communication channel adopted by Bahrain Bourse alongside other platforms, allowing Bahrain Bourse to meet the growing needs and expectations of its investors in a better and more accurate manner - Continuously monitor feedback and complaints received through Tawasul platform and ensured prompt response
<p>Promote digital innovation through ESG data dissemination</p>	<p>Recognize listed companies efforts in ESG reporting by announcing ESG disclosures in Bahrain Bourse’s Investors’ Guide</p>
<p>Promote the development of sustainable financial products such as ESG indices</p>	<p>Published and participated in the launch of 4 ESG-related guides to market participants which includes:</p> <ul style="list-style-type: none"> - “Investor Relations Best Practice Guide” in collaboration with Middle East Investor relations Associations (MEIRA) - “Evolving ESG Landscape & Capital Markets” in collaboration with HSBC Bahrain with a focus on the sustainable development agenda and green finance - “ESG Integration in the Arab Region” in collaboration with Arab Federation of Capital Markets (AFCM) - “Navigating ESG in MENA: factors driving demand and programme implementation” in collaboration with Middle East Investor relations Associations (MEIRA)

Sustainability Report (Continued)

Bahrain Bourse Materiality Matrix

We seek to identify and respond to existing and emerging global and regional matters that present risks as well as opportunities to the organisation and its key stakeholders. In 2020, we conducted a materiality assessment based on peer reviews and third-party expert opinions, to identify the most material ESG topics that are of importance to the organisation and our stakeholders. Based on our materiality assessment, 11 material topics were selected. A materiality matrix was developed to define our understanding of the influence of each topic on stakeholders' decisions and impacts on Bahrain Bourse's business. In addition, the material topics were reviewed to highlight the importance of Bahrain Bourse's role in driving the capital markets towards ESG disclosure and management as well as to ensure alignment with Sustainability Accounting Standards Board (SASB) material issues for exchanges as well as MSCI Sustainable Finance Disclosure Regulation (SFDR) key metrics for capital markets.



Most Important	More Important	Important
1. Prompting Sustainability and ESG management	7. Investing in Community and Financial Literacy	11. Supporting People with Determination
2. Compliance	8. Human Rights	12. Environmental Practices
3. Business Ethics and Risk Management	9. Female Empowerment	
4. Nurturing our Workforce	10. Digital Transformation	
5. Data Privacy & Security		
6. Investor Relations & Stakeholders Engagement		

Sustainability Report (Continued)

ESG Framework

Bahrain Bourse joined 112 other exchanges globally whom have voluntarily expressed their commitment towards promoting the advancement of sustainability in capital markets activities. The importance of sustainable and community-conscious approaches is essential to Bahrain Bourse. We aim to be a leader in setting ESG trends in standard practices across the industry. We have aligned our ESG framework to international frameworks that help direct our business operations. In particular, we focus on the UN SDG, the commitments to the UN Sustainable Stock Exchange Initiative (SSE Initiative), the WFE recommendations and in line with Bahrain Vision 2030 and the Kingdom of Bahrain net zero goals and the goals that are most relevant to our organisation and stakeholders. In doing so, we have identified and prioritized 12 ESG topics that matter the most to our stakeholders and impacts our business model. Given the nature of our business model, governance topics remain on top of our priority list, as indicated in the matrix. We aim to continuously monitor and review our materiality matrix and priority topics in line with our business requirement, stakeholder feedback, and evolving business landscape.

GOVERNANCE		SOCIAL		ENVIRONMENT	
1	Business Ethics and Risk Management a. Ethics b. Fraud, AML and Financial Terrorism c. Prevention of Corruption d. Risk Management e. Board of Directors	6	Nurturing our Workforce a. Training and Development b. Employee Wellbeing and Satisfaction c. Health and Safety d. Nationalisation	11	Environmental Practices
2	Compliance	7	Investing in Community & Financial Literacy	12	Digital Transformation
3	Promoting Sustainability and ESG Management	8	Human Rights		
4	Stakeholder and Investor Engagement	9	Female Empowerment		
5	Data Privacy & Security	10	Supporting People with Determination		

Sustainability Report (Continued)

ESG Framework (Continued)

Through Bahrain Bourse ESG framework, ESG initiatives, and material topics identified, we aim to contribute to the below nine SDG goals:



Bahrain Bourse's Sustainability Framework

ENVIRONMENT	Environmental Practices	Digital Transformation					
SOCIAL	Nurturing our Workforce	Female Empowerment	Stakeholder Engagement	Community Investment & Financial Literacy	Supporting People with Determination	Human Rights	
GOVERNANCE	Ethics & Prevention of Corruption	Compliance	Investor Relations	Data Privacy and Security			

GOVERNANCE



SDG Alignment



Business Ethics and Risk Management	Compliance	Promoting Sustainability and ESG Management	Stakeholder and Investor Engagement	Data Privacy & Security
-------------------------------------	------------	---	-------------------------------------	-------------------------

Business Ethics & Risk Management

Bahrain Bourse assesses risk tolerance across the organization and negates strategic, operational, regulatory, and financial risks. Bahrain Bourse safeguards the company and its investors by adopting a number of procedures deemed necessary for continued operations.

Bahrain Bourse upholds the highest standards of integrity in adherence to the principles of corporate governance in an effective manner in accordance with the legislations issued by the Central Bank of Bahrain and the Ministry of Industry and Commerce, and in fulfilment of the responsibility of the Board of Directors in the overall control, supervision and enhancement of compliance with the requirements of corporate governance. In 2021, Bahrain Bourse adopted Whistleblowing Policy as part of the Corporate Governance Policy Manual of Bahrain Bourse to ensure that irregularities and breaches are appropriately reported.

In 2021, Bahrain Bourse is proud to have resolved all received complaints received through various channels within a maximum of five working days, in accordance with its Complaints Policies & Procedure, and Bahrain Bourse has endeavoured in its attempts to better improve stakeholder experience it has adopted a holistic quality assurance policy supported directly by Bahrain Bourse's Board of Directors and its main purpose is to ensure that customer care, service quality and sustainability is embedded into every operational aspect of Bahrain Bourse. In addition, a dedicated quality assurance function has been created to continually monitor service metrics and create rapid action plans that will ensure Bahrain Bourse continues providing service excellence to our stakeholder groups.

To ensure that investors are kept abreast of trending topics in capital markets, Bahrain Bourse conducts regular awareness training to the public. Bahrain Bourse holds regular "Investments & Saving" seminars for the general public, which are offered free of charge, in order to enhance public awareness and understanding regarding best market methods for managing an investment portfolio.

Sustainability Report (Continued)

Business Ethics

Bahrain Bourse continues to place a strong emphasis on the Code of Conduct and Ethics. In order to ensure that all stakeholders adhere with the rules of Bahrain, Bahrain Bourse has formulated internal rules for Anti-Money Laundering (AML) and Financial Crime, which are based on the Central Bank of Bahrain (CBB) and the Financial Action Task Force (FATF) recommendations which Bahrain follows as an associate member of FATF and a member of Middle East and North Africa (MENA)-FATF.

Several times a year, our operations are reviewed for fraud, such as phishing simulations at least once a quarter with follow-ups.

In addition, Bahrain Bourse educates staff about fraud, anti-money laundering, and financial terrorism. Fraud risks are recognized and communicated to the appropriate Directorate, after which controls are implemented, and evaluated. In the year 2021, there were no occurrences of fraud, money laundering, or financial terrorism.

Prevention of Corruption

The Bahrain Bourse holds an annual training course for its members and listed companies on how to recognize and avoid fraudulent activity. Any fraud that is identified is reported to the appropriate authorities immediately. We also add a stringent process that requires multiple sign-offs before processing major transactions, lowering the risk of corruption and assuring compliance with CBB standards.

Risk Management

Environmental, Social & Governance (ESG) risk factors have been integrated as part of our risk assessments framework. As per our approved risk universe, we have also been examining both external and internal fraud risks and providing action plans for the rectification and control of the aforementioned risks.

Board of Directors

Cultivating trust and confidence through effective corporate governance is an ongoing focus of our strategy. Bahrain Bourse upholds the highest standards of integrity in adherence to the principles of corporate governance in an effective manner in accordance with the legislations issued by the Central Bank of Bahrain and the Ministry of Industry and Commerce. In total we have nine Board of Directors which are all independent and non-executive. We ensure diversity and gender equality at the board level, of which two are female members amongst its nine-member Board.

A fully-fledged Corporate Governance report is included as part of this Annual Report, showcasing best practices in corporate governance, BoD Committees and meetings, and updates on latest issued policies.

Compliance

Bahrain Bourse follows a compliance strategy which is administered by the Risk and Compliance Directorate which reviews all areas across the business to ensure regulatory compliance as well as being the point of contact for the regulator. In 2021, we had zero non-compliance cases with the regulator.

As part of its commitment to meet the requirements of the Central Bank of Bahrain and in line with its efforts to secure a comprehensive enforcement framework to settle disputes, govern, and take disciplinary action against market participants, Bahrain Bourse has formed a Disciplinary Appeals Board for enhanced accountability. Market participants are also granted the right to appeal on violations imposed. The Disciplinary Appeals Board aims to further strengthen BHB's regulatory oversight regime, enhance transparency, and allow for greater and swifter accountability in the market, consisting of external members. The Disciplinary Appeals Board members are appointed following a resolution from BHB's Board, and are approved by the Central Bank of Bahrain.

The Risk & Compliance Directorate carries out frequent awareness for employees to ensure they are able to identify PEPs and sanctioned individuals and escalate as required to adhere with the CBB rulebook module in relation to Anti Money Laundering (AML); the Risk and Compliance Directorate provides advice on customer acceptance and Know-Your-Customer (KYC) requirements. The Risk and Compliance Directorate is also a key member of the Investigation Committee where Compliance assists in market surveillance and investigates suspicious cases, suggesting a corrective course of action on escalated cases.

Insider's Management is key within BHB's culture. All employees of Bahrain Bourse and Bahrain Clear receive training by the Risk and Compliance Directorate on management of insider information and ethical trading. Additionally, all insider information, alongside the connected persons combined with the key persons, which is then investigated for any suspicion of insider trading. In addition, as part of our ongoing sustainability review, a 'Code of Conduct for Suppliers' has been put in place to ensure all third party suppliers meet BHB's basic expectations with regards to legal requirements and basic ethical practices. BHB is committed to conduct its business with transparency, integrity, efficiency, commitment to excellence, teamwork, fairness and flexibility. The code sheds light on the expected business standards and principles as rules of ethical behaviour of BHB and specifies what BHB expects from its suppliers.

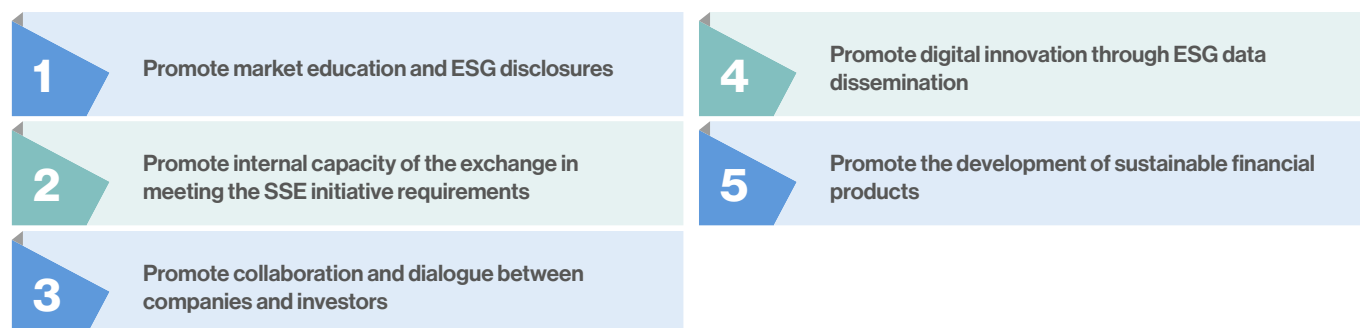
Sustainability Report (Continued)

Promoting Sustainability and ESG Management

Bahrain Bourse promotes good governance and transparency amongst issuers through mandatory financial disclosures and voluntary non-financial disclosures (i.e. ESG reports). As part of Bahrain Bourse's efforts to promote sustainability and transparency in Bahrain's capital market, Bahrain Bourse announced in June 2020 issuance of the Environmental Social & Governance (ESG) voluntary reporting guidelines for listed companies. The guideline includes the latest third-party reporting methodologies widely adopted by the industry and aims to assist listed companies in navigating the evolving standards on ESG reporting and disclosure, and aims to encourage companies to disclose on ESG metrics in line with global standards. In 2021, 26% of listed companies issued ESG disclosure reports. We are looking forward to enhance transparency and disclosure in Bahrain's capital market by supporting listed companies' alignment with Bahrain Economic Vision 2030 and the UN Sustainable Development Goals (SDGs).

Further, Bahrain Bourse's commitment towards to the United Nations Sustainable Stock Exchanges (SSE) initiative, sets out to promote sustainable and transparent capital markets in cooperation with listed companies and other related stakeholders. Bahrain Bourse is fully committed to promoting sustainability both internally and among our issuers. Following its commitment to the SSE initiative, Bahrain Bourse has rolled-out a series of strategic sustainability initiatives aimed at further enhancing transparency and disclosure of sustainability/ESG information across Bahrain Bourse and our listed companies. Going forward, we aim to roll-out CPD-certified Climate Disclosure Training programme to issuers in collaboration with the SSE initiative.

Bahrain Bourse is committed towards accelerating sustainable capital markets regionally, and delivering on its Sustainability Framework by focusing on five key pillars:



In 2021, Bahrain Bourse has also continued its efforts in accelerating sustainable capital markets. With a tremendous collaboration with HSBC Bahrain, we have together launched a thought leadership publication on Sustainable Finance titled "Evolving ESG Landscape & Capital Markets". The thought leadership publication aims to raise awareness on the rise of ESG as an investment consideration, importance of ESG disclosures, and the growing importance of sustainable financing options in the region and showcases notable case studies.

As part of our commitment to accelerating sustainable capital markets regionally, we have contributed to the ESG Guideline for the Arab Federation of Capital Markets (AFCM). The publication aims to review ESG guidelines in the Arab Exchanges and compare it to the global practices in accordance with the World Federation of Exchanges (WFE) and Sustainable Stock Exchange Initiative SSE. This also caters for ESG-related rules and regulations and suggested best practices for the Arab Exchanges.

Stakeholder and Investor Engagement

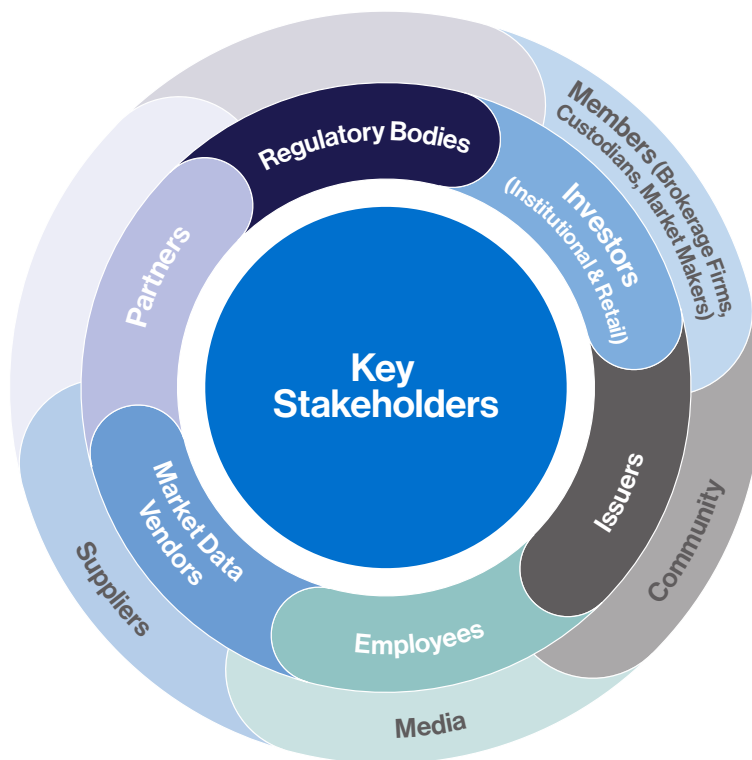
Our business model encompasses a broad spectrum of stakeholder relationships, which we approach with strategic diligence to ensure cultivation of long-term value. Stakeholder and investor engagement forms a critical aspect of our strategy and success. Hence, we seek to maintain an open, transparent, and collaborative dialogue with each of our diverse stakeholder groups in various forums and modes. The unprecedented challenges has enabled us to adopt different engagement formats such hybrid and virtual in all of our events by adapting with recent technology provided and hence enhancing our outreach.

Bahrain Bourse has continued its efforts in its engagements with the stakeholders through various events throughout the year with various stakeholders and continuously seek their feedback on key industry topics within the capital markets in order to accommodate for their evolving needs. This is essential to ensure our understanding of our stakeholders evolving needs in order to incorporate their perspectives in our strategies and action plans.

Bahrain Bourse's main stakeholder groups are highlighted below and have been categorized in broad terms, using generic stakeholder categories that apply to most industries which includes regulatory bodies, investors, issuers, members, community, employees, media, market data vendors, and partners. Our continuous and seamless stakeholder engagement and strategic dialogue aims to ensure that Bahrain Bourse remains relevant and inclusive, as well as creates long-term value for our wider stakeholder group.

Sustainability Report (Continued)

Stakeholder and Investor Engagement (Continued)



Investor Experience

In 2020, Bahrain Bourse joined 'Tawasul' – the National Suggestions & Complaints Bahrain Bourse and achieved excellence in Customer Service Award via 'Tawasul' during the same year. In 2021, 140 cases were received via 'Tawasul' portal, which included complaints, enquiries, and suggestions, of which 39% were complaints. All cases received were closed within the specified Service Level Agreement. Our corporate website provides a public formalised Complaint Form used for submitting all natures of complaints, which are collected in accordance with the Privacy Data Protection Law and actioned. Additionally, in December 2020, Bahrain Bourse rolled out its Investor Satisfaction Survey, with the aim of seeking investors' feedback and measure satisfaction on our products and services, and to enhance the level of investor-related services.

As part of our commitment to encourage best practices across listed companies in Investor Relations, Bahrain Bourse launched the Investor Relations Best Practice Guide, in collaboration with Middle East Investor Relations Association (MEIRA). The Investor Relations Guide aims to highlight the importance of the Investor Relations function and the effect of implementing Investor Relations best practices on market valuation and competitiveness of listed companies in the market.

Data Privacy and Security

Personal Data Privacy

Bahrain Bourse is committed to protecting its stakeholders' personal information in accordance with Bahrain Personal Data Protection Law No 30 of 2018 (PDPL), international standards, and best practices. Data impact analysis is undertaken periodically to ensure Bahrain Bourse does not over-collect data and to ensure that data collected is for business and legal purposes only.

Bahrain Bourse recognizes that data privacy is the core of an efficient marketplace, therefore, we believe in investing considerable time and expertise in our data privacy and security management. Bahrain Bourse implements a combination of multi-layered and integrated security solutions, imposed the best international security controls, supported employee awareness by operational processes, and introduced the culture of information security as a shared responsibility.

Sustainability Report (Continued)

Information Security Management



ISO 27001:2013
Information Security Management System (ISMS)

As part of our commitment to adopt international business excellence and quality standards, Bahrain Bourse achieved prestigious Information Security Certification ISO 27001:2013 in 2021. Further, Bahrain Bourse continues to implement a holistic Information Security Management approach that addresses technology, people, processes, and governance to protect its investments, operations, assets, and reputations. Bahrain Bourse treats Information security management as a continuous process that integrates different levels and types of security arrangements designed and tailored specifically to safeguard Bahrain Bourse from all type of threats, particularly in light of growing global cyber security attacks that have heightened during the Covid-19 period.

At Bahrain Bourse, information security forms a central focus of our business operations to ensure market transparency through data integrity, availability, and confidentiality. Numerous security arrangements have been put in place to ensure information security risks are identified, assessed, and mitigated, including raising awareness of internal compliance culture, securing operational processes, and improving business continuity management.

Bahrain Bourse was quick to conduct an Information Security Risk Assessment Programme to assess work processes and identify security gaps, along with assess Bourse's websites, mobile app, and e-services security controls, and updated them according to the Information Security Policy to meet remote working needs. To protect our systems and data availability, confidentiality, and integrity, we have documented and implemented information security policy and procedures based on risk assessments that were benchmarked with well-known international security standards.

Business Continuity

Furthermore Bahrain Bourse's Business Continuity is built with the approach of safeguarding employee's wellbeing first while maintain a delicate balance with the business needs of Bahrain Bourse that allows and ensures business continuity to work from anywhere.

SOCIAL

SDG Alignment



Nurturing Our Workforce	Investing in Community & Financial Literacy	Human Rights	Female Empowerment	Supporting People with Determination	
-------------------------	---	--------------	--------------------	--------------------------------------	--

Nurturing Our Workforce

Our people are our greatest asset. We strive to attract, nurture, and develop talent by building a cohesive working environment for our team and ensuring gender equality and empowerment. Bahrain Bourse (including our fully-owned subsidiary Bahrain Clear) workforce is comprised of a total of 86 employees – a 9% increase from the previous year, of which 43% of our workforce are females. We continuously aim to maintain and promote gender equality and empowerment across the team.

Sustainability Report (Continued)

Workforce Overview

	Total workforce (excluding trainees, students, and outsourced staff)	Employees on an indefinite or permanent contract	Employees on a fixed term or temporary contract
2019	69	67	2
2020	79	78	1
2021	86	86	0

Workforce by age

2019		23	Employees aged 21-30
2020		31	
2021		33	
2019		40	Employees aged 31-50
2020		42	
2021		45	
2019		6	Employees aged 51+
2020		6	
2021		8	

Workforce by gender

2019		41	Male employees
2020		47	
2021		49	
2019		28	Female employees
2020		32	
2021		37	




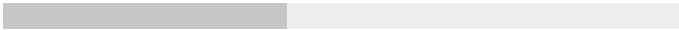
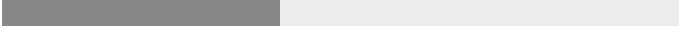
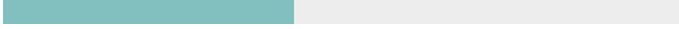



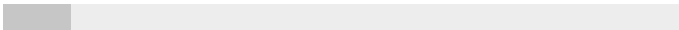

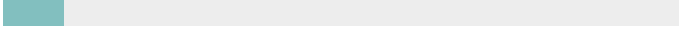




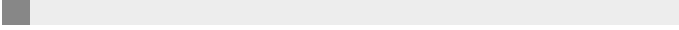
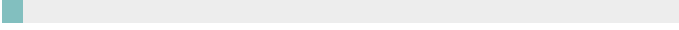
In 2021, Bahrain Bourse, held a "Long Service Award Ceremony" to honour the efforts of six long serving employees for their loyalty and remarkable contribution to Bahrain Bourse and Bahrain Clear over the years. During the year, Bahrain Bourse received an award from 'Global Banking & Finance' for 'Best Work Life Balance Program' implemented, indicating our commitment towards ensuring long term well-being of our employees.

Female Empowerment

Bahrain Bourse is proud to cultivate a female-oriented business environment that encourages women of all backgrounds to work with us and achieve their potential. Currently, the percentage of women working at Bahrain Bourse sits at 43%, a 2% increase from 2020. Furthermore, 22% of women in our workforce are in middle management and 3% of the women are in senior management positions. 22% of the Bahrain Bourse Board of Directors is composed of women.

Sustainability Report (Continued)

Female Employment

2019		28	
2020		32	Female employees (#)
2021		37	
2019		42%	
2020		41%	Percentage of female employees (%)
2021		43%	
2019		7	
2020		7	Female employees in middle management (#)
2021		8	
2019		10%	
2020		9%	Percentage of female employees in middle management (%)
2021		9%	
2019		3	
2020		3	Female employees in senior management (#)
2021		3	
2019		4%	
2020		4%	Percentage of female employees in senior management (%)
2021		3%	

Training and Development

Bahrain Bourse continued to provide employees with training opportunities based on their objectives and individual development plans. In addition, during 2021, all Bahrain Bourse employees attended virtual trainings on ESG Risks and Opportunities conducted by the Bahrain Bourse Sustainability Committee, as well as ongoing AML and insider training awareness.

Employee Wellbeing and Satisfaction

Our employees are one of our most valuable assets and safeguarding their health and wellbeing is important to Bahrain Bourse. In 2021, we continued our efforts to ensure the engagement of the employees in several wellness activities including health and sports events and putting plans forward to embark on mental health and wellbeing programs.

Health and Safety

During the COVID-19 pandemic, employee health and safety was of utmost importance. Periodic disinfections of the office were carried out. We conducted an internal awareness campaign for COVID-19 precautions and provided medical gloves, masks, and sanitisers to all Bahrain Bourse employees. AI-powered smart thermal detectors were installed in our premises to check employee and investors temperatures on arrival, when entering Bahrain Bourse & Bahrain Clear premises.

Work-from-office standards were communicated to all employees; Health and safety measures were enabled in accordance with local requirements, such as social distancing, contact tracing, quarantine policy and the suspension of physical meetings and activities.

In 2022, Bahrain Bourse aims to shed further light on the importance of mental health and wellbeing to the employees by conducting awareness sessions with health practitioners. Further, Bahrain Bourse select number of employees are trained as marshals and certified for emergency evacuations to ensure safety of all employees in the event of an emergency.

Sustainability Report (Continued)

Nationalisation

Our nationalisation rate in 2021 stood at an ideal steady rate of 99% across the entire workforce and a 100% nationalisation rate across senior management.

Nationalisation	Total number of national employees	Nationalisation among total workforce (%)	Nationalisation of senior management (%)
2019	68	99	100
2020	78	99	100
2021	85	99	100

Investing in the Community & Financial Literacy

Bahrain Bourse participates in several flagship programmes related to financial literacy. The Smart Investor Programme in collaboration with Injaz Bahrain, which has been running for 3 consecutive academic years, aims to spread financial knowledge through equipping younger students with basic concepts related to money management, savings, and smart financial planning for the future, which was kicked-off in digital format. In 2021, 4,500 students within Grade 4 benefitted from the program. Since the launch of the program, a key milestone has been achieved of engaging up to 15,000 students.

Bahrain Bourse also conducted the TradeQuest Programme catered towards high school and university students. TradeQuest works towards enhancing investment awareness among students by providing a real-life simulation experience of capital market investment by learning the systems and regulations implemented at both Bahrain Bourse and New York Stock Exchange (NYSE). Students learn to analyse and select which shares to invest in, and how to manage a portfolio of shares. The program included a total of 200 student participations per annum, and final winners of each category receive a total of BD 30K to help them start and build their own investment portfolio.

As part of the Investment Academy in collaboration with Bahrain Institute of Banking and Finance (BIBF) launched, Bahrain Bourse conducts virtual monthly saving and investment sessions. Since the launch of the Investment Academy, a total of 2,673 participants benefitted from the programs offered with more than 2,751 training hours. In 2021, Investment Academy provided over 464 training hours, benefitting more than 529 professionals with expert training in a range of financial market topics.

In 2021, we have renewed our commitment towards the Investment Academy with an expanded scope to encompass Sustainable Development Academy which covers training related to Sustainable Development, ESG Rating and Scoring, Technological Change and Sustainability. In line with Bahrain Bourse's strategic goals of enhancing market literacy and investor awareness, the first cohort of the Capital Markets Apprenticeship Program, an on-the-job training program, was launched in 2021 to equip young Bahraini graduates with practical experience within the capital markets sector. It stems directly from Bahrain Bourse's firm belief of promoting investor education and instilling financial knowledge among various age groups. The six-month intensive training provides participants with the opportunity to learn from and interact with Capital Market key decision makers, enhance their knowledge on the capital market, and gain hands-on experience by obtaining a thorough understanding of Bahrain Bourse and Bahrain Clear operations. In addition, the programme also provides interns with the necessary skills to kick-start their career within Capital Markets. The program consists of a mixture of on-job training as well as theoretical learning within a classroom environment. Furthermore, it complements Bahrain Bourse's financial literacy programmes, which aim to reach out to a broader sector of the community.

	2019	2020	2021
Smart Investor	3,596	4,532	7,000
TradeQuest	173	-	202
Investment Academy	269	261	529
Capital Market Apprenticeship Program	N/A	N/A	8
Total	4,038	4,793	7,739

Sustainability Report (Continued)

Investing in the Community & Financial Literacy (Continued)

As part of our ongoing efforts to highlight the importance of financial literacy, Bahrain Bourse participated in the World Federation of Exchanges' annual 'Ring the Bell for Financial Literacy' initiative to join 78 other global exchanges holding virtual bell ringing ceremonies, workshops, and events to drive awareness of the importance of financial literacy. The initiative included producing a series of awareness videos featuring 17 key participants from various listed companies and educational institutions as well as other key stakeholders to highlight and showcase Bahrain Bourse's Awareness Programs. In addition, Bahrain Bourse held a series of virtual workshops in partnership with several financial institutions and universities to introduce students to the capital market and Bahrain Bourse, where more than 2,300 attended the workshops.

As part of our ongoing awareness, Bahrain Bourse also conducted Anti-Fraud Awareness Campaign in collaboration with Bahrain Association of Banks through social media targeting all investors and public. Further, Bahrain Bourse also participated in GCC-wide Awareness Campaign ('Mulim') in collaboration with Central Bank of Bahrain to raise awareness on fraud prevention within capital markets.

Human Rights

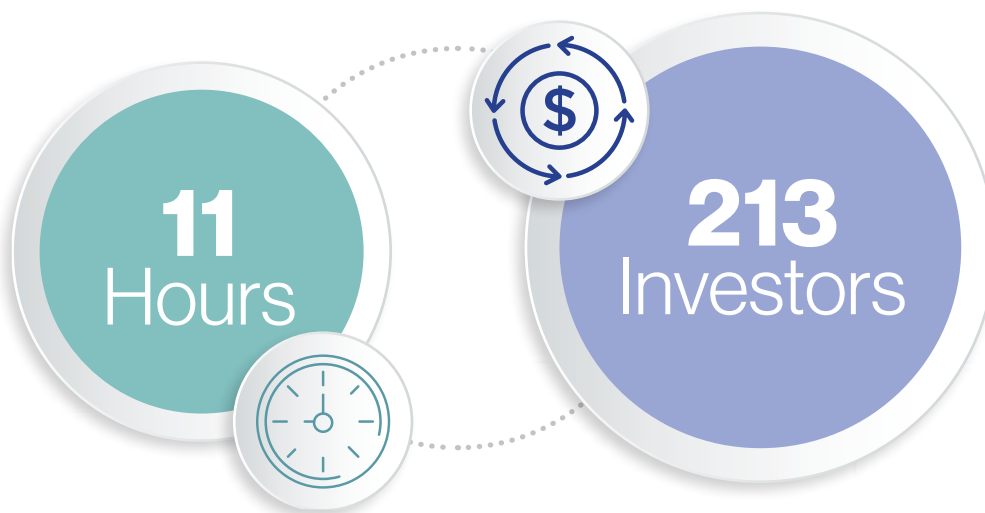
Bahrain Bourse Code of Conduct and Ethics follows and abides by all clauses in the Bahrain Labour Law. Bahrain Bourse's internal policies align themselves with the general rules and regulation of Bahrain regarding human rights law under Bahrain's constitution. In 2021, there were no violations or incidents related to Human rights, discrimination, corruption, or bribery.

We engage with third parties, to prevent any discrimination with external workers while incorporating a formal grievance mechanism for internal and external stakeholders.

Supporting People with Determination






Bahrain Bourse Trading Floor facilities are purposely built on a single floor, equipped with ramps and an elevator to ensure direct access for people with determinations. We provide complimentary wheelchair services on request and support individuals with a range of disabilities to make informed investments. We aim to sustain and enhance this standard of inclusion across the organisation.

In 2021, we set-up a dedicated priority lane to aid people of determination and senior citizens with immediate assistance at Bahrain Clear's Investor Center via Skiplino application, creating an inclusive environment that serves a wider stakeholder group. In addition, a total of 11 hours were spent serving 213 investors to aid people of determination and senior citizens.



Sustainability Report (Continued)

ENVIRONMENT

	<p style="text-align: right;">SDG Alignment</p>    
<p>Digital Transformation</p>	<p>Environmental Practices</p>

Environmental Practices

As a market influencer, we are dedicated to reduce our environmental footprint through several initiatives to enhance environmental management including energy and water consumption, atmospheric emissions, waste and electronic waste.

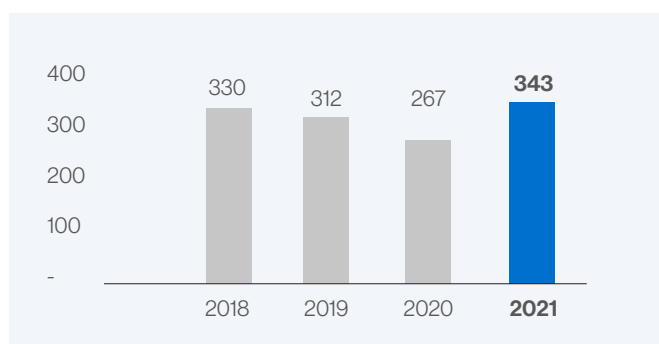
In 2021, Bahrain Bourse has published its Environmental Statement committing to improve our sustainability practices throughout every area of our business. We recognize our responsibility to help protect the planet and minimize the environmental impact as an organization. The statement covers all aspects and precisely to ensure environmental targets and objectives are aligned with local and regional environmental targets and international goals, including the United Nations Sustainable Development Goals (UN SDGs), UN Sustainable Stock Exchange Initiatives, and World Federation of Exchanges recommended guidelines.

In 2021, our electricity consumption increased by 28.7%. This year, the energy intensity per employee raised to an average of 19 Giga Joules (GJ). The total emission generated by Bahrain Bourse amounted to 343 metric tons of carbon dioxide equivalent – a 24% reduction increase from the previous year. The emission intensity per employee was 3.98 – a remarkable reduction of 17.8% from the previous year. This decrease in figures is an outcome of lower office occupancy levels due to the introduction of working from home policies. Through DocuSign, one of the paperless communication tools adopted across Bahrain Bourse, as of 31st of December 2021, we have saved a noticeable amount of wood (919 kg), water (22,576 litres), carbon (2,157 kg) and general waste (149 kg).

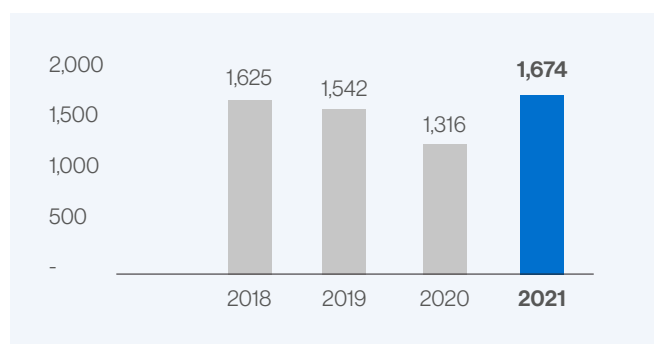
Further, Bahrain Bourse announced that it has embarked on an “E-waste Recycling Initiative” in collaboration with the Supreme Council for Environment (SCE) and Crown Industries (recyclers of metals and plastics). The initiative aims to raise awareness about electronic waste and promote proper recycling of end-of-life electronics used by Bahrain Bourse and Bahrain Clear to ensure their disposable in an environmentally responsible manner.

It is worth noting that Bahrain Bourse signing a Memorandum of Understanding (MoU) with the Supreme Council for Environment to enhance areas of joint cooperation and issues of mutual interest between Bahrain Bourse and the Supreme Council for Environment in areas related to environmental conservation and protection. The MoU aims to encourage listed companies to disclose on environmental metrics in its issued reports.

Total emissions (MTCO₂Eq)



Total energy consumption (GJ)



Sustainability Report (Continued)

Environmental Practices (Continued)

Environmental Impacts	2019	2020	2021
Electricity consumption (MWh)	407	349	449
Energy intensity (GJ/employee)	22	17	19
Emission Intensity (MTCO ₂ Eq/ employee)	4.53	3.38	3.98

Digital Transformation

We continued our digital transformation journey throughout 2021 with a focus to enhance our business continuity performance and strengthen operational agility and resilience, while maintaining efficiency and security.

Furthermore and in line with our keenness to re-design business processes and discover new opportunities, we have automated 42 processes, which included both external and investor-centric processes as well as internal processes. Centred around the end-user journey, we have intensified our focus during the past year on supporting employees and other stakeholders internally and externally, while maintaining agility and efficiency of operations.

With the rise of remote working, virtual events and digital networking during the past two years, we rolled-out dynamic virtual business cards in replacement of their paper-based counterparts. The digital business cards highlighted our flexibility and responsiveness to changing business needs and contributed to enhancing convenience and reach of our business communications with our investors and clients in a seamless manner.

Internally we continued our endeavours to maintain agile business processes for our employees through introducing 'Employee Portal', a one-stop solution for their mostly required resources, allowing our employees to have easier access and streamlined navigation, while saving their time and effort. Our reliance on DocuSign electronic signature platform continued to increase, expanding the scope of automated processes and workflows across all directorates.

A centralized database was put-in-place to further enhance the integration of interrelated business processes, creating seamless connection between directorates across the organization.

In 2021, we have kick-started an internal recycling programme and each department has been fitted with appropriate recycling bins, with reporting being conducted on a monthly basis.