

Sustainability at Bahrain Bourse

OUR ESG JOURNEY

Capital markets play a pivotal role in shaping the future of the global economy. At BHB, 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 76 in the UN Sustainable Development Goals (SDGs) Global Ranking and one of the top two countries in the GCC.

This ESG insert is aligned with United Nations Sustainable Development Goals (UN SDGs) and provides BHB's updates and achievements across ESG aspects covering the year 2020. We believe that good corporate ESG practices are fundamental to our continued success and the delivery of enhanced business performance.

2020 Key Market Statistical Data



5% female board representation across listed companies

5%



4.65% female CEOs across listed companies

4.65%



Value of Shares traded by female investors amounted to BHD 208 million

BHD 208m



28.08% of female investors across the capital market

28.08%



14 listed companies reporting on ESG consist of 33% from the total listed companies and covering 77.68% from the weight from total market capitalisation

33%

2020 ESG Highlights

January 2020

BHB joined the National Suggestions & Complaints System 'Tawasul', in line with its efforts to further enhance its communication with key stakeholders.

BHB conducted an IR event, which the concept of ESG reporting was presented to all listed companies followed by 1-to-1 engagement sessions with key market players.

May 2020

Bahrain Clear launched a Skiplino Queue Management System, allowing investors to pre-book online appointments via smart phones.

June 2020

BHB issued an ESG Voluntary Reporting Guideline for listed companies.

June 2020

Bahrain Bourse presented its ESG Voluntary Reporting Guideline in the Directors Development Programme for Women (DDPW) webinar.

July 2020

BHB provided ESG updates and key developments areas pertaining to Sustainability in its virtual Roadshow Programme for international clients.

BHB achieved excellence in Customer Service Award via 'Tawasul'.

October 2020

BHB adopted women empowerment and "working from home" initiatives to promote and empower employees across the organisation, particularly female professionals in the workplace.

BHB signed a Memorandum of Understanding (MoU) with the Supreme Council for Environment (SCE) to enhance areas of cooperation related to environmental conservation and protection.

November 2020

BHB was elected by the Arab Federation of Exchanges (AFE) to be a member of the federation's board of directors, representing the Gulf region.

December 2020

BHB rolled out its Investor Satisfaction Survey, with the aim of seeking investors' feedback and evaluation on products and services, to enhance the level of investor-related services.

Sustainability at Bahrain Bourse
(continued)

ESG AT BHB

BHB ESG Strategy

In 2020, BHB formulated its ESG Strategy. This involved the introduction of strategic goals that focus on key elements associated with the BHB’s move towards sustainability. Our ESG strategy’s key themes include:



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

BHB ESG Initiatives

This year, we signed an MoU with Sustainability Excellence which aims to deploy ESG-related initiatives that promote sustainability values and practices among BHB’s listed companies and investors. Sustainability Excellence delivered keynotes on sustainability and ESG implementation in 2020 in accordance with our commitment to ESG and our sustainability approach which is aligned with the UN SDGs. Together with Sustainability Excellence, we conducted a series of engagement sessions and workshops with listed companies to encourage dialogue between investors and listed companies on key ESG issues and developed a collaborative research report on the status of sustainability in Bahrain’s capital market based on key ESG information.

When BHB issued an ESG Voluntary Reporting Guideline for listed companies in 2020, we held a webinar on the importance

of ESG Reporting in July 2020. The webinar was a part of a series of workshops aimed at enhancing awareness and understanding of the importance and benefits of ESG reporting and encouraging listed companies to disclose ESG information. The webinar was attended by over 30 representatives from listed companies and other financial institutions.

BHB 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, 12 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 BHB’s business.

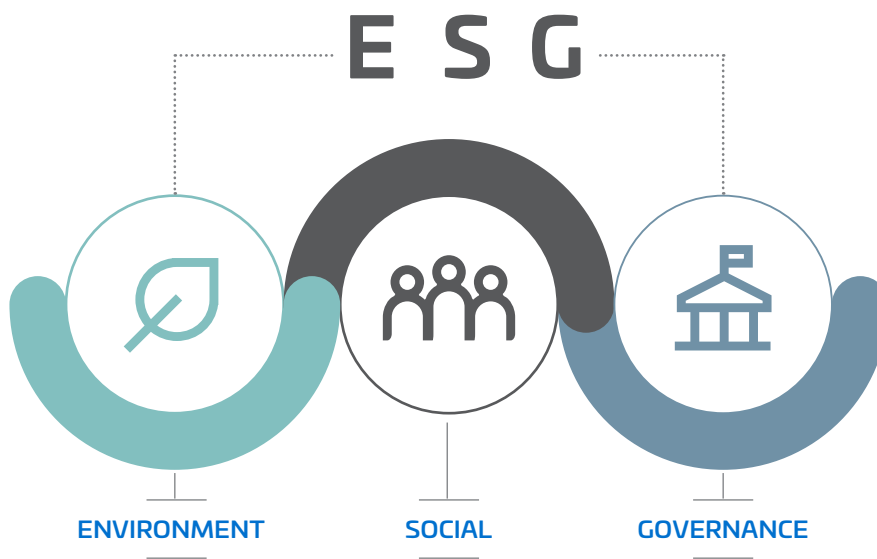


Sustainability at Bahrain Bourse (continued)

ESG Framework

The importance of sustainable and community-conscious approaches is essential to BHB. We aim to be a leader in setting ESG trends in standard practices across the industry.

Bahrain Bourse’s Sustainability Framework



Alignment with the UN SDGs

We have aligned our ESG framework to international frameworks that help direct our business operations. In particular, we focus on the UN SDGs and the goals that are most relevant to our organisation and stakeholders.



Bahrain Bourse’s Sustainability Framework

ENVIRONMENT	SOCIAL	GOVERNANCE
Environmental Practices Digital Transformation	Nurturing our Workforce Female Empowerment Stakeholder Engagement Community Investment & Financial literacy Supporting People with Determination Human Rights	Ethics & prevention of Corruption Compliance Investor Relations Data Privacy and Security
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Sustainability at Bahrain Bourse

(continued)

BHB's 2020 ESG Impact



Bahrain Bourse's Sustainability Framework

ENVIRONMENT	SOCIAL	GOVERNANCE
Signed an MoU with the SCE to enhance cooperation related to environmental practices.	BHB's workforce was composed of 59% male and 41% female employees of which 7 females are in middle management position and 3 females are in senior management position.	Emphasized to our stakeholder's importance to AML practice through an Anti-Money Laundering (AML) Statement.
Reduced total Greenhouse Gas (GHG) emissions generated by 14%.	Deployed strict COVID-19 health and safety measures including periodic disinfection, provision of personal protective equipment (PPE), and installation of Artificial Intelligence (AI)-powered smart thermal detectors. In addition, BHB offers work from home working environment as part of the precautionary measures.	Zero incidents related to fraud, money laundering or financial terrorism occurred in 2020.
Introduced Laserfiche to replace our traditional physical filling system for business process automation and data analytics.	99% nationalisation rate in 2020 across workforce and 100% nationalisation rate across senior management.	BHB's Board of Directors is composed of nine members which are all independent and non-executive. There are seven male members and two female members in the board.
Adopted paperless communication tools across the organisation, i.e., DocuSign.	The Skiplino digital queue management system was launched, allowing investors to pre-book online appointments and que digitally.	Zero actual security breaches.
50% of directorates have updated their processes to become completely paperless.	Continued with our series of financial literacy programmes including Smart Investor Programme, TradeQuest Programme and Investment Academy.	Initiated Tawasul – the National Suggestions & Complaints System and achieved excellence in Customer Service Award via 'Tawasul'.
		BHB joined MEIRA's Board of Directors.

Sustainability at Bahrain Bourse (continued)

ENVIRONMENT

	SDG Alignment    
Environmental Practices	Digital Transformation

Environmental Practices

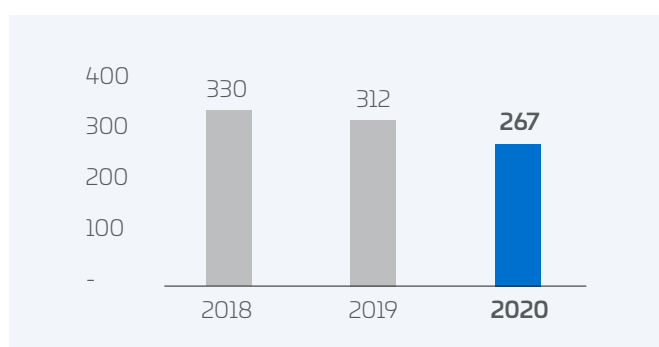
As a market influencer, we are dedicated to reducing our environmental footprint through several initiatives to enhance environmental management including energy and water consumption, atmospheric emissions, and waste. This year, BHB signed a MoU with the SCE to enhance areas of cooperation related to environmental conservation and protection. The MoU aims to encourage listed companies to comply with the environmental rules and regulations and to disclose information related to environmental compliance in its issued reports.

BHB’s commitment 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. BHB is fully committed to promoting sustainability both internally and among our listed

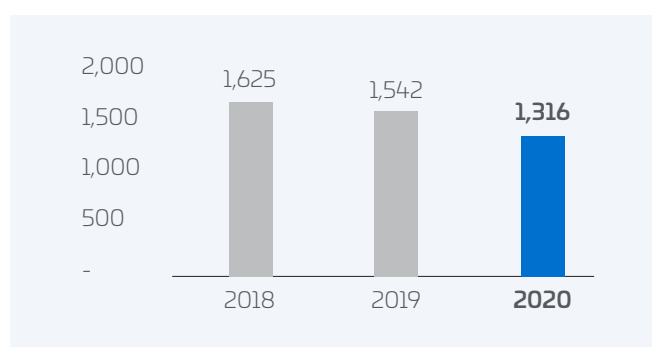
issuers. Following its commitment to the SSE initiative, BHB has rolled-out a series of strategic sustainability initiatives aimed at further enhancing transparency and disclosure of sustainability/ ESG information across BHB and our listed companies.

In 2020, we reduced our electricity consumption by 14%. Similarly, our total direct and indirect energy consumption decreased by 15% between 2019 to 2020. This year, the energy intensity per employee dropped to an average of 17 Giga Joules (GJ). The total emission generated by BHB amounted to 267 metric tons of carbon dioxide equivalent – a 14% reduction from the previous year. The emission intensity per employee was 3.38 – a remarkable reduction of 25% 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.

Total emissions (MTCO₂eq)



Total energy consumption (GJ)



Environmental Impacts	2018	2019	2020
Electricity consumption (Mega-Watt hour; MWh)	431	407	349
Energy intensity (GJ/employee)	25	22	17
Emission Intensity (MTCO ₂ eq/ employee)	5.16	4.53	3.38

Through DocuSign, one of the paperless communication tools adopted across BHB, we have saved a noticeable amount of wood (300 kg), water (7,378 litres), carbon (705 kg) and general waste (49 kg).

Sustainability at Bahrain Bourse

(continued)

Digital Transformation

The impacts of COVID-19 have accelerated the BHB digital transformation journey as we digitalised various internal processes to ensure business continuity. This year, we expanded E-signatures across BHB, incorporated a complaints page on our website and automated internal BHB forms.

In 2019, BHB embarked on a digital transformation journey. The Internal Audit directorate decided to keep all audit evidence in electronic format instead of taking physical copies. Additionally, the directorate is in the process of acquiring an Audit Management Software to perform audit processes in the most efficient and effective manner. Since 2017, we have stopped using printed board packs (containing reports and other material) during board meetings, and instead use an electronic portal and application for sharing via emails. We also introduced the Laserfiche archiving system that replaces the traditional physical filing system for business process automation and data analytics. These initiatives also achieved our aim to become a paperless and sustainable workplace.

We deployed a virtual work environment using a secure Virtual Private Network (VPN) technology and telephone mobility. We also deployed Google Workspace and virtual meetings for employees to maintain business continuity while working from home. This year, a majority of our listed companies held their

Annual General Meetings (AGM)s virtually to maintain social distancing and precautionary measures.

Internally, Bahrain Clear’s Core System Hardware infrastructure and Data Centre Environment monitoring system was upgraded in 2020. We also implemented new IT procedures as well as automated manual reports on the intranet system. Refer to Data Privacy & Security for further details.

The Bahrain Chamber of Commerce and Industry in cooperation with BHB and Bahrain Clear organised a E-Majlis webinar through ZOOM in August 2020, addressing the services and benefits offered to investors by BHB and Bahrain Clear. The webinar covered three main topics including BHB’s initiatives to accelerate the Digital Transformation including (Bahrain Trade) and Bahrain Clear’s virtual Annual General Meeting (eAGM) management service.

As a result of our digitisation efforts, we reduced paper consumption across our offices by 73% in 2020 as our reliance on DocuSign increased and the automation of our processes expanded. In addition, 50% of directorates have updated their processes to become completely paperless. We expect further net reductions in resource use in the coming year, through minimising our environmental impacts whilst adding value to all stakeholders.

Material Consumption	2018	2019	2020
Paper usage (kg)	393,600	436,500	117,500

SOCIAL



SDG Alignment



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

We strive to attract, nurture, and develop talent by building a cohesive working environment for our team. The BHB (including Bahrain Clear) workforce is comprised of 79 employees – a 14%










increase from the previous year. In 2020, our workforce was composed of 59% male and 41% female.

Sustainability at Bahrain Bourse (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
2018	64	62	2
2019	69	67	2
2020	79	78	1

Workforce by age

2018		22	Employees aged 21-30
2019		23	
2020		31	
2018		37	Employees aged 31-50
2019		40	
2020		42	
2018		5	Employees aged 51+
2019		6	
2020		6	

Workforce by gender

2018		40	Male employees
2019		41	
2020		47	
2018		24	Female employees
2019		28	
2020		32	

In 2020, BHB and Bahrain Clear held a virtual Long Service Award Ceremony to recognise the efforts of twenty-five long serving employees for their loyalty and commitment. The commemorative event recognised employees for their achievements and years of dedication and commitment and were acknowledged for their contribution to the success of both companies.

Training and Development

Employees are provided training opportunities based on their objectives and individual development plans. In 2020, all BHB employees attended virtual trainings conducted by the Bahrain Institute of Banking & Finance (BIBF).

Employee Wellbeing and Satisfaction

Prior to the COVID-19 pandemic, employees were engaged in several wellness activities including the BHB annual camping event and sports day. We continued to support the wellbeing of our employees post COVID-19 using virtual means to ensure their safety.

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 BHB 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.

Sustainability at Bahrain Bourse

(continued)

Nationalisation

Our nationalisation rate in 2020 stood at an ideal steady rate of 99% across the entire workforce and a 100% nationalisation rate across senior management. With respect to the nationals in the total workforce, there was a 14% increase in 2020, as compared to 2019.

	Total number of national employees	Nationalisation among total workforce (%)	Nationalisation of senior management (%)
2018	63	98%	83%
2019	68	99%	100%
2020	78	99%	100%

Stakeholder Engagement

Our sustainability journey is informed through, informed business and regulatory decisions, and extensive stakeholder engagements to identify our priorities that impact both the organisation and our stakeholders.

As part of our efforts to attract international investments, BHB collaborated with HSBC and held the BHB Roadshow Programme virtually in July 2020, with participants from a number of regional and international financial institutions and investment banks. The virtual roadshow showcased BHB’s developments and plans to international clients including enhancement of the Delivery vs. Payment (DVP) Model 2 and enhanced Corporate Actions, ESG Guidelines being developed in Bahrain, and the establishment of the Amanat Investor Protection Fund. The aim of the show was to attract international fund managers by engaging with regional and international financial institutions and investment banks and showcasing BHB’s recent market developments and plans in the pipeline.

To aid our investors and improve stakeholder satisfaction, we announced the launch of ‘Skiplino’ – a cloud-based queue management system, allowing investors to pre-book online appointments and que digitally. The solution considers the investor’s current location and associated travel time, as well as any anticipated traffic delays and adjusts the appointment time accordingly to minimise the investors waiting time. Stakeholder engagement is an ongoing priority for BHB, and hence we have introduced surveys conducted to measure investor satisfaction levels.

We have offered virtual AGM management services to listed companies (refer to Digital Transformation for more information) and strive to ensure stakeholder feedback is incorporated in our decisions to benefit all our stakeholders.



Sustainability at Bahrain Bourse

(continued)

Human Rights

BHB's Code of Conduct and Ethics follows and abides by all clauses in the Bahrain Labour Law. BHB's internal policies align themselves with the general rules and regulation of Bahrain regarding human rights law under Bahrain's constitution. In 2020 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.




Female Empowerment

BHB is proud to cultivate a female friendly environment that encourages women of all backgrounds to work with us and achieve their potential. Currently, the percentage of women working at BHB sits at 41%, a 14% increase from 2019. Furthermore, 22% of women in our workforce are in middle management and 9% of the women are in senior management positions. 22% of the BHB Board of Directors is composed of women.

BHB has introduced several initiatives in 2020 aimed at facilitating women in the workforce. This included the "work from home" initiative and the development of the "Gender Equality Committee", to foster a healthy balance for women in the organisation. Female employees can work remotely from the third trimester of their pregnancy for up to one-year post-natal period. The Gender Equality Committee ensures equal benefits and opportunities are accessible to both genders, whether by direct support in the workplace or indirect support for spouses and family.

As part of our active role in promoting gender equality and empowering women in the capital markets sector, in line with the efforts of promoting sustainability, we hosted a bell ringing "Ring the Bell for Gender Equality" to elevate the importance of gender equality in the capital markets in parallel with International Women's Day in March 2020 for the second consecutive year. We aim to reinforce the importance of the role of females in executive and board positions across capital markets.

Female Employment

2018		6	Female employees in middle management (#)
2019		7	
2020		7	
2018		3	Female employees in senior management (#)
2019		3	
2020		3	

Supporting People with Determination

BHB's 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.

Investing in the Community & Financial Literacy

BHB participates in several flagship programmes related to financial literacy. The Smart Investor Programme 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.

BHB also concluded the TradeQuest Programme by announcing the winners in a virtual ceremony to ensure the safety of all participants. TradeQuest works towards enhancing investment awareness among students by providing a real-life simulation experience of capital market investment by learning

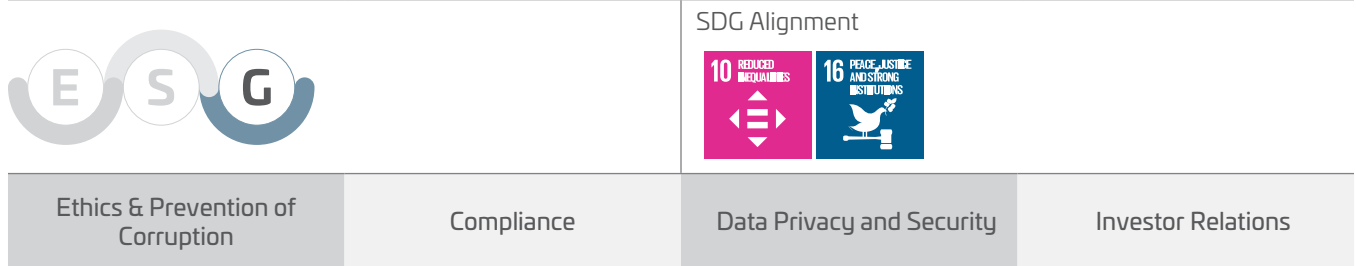
the systems and regulations implemented at both BHB and New York Stock Exchange (NYSE). Students learn to analyse and select which shares to invest in, and how to manage a portfolio of shares.

As part of the Investment Academy, BHB conducts virtual monthly saving and investment sessions. In 2020, Investment Academy provided over 276 training hours across 75 sessions, benefitting more than 700 professionals with expert training in a range of financial market topics. This year, a total of 38 hybrid events and awareness workshops were organised with 1,557 attendees. Topics covered ranged from value proposition of Bahrain Investment Market, key Investor Relations themes, importance of investor communication during COVID-19 in collaboration with Middle East Investor Relations Association, and importance of ESG reporting.

BHB, as an affiliate member of the International Organisation of Securities Commissions (IOSCO), participated in the annual World Investor Week (WIW) in October 2020, for the second consecutive year. This supported raising awareness on the importance of financial literacy extended to various target groups.

Sustainability at Bahrain Bourse
(continued)

GOVERNANCE



Ethics & Prevention of Corruption

BHB identifies risk appetite across the business and mitigates the risk exposure of strategic, operational, compliance and financial risks. BHB protects the company and its customers by implementing several methods that is deemed crucial to sustain operations. Our Corporate Governance Policy ensures that the organisation is run in a transparent and ethical manner, promoting good business practices.

In 2020, we redesigned the BHB trading floorboards for the Board of Directors, to include sectoral information and concise general information.

Ethics

BHB 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, BHB 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.

Fraud, AML and Financial Terrorism

BHB raises awareness on fraud, AML and combating financial terrorism by training employees and members. Fraud risks are identified and circulated to the concerned Directorate and then controls are devised, implemented, and reviewed. In 2020 there were no incidents related to fraud, money laundering or financial terrorism that occurred.

The Complaints Officer is an important tool in ensuring fair trading measures are fully implemented and adhered to. Moreover, key employees within the organisation receive International Compliance Association (ICA) certification.

BHB ensures ethical and fair-trading through continuous monitoring of market activity and regular awareness sessions for brokers on key issues and violations facing the market, to minimise unfair advantages. BHB undertakes monthly “Investments & Saving” seminars, targeting the public and offered for free to raise awareness on best market practices on managing an investment portfolio. There are several layers of market surveillance to insure maximum due diligence and we employ multiple alerting platforms across various key market activities.

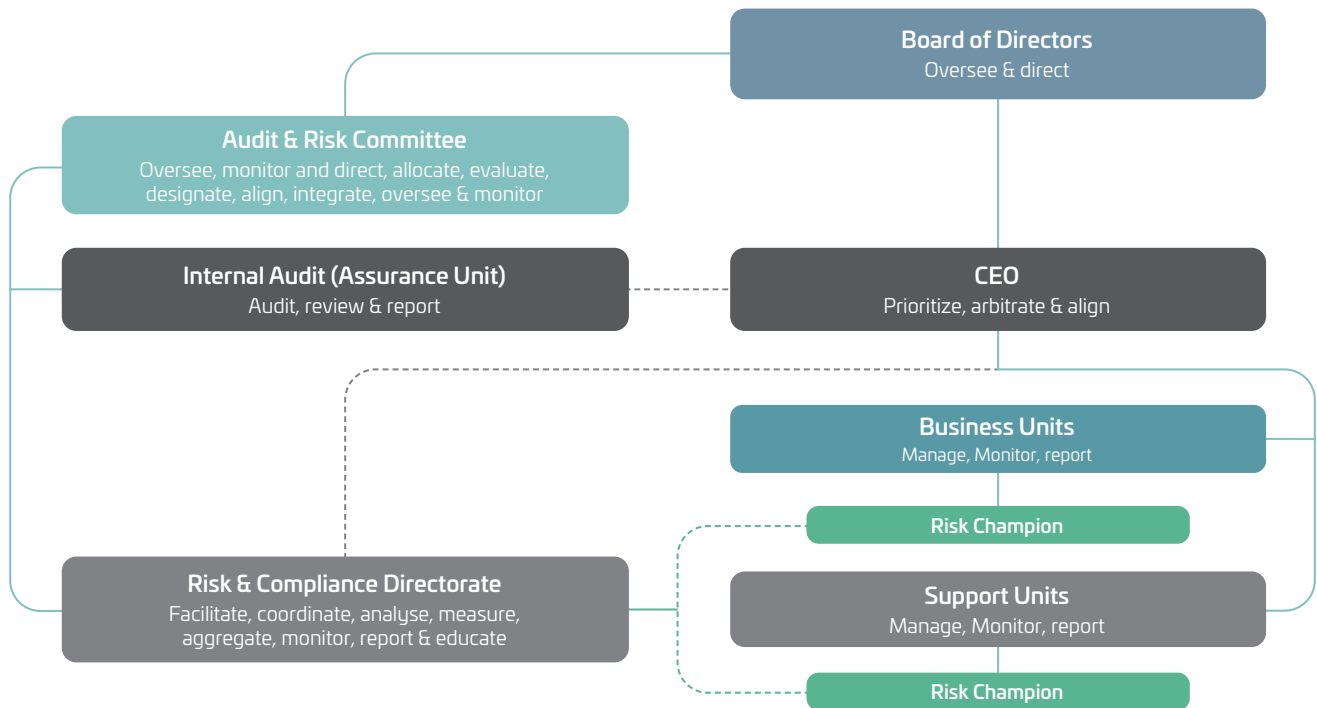
Prevention of Corruption

BHB carries out an annual training workshop to its members and listed companies on how to identify fraudulent brokers. Any observed fraud is reported immediately to the relevant authorities. We also include a strict process of several signoffs before processing significant operations, reducing opportunities for corruption, and ensuring alignment with policies of the CBB.

Risk Governance

The risk governance approach within BHB was created to ensure the proper implementation of the risk management policies, analyse, and mitigate identified key risk indicators, and embed risk management within the overall strategic plans using the enterprise risk management framework. The following diagram shows the 3 lines of defence that BHB follows to ensure effective risk governance:

Sustainability at Bahrain Bourse
(continued)



During COVID-19, we identified four different risk scenarios which were linked to operational risk, financial risk, and project risk. We then formulated contingency and mitigation plans based on identified risks that are automatically triggered. According to these plans, we identified the number of staff to be allowed on site, PPE distribution and cyber readiness for operational risks. Under financial risks, our volatility on budget was identified as a risk and gauged due to contraction of revenue sources and assistance provided by the government.

BHB’s aim during the pandemic was to minimise operational risks i.e. service disruptions to our members and investors while safeguarding the wellbeing of the employees, this presented the challenge of balancing staff on site vs working from home. We tackled this issue by using the risk approach and working with directorates to limit on site attendance to essential staff on a rotational basis. We engaged with our customer facing units to arrange appointment-based schedules for emergency cases only with a maximum number of clients to be allowed on premises per day, while assisting with the implementation of online services for several services while maintaining regulatory standards. We also ensured constant monitoring of any exposed or infected personal and ensure sufficient contact tracing within the organisation is undertaken.

Board of Directors

Effective corporate governance is an ongoing focus of our strategy. BHB upholds the highest standards of integrity in adhering to the governance framework as set by the Ministry of Industry, Commerce, Tourism and CBB. 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, therefore, seven are male members and two are female members.

Compliance

BHB follows a compliance strategy through the Risk and Compliance Directorate which reviews all areas across the business as well as being the point of contact for the regulator. In 2020 we had zero non-compliance cases with the regulator. BHB’s risk team was successful in tackling the anticipated impacts of COVID-19 and as a result, BHB has faced zero outbreaks originating on site.

The Risk and Compliance Directorate reviews high-risk investor account opening applications submitted to Bahrain Clear to ensure compliance with the CBB Rulebook in relation to Anti Money Laundering (AML); the Risk and Compliance Directorate provides advice on customer acceptance and KYC requirements. The Risk and Compliance Directorate is also a key member of the Investigation Committee where Compliance reviews surveillance and investigates cases, suggesting a corrective course of action and follows-up on escalated cases.

Insider’s Management is key within the BHB’s Risk and Compliance Directorate culture. All employees of BHB 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 system, trigger upon trading which is officially announced for transparency.

Sustainability at Bahrain Bourse

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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 BHB does not over-collect data and to ensure that data collected is for business and legal purposes only.

BHB 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. BHB 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.

Information Security Management

Bahrain Bourse implements 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.

At BHB, 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.

BHB 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.

BHB prides itself on its excellence in protecting its Information Asset. We conducted an information security awareness campaign and cybersecurity training for all employees. We also conducted a Phishing Simulation campaign to assess systems' controls and employees' maturity level toward cyber-attacks.

A few security incidents were identified logged, reported, investigated, and escalated in accordance with our security incident management procedure. With the advent of remote working, a risk arose from data leaks due to staff having access to BHB data off site.

Business Continuity Management

Traditional Business Continuity Management (BCM) models faced a challenge due to the pandemic limiting the use of

disaster recovery sites, this has enabled BHB to innovate in short time and develop a robust Business Continuity Plan (BCP) which encompassed several measures to ensure continuity of key business functions appropriately without disruption.

In 2020, in line with the Bahrain Government directives, we temporarily closed the BHB Trading Floor. However, this did not impact the trading activity which continued undisturbed. We offered various trading channels, traditional via authorised brokers and digital platforms via Bahrain Trade participating financial institutions. Investors were able to process payments and settlement of fees online via the Fawateer platform. Investors were also able to track the market via the BHB website and the BHB Mobile App to view their statements through eServices.

BHB was guided through the COVID-19 pandemic by the international and local health authorities including World Health Organisation (WHO), Ministry of Health and Supreme Council of Health. Within the first week of the first case of COVID-19 being detected, most directorates were in the final phase of testing our remote working plan and within two weeks of the first case being detected, 50% of staff were working remotely.

Investor Experience

In 2020, BHB joined 'Tawasul' – the National Suggestions & Complaints System. Later that year, BHB achieved excellence in Customer Service Award via 'Tawasul'. Our corporate website provides a public formalised Complaint Form used for submitting all natures of complaints, which are collected in accordance with the PDLP and actioned. Additionally, in December 2020, BHB rolled out its Investor Satisfaction Survey, with the aim of seeking investors' feedback and evaluation on our products and services, and to enhance the level of investor-related services.

Investor Relations

In late 2018, BHB signed an MoU with the Middle East Investor Relations Association (MEIRA), and the MEIRA Bahrain Chapter was formally inaugurated in April 2019. The six founding members from listed companies work hands on to improve Investor Relations (IR) best practice in Bahrain by delivering networking and training events to the local IR community, working to promote good governance and best IR practices.

BHB is striving to push efforts in promoting and developing best practices in IR and enhance transparency across Bahrain's capital markets. Therefore, we launched Bahrain MEIRA Chapter last year, both BHB and MEIRA have been fully committed to developing and further advancing the IR profession in Bahrain. As a result, we aim to continue to promote diversity and inclusion, while driving stakeholder value for all our members, partners, and supporters, as MEIRA fulfils its mission to champion best practice as an integral part of capital markets development in the Middle East. In November 2020, BHB and MEIRA held a virtual meeting for MEIRA Bahrain Chapter members to provide an update on Bahrain's Chapter and recent trending IR topics. In December 2020, BHB joined MEIRA as a Board Member on the Board of Directors during the Association's quarterly virtual Board meeting. The appointment follows efforts of BHB in promoting and developing best practices in Investor Relations and enhancing transparency across Bahrain's capital markets.