ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

2025

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1 Introduction

1.1 ABOUT THE REPORT

This report covers BMMI B.S.C.'s ("hereinafter referred to as "BMMI" or "The Group") approach to managing Environmental, Social, and Governance (ESG) matters for the financial year ending 31 December 2025. It sets out the governance framework, management practices, and oversight mechanisms through which ESG considerations are applied across the Group's operations.

Reporting Frameworks and Guidelines

This report has been prepared in alignment with the CBB Rulebook: Common Volume A - ESG Requirements. It also reflects relevant national priorities, including Bahrain Vision 2030 and the Kingdom of Bahrain's decarbonisation and climate commitments.

Where applicable, references to the United Nations Sustainable Development Goals (SDGs) and other international sustainability frameworks are included to provide broader context.

Reporting Boundary, Scope and Period

This report covers BMMI's non-financial performance from 1 January 2025 to 31 December 2025. The reporting boundary includes the following entities and locations:

- ✓ BMMI Tower (2nd, 8th, 9th and 11th floors, and Car Parking Building)
- ✓ Ellios Café - BMMI Tower
- ✓ Alosra Supermarkets (Riffa, Amwaj, Juffair, Janabiya, Najibi and Durrat)
- ✓ BMMI Shops - Mina Salman
- ✓ Warehouses - Hidd and Sitra
- ✓ Artisan - Sitra
- ✓ Delilah's cafe - Najibi Center

To support an understanding of performance trends, three-year comparative data covering FY2023 to FY2025 is included for selected ESG metrics throughout this report.

Responsibility Statement

The data in this report is sourced from BMMI's internal management systems, spanning Integrated Facilities Management, Finance, Human Resources, Legal Affairs, Risk and Compliance, Corporate Communications and CSR, and Supply Chain. Where exact measurements were not available, reasonable estimates or proxies have been applied and are identified within the relevant sections. The Board of Directors confirms this report is a fair and accurate account of BMMI's non-financial and sustainability performance for FY2025.

Restatement

No restatements of previously reported information have been made in this report. All data and disclosures presented for FY2025 are reported on a consistent basis with prior published information, and no material errors or changes have been identified that would require restatement.

Contact point

BMMI welcomes feedback and inquiries on this report. Stakeholders may direct any questions or comments to: **getintouch@bmmi.com.bh**

1.2 ABOUT US

Who we are

BMMI B.S.C. was established in Bahrain in 1883, making it one of the oldest private sector enterprises in the Gulf. Over more than 140 years, the Group has grown from a trading company into a diversified business, spanning retail, distribution, logistics, hospitality, shipping and contract services.

Today, BMMI operates across several countries with a workforce that reflects the diversity of the markets it serves. The Group's scale is supported by integrated logistics and supply chain infrastructure that enables consistent service delivery across its business lines and geographies. As a company listed on the Bahrain Bourse, BMMI's obligations extend beyond financial reporting to include how the Group manages its impact on people, communities, and the environment.

What we do

BMMI delivers end-to-end solutions across the value chain from planning and sourcing through to warehousing, distribution, and on-the-ground service delivery. The Group serves a broad customer base, including individual consumers, corporate clients, and institutional partners across the public and private sectors.

Our Culture

At BMMI, culture is reflected in how the business operates day to day - in how people engage with each other, with customers, and with the communities around them.

Guided by a commitment to Making a Difference, BMMI aims to create value and deliver a positive impact for all its stakeholders. This is grounded in five core values that shape behaviour and decision-making across the organisation:

- **Honesty**: Trust, openness, fairness and ethics in everything we do.
- **Excellence**: Continuous improvement of our people and systems to deliver quality performance.
- **Achievement**: Taking pride and responsibility for attaining personal and professional goals.
- **Responsibility**: The willingness to be accountable for our actions and output.
- **Team Spirit**: Belief in the power of 'one team, one heart

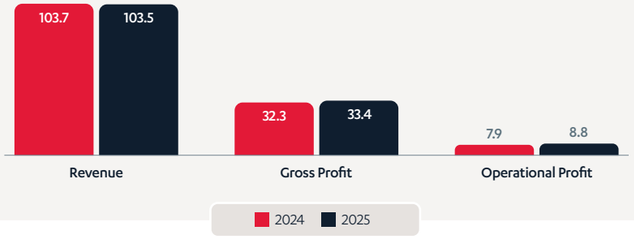
These values define how BMMI measures itself and what it expects of its people.

Economic Performance

BMMI's revenue for FY2025 was BHD 103.5 million, a marginal decline of 0.2% compared with FY2024. Gross profit grew by 3.3% to BHD 33.4 million, reflecting better margin management across the Group's business lines driven by more efficient procurement, a favourable product mix, and tighter control of direct costs. Profit from operations increased by 10.7% compared with FY2024, reflecting improved operational efficiency and cost discipline across the Group.

Our Values

Figure 1:
Economic Performance
(BHD Million)



BMMI's ESG strategy is built on a clear premise: that long-term business performance requires managing environmental, social, and governance factors with the same discipline applied to financial performance. With operations spanning retail, logistics, trading, facilities management, shipping, and food production, the Group's footprint is broad and its responsibilities are material. The strategy is structured around three pillars, each directly linked to the impacts, risks, and opportunities identified through stakeholder engagement and the Group's materiality assessment.

OUR PLANET
Environmental Stewardship

BMMI's operations across cold-chain logistics, vehicle fleets, food production, retail, and managed buildings generate a material environmental footprint spanning energy consumption, GHG emissions, water use, and waste. The Planet strategy focuses on measuring, reducing, and reporting on these impacts, in line with Bahrain's National Net Zero 2060 ambition. This is supported by a Waste Management Policy, an R-22 Refrigerant Phase-Out Roadmap, and a Decarbonisation Strategy.

CBB E1 - E4 | SDG 7, 12, 13, 6

OUR PEOPLE
Social Responsibility

With over 700 employees across diverse nationalities and business lines, BMMI's social responsibilities centre on workforce wellbeing, fair labour practices, capability development, and community impact. The People strategy focuses on attracting and retaining skilled talent, developing Bahraini nationals, and upholding recognised standards on human rights, health and safety, and equal opportunity - in line with LMRA requirements.

CBB S1 - S5 | SDG 3, 4, 5, 8, 10

OUR GOVERNANCE
Ethical Leadership

BMMI operates within the governance framework established by the Commercial Companies Law and the Ministry of Industry and Commerce. Good governance shapes how the Group conducts its business - from the independence of its Board and the transparency of its reporting, to the ethical standards applied in procurement, supplier relationships, and customer dealings. This framework covers anti-bribery and corruption controls, whistleblower protections, conflict of interest management, and data privacy standards.

CBB G1 - G4 | SDG 16, 8

1.4 ESG GOVERNANCE

As a listed company, BMMI operates under clear expectations on transparency and disclosure. ESG is governed with the same discipline applied to financial and operational performance, with defined roles, escalation channels, and regular reporting at both Board and management level. Governance operates through a two-tier structure:

Board-level oversight

The Board-level Executive Committee provides strategic direction and accountability for the Group's ESG priorities, ensuring that sustainability risks and opportunities are reflected in Board deliberations and integrated into the Group's broader business strategy. Key responsibilities include:

- Periodic review of ESG policies, reporting, and disclosure requirements
- Ensuring compliance with applicable legal and regulatory obligations
- Overseeing ESG risk assessment and monitoring within the enterprise risk framework, including the risk matrix, mitigation planning, and escalation processes

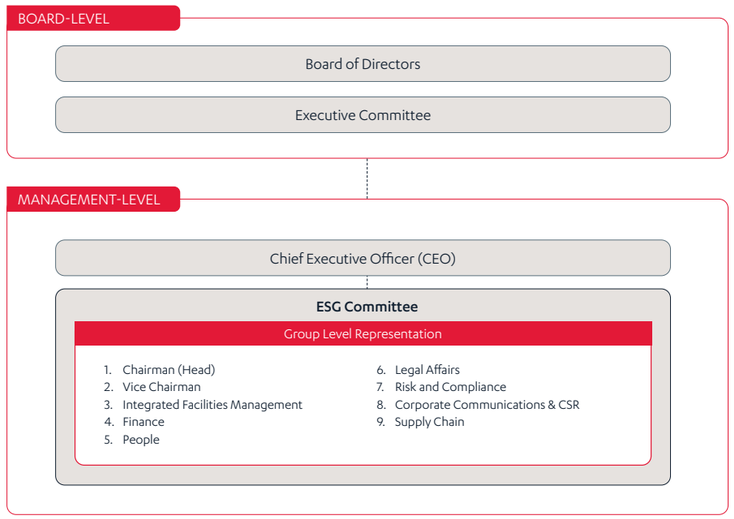
Management-level governance and execution

The Management-level ESG Committee leads day-to-day coordination of ESG matters, bringing together cross-functional leaders from Integrated Facilities Management, Finance, Human Resources, Legal Affairs, Risk and Compliance, Corporate Communications and CSR, and Supply Chain. Key responsibilities include:

- Coordinating ESG implementation across business units and functions
- Translating Board-level ESG strategy into operational programmes and targets
- Monitoring progress against ESG commitments and reporting to the Executive Committee
- Engaging relevant functions on emerging ESG risks, regulatory developments, and stakeholder expectations

To support effective reporting, the ESG team facilitates structured data collection across all functions, with designated data owners responsible for submitting accurate, consistent ESG metrics in line with the Group's reporting calendar.

Figure 2:
ESG Governance Structure



1.5 STAKEHOLDER ENGAGEMENT

Stakeholder Engagement (GRI 2-29)

Stakeholder engagement is a core part of BMMI's approach to sustainability. Through regular engagement with employees, customers, suppliers, and investors, the Group works to understand stakeholder perspectives and ensure ESG priorities reflect their expectations. Each business function is responsible for maintaining ongoing communication with its relevant stakeholders. Transparent reporting of ESG performance is how BMMI maintains trust and fulfils its accountability to the communities and markets in which it operates.

Our Stakeholders	Our Approach	Key Channels
Customers	BMMI focuses on understanding customer needs and expectations, delivering quality products and services while protecting customer data and confidentiality.	BMMI engages with customers through multiple platforms, including social media channels such as LinkedIn, X (formerly Twitter), Instagram, and Facebook, ensuring a responsive and transparent communication process.
Suppliers	BMMI maintains open and fair relationships with all our vendors and suppliers, emphasising ethical dealings, transparency, and mutual respect in all interactions.	Communication with suppliers is facilitated by our procurement department through supplier portals, vendor meetings, and other formal platforms designed to track and manage relationships effectively.
Investors	BMMI is committed to providing clear, accurate, and timely information about our financial and sustainability performance. We strive to build trust through consistent transparency and reliability.	BMMI engages investors with regular updates in our Annual General Meetings, and the publication of periodic financial results and reports.
Employees	BMMI maintains a diverse and inclusive workplace, offering opportunities for professional development, career growth, and personal well-being. The Company is committed to respecting employee rights, ensuring fair treatment, and maintaining a safe and inclusive workplace.	Engagement with employees is facilitated through regular engagement surveys, developmental training programs, and internal communication channels. These mechanisms provide employees with opportunities for career development and mobility, while ensuring that their feedback is heard and acted upon.

1.6 OUR APPROACH TO MATERIALITY

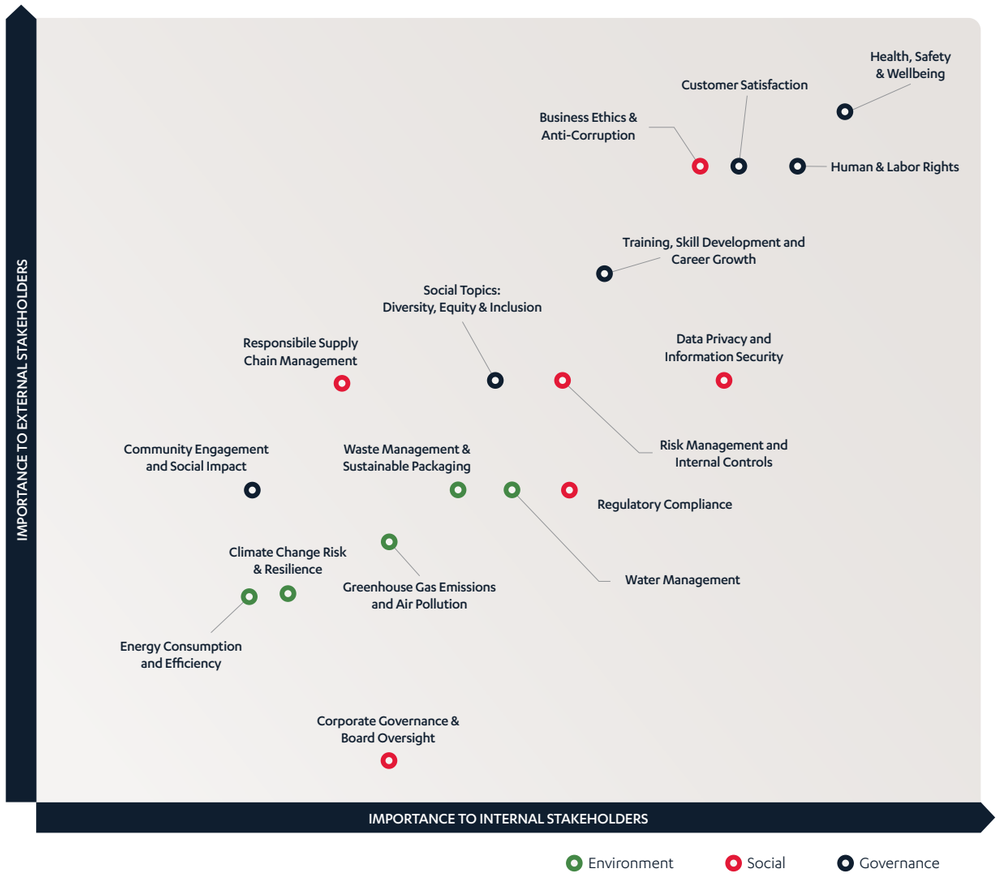
Materiality Assessment

BMMI's materiality assessment identifies and prioritises the sustainability issues most significant to the Group and its stakeholders. The process aligns with leading reporting frameworks, including GRI, the CBB ESG Reporting Guidelines, and the Bahrain Bourse voluntary ESG guidelines for listed companies.

Feedback was gathered from 98 internal stakeholders and 16 external stakeholders. Responses were analysed to determine the 18 most material topics, which are presented in the materiality matrix. Topics in the top-right quadrant represent the highest priorities and are discussed in more detail in the pages that follow. The details of the stakeholder responses are provided on page 9.

The highest-priority topics, as identified earlier, are listed on page 10 and span environment, social, and governance dimensions. This alignment ensures readers can easily navigate from the identification of priorities to the detailed discussions in the subsequent sections.

Figure 3:
Materiality Matrix

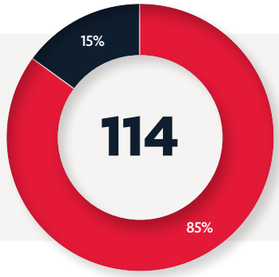


1.6 OUR APPROACH TO MATERIALITY (continued)

Material Topics By Pillar

The following topics were among the three most important topics under each of the Environmental, Social, and Governance pillar.

(Numbers indicate the proportion of the respondents who rated each topic to be of Very High importance.)



Key Stakeholder Groups

- Senior Leadership
- Employees
- Suppliers
- Regulators

ENVIRONMENTAL		SOCIAL		GOVERNANCE	
45%	Waste Management and Packaging	61%	Health & Safety & Wellbeing	56%	Data Privacy & Information Security
45%	Water Management	61%	Human and Labor rights	57%	Business Ethics, Conflict of Interest & Anti Corruption
40%	Greenhouse Gas Emissions	52%	Training, Skill Development & Career Growth	51%	Regulatory Compliance

Internal	External
• Waste Management • Water Management • Greenhouse Gas Emissions & Air Pollution	• Waste Management • Water Management • Greenhouse Gas Emissions & Air Pollution

Internal	External
• Workplace health & safety • Human & Labor rights • Training, Skill Development & Career Growth	• Workplace health & safety • Human & Labor rights • Customer Satisfaction

Internal	External
• Data Privacy & Cyber Security • Business Ethics, Conflict of Interest & Anti Corruption • Regulatory Compliance	• Data Privacy & Cyber Security • Business Ethics, Conflict of Interest & Anti Corruption • Regulatory Compliance

1.6 OUR APPROACH TO MATERIALITY (continued)

Energy Consumption	✓ Greenhouse Gas Emissions & Air Pollution	✓ Water Consumption	✓ Waste Management and Sustainable Packaging	Climate Change Risk & Resilience	
Diversity, Equality & Inclusion	✓ Health Safety & Wellbeing	✓ Human & Labor Rights	✓ Training, Skill Development & Career Growth	Workforce Nationalization	✓ Customer Satisfaction
Community Engagement and Social Impact	✓ Business Ethics	✓ Data Privacy & Cybersecurity	Responsible Supply Chain Management	Risk Management & Internal Controls	✓ Regulatory Compliance

Environment | Social | Governance

MATERIAL TOPIC ✓

1.7 OUR ESG HIGHLIGHTS

ENVIRONMENTAL

- **65,833.00** GJ energy consumed
- **11,256.62** tCO_2e emissions generated
- **1,815.76** kgs of waste generated

SOCIAL

- **701** Total Workforce
- **20%** Representation of women
- **37%** Bahrainisation
- **9,825** Hours spent on Training

GOVERNANCE

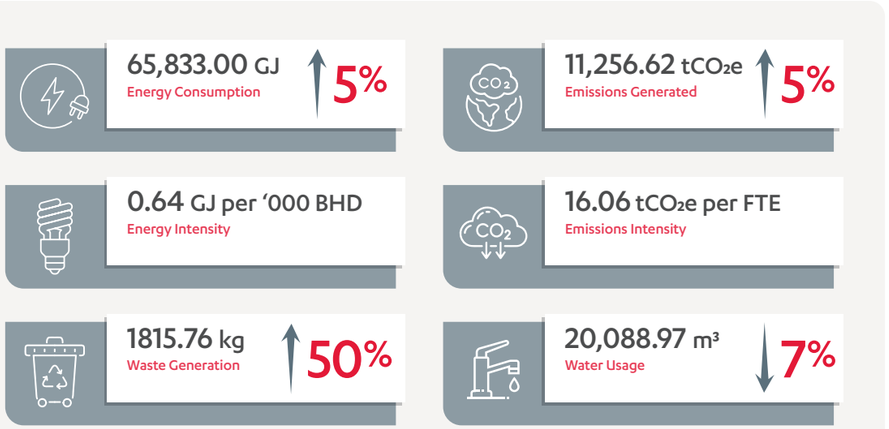
- **4** Board Committees
- **62%** Independent directors
- **2** cyber security or data breaches
- **100%** of PC users trained on anti corruption

2
Our Planet

2 OUR PLANET

BMMI takes a structured approach to managing its environmental impacts, built on consistent measurement and transparent disclosures. These disclosures have been prepared in accordance with Bahrain's regulatory requirements and, where applicable, international frameworks such as the GHG Protocol and GRI reporting standards. The Group's environmental footprint is tracked for year-on-year performance assessment and to support informed decision-making.

OUR PERFORMANCE



2 OUR PLANET (continued)

Investor scrutiny and regulatory expectations around environmental performance continue to increase. BMMI recognises that the ability to measure, manage, and report environmental impact with transparency directly affects stakeholder confidence and long-term business resilience. The Group treats environmental performance as an operational responsibility and integrates it into day-to-day decision-making across its activities.

BMMI tracks performance across its most material environmental indicators. These include energy consumption, water usage, waste generation, and greenhouse gas emissions across Scope 1, Scope 2, and relevant Scope 3 categories. This monitoring enables the Group to understand its impact and identify areas where efficiency and reduction measures are required.

During the reporting period, BMMI strengthened its environmental management approach by improving the quality and consistency of data collection. The Group refined its measurement methodologies and applied governance controls more systematically across its operations. These actions establish a more reliable baseline and support the development of structured and measurable environmental targets in the next phase of its sustainability journey.

Alignment with National and Global Sustainability Goals

BMMI aligns its environmental approach with Bahrain Economic Vision 2030 and the Kingdom's net zero target for the year 2060. This alignment defines the Group's direction and sets a clear sequence of action. The Group is prioritising measurement and monitoring to establish a reliable baseline across its operations, with emissions reduction defined as the longer-term objective. BMMI has developed a Decarbonisation Strategy, a Waste Management Policy, and an R-22 Refrigerant Phase-Out Roadmap to address key environmental impacts and support this direction.

At the global level, BMMI's environmental priorities align with SDG 7 (Affordable and Clean Energy), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 6 (Clean Water and Sanitation), each reflecting a material dimension of the Group's environmental footprint.

Our Strategic Priorities

Energy Management
Energy consumption across BMMI's facilities, vehicle fleets, and cold-chain infrastructure represents the most significant component of the Group's operational footprint. The focus is on building a robust energy dataset that identifies inefficiencies, informs investment decisions, and supports a credible trajectory toward reduced energy intensity.

Climate Action and Greenhouse Gas Management
BMMI's GHG emissions profile is driven by fuel combustion across its logistics and cold-chain fleet (Scope 1), electricity consumption across its managed facilities (Scope 2), and emissions from business travel (Scope 3). The Group has established an initial emissions baseline and is strengthening data coverage and calculation accuracy across all relevant sources. This enables BMMI to move beyond measurement and focus on targeted reduction actions, including improving fleet efficiency, managing electricity use, and optimising travel-related emissions.

Water Management
Water consumption is a material focus area for BMMI. Bahrain is among the most water-stressed countries globally, and this context directly informs how the Group manages water use across its operations. BMMI monitors consumption at the facility level across its food production units and managed buildings to build a clear view of usage patterns. This data is used to identify inefficiencies and support actions to reduce overall demand over time.

Waste Management
Waste management across BMMI is guided by a structured framework that reflects the operational diversity of the Group's activities. The Waste Management Policy sets clear standards for segregation, handling, and disposal across all facilities, ensuring accountability regardless of the nature or scale of operations.

Policy & Procedure

BMMI has established environmental policies covering the areas most material to its operations. These policies set clear requirements and assign accountability at the operational level where decisions are made. The Group reviews each policy periodically to reflect regulatory changes, shifts in operations, and evolving industry practices. Updated policies are communicated to the employees and teams responsible for implementation to ensure consistent application across the business.

Waste Management Policy	BMMI's Waste Management Policy sets the procedure for waste segregation, handling, disposal, and reporting across its facilities, with a focus on reducing waste sent to landfill and promoting responsible resource use across all business lines.
R-22 Refrigerant Phase-Out Roadmap	BMMI's R-22 Roadmap sets out a structured, time-bound plan for eliminating R-22 refrigerants from its cold-chain and facility operations, in line with international mitigation requirements and the Group's broader emissions reduction commitments.
Decarbonisation Strategy	BMMI's Decarbonisation Strategy defines the Group's approach to reducing Scope 1 and Scope 2 emissions over time, with a focus on energy efficiency, fleet transition, and operational improvements aligned with Bahrain's net zero pathway.

Management Oversight and Responsibilities

The Board-level Executive Committee sets the direction for BMMI's environmental management priorities and holds oversight for how environmental risks and opportunities are reflected in Board discussions and integrated into the Group's business strategy. The Committee reviews environmental policies, reporting, and disclosures on a periodic basis.

It monitors compliance with applicable legal and regulatory requirements and oversees environmental risk within the enterprise risk framework, including risk identification, mitigation actions, and escalation.

Day-to-day management is led by BMMI's Integrated Facilities Management team. The team oversees utility consumption, waste management, refrigerant compliance, and environmental data collection across the Group's facilities. It works with business lines to apply the Group's environmental standards in practice. Business line managers are accountable for implementation within their operations and for ensuring that Group policies are applied consistently.

2.1 ENERGY MANAGEMENT

Energy Consumption

Energy is a material cost driver for BMMI and a primary source of its environmental impact. The Group's energy demand spans temperature-controlled cold storage, food production, supermarket operations, warehousing, and a fuel-dependent logistics fleet. This operating profile requires a structured approach to energy management, with a focus on monitoring consumption, improving efficiency, and controlling energy use across sites and operations.

As Bahrain progresses toward its net zero commitment and as its energy-related regulations continue to evolve, disciplined energy management is an increasing operational priority. BMMI tracks consumption across two sources: direct energy from petrol and diesel used by its logistics fleet, and indirect energy from electricity used across its facilities.

Electricity consumption across BMMI's facilities is spread across six locations. Warehousing at Sitra and Hidd accounts for the largest share at 45.17%, reflecting the energy-intensive nature of cold storage and logistics operations. Alosra Supermarkets follow at 33.63%, driven by continuous refrigeration, lighting, and equipment demands. BMMI Tower contributes 11.17%, BMMI Shops at 7.77%, Artisan at 2.04% and Café at 0.22%.

Methodology and Approach

Electricity usage is monitored through monthly utility bills issued by the relevant utility providers, which serve as the primary data source for all facility-level reporting. Usage figures are converted using the standard factor of 1 kWh = 0.0036 GJ.

Fuel usage is tracked through petrol and diesel purchase records maintained across the Group's fleet. Conversion factors applied are 0.035 GJ per litre for petrol and 0.038 GJ per litre for diesel, in accordance with internationally recognised emissions reporting guidance.

Disclosure
E.2 - Energy Consumption

E.2 - Energy Consumption (GJ)			
Category	2023	2024	2025
A. Direct Energy from Non – Renewable Sources			
Petrol Consumption (in litres)	***97,848.07***	***108,193.85***	***121,535.00***
Diesel Consumption (in litres)	***215,529.31***	***215,575.46***	***218,928.80***
Total Energy Consumption (GJ)	**11,631.25**	**11,995.93**	**12,591.50**
B. Indirect Energy Consumption			
Electricity Consumption (kWh)	***13,140,570***	***14,127,521***	***14,789,306.00***
Total Electricity Consumption (GJ)	**47,306.05**	**50,859.08**	**53,241.50**
C. Total Energy Consumption (A+B)			
Total Energy Consumption (GJ)	**58,937.30**	**62,855.01**	**65,833.00**

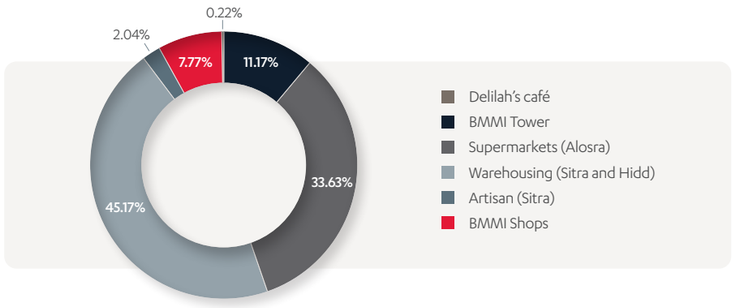


Figure 4:
Electricity Consumption by facility (%)

2.1 ENERGY MANAGEMENT (continued)

BMMI reports an energy intensity metric to assess consumption relative to business activity. The metric is calculated by dividing total energy use in GJ by revenue in BHD '000 and is expressed as GJ per 1,000 BHD. This normalised measure allows consistent comparison across reporting periods and isolates performance from changes in business scale.

Performance

- BMMI's total energy consumption in FY2025 was 65,833.00 GJ, an increase of 5% compared with FY2024, driven by growth in both fleet activity and electricity demand across the Group's facilities.
- Direct energy from petrol and diesel accounted for 12,591.50 GJ in FY2025, an increase of 5% as compared to FY2024, driven primarily by a 12.3% rise in petrol consumption to 121,535.00 litres. Diesel consumption was broadly stable at 218,928.80 litres, a marginal 2% increase.
- Electricity consumed across BMMI's facilities accounted for 14,789,306 kWh in FY2025, an increase of 5% on the prior year, consistent with the Group's overall operational activity during the period.
- Energy intensity increased by 5% in FY2025 to 0.64 GJ per BHD '000 revenue, compared with FY2024. The Group will continue to monitor this metric to inform the development of future energy efficiency targets.

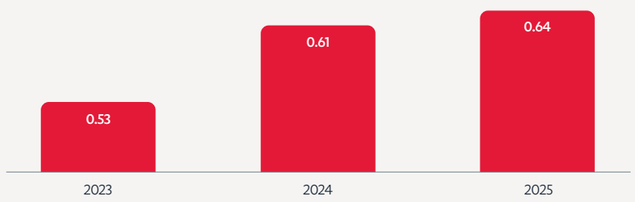
Disclosure
E.3 - Energy Intensity

E.3 - Energy Intensity (GJ per '000 BHD)			
Category	2023	2024	2025
Energy Intensity	0.53	0.61	0.64

Disclosure
E.4 - Energy Mix

E.4 - Energy Mix (%)			
Category	2023	2024	2025
Fuel	19.73%	19.09%	19.13%
Electricity	80.27%	80.91%	80.87%

Figure 5:
Energy Intensity
(GJ per '000BHD)



2.2 CLIMATE ACTION AND EMISSIONS MANAGEMENT

Tightening regulations and growing stakeholder expectations have made greenhouse gas emissions management a business priority across all sectors. For BMMI, which operates across food retail, cold-chain logistics, distribution, and facilities management, emissions are an inherent part of day-to-day operations. They arise from the continuous operation of refrigeration systems, fuel consumption across the logistics fleet, and electricity demand across multiple facilities.

Bahrain is committed to achieving net zero emissions by 2060, and businesses operating in the Kingdom are expected to contribute to that transition. BMMI recognises this responsibility. In FY2025, BMMI continued to measure its greenhouse gas emissions across operations, building on the baseline established in the prior reporting period. Consistent measurement across successive years strengthens data quality and positions BMMI to identify reduction priorities and develop performance targets in subsequent periods.

Methodology and Approach

BMMI's GHG inventory is prepared in accordance with the GHG Protocol Corporate Standard, covering Scope 1, Scope 2, and selected Scope 3 categories.

Scope 1 captures direct emissions from the combustion of petrol and diesel across BMMI's vehicle and logistics fleet. Fuel consumption data is collected through purchase records and converted to emissions using internationally recognised conversion factors consistent with GHG Protocol guidance.

Scope 2 covers indirect emissions from purchased electricity used across BMMI's facilities, including warehousing, cold storage, supermarkets, food production units, and office premises. Emissions are calculated using the International Energy Agency grid emission factor for Bahrain, applied to electricity consumption data sourced from monthly utility bills.

Scope 3 currently covers business travel. BMMI acknowledges that this represents a limited portion of its indirect emissions, and the Group intends to expand its Scope 3 boundary as data collection processes develop across additional categories in future reporting periods. All emissions are reported in metric tonnes of CO_2 equivalent (tCO_2e), applying 100-year global warming potential values to enable consistent comparison across gases and reporting periods.

Disclosure
E.5, E.6 - GHG Emissions & Emissions Intensity

E.5 - GHG Emissions (tCO_2e)			
Category	2023	2024	2025
Scope 1	791.06	816.18	857.06
Scope 2	9,185.25	9,875.13	10,337.72
Scope 3	NA	35.16	61.83
Total	**9,976.32**	**10,726.48**	**11,256.62**
E.6 - GHG Emissions Intensity (tCO_2e per FTE)			
Total Intensity	14.23	15.77	16.06

Figure 6:
Emissions by category (%)

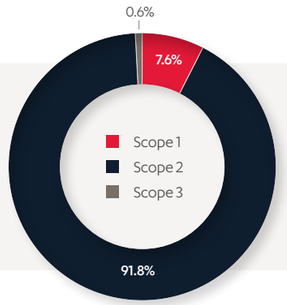
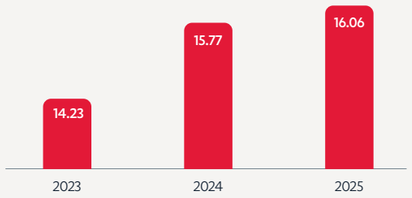


Figure 7:
Emissions Intensity (tCO_2e per FTE) (Y-o-Y)



2.2 CLIMATE ACTION AND EMISSIONS MANAGEMENT (continued)

Performance Highlights

BMMI's total GHG emissions in FY2025 were 11,256.62 tCO_2e, an increase of 5% compared with FY2024. Scope 2 emissions remain the dominant contributor at approximately 92% of total emissions, reflecting the Group's dependence on purchased electricity across cold storage, warehousing, supermarkets, and food production.

- Scope 1 emissions reached 857.06 tCO_2e in FY2025, an increase of approximately 5% on FY2024, consistent with growth in fleet activity and distribution operations during the year.
- Scope 2 emissions reached 10,337.72 tCO_2e in FY2025, an increase of approximately 5% on FY2024, reflecting the continued energy demands of cold storage and refrigeration infrastructure.
- Scope 3 emissions were 61.83 tCO2e, an increase of 76% compared with FY2024, driven by higher levels of business travel during the year.
- Emissions intensity was 16.06 tCO_2e per FTE in FY2025, an increase of approximately 5% compared with FY2024.

Key Actions

- BMMI has not set formal emissions reduction targets. However, the Group recognises that credible targets require a stable, verified baseline, and is focused on building that foundation first.
- A formal climate risk assessment has not yet been conducted. BMMI intends to integrate climate risk considerations more systematically into its risk management framework in future reporting periods.

Figure 8:
Scope 1 Emissions (tCO_2e) (Y-o-Y)

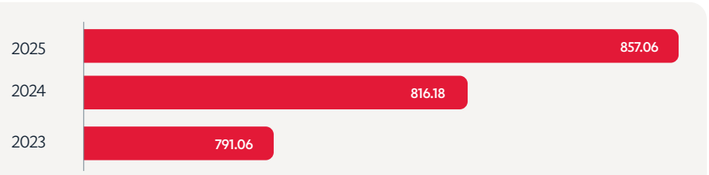


Figure 9:
Scope 2 Emissions (tCO_2e) (Y-o-Y)

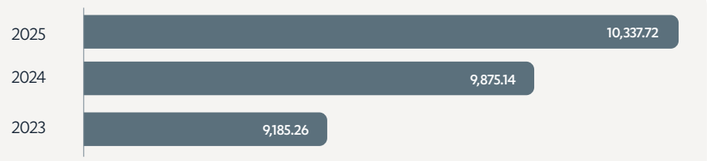
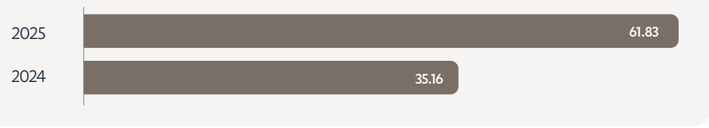


Figure 10:
Scope 3 Emissions (tCO_2e) (Y-o-Y)



2.3 WATER MANAGEMENT

Bahrain is one of the most water-stressed countries in the world, with limited natural freshwater resources and a heavy dependence on desalination. For BMMI, managing water use responsibly is part of the Group's accountability to the communities and environment in which it operates.

Water is consumed across BMMI's facilities for food preparation and production, cleaning and sanitation, cooling systems, and general premises use. Consumption varies considerably by facility type, with food production and supermarket operations representing the most water-intensive activities across the Group.

Warehousing at Sitra and Hidd accounts for the largest share at 32%, reflecting the sanitation and operational requirements of large-scale cold storage and distribution. Alosra Supermarkets follow at 31%, driven by food handling and cleaning demands across retail locations. BMMI Tower accounts for 13%, BMMI Shops account for 11%. Artisan accounts for 8% and Delilah's café accounts for 5% of the total water consumption.

Methodology and Approach

Water consumption data is collected through municipal utility bills across all facilities and recorded in cubic metres. Data is reviewed monthly to track usage patterns and identify anomalies ahead of disclosure. All water is sourced from the municipal supply. No recycling or recirculation systems are currently in place; this is an area the Group intends to examine as its water management approach develops.

Performance Highlights

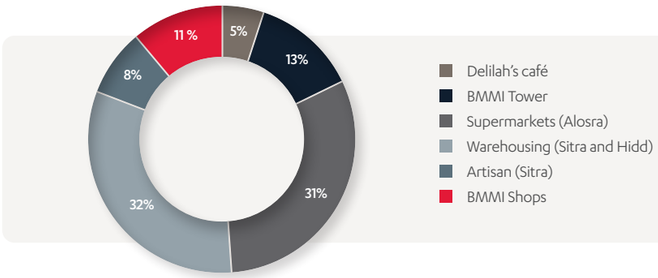
BMMI's total water consumption in FY2025 was 20,088.97 m³, a reduction of 7.1% from FY2024. This improvement reflects the Group's focus on monitoring consumption closely and addressing inefficiencies at site level.

Given Bahrain's acute water scarcity, BMMI intends to develop a more structured approach to water management over time. This includes examining the feasibility of recycling or recirculation systems at water-intensive sites and setting consumption benchmarks at facility level to enable more targeted monitoring and reduction efforts.

Disclosure
E.8 - Water Usage

E.8.1 - Water Usage (m³)			
Category	2023	2024	2025
Water Consumed	21,359.59	21,617.03	20,088.97
Water Recycled	0	0	0

Figure 11:
Water Usage (m³)



2.4 WASTE MANAGEMENT

2024. Scope 2 emissions remain the dominant contributor at approximately 92% of total BMMI's approach to waste management is governed by its Waste Management Policy, which sets standards for segregation, handling, and disposal across all facilities.

Waste is categorised into two streams. Hazardous waste comprises engine oil from fleet and vehicle maintenance operations, which is disposed of through licensed contractors in accordance with Bahrain's environmental regulations. Non-hazardous waste covers food waste and plastic waste arising from retail, food production, and logistics activities.

Methodology and Approach

The Waste generation data is collected at facility level using records maintained by facility and operations teams. Engine oil, food waste, and plastic waste are each tracked separately to support analysis and targeted management by category. All waste is disposed of in line with Bahrain's applicable environmental and waste management regulations. Data is reviewed prior to disclosure.

Performance Highlights

During the year, waste generation increased by 50% reaching 1,815.76 kg, as compared to FY2024. The rise was largely attributable to engine oil, which grew 68% from 820 kg to 1,381.5 kg. Food waste and plastic waste also increased, by 12% to 305.58 kg and 38% to 15.01 kg respectively as compared to FY2024.

Key Actions

BMMI aims to transition to biodegradable packaging across Alosra supermarkets, as a part of its efforts to reduce reliance on conventional plastic packaging.

Disclosure
E.9 - Waste Generation

E.9 - Waste Generation (kg)			
Category	2023	2024	2025
Non-Hazardous Waste			
Paper	*122.54*	*107.5*	*113.67*
Plastic	*17.68*	*10.87*	*15.01*
Food	498.00	273.70	305.60
Hazardous Waste			
Engine Oil	*717.50*	*820.00*	*1381.50*
Total Waste	**1355.72**	**1212.07**	**1815.76**

Figure 12:
Waste Type (%)

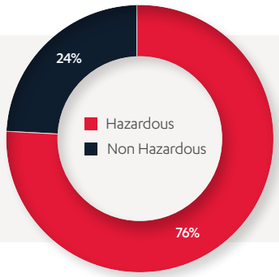
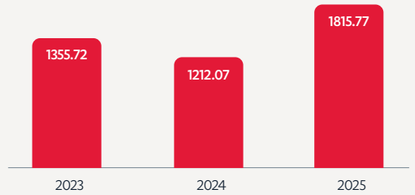


Figure 13:
Waste Generation (kgs) (Y-o-Y)

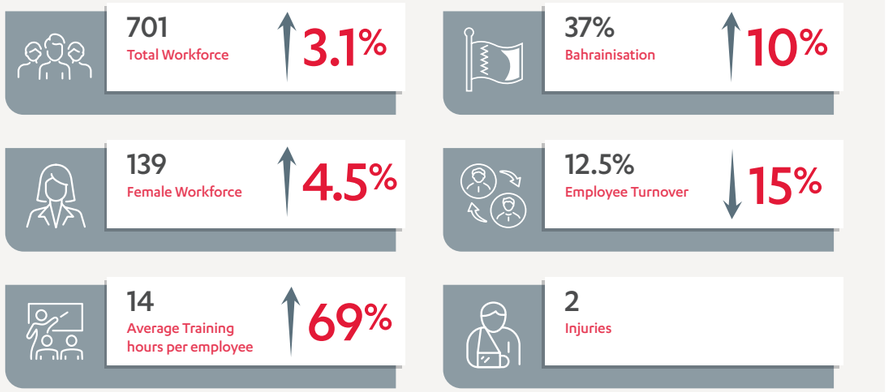


3
Our People

3 OUR PEOPLE

Effective workforce management is a core contributor to BMMI's operational performance and long-term sustainability. The Company takes a structured approach across the employee lifecycle covering recruitment, onboarding, learning and development, retention, and succession planning. This approach is supported by a commitment to fairness, inclusion, and equal opportunity, and is implemented in line with Bahrain Labour Law. Workforce metrics are monitored regularly to support oversight and decision-making.

OUR PERFORMANCE



3 OUR PEOPLE (continued)

People are BMMI's most important asset. The Group's ability to deliver quality services, maintain strong customer relationships, and drive sustainable growth depends directly on the capability and wellbeing of its workforce.

Workforce management is approached as a strategic function, with clear accountability for how employees are attracted, developed, supported, and retained across all operations. BMMI's approach is built around four priorities: investing in capability and career development, creating an inclusive workspace, building local talent and maintaining a safe and healthy workplace and ensuring that employment practices meet or exceed the legal and ethical standards.

Progress against these priorities is monitored through a defined set of workforce indicators covering health and safety performance, workforce composition, nationalisation, gender equity across grades, employee turnover, and training participation. These metrics are reviewed regularly by management and disclosed in this report to support transparency and accountability to employees, regulators, investors, and other stakeholders.

Alignment with National and Global Sustainability Goals

At the national level, Bahrain's Economic Vision 2030 and the LMRA framework guide the Group's approach to nationalisation, fair employment, and investment in Bahraini talent - particularly in sectors where local capability is still developing, such as logistics, marine services, and technical facilities management.

At the global level, BMMI's people priorities align with SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities) - goals that directly reflect the nature of BMMI's workforce responsibilities across its operations.

Our Strategic Priorities

Learning & Development
BMMI invests in structured learning and development to support workforce capability across its operations. Training is delivered across six core areas: operational and technical skills, compliance, leadership, health and safety, and digital capability. This approach helps ensure employees remain competent, confident, and equipped to perform effectively across the Company's diverse business activities.

Workplace Conduct
BMMI is committed to maintaining a workplace culture that is inclusive, respectful, and aligned with applicable legal and ethical standards. Across all operating environments employee conduct is guided by the Company's Code of Business Conduct, Grievance Policy, and the requirements of Bahrain Labour Law No. 36 of 2012.

Nationalisation
Bahrainisation is embedded within BMMI's workforce planning, recruitment, and talent development practices. As a multi-sector company, BMMI recognizes the importance of building national capability across a range of functions, including areas where local talent pipelines may still be developing. This supports both compliance with national labour market priorities and the Company's longer-term workforce sustainability.

Health & Wellbeing
Protecting the health, safety, and wellbeing of employees is a core priority for the Company. BMMI seeks to maintain safe working environments, support workforce wellbeing, and meet its legal obligations across all sites, recognising that strong health and safety performance is fundamental to operational resilience and responsible business practice.

BMMI Group
Environmental, Social & Governance Report 2025

Policy & Procedure

People management at BMMI is governed by a clear set of policies and practices designed to promote fair and transparent, employment across all stages of the employee lifecycle. These policies define the standards BMMI upholds as an employer and are reviewed periodically to reflect changes in Bahrain's Labour Law No. 36 of 2012, LMRA requirements, and evolving organisational needs. All policies are communicated to all employees upon onboarding and are accessible through internal platforms.

Code of Conduct	BMMI's Code of Conduct sets out ethical standards and behavioural expectations applicable to all employees, covering professionalism, integrity, and engagement with colleagues, clients, and stakeholders. It forms the foundation for how employees conduct themselves across all roles.
Grievance Policy	BMMI's Grievance Policy provides employees with structured and accessible channels to raise concerns relating to working conditions, workplace treatment, or internal policy compliance. The policy sets out clear reporting and resolution pathways to ensure that concerns are handled fairly, consistently, and with appropriate confidentiality.
Learning & Development Policy	The objective of BMMI's Learning and Development Policy is to provide structured learning and development opportunities that align with organizational goals, build employee capabilities, and ensure business agility. The purpose is to foster a culture where employees proactively pursue learning that enhances individual and organisational performance.

Management Oversight and Responsibilities

The Board holds overall responsibility for oversight of organisational culture, people-related risks, and the effectiveness of governance and internal controls relating to workforce capability and conduct. The Board receives regular updates on material people-related matters as part of its ongoing governance responsibilities.

The Nomination, Remuneration, Corporate Governance Committee (NRCGC) oversees the implementation of people strategy across all business units, including talent acquisition, retention, compensation frameworks, and compliance with LMRA regulations.

The People department leads the day-to-day development, implementation, and formalisation of HR policies and practices across recruitment, learning and development, performance management, compensation, and employee relations. This function serves as the primary custodian of workforce related data and policy implementation.

3.1 CREATING A DIVERSE AND INCLUSIVE WORKFORCE

A diverse and inclusive workforce supports better decision-making, strengthens the Company's understanding of the communities it serves, and helps BMMI attract and retain capable people across all its operations. Hiring decisions are based on capability, competence, and potential, applied consistently regardless of gender, nationality, age, religion, or background.

As of 31 December 2025, BMMI employed 701 people, an increase of 3.1% on FY2024. The workforce remained concentrated in the 30-50 age group, accounting for 77.6% of total headcount. All employees are engaged on a full-time basis.

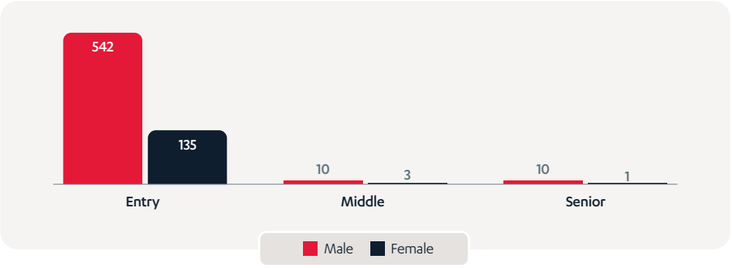
Gender Diversity

BMMI is committed to providing equal access to opportunity, recognition, and career progression regardless of gender. Women represented 20% of the total workforce as of 31 December 2025, with 23.1% representation at Middle Management and 9.1% at Senior Management level. BMMI recognises the opportunity to strengthen female representation at senior levels and is working toward this through targeted recruitment, development pathways, and support for internal progression.

Disclosure
S.1 - Total Workforce Composition

S.1 - Workforce Composition			
Category	2023	2024	2025
Total Employees	701	680	701
By Gender			
Male	563	547	562
Female	138	133	139
By Age Group			
18–29	81	91	88
30–50	546	527	544
51+	74	62	69
By Employment Type			
Full-Time	701	680	701
Part-Time	0	0	0
By Management Level			
Senior Management	**16**	**11**	**11**
Female	*1*	*1*	*1*
Male	*15*	*10*	*10*
Middle Management	**10**	**13**	**13**
Female	*3*	*3*	*3*
Male	*7*	*10*	*10*
Associates / Frontline	**675**	**656**	**677**
Female	*134*	*129*	*135*
Male	*541*	*527*	*542*

Figure 14:
Workforce by gender and management level



3.1 CREATING A DIVERSE AND INCLUSIVE WORKFORCE (continued)

BMMI's approach to pay is based on job grade, role level, experience, and performance, applied consistently regardless of gender. In FY2025, the median gender pay ratio improved by 4.2 percentage points compared with FY2024, reflecting changes in men's median pay that brought overall pay outcomes closer to parity.

During the year, BMMI delivered DEI Awareness Workshops reaching more than 150 employees across three cohorts. These sessions developed awareness of inclusive behaviours and reinforced the Company's commitment to a respectful and equitable workplace

DEI Awareness Workshop

Disclosure
S.4 - Gender Pay Ratio

S.4 - Gender Pay Ratio			
Category	2023	2024	2025
Ratio (Women : Men)	**n/a**	**0.95**	**0.99**

Employee Turnover

Employee turnover is monitored as a key indicator of workforce stability and the effectiveness of BMMI's retention practices. Across BMMI's businesses, which span retail, logistics, facilities management, and catering services, managing employee turnover is important to maintaining service delivery, cost efficiency, and team stability.

In 2025, total employee turnover declined by 14.9% compared to FY2024, with the annual turnover rate improving by 2.2 percentage points to 12.5%. This improvement reflects the positive impact of BMMI's ongoing investment in employee engagement and retention. Of the 86 employees who left during the year, 67 (78%) were voluntary and 19 (22%) were involuntary. Female turnover declined from 24 to 16, and male turnover from 77 to 70, representing an overall improvement in retention across the workforce.

Disclosure
S.3 - Employee Turnover

S.3 - Employee Turnover			
Category	2023	2024	2025
Turnover Rate	**18%**	**15%**	**12.5%**
Total Leavers	**123**	**101**	**86**
Female	**37**	**24**	**16**
Male	**86**	**77**	**70**
Voluntary Leavers	**123**	**101**	**67 (78%)**
Involuntary Leavers	**NA**	**NA**	**19 (22%)**

3.2 NATIONALISATION

Workforce nationalisation is a strategic priority for BMMI, both in meeting LMRA regulatory requirements and in supporting Bahrain's broader economic development under Vision 2030. For the Company, Bahrainisation goes beyond a compliance obligation it is an important part of building a local talent base that can support long-term business growth.

As of 31 December 2025, Bahraini nationals represented 37% of BMMI's total workforce. The number of Bahraini nationals increased from 236 in FY24 to 260 in FY25 representing a 10% increase. The Company supports Bahrainisation through recruitment as well as ongoing capability development in areas where local talent pipelines are still developing.

Nationalisation Initiatives

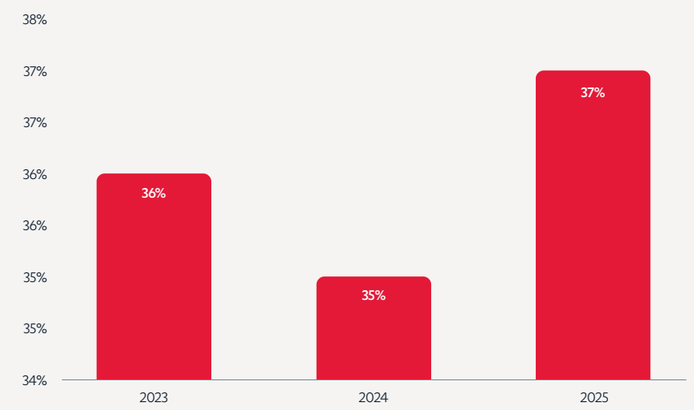
BMMI's Bahrainisation approach is supported by targeted programmes intended to build national capability at different stages of the employee lifecycle. These measures are designed to strengthen recruitment pipelines, support career advancement and deepen local expertise in functions where national participation is still developing.

- High-potential Bahraini employees are supported through development pathways intended to prepare them for future supervisory and management roles.
- In areas such as logistics, marine services, and facilities management, BMMI actively strengthens capability through mentoring and on-the-job coaching, while also working to develop local talent pipelines in these fields.
- Bahraini employees also have access to Tamkeen-funded training and professional certification programmes to support professional development.

Disclosure
S.7 - Nationalisation

S.7 - Nationalisation (2023–2025)			
Category	2023	2024	2025
Bahraini Nationals	252	236	260
Non-Bahraini Nationals	449	444	441
Total Workforce	701	680	701
Bahrainisation Rate (%)	**36%**	**35%**	**37%**

Figure 15:
Nationalisation



3.3 COMMITMENT TO FAIR LABOUR PRACTICES

BMMI is committed to treating all employees fairly and with dignity throughout their employment. Every employee, regardless of nationality, background, or role, is entitled to know their rights and has access to confidential channels through which concerns can be raised. All employment practices are conducted in compliance with Bahrain Labour Law No. 36 of 2012 and other applicable regulations relevant to labour rights.

Non-Discrimination

BMMI maintains a formal non-discrimination approach that prohibits differential treatment on the basis of gender, race, religion, nationality, age, or disability. The forms part of BMMI's Code of Business Conduct and is communicated to all employees as part of the induction process. Where discrimination concerns are raised, employees have access to confidential grievance redressal channels through which complaints are formally investigated and appropriate action taken. No discrimination incidents were reported during the 2025 reporting period.

Human Rights

BMMI recognises that respect for human rights is a fundamental responsibility for any organisation. The Group embeds human rights principles within its Code of Business Conduct, which is publicly available and sets out clear behavioural expectations for all directors, management, and staff across the Company. These principles draw from the core conventions of the International Labour Organization (ILO) and cover how employees are recruited, managed, compensated, and supported throughout their employment.

Child Labor and Forced Labor

BMMI maintains a zero-tolerance position on child labour and forced labour in any form. Recruitment controls include mandatory age verification through official government-issued documentation, written employment contracts for all staff that clearly set out terms, conditions, and the right to terminate employment, and background and identity verification checks for every new hire. These controls are applied consistently across all business lines. No incidents of child labour or forced labour were identified during the 2025 reporting period.

Disclosure
S.6 - Non-Discrimination

S.6 - Non-Discrimination Incidents			
Category	2023	2024	2025
Non-Discrimination	0	0	0

Disclosure
S.9 - Human Rights

S.9 - Human Rights Incidents			
Category	2023	2024	2025
Human Rights	0	0	0

Disclosure
S.2 - Child and Forced Labor

S.2 - Child Labor and Forced Labor Incidents			
Category	2023	2024	2025
Forced Labor	0	0	0
Child Labor	0	0	0

3.4 HEALTH AND WELLBEING

Health and safety management at BMMI is shaped by the nature and breadth of its operations. The Group's businesses span commercial kitchens, food production facilities, cold-chain warehouses, logistics fleets, marine cargo handling, and facilities management, each presenting a different set of safety risks and requirements. Managing these risks consistently and effectively across all environments is a core responsibility for the Group.

Workplace Safety

BMMI is committed to protecting the health, safety and wellbeing of its people, complying with applicable legal and regulatory requirements, and continuously improving health and safety performance across its operations. This commitment is supported by site-specific risk assessments and documented safe working procedures across operational locations. This is evident through the Group's accredited certification for Occupational Health and Safety (OH&S) Management Systems (ISO 45001).

All new employees are required to complete workplace health and safety induction training before commencing work. BMMI also conducts regular inspections and emergency preparedness drills across its locations to support a safe working environment and strengthen operational readiness. During the 2025 reporting period, BMMI recorded zero workplace fatalities and two workplace injuries.

Disclosure
S.5 - Health & Safety

S.5 - Health and Safety			
Category	2023	2024	2025
Injuries	5	1	2
Fatalities	0	0	0
Absentee rate	0	0	1.36

Wellbeing

BMMI recognises that the wellbeing of its workforce encompasses physical and mental health. All employees are covered under a comprehensive group health insurance scheme, providing access to quality healthcare services. Flexible working arrangements are available to eligible employees in support of work-life balance.

In FY2025, BMMI held its inaugural Wellness and Mental Health Week - a week-long programme of more than 20 activities designed to promote employee wellbeing across the organisation. The programme included medical check-ups, fitness and self-defence sessions, creative workshops, rehabilitation and therapy sessions, and recognition events to ensure participation across all teams.

Mental Health and Wellness Week Celebration

3.5 INVESTING IN PEOPLE CAPABILITIES

A skilled and capable workforce is fundamental to BMMI's ability to deliver consistently across its businesses. Given the breadth of the Group's operations, learning and development needs vary across business lines and corporate functions. BMMI takes a structured approach assessing capability needs, delivering targeted programmes, and monitoring participation to ensure training remains relevant to both business requirements and employee development.

In 2025, BMMI delivered 9,825 training hours representing an increase of 74.3% as compared to FY2024. Average training hours per employee increased by 68.7%.

Mandatory Training

All employees are required to complete core mandatory training covering key legal, regulatory and ethical topics. In 2025, BMMI delivered 1,010 training hours across four programmes: Anti-Money Laundering, Cybersecurity Awareness, Introduction to Performance Management, and Whistleblowing. These programmes are intended to ensure that employees across the Company understand BMMI's expectations relating to conduct, data security, compliance, and accountability.

Technical and Professional Development

The majority of training delivered in 2025, amounting to 8,815 hours, related to technical and professional development. This training was delivered through a combination of workshops, conferences, in-house sessions, and Integrated Management System-related training. The programmes were designed to support the functional and operational development needs of employees across the Company, from frontline and site-based roles to management and corporate functions.

New Programmes Introduced in 2025

During 2025, BMMI introduced two new structured development programmes. The Emerging Leaders Program was delivered over six weeks across two cohorts, comprising Senior Emerging Leaders and Emerging Leaders, with 25 managers participating. The program focused on strengthening practical leadership capabilities, including strategic thinking and people management.

Disclosure
S.11 - Development & Training

S.11 - Average Training Hours per Employee			
Category	2023	2024	2025
Average Training Hours (per Employee)	**16.83**	**8.30**	**14.01**
Male Employee	14.06	6.47	12.60
Female Employee	27.30	15.84	19.73

The Company also introduced the 7 Hats of Retail Operations programme, which was delivered across nine batches to 161 employees working in frontline and support roles at Alosra outlets. The program was designed to strengthen operational knowledge, improve consistency across outlets, and support service standards in day-to-day retail operations.

Emerging Leaders Program

7 Hats of Retail Operations

3.6 SUPPORTING LOCAL COMMUNITIES

BMMI's community investment is a natural extension of the Group's values and its long-term approach to doing business responsibly. BMMI's community engagement is guided by its commitment to Making a Difference, and its Corporate Social Responsibility (CSR) Policy which is publicly available on the BMMI Group website. All CSR initiatives and community investments are managed and disbursed through the Alosra Charitable Foundation and BMMI's Corporate Sponsorship Schemes, which serve as the Group's primary channels for providing financial and in-kind support to charitable organisations, NGOs, and community programmes at national, regional, and international levels. In FY2025, BMMI directed a total of BHD 211,889 in sponsorships and donations across a range of organisations and initiatives in Bahrain.

Education

BMMI's education-related support in 2025 focused on creating access and opportunity for students at different levels. The Company continued its Alosra Scholarship Programme in collaboration with INJAZ Bahrain, with BD29,680 going towards supporting full scholarships for Bahraini students at University of Bahrain and Bahrain Polytechnic. The Bahrain Technology Companies Society received BD 3,500 to sponsor Bahraini students' participation in GITEX Global in Dubai, providing exposure to the global technology industry. Work Smart for Events Management received BD 3,500 to sponsor two Bahraini business innovators to attend Gulfood in Dubai. Injaz Bahrain received BD 2,500 to support Alosra supermarket's participation in the Finance Park initiative, which provides young people with practical financial literacy experience.

Health, Safety and Wellbeing

BMMI supported several health and wellbeing initiatives during the year. The Company donated BD 17,500 towards the Royal Humanitarian Foundation's initiative to Purchase of insulin pumps for children aged with Type 1 Diabetes. The General Sports Authority Al Freej Courts project was supported by BD 13,172 towards the construction of two courts in Samaheej to encourage physical activity in the community. The Ministry of Health received BD 599 in support of the Sustainable Exhibition of Dietary Guidelines, promoting healthy eating awareness. Wings for Life Foundation received BD 818 to support the Wings for Life World Run, a global event raising funds for spinal cord research. Government Hospitals received BD 599 in support of National Day celebrations, and Brave Global W.L.L received BD 1,000 in sponsorship of Brave CF 100 and Brave CF 101.

Children and Youth Support

Supporting children and young people remained a key area of focus. The Indian Ladies Association received BD 1,500 towards the running costs of the ILA SNEHA Recreation Center, which provides recreational support for children of all nationalities with intellectual challenges. The Children and Mothers Welfare Society received BD 500 in support of its annual initiatives. Shamsaha, which works to protect women and children, received BD 2,000 in support of its yearly programmes. Alia School received BD 960 to sponsor the graduation ceremony for students who completed their training programme at Alosra supermarket, recognising the continued partnership between BMMI and Alia for Early Intervention, which the Group has supported since 2004.

3.6 SUPPORTING LOCAL COMMUNITIES (continued)

Local Community Development

BMMI's local community development contributions in 2025 included support for Alosra's annual Ramadan hampers drive with a BD 30,000 donation, Royal Humanitarian Foundation's Ramadan Initiative with a donation of BD 12,000 and the Capital Governorate's Ramadan Initiative, which received BD 1,000 to provide Ramadan hampers to and the Sitra Sports and Social Club received BD 500 to sponsor its eleventh summer activity programme.

National Initiatives

BMMI contributed to Bahrain's national celebrations and sporting representation during the year. The Bahrain Olympic Committee received BD 20,000 in support of the Bahrain National Football team following their Gulf Cup win. The Capital Governorate National Day celebrations received BD 3,000, and the Bahrain Asian Youth Games received BD 10,000 to support the hosting of the 3rd Asian Youth Games in Bahrain. The Bahrain Sports Deaf Federation received BD 500 to sponsor the Bahrain Deaf Sports Bowling Team's participation in the Deaf International Games in Tokyo, Japan.

Ongoing Programmes

In addition to the above sponsorships, BMMI continued to run several established community programmes during 2025. The Sunflower Shopping initiative, launched in 2025 in partnership with Think Behavior and Development Center, introduced Bahrain's first quiet shopping experience designed for neurodivergent individuals. Staff at Alosra's Janabiya branch were trained by specialists from Think to support customers with autism, ADHD, and related conditions. The initiative runs on a fortnightly basis and is planned to expand to additional stores. Furthermore, the Company continued its annual support of approved charities and entities that are in line with BMMI's commitment to Making a Difference in the community through outreach, health, education, youth support, and more.

4
Our Governance

4 OUR GOVERNANCE

Effective governance is essential to maintaining organisational discipline, ensuring compliance, and supporting sound decision-making. Our governance framework sets out clear responsibilities for the Board, executive management, and supporting committees, providing structured oversight of strategy, risk, conduct, and regulatory obligations. This structure reinforces accountability, strengthens internal controls, and supports transparent and well-governed operations.

OUR PERFORMANCE

0 Women on the Board	**8** Board Members
100% trained on anti - corruption practices	**4** whistleblowing complaints received
100% suppliers comply with Supplier Code of Conduct	**2** Cybersecurity incidents

4 OUR GOVERNANCE (continued)

Integrity, transparency, and accountability are central to how BMMI conducts its business and maintains the trust of its shareholders, customers, business partners, and the wider communities it serves. BMMI recognises that strong governance extends beyond regulatory compliance; it reflects the Group's values and supports sustainable, long-term value creation across its operations.

BMMI's governance structure is built around a clearly defined Board of Directors, three Board level committees, supported by robust internal controls, a Code of Business Conduct, and management accountability frameworks. These are reviewed regularly to ensure continued alignment with CBB regulatory requirements, the Bahrain Commercial Companies Law, and evolving governance standards across the markets in which the Group operates.

Alignment with National and Global Sustainability Goals

BMMI's governance framework is guided by the Bahrain Commercial Companies Law, and the regulations of the Ministry of Industry and Commerce, which collectively form the regulatory foundation for how the Company manages oversight, disclosure and accountability.

At the national level, the framework is aligned with Bahrain's Economic Vision 2030, which identifies strong institutional governance and responsible private sector conduct as priorities for the Kingdom's long-term economic development.

Through this governance framework, BMMI advances its contribution to SDG 16 (Peace, Justice and Strong Institutions), by upholding ethical conduct, transparency and the rule of law across its operations, and to SDG 8 (Decent Work and Economic Growth), by promoting responsible business practices that support inclusive and sustained economic activity in the communities where the Company operates.

Our Focus Areas

Board Leadership, Independence & Strategic Oversight
The Board comprises eight non-executive members, the majority of whom are independent, bringing the depth of judgment and objectivity necessary to guide the Company's strategy and monitor management performance. Oversight responsibilities spanning financial integrity, risk, compliance, and senior leadership are exercised through three dedicated Board-level committees ensuring structured and accountable governance across all material areas of the business.

Data Privacy, Cybersecurity & Information Resilience
Safeguarding the information entrusted to BMMI by its employees, customers, and business partners is central to how the Group upholds trust across its operations. BMMI's approach to data privacy is governed by Bahrain's Personal Data Protection Law (PDPL), Policies and controls governing data collection, access, storage, and transmission are maintained across all business segments, with oversight residing in the Audit Committee.

Business Ethics, Conduct & Stakeholder Trust
Ethical conduct is central to how BMMI operates at every level of the organisation. The Company's Code of Business Conduct sets out clear expectations around professionalism, integrity, conflict of interest management and compliance with applicable laws, guiding how the Board of Directors, management and employees engage with shareholders, customers, business partners and the communities in which BMMI operates. Adherence to the Code is mandatory and is reinforced by a Whistleblower Policy that empowers all employees to raise concerns without fear of retaliation, forming the basis of how the Company holds itself accountable.

4.1 BOARD COMPOSITION

The Board of Directors holds ultimate accountability for the governance, strategic direction, and long-term performance of the Group. Its composition is governed by BMMI's Articles of Association and the Corporate Governance requirements of the Central Bank of Bahrain, ensuring that its structure, independence, and competencies are aligned with applicable regulatory standards.

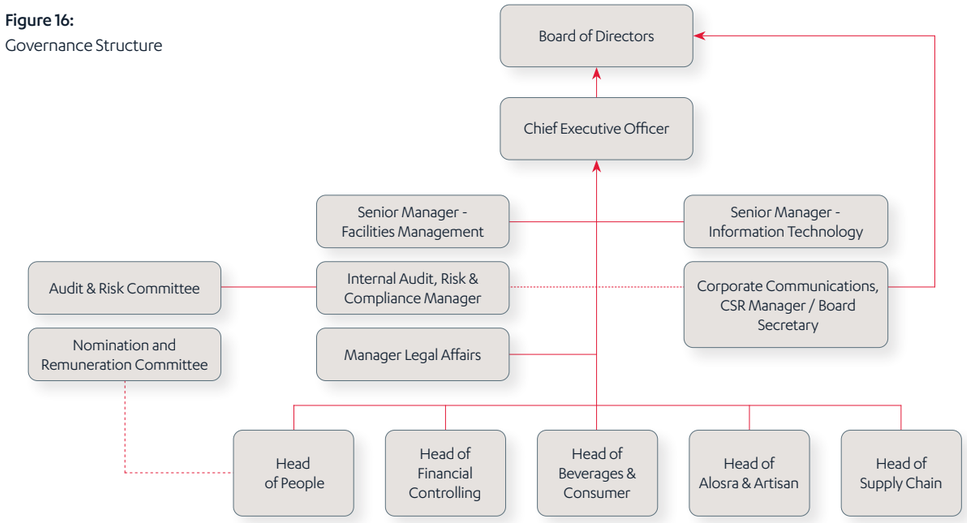
The Board comprises eight directors, elected by shareholders at the Annual General Meeting for a renewable term of three years, of whom the majority are non-executive and independent. The Board currently has no female members, and BMMI recognises the importance of progressively strengthening gender representation at Board level as part of its broader commitment to diversity and inclusion. The Board operates through three committees the Executive Committee, the Audit & Risk Committee, and the Nomination, Remuneration, & Corporate Governance Committee, each with defined mandates and reporting obligations.

The Board collectively bring experience across financial management, legal and regulatory affairs, international trade and logistics, retail and consumer markets, investment and capital allocation, and corporate governance, enabling the Board to provide informed and balanced oversight across the Group's multi-sector operations.

The Board's core responsibilities include:

- Setting and approving the Group's strategic direction, annual business plans, and financial objectives, and holding executive leadership accountable for their delivery.
- Overseeing the Group's risk management framework and internal control environment, ensuring that material risks are identified, assessed, and mitigated effectively.
- Approving annual and interim financial statements and overseeing the external audit process to ensure the integrity and accuracy of financial reporting.
- Ensuring compliance with all applicable laws, regulations, and ESG reporting guidelines of the Central Bank of Bahrain and the Bahrain Bourse, including adherence to the Group's Code of Business Conduct.
- Overseeing the Group's ESG commitments, policies, and performance, ensuring that sustainability considerations are integrated into strategy and risk management.
- Approving significant capital allocation decisions, acquisitions, disposals, and major contractual commitments.
- Maintaining transparent and timely communication with shareholders and stakeholders through financial reporting, annual general meetings, and material disclosures.

Figure 16:
Governance Structure



4.1 BOARD COMPOSITION (continued)

Disclosure
G.1 - Board Composition

G.1 - Board Composition			
Category	2023	2024	2025
Total number of Board members	8	8	8
By Gender			
Female	0	0	0
Male	8	8	8
By Type			
Independent/ Non - Executive Directors	5	5	5
Non - Independent/ Non - Executive Directors	3	3	3
Method of appointment			
Appointed	*Previous term*	1	*Ongoing term*
Elected	*Previous term*	7	*Ongoing term*
Term Tenure	*Previous term*	3 yrs	*Ongoing term*

Board Committees

The Board discharges its responsibilities through three dedicated committees the Nomination, Remuneration and Corporate Governance Committee, the Audit and Risk Committee, and the Executive Committee. Each committee operates under a defined mandate and reports to the Board on matters within its scope. All committee members are male, reflecting the current composition of the Board.

Nomination, Remuneration, & Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee supports the Board in maintaining the right leadership, rewarding performance appropriately, and upholding sound governance practices across the Group.

The Committee comprises four non-executive members, a combination of independent and non-independent directors, chaired by a non-executive, non-independent member. The Committee meets at least twice a year, with additional meetings convened as required.

The Committee reviews the structure, size, and composition of the Board, identifies and nominates candidates for Board vacancies, and considers succession planning for directors and senior leadership. It reviews and recommends compensation for directors and senior management linked to performance and contribution, and monitors the Group's compliance with applicable governance requirements, recommending updates to policies and practices as necessary.

NRCGC Composition	Disclosure
Total members	**4**
Non - Independent	3
Independent members	1
Non-executive members	4

Audit & Risk Committee

The Audit and Risk Committee provides independent oversight of the Group's financial reporting, internal control environment, and compliance with applicable legal and regulatory requirements.

4.1 BOARD COMPOSITION (continued)

The Committee comprises three independent non-executive members and is chaired by an independent non-executive director. The Committee meets at least four times a year, in advance of scheduled Board meetings, and has direct and unrestricted access to the Group's internal and external auditors.

The Committee monitors the integrity of the financial reporting process and systems of internal control, reviews consolidated financial statements and oversees the performance of the internal audit function. It recommends the appointment of external auditors, agrees their compensation, and oversees their independence in line with the requirements of the Central Bank of Bahrain, Bahrain Bourse, and the Bahrain Commercial Companies Law. The Group's internal audit function is outsourced to an independent external firm, ensuring objectivity and freedom from any operational or management influence. It reports directly to the Audit and Risk Committee, which reviews the scope, methodology, findings, and recommendations of each audit cycle and monitors management's progress in addressing identified control weaknesses.

Audit and Risk Committee Composition	Disclosure
Total members	**3**
Independent members	3
Non-executive members	3

Executive Committee

The Committee exercises powers delegated by the Board, reviews management proposals on matters of strategic and commercial significance, oversees business performance across the Group's divisions, and ensures that material developments are escalated to the full Board in a timely manner.

Executive Committee Composition	Disclosure
Total members	**3**
Independent members	2
Independent members	1
Non-executive members	3

Management Committees

Complementing Board oversight, management committees support consistent execution of governance requirements across daily operations. These committees enable cross-functional coordination on risk management, compliance, ESG implementation, and operational controls. They also provide structured escalation lines into Board committees to ensure that material matters are visible, tracked, and addressed.

Enterprise Risk Management Committee

Our Enterprise Risk Management (ERM) committee seeks to coordinate risk management activities across the Company to maximise opportunities and reduce the likelihood and impact of threats, with the goal of optimising value. The ERM framework includes policies, procedures, and risk appetite and tolerance considerations, supported by periodic assessment and reporting.

ESG Committee

The ESG Committee oversees ESG-related matters and supports embedding ESG considerations into day-to-day operations. The Committee includes cross-functional leaders from departments such as Facilities Management, Finance, Human Resources, Legal Affairs, Risk and Compliance, Corporate Communications, and Supply Chain, and may invite additional functions as needed to ensure a holistic approach.

Policies and Procedures

4.2 ETHICAL BEHAVIOUR

BMMI works with a wide range of stakeholders, including customers, employees, suppliers, investors, regulators, and local communities. Acting with integrity is therefore central to every decision the organisation makes. Across all areas of the business, from procurement and service delivery to third-party partnerships, trust is built and maintained through consistent ethical conduct.

To reinforce this commitment, BMMI has established a clear set of policies and standards. These cover the Code of Business Conduct, Whistleblower Policy, conflict of interest management, and anti-bribery and anti-corruption compliance. All policies are aligned with applicable Bahrain laws, including the Commercial Companies Law, as well as recognised international anti-corruption standards.

Code of Conduct

BMMI Code of Business Conduct (COBC) establishes the standards of behaviour expected from directors, management, and staff across the Group. Adopted by the Board alongside a Whistleblower Policy, the Code provides a framework for ethical and lawful conduct governing how BMMI relates to its employees, shareholders, suppliers, and the communities in which it operates. The Code is published on BMMI's corporate website, available in both printed and electronic format, and is reinforced through ongoing training and awareness initiatives. The key elements of the COBC include:

- **Workplace Conduct** - BMMI maintains a respectful, inclusive, and safe working environment, with zero tolerance for harassment, discrimination, violence, or intimidation in any form. Hiring, promotion, and compensation decisions are based solely on merit and performance, consistent with the Group's Equal Opportunity Policy.
- **Confidentiality and Information Integrity** - All employees are required to protect the confidential and proprietary information of the Group and its stakeholders, and to maintain accurate, complete, and transparent business records at all times.
- **Conflicts of Interest** - Employees are prohibited from conducting business on behalf of BMMI with any company in which they or a family member hold a financial interest and must remove themselves from any related decision-making process.
- **Ethical Supply Chain** - Suppliers are expected to conduct business in compliance with applicable laws, health and safety standards, and internationally recognised human rights principles.

Employees are encouraged to report known or suspected violations of the Code through their line manager, the HR team, or the Legal Affairs department. Where reporting through internal channels is not appropriate, the Whistleblower Policy provides a confidential mechanism to raise concerns about misconduct at any level of the organisation. Employees who raise concerns in good faith are fully protected from retaliation, and proven violations are subject to disciplinary action, up to and including termination of employment and referral to the relevant authorities.

Anti Bribery and Anti Corruption

BMMI maintains a zero-tolerance position on bribery, corruption, fraud, and all forms of improper financial conduct. These standards are embedded in the Code of Business Conduct and reinforced through compliance policies governing conduct expectations, approvals, and financial reporting. Employees are prohibited from offering or receiving anything of value including gifts, payments, services, or entertainment that is intended to influence a business decision or create an obligation in the recipient.

4.2 ETHICAL BEHAVIOUR (continued)

The Group's controls are designed to address corruption risks across the areas where they are most likely to arise, including procurement, third-party relationships, customs and logistics interfaces, and interactions with government and public officials. All financial transactions, including gratuities, fees, and commissions, are fully and transparently recorded. The acceptance and offering of gifts is governed by prescribed thresholds defined in the relevant policies, and mandatory declaration required for any gift that meets or exceeds those thresholds. This ensures full visibility over benefits received or extended by employees, and that no gift regardless of perceived intent creates an actual or perceived conflict with professional independence or sound decision-making.

Employees are required to report any instance or suspicion of bribery, fraud, or corrupt practice to the Legal Affairs department immediately. BMMI will not engage with any individual or organisation known to engage in bribery or corrupt practices, and third parties acting on the Group's behalf are held to the same standards. Frauds as per current approved whistle blowing policy are reported to Management, Legal division and Internal auditors.

Disclosure
G.9 - Ethics & Anti-Corruption

G.9 - Ethics & Anti-Corruption			
Category	2023	2024	2025
Instances of ethics and anti-corruption related violations at the Board level	0	0	0
Instances of ethics and anti-corruption related violations at the Management level	0	0	0
Proportion of employees in compliance with the provisions of the Ethics and Anti-Corruption policies	100%	100%	100%

Whistleblowing

BMMI's Whistleblower Policy provides a structured framework through which employees report suspected illegal, unethical, or inappropriate activities in good faith and without fear of retaliation. Reportable matters include financial misconduct, violations of company policies, and breaches of applicable laws and regulations. The Policy incorporates confidentiality and anonymity protections to encourage early reporting and support the timely identification of concerns before they escalate.

Concerns are raised through internal channels in the first instance, including line managers. Where internal channels are insufficient or inappropriate, employees may report externally through BMMI's appointed independent auditor. All complaints are investigated thoroughly and impartially, with involvement from Human Resources, Legal Affairs, and relevant management. Oversight of the process is maintained through established governance channels, with escalation to the Audit & Risk Committee and the Board where the nature or severity of the matter warrants it.

Disclosure
G.3 - Whistleblowing

G.3 - Whistleblowing			
Category	2023	2024	2025
Number of Whistleblowing Incidents	0	2	7

4.2 ETHICAL BEHAVIOUR (continued)

Conflict of Interest

BMMI's Code of Business Conduct sets out clear requirements for identifying and managing conflicts of interest across the Group. Employees are required to avoid situations where personal interests whether financial, relational, or otherwise could bias business decisions, including dealings with suppliers, customers, and competitors.

Where a potential conflict is identified, it is required to be promptly disclosed to the relevant line manager and the Audit, Risk and Compliance Manager, with CEO approval required before any further action is taken. Employees are prohibited from participating in any decision-making process in which a personal or financial interest exists, including transactions involving companies in which they or a family member hold a financial interest.

Conflicts of interest at Board level including cross-board memberships, cross-shareholdings with suppliers or other stakeholders, and related-party relationships are transparently disclosed to relevant stakeholders as they arise. Affected Board members are expected to recuse themselves from related deliberations and voting, with all such instances recorded in the minutes of the relevant meeting.

Disclosure
G.6 - Conflict of Interest

G.6 - Conflict of Interest			
Category	2023	2024	2025
Instances of Conflict of Interest	0	0	0

Collective Bargaining

BMMI's employee relations framework is grounded in open communication, transparency, and mutual respect. The Group complies fully with Bahrain's Labour Law No. 36 of 2012 and ensures its practices are aligned with the objectives of Bahrain's Vision 2030, including the protection of workers' rights and the promotion of fair and equitable employment conditions.

Under applicable law, employees hold the right to form and join trade unions and to engage in collective bargaining. While no formally recognised trade unions currently operate within the Company, BMMI respects and supports employees' freedom to exercise these rights without impediment should they choose to do so.

All prospective employees receive clear and comprehensive information on the terms and conditions of their employment prior to joining the Group, covering roles and responsibilities, compensation, benefits, and workplace expectations. This ensures that the employment relationship is established on a foundation of transparency and informed consent from the outset.

Disclosure
G.2 - Collective Bargaining

G.2 - Collective Bargaining			
Category	2023	2024	2025
Total workforce covered by collective bargaining agreements	0	0	0

4.2 ETHICAL BEHAVIOUR (continued)

Supplier Code of Conduct

BMMI's approach to supplier relationships is grounded in fairness, integrity, and mutual accountability. The Group's Code of Business Conduct sets out clear expectations for how employees engage with suppliers, and the standards suppliers are required to uphold when conducting business on BMMI's behalf.

Suppliers are selected on the basis of relevant criteria including qualifications, service delivery, competitive pricing, ethics, and reputation. Employees responsible for procurement decisions are required to maintain objectivity and act in the best interests of the Company and its stakeholders at all times, avoiding any conduct that could constitute a conflict of interest or unfair advantage. Suppliers are expected to conduct business in full compliance with applicable laws and regulations, including health and safety principles and internationally recognised ethical standards. Detailed guidance on procurement practices is set out in the Procurement Policy contained in the BMMI Finance Manual.

Disclosure
G.2 - Collective Bargaining

G.7 – Supplier Code of Conduct			
Category	2023	2024	2025
% Suppliers that comply with Code of Conduct	100%	100%	100%

Management Oversight and Responsibilities

At Board level, ethical conduct is monitored through the Audit & Risk Committee, which monitors compliance with the Company's regulatory obligations and reviews material concerns raised through internal or external reporting channels. The Board holds collective responsibility for monitoring conflicts of interest and ensuring that related-party transactions are conducted transparently and in the best interests of shareholders. Directors are individually and collectively expected to model the highest standards of personal and professional conduct, consistent with BMMI's values and its obligations as a listed company under CBB and Bahrain Bourse requirements.

Frauds as per current approved whistle blowing policy are reported to Management, Legal division and Internal auditors.

At management level, the Internal Audit, Risk and Compliance functions supports adherence to the Code and the Company's broader compliance framework, which encompasses policies on Anti-bribery, Conflict of Interest, Whistle-Blowing, Anti-money laundering, regulatory compliance, and the handling of customer complaints. The HR function provides further guidance and support to employees navigating ethical or conduct-related matters in their day-to-day responsibilities. Together, these functions ensure that the principles of the Code are consistently applied across all business segments in which BMMI operates.

Performance Highlights

- 100% PC users completed AML and cybersecurity training during the year.

4.3 DATA PRIVACY AND CYBER SECURITY

BMMI handles personal and business information across multiple stakeholder groups, including employees, customers, suppliers, and job applicants. Data privacy and cybersecurity are therefore important not only for legal compliance but also for operational continuity, stakeholder trust, and the protection of commercially sensitive information.

Policies and Procedures

BMMI tracks and monitors data privacy compliance through a structured set of controls. The Group's approach to data privacy is governed by a formal Data Protection Framework that applies to all business operations and activities involving the storage and processing of personal data, covering all systems and facilities through which personal data is obtained, stored, transmitted, or destroyed, whether in electronic or physical form.

The framework is aligned with Bahrain's Personal Data Protection Law (PDPL) and the EU's General Data Protection Regulation (GDPR) and is reviewed and updated in line with guidelines issued by the Bahrain Personal Data Protection Authority. BMMI operates as both Data Controller and Data Manager under this framework. The Group maintains a Board-approved Data Protection Policy and a Privacy Policy available on the corporate website. BMMI's Code of Business Conduct further requires all employees to comply with security practices designed to protect confidential and proprietary information, including adhering to the IT Acceptable Use Policy and safeguarding non-public or classified data. Non-compliance is subject to disciplinary and legal action as per the contract and the Employee Code of Conduct.

Data protection awareness and training sessions are conducted for all employees and new joiners to ensure accuracy and the protection of personal data. Additional awareness sessions are held in the event of amendments to applicable laws or regulations.

Management Oversight and Responsibilities

The Board of Directors, through the Audit & Risk Committee, is responsible for overseeing governance of all measures under the Data Protection Framework.

At the management level, the Information Technology Team manages day-to-day implementation, provides guidance to protect employees and third parties on their data protection obligations, and maintains communication with the Bahrain Personal Data Protection Authority. All employees and third parties processing personal data on behalf of BMMI are required to comply with the framework.

Disclosure
G.4 - Data Privacy

G.4 - Data Privacy			
Category	2023	2024	2025
Incidents of data privacy violations	0	0	2

During the reporting period, BMMI detected two cybersecurity incidents. Upon detection, incident response protocols were promptly activated, and appropriate investigations were undertaken to assess the nature and scope of each event, in line with applicable regulatory reporting requirements.

APPENDIX 1 - CBB RECOMMENDED ESG DISCLOSURE INDEX

No.	Key Performance Indicator		Reference(s)	Page	Reason for Omission
Environmental					
1		E.1. Environmental Oversight	Introduction - ESG Governance, Our Planet – Management Oversight	14	N/A
2		E.2. Energy Consumption	Our Planet - Energy Management	15	N/A
3		E.3. Energy Intensity	Our Planet - Energy Management - Energy Intensity	15-16	N/A
4		E.4. Energy Mix	Our Planet - Energy Management - Energy Mix	15-16	N/A
5		E5 Greenhouse gas emissions	Our Planet - Climate Action and GHG Management	17-18	N/A
6		E6. Emission Intensity	Our Planet - Climate Action and GHG Management	17-18	N/A
7		E7. Climate Risk Mitigation	Our Planet - Climate Action and GHG Management	17-18	N/A
8		E8. Water Usage	Our Planet - Water Management	19	N/A
9		E9. Waste Generation	Our Planet - Waste Management	20	N/A
10		E10. Emission Targets	Our Planet - Climate Action and GHG Management	17-18	N/A

APPENDIX 1 - CBB RECOMMENDED ESG DISCLOSURE INDEX (continued)

No.	Key Performance Indicator		Reference(s)	Page	Reason for Omission
Social					
1		S.1. Total Workforce by Sex, Age-Group, and Employment Type	Our People – Creating a diverse and inclusive workforce	27-28	N/A
2		S.2. Child & Forced Labor	Our People – Commitment Fair Labor Practices	28	N/A
3		S.3. Employee Turnover	Our People – Creating a diverse and inclusive workforce	25-26	N/A
4		S.4. Gender Pay Ratio	Our People – Creating a diverse and inclusive workforce	25-2	N/A
5		S.5. Health & Safety	Our People Prioritizing Health and Wellbeing	29	N/A
6		S.6. Non-Discrimination	Our People – Commitment Fair Labor Practices	28	N/A
7		S.7. Nationalization	Our People - Nationalization	27	N/A
8		S.8. Community Investments	Our People - Supporting Local Communities	31	N/A
9		S.9. Human Rights	Our People – Commitment Fair Labor Practices	28	N/A
10		S.10. Management Composition & Diversity	Our People – Creating a diverse and inclusive workforce	25	N/A
11		S.11. Development and Training	Our People – Investing in People Capabilities	30	N/A

No.	Key Performance Indicator		Reference(s)	Page	Reason for Omission
Governance					
1		G.1. Board Composition	Our Governance - Board Composition	36-38	N/A
2		G.2. Collective Bargaining	Our Governance - Ethical Behavior - Collective Bargaining	41	N/A
3		G.3. Whistleblowing	Our Governance - Ethical Behavior - Whistleblowing	40	N/A
4		G.4. Data Privacy	Our Governance - Ethical Behavior - Data Privacy		N/A
5		G.5. Disclosure Practices	-		Currently, BMMI does not submit its ESG data to any sustainability linked reporting framework or organization.
6		G.6. Conflict of Interest	Our Governance - Ethical Behavior - Conflict of Interest	41	N/A
7		G.7. Supplier Code of Conduct	Our Governance - Ethical Behavior - Supplier Code of Conduct	42	N/A
8		G.8. Incentivized Pay	-		Currently, BMMI does not have sustainability-linked incentive or remuneration component as part of its executive pay structure.
9		G.9. Ethics & Anti-Corruption	Our Governance - Ethical Behavior - Code of Conduct & Anti Corruption	39	N/A
10		G.10. Assurance	Introduction - About the report	02	N/A

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