

**BBK Group is committed to upholding robust Corporate Governance standards, aligning with global best practices. The Group remains cognisant that effective Corporate Governance is essential to achieve its goals and maintain a leading position in local and regional banking sectors.**

#### Group's Corporate Governance vision

BBK and its wholly-owned subsidiaries shall continue to enhance shareholders' value, protect their interests, and defend their rights by practising the pursuit of excellence in corporate life. The Bank shall not only comply with all statutory requirements – including the High-Level Controls module of the Central Bank of Bahrain (CBB) RuleBook – but also formulate and adhere to strong Corporate Governance practices. BBK and its wholly-owned subsidiaries shall also continuously strive to best serve the interests of all other stakeholders, including clients, employees, regulators, and the public.

The adoption and implementation of Corporate Governance is the direct responsibility of the Board of Directors, and this endeavour is in line with the policies of regulatory authorities and statutory requirements in the Kingdom of Bahrain and other countries where BBK operates.

#### Compliance with Corporate Governance regulatory requirements

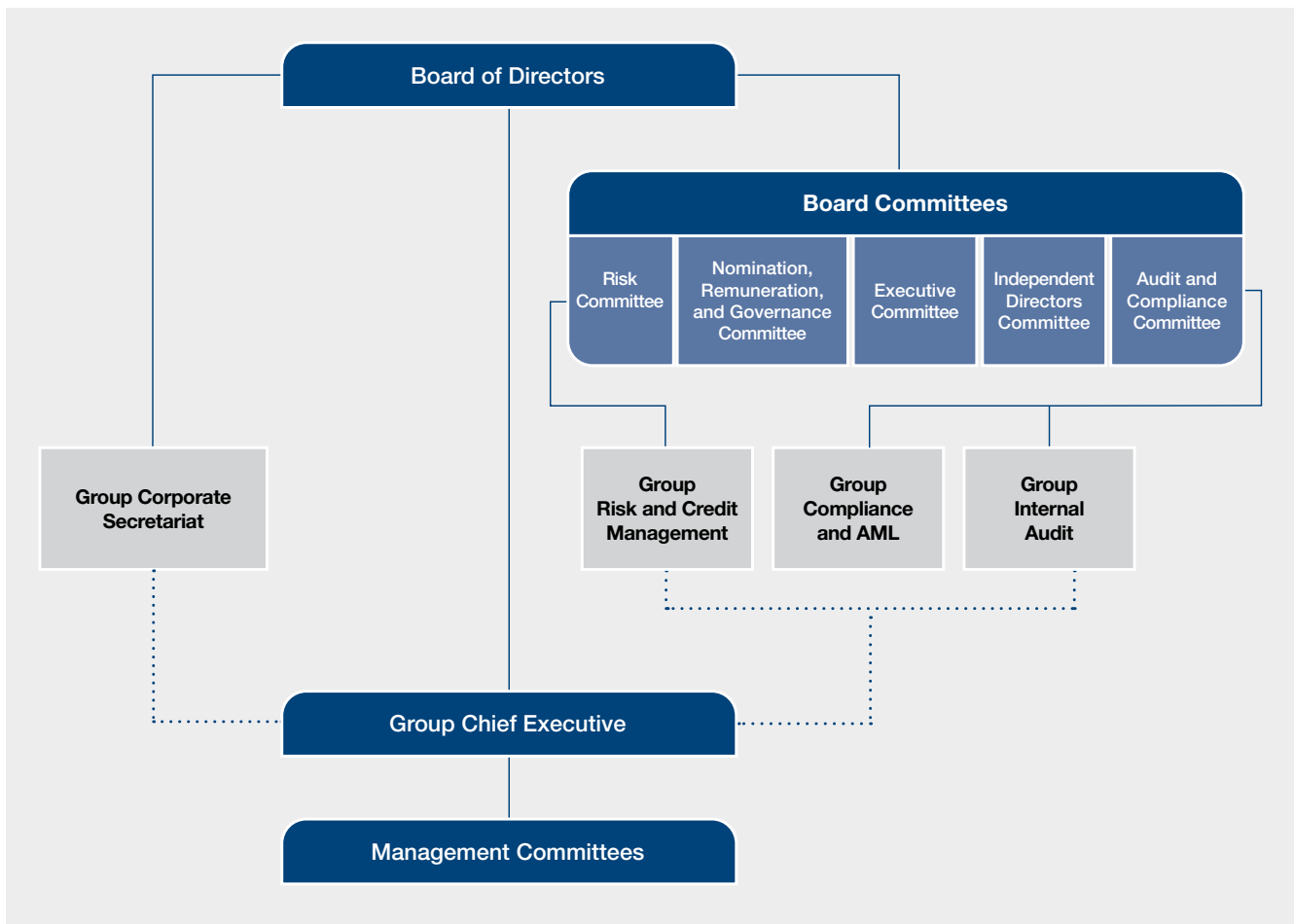
Compliance with the regulators requirements is always ensured by the bank. A gap assessment was done in early 2023 and no exceptions related to Corporate Governance were noted.

#### Initiatives and updates in 2023

- The Bank was awarded with the Corporate Governance award 2023 from Global Business Outlook.
- A Special EGM was held in February 2023 to revise the size of the Board from 12 to 10 members.
- The Bank's articles of association were fully revised and amended to be in line with current legal and regulatory requirements. The amendments over the years were also combined into a single document for ease of reference.
- A new Board was formed on 28 March 2023 after major shareholders' appointments and the conclusion of the 2023-2026 term elections.
- A comprehensive induction/training program was arranged for the Board.
- Board Committees were recomposed with new members and in line with regulatory requirements.
- The Bank surpassed the KPIs concerning some governance aspects of the ESG framework, shown as follows:
  - Percentage of Independent Directors increased from 41.67% to 50% in 2023 (regulatory requirement is set at 33.33%)
  - Percentage of Women Directors for the Group increased to 31.8% (the targeted KPI is set as 25%)
- The revamped website was launched encompassing a revamped Investor Relations platform.
- A full review of existing Board and Governance policies and procedures was completed to align them with the revised High-level controls module.
- An action plan resulting from the Board and Board Committee evaluations was developed for implementation.
- The Board's paperless online portal was upgraded and successfully implemented for BBK and its subsidiaries.
- Investor relations unit was improved by:
  - Using social media
  - Enhancing the web-based platform with additional disclosures
  - Reviewing the Investor Relations Policy to ensure alignment with regulatory requirements
  - Attending to various investor queries by the Investor Relations team
- The High Level Control Module of the Central Bank of Bahrain was fully revised, with an effective date of October 1, 2023. However, the Board decided to adopt all Governance-related issues ahead of schedule.
- Conducting a thorough gap assessment against the revised module, which already exhibited a high level of compliance. The Board considers Compliance with various regulatory requirements as one of the top priorities of the Bank.
- An internal audit report on Corporate Governance and corporate secretariat showed nil observation with few recommendations for improvements.

**Corporate Governance structure**

The Board forms the necessary Board and Management Committees to assist the Board in providing effective oversight of the Bank’s operations. The Board reviews the structure periodically and modifies it if necessary. Additional committees may be formed from time to time and/ or the existing committees could be assigned additional responsibilities. The Executive Management is an important part of the Corporate Governance structure, shown below:



The role of the Head of the Group Corporate Secretariat is to assist in maintaining communication between the Executive Management, the Board, the Board Committees and the shareholders. The financial control function is independent of the business lines. The Audit and Compliance functions are independent and report to the Audit & Compliance Committee of the Board. The Risk Management is independent and reports to the Risk Committee of the Board.

**BBK Corporate Governance model**

The standard Corporate Governance model establishes a dynamic relationship between three key stakeholders: Shareholders, the Board, and Management. Although these stakeholders have distinct roles, they work together to achieve the institution’s core goals. BBK’s Corporate Governance model follows an Anglo-American model but has been expanded to include various stakeholders with a vested interest in the Bank’s success.

BBK’s Corporate Governance practices ensure healthy relationships with all the stakeholders while achieving the institution’s core objectives.

### Risk Appetite Statement

The Bank's risk appetite is set annually by the Board of Directors with the goal of aligning risk-taking with statutory requirements, strategic business objectives and capital planning. The Board of Directors plays a key role in the implementation of the Bank's risk appetite by steering utilization of different forms of financing, the Bank's geographical operating areas and markets, funding, and liquidity management, amongst other risk management requirements. The Board of Directors also monitors BBK's adherence to the Risk Appetite Statement and makes necessary modifications to capture changes in the Bank's strategic priorities, operating environment, and risk profile.

The annual and three-year strategy, along with the Bank's internal policies, mandated framework, rules, and guidelines create the overall framework for the Bank's risk-taking. The Risk Appetite Statement complements these key documents by outlining the main considerations in the Bank's risk-taking, risk mitigation and risk avoidance.

The Risk Appetite Statement serves a dual purpose: to clearly define the general principles guiding the Bank's approach to risk-taking and to enhance risk awareness throughout the organization. It plays a crucial role in guiding the staff and is implemented through the Bank's risk policies and procedures, monitoring metrics, limit system, Key Performance / Risk Indicators (KPIs / KRIs) and internal controls. The Risk Appetite Statement is thus embedded in the Bank's core processes and impacts operations in a holistic way.

BBK operates under banking supervision and prudential regulations. The Bank continually reviews and refines its risk management systems, policies, and procedures to comply with regulations in all jurisdictions where it operates. This commitment extends to aligning with relevant market standards, recommendations and best practices. It also applies to the Bank's risk appetite framework.

The basic objectives of the Risk Appetite Statement are:

- To provide a clear articulation of the Bank's risk-taking, risk mitigation and risk avoidance, and to define the risk-taking at the aggregate level. The Risk Appetite Statement creates a foundation for effective communication of risk among internal and external stakeholders.
- To increase understanding of BBK's material risk exposures and raise risk awareness across the organization; and
- To positively impact the defined risk culture of the Bank.

The Bank's primary area of risk-taking lies in its core activity of lending. BBK primarily finances its activities through a mix of retail, corporate deposits, issuing bonds on the international capital markets, market borrowings, and equity. The funding base is diversified across currencies, maturities, and geographic areas. BBK's operating model is supported by the ability

to obtain funding at a favorable cost, which enables lending, on attractive terms, to its clients. BBK's funding advantage builds on its sound financial profile and strong shareholder support.

To support its lending and funding operations, the Bank maintains a portfolio of liquid assets. This ensures that the Bank is able to operate and continue its core activities, even during stressed market conditions. The composition and maturity profile of the liquidity portfolio are aligned with this objective, in addition to a liquidity buffer through holding High-Quality Liquid Assets (HQLA).

The Risk Appetite Statement sets the tolerance for risk-taking in BBK's operations within its Risk capacity. It also involves establishing risk limits and assessing risk profiles, forming essential components of the Bank's risk appetite framework.

Risk capacity is limited by the financial and non-financial resources at the Bank's disposal. The risk appetite is set to a level within the risk capacity to ensure that the Bank's risk exposure remains sustainable.

The Bank's financial resources encompass its paid-in capital and retained earnings, customer deposits, funds raised through bonds, Central Bank borrowings, and funds from other Financial Institutions. Non-financial resources include the skills and competences of the employees, IT systems, internal procedures, and control systems. The Bank's risk-bearing capacity builds on a careful customer selection process, individual credit mandate reviews, and a thorough credit-granting process. Therefore, financial resources and robust governance contribute both to maintaining the Bank's competitive position and its strong capital and liquidity position.

Risk limits are used to allocate the aggregate risk-taking mandate to business lines and portfolios. The main risk limits are established in the Bank's risk management policies and approved by the Board of Directors. The limit system sets boundaries for the accepted level of credit, market, liquidity, earnings, capital, and operational risk within the established risk appetite.

The actual position within the risk limits are reviewed at various levels, including the Board Risk Committee, Risk Management Committee (RMC), Asset Liability Management Committee (ALMC), Country Risk Committee (CRC), and Senior Management. The specific levels for review depend on the nature of the limits as specified in the relevant Risk Policies. The ultimate responsibility for defining the Bank's Risk Appetite lies with the Board and Senior Management. The measurement and monitoring of this appetite in operational activities are carried out by the Business verticals.

The Risk profile assessment aims to ensure that the Bank's risk profile remains within established Risk limits, aligning with its Risk Appetite and Risk Capacity. This assessment involves evaluating the Bank's current risk exposures, covering key areas such as credit, market, liquidity, earnings, capital, and operational risk. It offers an overview of the Bank's risk situation at a given point in time.

### Credit Risk

BBK is exposed to risk primarily in its core activity of lending to individuals, corporations, small/medium enterprises, governments, public sector entities, and financial institutions. Lending exposes the Bank to credit and concentration risks and to variations in the business cycle. Each lending is thoroughly analyzed from several perspectives (for example: default risk, financial risks, customer due diligence, legal risk, currency risks, etc.) to ensure that financing decisions have sound foundations. The overall aim of the credit risk management is to maintain high portfolio quality with appropriate risk diversification to avoid excessive risk concentrations. Account grade rating, industry concentration limits, risk pricing, etc. are set and monitored.

### Market Risk and Treasury

Funding, asset and liability management, and management of the portfolio of liquid assets are an integral parts of the Bank's business operations.

BBK's funding base is diversified across currencies, maturities, and geographic areas. The Bank effectively manages risk exposures arising mainly through maturity mismatches between assets (loans and treasury investments) and liabilities (deposits, borrowings, and equity). The Bank maintains a robust liquidity portfolio to ensure that it can continue to operate and discharge its core activities, even during stressed market conditions.

BBK manages its interest rate risk by financing/investing in a combination of fixed and floating-rate assets, which allows the Bank to generate stable earnings and preserve its capital base in the long-term. BBK's liquidity portfolio is invested in high quality assets and in doing so, BBK takes limited credit risk (credit default and spread risk).

BBK mitigates its currency risk and most of its interest rate risk arising from funding and lending operations by hedging with derivatives. The use of derivatives exposes BBK to counterparty credit risk, liquidity risk, currency basis risk, and operational risks. BBK uses netting and collateral agreements to manage its risk towards derivatives counterparties.

Triggers/policy limits are set as per the Bank's internal risk policies and procedures. This includes limits on Value-at-Risk (VaR), stop loss, FX net open position, interest rate gap, interest rate impact on net interest income and economic value of equity, amongst others.

### Operational Risk

To manage operational risk, BBK has established a framework that consists of tools such as Risk Events reporting, Risk and Control Self-Assessment and Key Risk Indicators. This framework ensures that operational risk is managed within the established risk appetite of the Bank. The framework is effected through appropriate governance documentation including suitable policy and procedures. The framework was established to help the business and support areas of the Bank in maintaining a strong process of validating and addressing control deficiencies, and having in place corrective measures to avoid recurrence of key issues, as the related tools help in identifying the risks and reviewing the effectiveness of the controls in all areas of the Bank's operations. The implementation of the framework is carried

out by an independent Operational Risk Management department reporting to the Group Chief Risk Officer and is separately governed by the Operational Risk Management Committee (ORMC). Key risks are also escalated to the Risk Management Committee (RMC) of the Bank (consisting of the Bank's Executive Senior Management) and to the Risk Committee of the Board.

### Earnings

Banking involves well-judged risk-taking, where all transactions should provide a reasonable margin to compensate for the risk taken. BBK offers financing on competitive market terms and aims for stable earnings, enabling the formation of capital reserves, organic growth, and reasonable return on capital in the long-term. Lending operations, the primary source of credit risk, should provide appropriate return for the level of risk assumed.

Treasury operations, through cost-effective funding and prudent asset and liability management, should contribute to the Bank's overall returns in line with defined business objectives and the core goal of safeguarding the Bank's liquidity.

Earning targets are set and monitored at global, division and business unit level.

### Capital

An adequate capital management framework, with an Internal Capital Adequacy Assessment Process (ICAAP), is an essential part of BBK's operations. BBK is committed to maintaining a strong risk-based capital position.

The Bank complements risk-based capital adequacy measures with a volume-based leverage ratio measure. It protects the Bank from risks that relate to excessive growth of the balance sheet.

BBK aims to maintain a strong capital position in relation to the aggregate risk exposure at all times. The Bank uses risk-based approaches to assess capital needs, including stress testing, and holds robust capital buffers on top of the minimum requirement.

The growth of the Bank's balance sheet should be stable in the long run, while some variation is accepted in the medium term to account for natural changes in the business cycles.

### Liquidity

The Bank maintains a robust liquidity portfolio, primarily designed to ensure uninterrupted core operations, even in the face of adverse market conditions. This portfolio primarily consists of high-quality assets, reinforcing the Bank's operations and overall liquidity. This strategic approach ensures the Bank's ability to sustain essential activities even during severe market stress, even without access to new funding.

BBK diversifies funding across various parameters, including currencies, maturities, instruments, and investor types, which prevents excessive reliance on individual markets and funding sources. Liquidity parameters are also set to maintain minimum levels as per regulatory guidelines.

### Internal Audit

The Internal Audit Department (IAD) is an essential part of the overall Corporate Governance at the Bank, established by the Board of Directors to independently examine and evaluate the activities of the BBK Group. The Internal Audit function is headed by the Group Chief Internal Auditor, who reports directly to the Board Audit & Compliance Committee on functional matters, and to the Group Chief Executive with day-to-day administrative reporting.

Guided by the approved IA Procedural Manual, IA Charter and applicable regulatory directives, IA assignments are conducted across all functions in the Group towards the accomplishment of its objectives - reviewing the reliability, adequacy and effectiveness of the respective governance, risk management, and internal control systems. Final Audit Reports are issued to the Audit & Compliance Committee and relevant Senior Management members. On a quarterly basis, the internal audit activity report is compiled along with follow up status updates of previously reported audit observations, and is submitted as a regular agenda item at the quarterly Audit & Compliance committee meeting.

IAD adopts a risk-based methodology for each assignment, including the preparation of its annual risk-based audit plan, which is approved by the Board's Audit and Compliance Committee. The plan is developed by identifying the total population of audit entities and evaluating associated business and control risks parameters amongst others, to objectively determine the respective audit cycle; while also prioritizing regulatory audits at all times.

IAD is subject to periodic internal and external quality assurance reviews in its pursuit of continuous enhancement. Most IAD employees hold at least one professional qualification from well-known professional associations such as CIA, CRMA, CA, ACCA, CISA, and CFA. Internal audit staff periodically acknowledge adherence with the Bank's code of conduct & IIA Code of Ethics.

### Compliance and anti-money laundering

Compliance with regulatory and statutory requirements is an ongoing process. The Bank is committed to fulfilling its responsibilities by adhering to all regulatory provisions and international best practices. The Bank has established an independent compliance function in keeping with Basel and CBB guidelines. The Compliance and AML Department at BBK consists of four primary functional areas, including; (a) Financial Crime; (b) Fraud Management; (c) Regulatory Compliance and Advisory, part of which is the responsibilities of Personal Data Privacy; and (d) Compliance Assurance. The function performs its duties and responsibilities in accordance to the established Annual Risk Based Plan approved by the Audit and Compliance Committee of the Board. The Compliance and AML Function is independent from the other functions of the Bank. It has sufficient seniority and authority and reports directly to the Board of Directors through the Board's Audit and Compliance Committee.

The Compliance and AML function acts as a focal point for all regulatory compliance and for adapting other best practice compliance principles. BBK continuously strives to improve the level of compliance in all its activities. The Bank's adopted corporate philosophy is: 'BBK shall continue its endeavour to enhance shareholders' value, protect their interests, and defend their rights by practicing pursuit of excellence in corporate life.' Anti-money laundering measures form an important area of the compliance function, in addition to regulatory compliance, fraud management and data privacy compliance.

In 2014, BBK implemented an automated compliance system for the monitoring and management of regulatory requirements across the Bank. This system facilitates the prompt reporting of any compliance concerns or non-compliance incidents as and when they arise. It also supports with monitoring the status of compliance with CBB Rulebook requirements as applicable to BBK.

The Bank is committed to combating money-laundering and implements all 'Prevention of Money Laundering Regulations' as stipulated in the Financial Crimes Module of the Central Bank of Bahrain (CBB) Rulebook and other guidelines issued by the CBB. These regulations and guidelines are consistent with the revised FATF recommendations, 'Customer Due Diligence for Banks' paper of the Basel Committee, and international best practices.

The Bank has a documented anti-money laundering program, including periodic awareness training for employees, record-keeping, and a designated Money Laundering Reporting Officer (MLRO). The AML policy and procedures are updated annually and were last approved by the Board of Directors in October 2023.

The Bank's anti-money laundering measures are regularly audited by internal auditors, who report to the Audit and Compliance Committee of the Board. The CBB performs periodic inspections of the Bank's compliance with anti-money laundering regulations. Additionally, the Bank's anti-money laundering measures are reviewed by independent external auditors every year. The respective Group external review reports have been issued and submitted to the CBB in June 2023, and included a review of BBK, Credimax, and overseas branches. Furthermore, as a Domestic Systemically Important Bank, BBK is usually subjected to periodic inspections by the CBB.

In 2021, BBK implemented fraud monitoring systems for scrutiny of customers' payments and card transactions to proactively and effectively protect customers against fraud. A 24/7 fraud monitoring team is in place to monitor and promptly handle any fraud suspicions.

BBK's overseas branches in India and Kuwait and its subsidiary, CrediMax, have designated compliance and MLRO functions to ensure implementation of applicable regulatory requirements.



### Penalties paid during the year to Regulators

BBK Bahrain was subject to the following CBB Financial Penalties during the year:

1. BD 15,000 for failure to comply with CBB's ATM and Physical Security requirements.
2. BD 100,000 for failure to comply with the EFTS Directive.

During the year ended 31 December 2023, CrediMax was subject to a CBB financial penalty of BD 25,200 for delays in submission of specific date sensitive regulatory returns.

### Shareholder information

BBK's shares are listed on the Bahrain Bourse. The Bank has issued 1,730,086,010 equity shares, each with a face value of 100 fils. All shares are fully paid.

In 2023, BBK distributed bonus shares to its shareholders at 5% of the paid-up capital, equivalent to shares for every 100 shares held, for a total of BD 8,238,505. Therefore, the Bank's paid-up capital after the distribution increased to BD 173,008,601 divided into 1,730,086,010 shares.

BBK distributed exceptional one-time cash dividends to mark its 50th anniversary, 5% of nominal share value at 5 Bahraini fils per share equivalent to BD 8,178,132.

### External Auditors

The Audit and Compliance Committee of the Board continues to oversee the work carried out by external auditors. Annually, the management conducts an assessment of the work and services provided by external auditors, taking into consideration:

1. Quality of audit services;
2. Required skills, experience and adequacy of resources;
3. Communication and interaction with Audit and Compliance Committee, Management and internal audit;
4. Independence, objectivity, and professional skepticism; and
5. Audit firm's reputation.

Hence, the management will share the results of the assessment and make recommendations regarding the appointment or re-appointment of external auditors to the Audit and Compliance Committee of the Board. This committee will then submit its recommendations to the Board of Directors. Subsequently, the matter will be presented at the Annual General Meeting (AGM) for the appointment or re-appointment of external auditors, subject to regulatory approvals.

In 2023, annual audit and quarterly review services amounted to BD 163 thousand and other attestation services amounted to BD 378 thousand.

### Extraordinary General Meeting

An Extraordinary General Meeting (EGM) was held on 9 February 2023 at the Bank's headquarters.

The following items in the meeting's agenda have been approved:

1. The Board's recommendation for reducing the number of the Board members from 12 (twelve) members to 10 (ten) members starting from the upcoming new term of the Board on 28 March 2023.
2. The Board's recommendation to amend a number of articles in the Bank's articles of association.

### Annual Ordinary General Meeting, Extraordinary General Meeting

The Annual Ordinary General Meeting (AGM) and an Extraordinary General Meeting (EGM) were held at the Four Seasons Hotel, Kingdom of Bahrain on 28 March 2023.

Apart from normal AGM discussions, the AGM discussed and took decisions regarding the below mentioned items:

1. Disclosing any transactions during the year ended 31 December 2022 with related parties as per note No.26 of the financial statements.
2. Discussing the Bank's Corporate Governance report for the year 2022 and the compliance to the requirements in this regards.
3. Approving the Board's recommendation of allocating BD 585,000 as Board membership remunerations for 2022.
4. Appointing External Auditors for the Bank for the financial year 2023 upon receiving the approval of the CBB and delegating the Board to determine their fees.
5. Approving the appointment of three members and election of seven members on the Board of Directors for the next term (March 2023-March 2026) after obtaining the approval of the Central Bank of Bahrain.
6. Absolving the Board Members of liability for any of their actions during the year ended 31 December 2022.

### The EGM held on 28 March 2023 approved the following:

The Board's recommendation to the EGM of increasing the issued and paid-up capital from BD 164,770,096 divided into 1,647,700,962 shares to BD 173,008,601 divided into 1,730,086,010 shares as a result of distributing bonus shares.

The Board's recommendation to amend a number of articles in the Bank's articles of association to comply with the recent amendments to the Commercial Companies Law (21) of 2001. The full set of the AGM and EGM minutes and the decisions made at the meeting are published in this annual report.

The Board's recommendation to amend Article (7) of the Memorandum of Association "Issued and paid-up capital" and Article (7) of the Articles of Association "Issued and paid-up capital" according to the increase of the Issued and paid up capital from BD 164,770,096 divided into 1,647,700,962 shares to BD 173,008,601 divided into 1,730,086,010 shares.

#### Annual disclosures at the AGM:

The Bank submits a Corporate Governance Report to the AGM annually, covering the status of compliance with the related regulatory requirements and international best practice.

At the AGM, the Bank discloses and reports to shareholders the details under the Public Disclosure module of the CBB's rulebook. These disclosures include the total remuneration paid to the Directors, Executive Management, and the External Auditor and other important disclosures as elaborated hereunder. The individual remuneration amount paid to each Director and the top 6 Executive Management is also included in the annual report.

#### Shareholder's composition

Name	Country of origin	Number of shares	% holding
Fincorp W.L.L	Kingdom of Bahrain	453,123,332	26.19
Social Insurance Organisation (SIO) (GOSI, Civil Pension Fund and Military Pension Fund)	Kingdom of Bahrain	570,415,256	32.97
Kuwait Investment Authority	State of Kuwait	332,133,757	19.20
Public		374,408,665	21.64

#### Distribution schedule of each class of equity

Category	Number of shares	Number of shareholders	% of outstanding shares
Less than 1%	374,408,665	2,726	21.64
1% to less than 5%	-	-	-
5% to less than 10%	-	-	-
10% to less than 20%	332,133,757	1	19.20
20% to less than 50%	1,023,543,558	2	59.16
50% and above	-	-	-

#### Board of Directors' information

##### Board composition

The Board's composition is based on the Bank's Memorandum of Association and Articles of Association, and comprises 10 members. The Board represents a mix of high-level professional skills and expertise.

The representation of women on the Board is taken into consideration. There are currently two women directors as shown below:

	Men Members	Women Members
Number	8	2
Percentage	80%	20%

Furthermore, in compliance with Corporate Governance requirements, the Board Committees consist of members with the appropriate professional experience. Consequently, the Board has five Independent Directors. The independence requirements are reviewed annually, taking into consideration the CBB criteria and Board of Directors

determination of the same. The Board periodically assesses the contribution of Directors and Committees.

The appointment of Directors is subject to CBB approval. The classification of Executive Directors, Non-executive Directors, and Independent Non-executive Directors follows the definitions stipulated by the CBB. The current term of the Board began in March 2023 and ends in March 2026.

Directors are elected/ appointed by the shareholders at the AGM. The election or re-election of a Director at the AGM is accompanied by a recommendation from the Board based on a recommendation from the Nomination, Remuneration and Governance Committee, with specific information such as biographical and professional qualifications and other directorships.

In 2023, Naser Khaled Al Raei was inducted as a new director to replace Sh. Abdulla bin Khalifa Al-Khalifa as an appointee of the Bank's controller Social Insurance Organisation (SIO). Khaled Mohamed Alasfour was also appointed by the Bank's controller, Kuwait Investment Authority (KIA), after obtaining the approval of the CBB.

### Head of Group Corporate Secretariat

The Board is supported by the Head of Group Corporate Secretariat, who provides professional and administrative support to the General Assembly, the Board, its Committees, and members. The Head of Group Corporate Secretariat also assumes the responsibilities of the Group Corporate Governance Officer and, in this capacity, supports Board Committees, and individual Directors as well as the process of access to independent advice and other relevant issues on a Group level. The appointment of the Group Corporate Secretary is subject to the approval of the Board.

BBK's Head of Group Corporate Secretariat is Ahmed A. Qudoos Ahmed, who joined the Bank in 2009. He holds a Bachelor of Science in Commerce in Engineering from the University of Bahrain in 1996. He is qualified in Board Secretarial practices from George Washington University. He has attended many advance training programmes in Corporate Governance both in Bahrain and abroad, accumulating over 28 years of experience in the financial sector.

### Directors' roles and responsibilities

The Board of Directors approves and oversees the implementation of the Bank's strategic initiatives and its functioning within the agreed framework, in accordance with relevant statutory and regulatory structures. The Board ensures the adequacy of financial and operational systems and internal controls, as well as the implementation of corporate ethics and the Code of Conduct.

The Board exercises its judgment in establishing and revising the delegation of authority for Board Committees and the Executive Management. This delegation may be for authorisation of expenditure, approval of credit facilities, or for other corporate actions. Such delegation may be approved and expressed under various policies of the Bank. The thresholds for the identified authorities depend upon the operating requirements of the Bank.

The issues of major capital expenditure, divestitures, mergers and acquisitions, and certain strategic investments excluding matters requiring shareholders' approval are within the Board's authority.

Directors hold their position for three years, after which they must present themselves to the AGM for re-appointment. The majority of BBK Directors (including the Chairman and/ or Deputy Chairman) are required to attend Board meetings to ensure a quorum. The Board Charter is published on the Bank's website.

### Material transactions that need Board approval

Lending transactions to Directors, at a certain level of exposure, require Board approval. Credit and investment applications exceeding certain pre-defined exposure levels also require Board approval.

Similarly, related party transactions including those involving members of the Board require Board approval.

### Independent professional assistance

The Bank has procedures, approved by the Board, for allowing Board members to obtain independent professional advice related to the affairs of the Bank or to their individual responsibilities as members.

### Directors' induction

The Board is required to be up to date with current business, industry, regulatory, and legislative developments, and trends that affect the Bank's business operations. Immediately after appointment, the Bank provides formal induction for a full day. Meetings are also arranged with the Executive Management.

### Directors' professional development

A continuing awareness program is essential and may take many forms, through the distribution of publications, workshops, presentations at Board meetings, and attendance at conferences encompassing topics on directorship, business, industry, and regulatory developments. In terms of the Training and Competency module of the CBB rulebook, each approved person (including members of the Board) is required to complete 15 hours of continued professional development. The full list of programs prepared for the Board of Directors of the Bank and its wholly owned subsidiaries during 2023 is disclosed in this report.

### Board and Committee evaluation

The Board performs a self-evaluation process annually. The Board annually reviews its Charter and its own effectiveness, initiating suitable steps for any amendments. The Board will also review self-evaluations of individual Board members and the Board Committees and consider any recommendations arising out of such evaluation. The relevant policy is published on the Bank's website.

The recommendation emanating from the evaluation process during 2023 were as follows:

#### Strategy:

- Encourage more management contribution to growth strategies
- Formalise the review and testing of strategic plans against the implementation plans and KPIs, especially for IT initiatives.

#### Board meetings:

- Consider adding an additional Board meeting to the calendar to manage time (reduce current meeting length, enhance timeliness) and enhanced discussion on topics such as IT, cyber risk, ESG, strategic growth.

#### Committees:

- Review the delegations for credit approvals between Executive Committee and management, including revision of management committees if necessary.

### Remuneration of Directors

The Bank has adopted a policy approved by the Board of Directors to apply to the Directors' remunerations and compensation for their involvement in the activities of the Board of Directors and its ad hoc, temporary, and permanent committees. For details, please refer to the remuneration report.

### Insurance coverage

The Bank provides personal accident insurance coverage for Board Members during travel on Bank assignments. The Bank also has a Directors and Officers liability insurance policy for Directors.



### Whistle-blowing policy

The Bank has a whistle-blowing policy with designated officials that employees can approach. The policy provides protection to employees for any reports made in good faith. The Board's Audit and Compliance Committee oversees this policy. The whistle-blowing policy is published on the Bank's website.

### Key persons (KP) policy

The Bank has established a KP policy to ensure that KPs are aware of the legal and administrative requirements regarding the holding and trading of BBK shares, with the objective of preventing abuse of inside information. KPs are defined to include the Directors, Executive Management, designated employees, and persons under guardianship or control of KPs. The KP policy is entrusted to the Board's Audit Committee and posted on the Bank's website.

### Code of Conduct

The Board has approved a Code of Conduct for BBK Directors and a Code of Ethics for the Executive Management and employees. These codes outline among other things, areas of conflict of interest, confidentiality, and the responsibilities of signatories to adhere to best practices. The high-level responsibility for monitoring the codes lies with the Board of Directors. The Directors' Code of Conduct is published on the Bank's website.

### Relative recruitment/appointment policy

BBK has in place policies that govern the recruitment and appointment of relatives to the Bank and across its wholly-owned subsidiaries. The policies are:

1. Employment of relatives of first and second degrees are prohibited, whereas employment of relatives of third and fourth degree may be approved by the Executive Management provided it does not lead to a conflict of interest.
2. Employment of relatives at the Bank's wholly-owned subsidiaries of first and second degree are prohibited for senior managers and above. Any exception must be approved by the Group Chief Executive.
3. As part of annual reporting, the Group Chief Executive must disclose to the Board individuals occupying controlled functions and who are relatives of any other approved persons within the Bank and its wholly-owned subsidiaries.

### Conflict of interest

The Bank has clear policies based on domestic laws and regulations and international best practices to deal with issues related to conflict of interest. This is also stipulated in the Directors Appointment Letters signed between the Board members and the Bank. These policies are posted on the Bank's website and reviewed periodically or whenever needed.

During Board meetings or Board committees and during discussions on topics related to credit applications, investment or other transactions where there may be conflict of interest, the concerned Board member is required to leave the meeting room and any correspondence or documents related to the application will not be sent to him/her. Decisions are made by the Board of Directors or its Committees without the presence of the member concerned and such transactions are recorded in the minutes of the Board meeting or its committees.

In addition, it is the responsibility of the member of the Board and he/she must immediately disclose to the Board that there is a conflict of interest related to his / her activities and obligations with other parties and not participate in discussions and voting, and these disclosures include documents relating to contracts or transactions related to the member concerned.

During 2023 the Board discussed Mergers and Acquisitions opportunities which appeared to have conflict of interest with some Board members and said Board members refrained from decision making, and the decision was taken by all Board members other than the conflicted members.

### Development programs arranged for board members during 2023

1. "Financial Crime Risk Management" dated 18/5/2023.
2. "Board Induction" dated 06 & 07/06/2023.
3. "Future challenges for the board in the banking sector" dated 04/12/2023.
4. "Data privacy for Board of directors" dated 04/12/2023.

Number of development program hours attended by Board members, arranged by the Bank or otherwise.

Board members	Total no. of hours
Murad Ali Murad	18
Khalid Hussain Taqi	16
Aref Haider Rahimi	16
Khalid Nasser Al Shamsi	20.5
Mohamed Abdulrahman Hussain	25.5
Nour Nael Al Jassim	20
Naser Khaled Al Raee	49.5
Tariq Jaleel Al Saffar	20.5
Dana Aqeel Raees	20.5
Khaled Mohamed Alasfour	15

### Environmental, Social and Governance (ESG)

With the global push towards broader sustainability, the Bank prioritizes ESG initiatives according to identifiable and measurable targets to promote sustainable development within the Bank and throughout the Kingdom of Bahrain. For details, please refer to the sustainability review section in part 1.

In 2023, BBK further developed its Sustainability and ESG strategy to meet pressing community needs, support inclusive SME development, boost job creation, enhance customer services, support and develop our employees, and apply relevant Corporate Governance protocols. During the year, the Bank introduced a 5th pillar to its ESG framework, related to Climate Risk.

BBK has aligned its priorities with the goals of Bahrain's National Vision 2030 to build a robust economy and a motivated and innovative society. We have also aligned our priorities with the United Nations Sustainable Development Goals (SDGs), a set of 17 areas spearheaded by the UN to end poverty, fight inequality, and tackle climate change.

## Corporate Governance report (continued)

### Disclosures relating to the Board of Directors

#### Directors' external appointments

Murad Ali Murad		
Chairman of the Board	Bahrain Kuwait Insurance Company B.S.C.	Kingdom of Bahrain
Vice Chairman	Bahrain Institute of Banking and Finance (BIBF)	Kingdom of Bahrain
Chairman of the Board	Al Janabeya Company W.L.L. (Family company)	Kingdom of Bahrain
Khalid Hussain Taqi		
Managing Director - Local Investments (Since January 2024)	Mumtalakat	Kingdom of Bahrain
Board member - Independent Director	Beyon	Kingdom of Bahrain
Board member - Independent Director	Bnet	Kingdom of Bahrain
Board member - Chief Investment Officer	Osool Asset Management B.S.C. (C)	Kingdom of Bahrain
Aref Haider Rahimi		
Chairman	Bahrain International Circuit Company W.L.L	Kingdom of Bahrain
Chairman	BIC Holding Company B.S.C.	Kingdom of Bahrain
Chairman	Gulf Aluminium Rolling Mill Co. B.S.C. Closed (GARMCO)	Kingdom of Bahrain
Committee Member	Supreme Judicial Council – Ministry of Justice, Islamic Affairs and Waqf The Committee for Stalled Real Estate	Kingdom of Bahrain
Managing Partner	Masar Professional Services W.L.L	Kingdom of Bahrain
Khalid Nasser Al Shamsi		
Board Member - Non-Executive Director	Oasis Capital	Kingdom of Bahrain
Board Member - Non-Executive Director	Bank Muscat	Oman
Mohamed Abdulrahman Hussain		
Vice-Chairman	Eskan Bank B.S.C.	Kingdom of Bahrain
Board member - Independent Director	A.M. Yateem Brothers W.L.L.	Kingdom of Bahrain
Board member	Yateem Oxygen W.L.L.	Kingdom of Bahrain
Chairman	Middle East Carbon Dioxide Company W.L.L.	Kingdom of Bahrain
Nour Nael Al Jassim		
Manager Fixed Income and Portfolios	Kuwait Investment Authority (KIA)	State of Kuwait
Naser Khaled Al Raee		
Deputy Chief Risk Officer	Osool Asset Management B.S.C (C)	Kingdom of Bahrain
Tariq Jalil Al Saffar		
Board member - Executive Director	Mohamed Ebrahim Al Saffar Company (MES)	Kingdom of Bahrain
Executive Director	AbuDawood AlSaffar Company (ASCO)	Kingdom of Bahrain
Board member - Non- Executive Director	Bahrain Economic Development Board (EDB)	Kingdom of Bahrain
Chairman - Executive Director	Harbour Investment Holding Company (HIH)	Kingdom of Bahrain
Board member - CEO	Bahrain International Circuit (BIC)	Kingdom of Bahrain
Chairman - Executive Director	Payment International Enterprise B.S.C (PIE) (Licensed by CBB)	Kingdom of Bahrain
Chairman - Executive Director	KKT MENA and KKT Bahrain	Kingdom of Bahrain
Chairman - Non-Executive Director	Arabian Taxi	Kingdom of Bahrain
Board member - Executive Director	Al Dana Amphitheatre	Kingdom of Bahrain
Member	Shura Council	Kingdom of Bahrain
Chairman	Flooss Bahrain BSC (Licensed by CBB)	Kingdom of Bahrain
Board member - Executive Director	TAS Holding Co W.L.L.	Kingdom of Bahrain
Board member - Executive Director	Tasola Securities Co W.L.L.	Kingdom of Bahrain

Dana Aqeel Raees		
Board Member - Executive Director	SICO B.S.C.	Kingdom of Bahrain
Executive Director – Legal	Osool Asset Management B.S.C. (C)	Kingdom of Bahrain
Khaled Mohamed Alasfour		
Senior Investment Manager	Kuwait Investment Authority (KIA)	State of Kuwait

#### Directors and related parties' interests

The number of securities held by Directors was as follows:

Name of Director	Type of shares	31 December 2023	31 December 2022	Bonds*
Murad Ali Murad	Ordinary	1,798,827	1,713,169	–
Mohamed Abdulrahman Hussain	Ordinary	237,991	226,659	–
Dana Aqeel Raees	Ordinary	35,590	–	–

\* No bonds held with other Directors.

#### Related parties

- Al Janabeya Company W.L.L. (a family company owned by Murad Ali Murad and his family) owns 1,622,360 shares, and is related to the Chairman of the Board.

#### Approval process for related parties' transactions

The Bank has a due process for dealing with transactions involving Directors and related parties. Any such transaction will require the approval of the Board of Directors.

#### Nature and extent of transactions with related parties

None.

#### Material contracts and loans involving Directors

Name of Director	Relationship with Director	Purpose of loan	Amount of loan	Interest rate	Terms of payment of interest	Repayment of the principal	Security
Murad Ali Murad	Chairman	Personal banking needs	BD 400,000	Fixed deposit rate over 1% p.a.	On demand	On demand	100% cash collateral

- Notes:
- The materiality amount for such disclosures is considered above BD 100,000.
  - 2 Board members hold BBK Credit Cards with a total limit of BD 45,000 and outstanding amounts at 31 December 2023 of BD 15,346.332
  - 5 Board members hold CrediMax Credit cards with a total limit of BD 111,400 and outstanding amounts at 31 December 2023 of BD 7,223

### Directors' trading of BBK shares during 2023

There was no Directors trading of BBK shares during 2023

### Board meetings

The Board of Directors meets at the summons of the Chairman (or Deputy Chairman in the event of his absence or disability) or, if requested to do so, by at least two Directors. The Board meets at least four times a year. A meeting of the Board of Directors is deemed valid if attended by more than half of the members.

### Meetings of Independent Directors

Since 2012, the Board of Directors has held separate meetings for Independent Directors. In terms of the Board Charter, minority

shareholders look to Independent Directors for representation. For this purpose, regular Board meetings are preceded by a meeting of Independent Directors, unless the Independent Directors decide that there are no issues to discuss.

The agendas for these meetings are the same as those for the regular Board meetings. During these meetings the Independent Directors express their views about certain issues, especially those relating to minority shareholders. The summary of the proceedings of such meetings is recorded by the Group Corporate Secretary and shared with the Independent Directors, and there is an Independent Directors' Committee.

### Board meeting attendance

During 2023, 10 Board meetings were held in the Kingdom of Bahrain in the following manner:

Key: ● Attended × Absent □ was not a member during this period ⊖ did not attend due to conflict of interest.

#### Board meeting 2023 - Term ended 28 March 2023

Members	Quarterly meetings	Other meetings
	22 Feb	26 Mar*
Murad Ali Murad	●	●
Sh Abdulla bin Khalifa bin Salman Al Khalifa	●	●
Mohamed Abdulrahman Hussain	●	●
Aref Haider Rahimi	●	●
Jassem Hasan Ali Zainal	●	●
Sh Khalifa bin Duaij Al Khalifa	×	×
Edrees Musaed Ahmad	●	●
Ashraf Adnan Bseisu	●	●
Mishal Ali Al Hellow	●	●
Naser Khaled Al Raee	●	●
Ghaneya Mohsen Al Durazi	●	●
Nour Nael Al Jassim	●	●

\* Unscheduled meeting

### Board meeting 2023 – New term started 28 of March 2023

Key: ● Attended × Absent □ was not a member during this period ⊖ did not attend due to conflict of interest.

Members	Quarterly meetings			Other meetings					% Attendance
	7 May	20 Jul	24 Oct	28 Mar	24 May*	7 Sept*	16 Oct*	5 Dec	
Murad Ali Murad	●	●	●	●	●	●	●	●	100
Khalid Hussain Taqi	●	●	●	●	●	●	●	●	100
Aref Haider Rahimi	●	●	●	●	●	●	●	●	100
Khalid Nasser Al Shamsi	●	●	●	●	●	●	●	●	100
Mohamed Abdulrahman Hussain	●	●	●	●	●	●	●	●	100
Nour Nael Al Jassim	●	●	●	●	●	●	●	●	100
Naser Khaled Al Raee	●	●	●	□	●	●	●	●	100
Tariq Jaleel Al Saffar	●	●	●	●	●	●	●	●	100
Dana Aqeel Raees	●	●	●	●	●	●	●	●	100
Khaled Mohamed Alasfour	□	□	●	□	□	□	□	●	100
Sh Abdulla bin Khalifa bin Salman Al Khalifa	□	□	□	●	□	□	□	□	100

\* Unscheduled meeting

### Major issues discussed by the Board during 2023

(Subjects that fall under the Board Committees' scope are recommended by the respective Committee for the Board's approval.)

Date of meeting	Subject
22/02/2023	<ol style="list-style-type: none"> <li>1. Year end 2022 financials and appropriations</li> <li>2. Reviewing the Bank's Corporate Governance Report for the year 2022</li> <li>3. Review of employee related matters</li> <li>4. Review some of the Bank policies</li> <li>5. Invitation for the Annual General Meeting and discussing Board nominations for the next Board term from March 2023- March 2026</li> <li>6. Recommendation of the Board Committee formed to discuss Mergers and Acquisitions opportunities</li> </ol>
26/03/2023	<ol style="list-style-type: none"> <li>1. Succession Plan</li> </ol>
28/03/2023	<ol style="list-style-type: none"> <li>1. Board and Board Committees' composition</li> </ol>
07/05/2023	<ol style="list-style-type: none"> <li>1. Election of Deputy Chairman of the Board</li> <li>2. Q1 2023 financials</li> <li>3. Review of employee related matters and succession planning</li> <li>4. Review of some of Bank's Risk Management policies and reports</li> <li>5. Review of a report concerning compliance with regulatory requirements</li> <li>6. Business continuity exercise report</li> <li>7. Investment strategy</li> <li>8. Board and Board Committee evaluation results for the year 2022</li> </ol>



Major issues discussed by the Board during 2023 (continued)

Date of meeting	Subject
24/05/2023	1. Mergers and acquisitions
20/07/2023	1. Q2 and half yearly 2023 financials 2. Reviewing a number of Bank's Governance policies 3. Reviewing some of Bank's Risk Management policies and reports 4. Reviewing the biannual Investment performance 5. Reviewing a report concerning compliance with regulatory requirements 6. Reviewing Board Committees' Term of Reference
07/09/2023	1. Achievement of strategy 2022-2024 2. Digital Transformation updates 3. Compliance transformation project
16/10/2023	1. Mergers and acquisitions
24/10/2023	1. Q3 financials 2. Succession planning at the Bank 3. Reviewing some of the Bank's risk management policies and reports 4. Reviewing the quarterly liquidity update 5. Reviewing the code of conduct for the Board members
05/12/2023	1. Operating budget 2024 2. Reviewing some of the Bank's risk management policies 3. Strategic initiative review 4. Merger and acquisition

**Board committees**

Board Committees are formed and their members appointed by the Board of Directors each year, after the AGM. They are considered the high-level link between the Board and the Executive Management. The objective of these Committees is to assist the Board in supervising the operations of the Bank by reviewing any issues that are submitted by the Executive Management and making recommendations to the Board for their final review.

The Board reserves the right to form temporary committees and discontinue them from time to time, as necessary.

Members of the Board are provided with copies of the meeting minutes of the committees, as required by the regulators. The terms of reference for the Board committees (Executive; Audit and Compliance; Nomination, Remuneration and Governance; Risk; and Independent Members) were combined into a single document which is available on the Bank's website. There were no significant issues pertaining to the work of the Board Committees during 2023.

**Board Committees' composition, roles and responsibilities**

**General terms for all Board Committees**

**Tenure:** The term of the Committee members shall be of one year. The tenure of the Director who joins in between would be for the remaining period of the year.

**Membership:** Each Committee shall be appointed by the Board and shall consist of not less than 3 members having sufficient technical expertise.

**Quorum:** The quorum shall be of more than half of the members and must include the Chairperson or the Deputy Chairperson.

**The Chairperson:** Election of the Chairperson is subject to fulfilling regulatory requirements regarding independence for the Audit & Compliance, the Risk and Nomination, Remuneration and Governance Committees.

For more details please refer to the Bank's website: <https://www.bbkonline.com/board-committees-terms-of-reference>

### Executive Committee

Members	Summary of responsibilities
<b>Aref Haider Rahimi</b> Chairman (Independent) <b>Khalid Hussain Taqi</b> Deputy Chairman <b>Mohamed A. Rahman Hussain</b> Member (Independent) <b>Nour Nael Al Jassim</b> Member	Reviews, approves and directs the executive management on matters raised to the Board of Directors such as business plans, donations, credit/investment applications, and such other proposals within its authority, and the periodic review of the Bank's achievements.
<b>Note: The following members were members of the above committee until the date mentioned for each respective member.</b> Sh. Abdulla Bin Khalifa bin Salman Al Khalifa (until 02/05/2023), Ashraf Adnan Bseisu (until 28/03/2023), Mishal Ali Al Hellow (until 28/03/2023)	

### Audit and Compliance Committee

Members	Summary of responsibilities
<b>Murad Ali Murad</b> Chairman (Independent) <b>Khalid Nasser Al Shamsi</b> Deputy Chairman (Independent) <b>Naser Khaled Al Raee</b> Member (since 02/05/2023) <b>Tariq Jaleel Al Saffar</b> Member (Independent)	Reviews the internal audit programme and internal control system; considers major findings of internal audit reviews, investigations, and management's response. Ensures coordination among internal and external auditors. Monitors trading activities of key persons and ensures prohibition of the abuse of inside information and disclosure requirements. Approves and periodically reviews the Internal Audit Charter, which defines the purpose, authority, responsibilities and other aspects of internal audit activity. The Internal Audit Charter is available to internal and external stakeholders on request addressed to the Board Secretary.
<b>Note: The following members were members of the above committee until the date mentioned for each respective member.</b> Jassem Hasan Al Zainal (until 28/03/2023), Sh. Khalifa bin Duaij Al Khalifa (until 28/03/2023), Edrees Musaед Ahmed (until 28/03/2023)	

### Nomination, Remuneration and Governance Committee

Members	Summary of responsibilities
<b>Murad Ali Murad</b> Chairman (Independent) <b>Dana Aqeel Raees</b> Deputy Chairman <b>Khalid Nasser Al Shamsi</b> Member (Independent) <b>Tariq Jaleel Al Saffar</b> Member (Independent)	Assess, evaluate and advise to the Board on all matters associated with nominations and remunerations of Directors and Executive Management. Also, ensure that the Bank adopts and enhances sound Corporate Governance practices, which are consistent with the Corporate Governance Code of the Kingdom of Bahrain and the regulatory requirements, and which also reflect best market practices in Corporate Governance, and makes recommendations to the Board as appropriate.
<b>Note: The following members were members of the above committee until the date mentioned for each respective member.</b> Sh. Khalifa Bin Duaij Al Khalifa (until 28/03/2023), Mohamed A. Rahman Hussain (until 28/03/2023), Edrees Musaед Ahmed (until 28/03/2023)	

### Risk Committee

Members	Summary of responsibilities
<b>Khalid Nasser Al Shamsi</b> Chairman (Independent) <b>Tariq Jaleel Al Saffar</b> Deputy Chairman (Independent) <b>Khaled Mohamed Alasfour</b> Member (since 17/10/2023)	Reviews risk policies and recommends to the Board for approval. Also examines and monitors risk issues related to the Bank's business and operations and directs their management appropriately.
<b>Note: The following members were members of the above committee until the date mentioned for each respective member.</b> Aref Haider Al Rahimi (until 28/03/2023), Naser Khaled Al Raee (until 28/03/2023), Sh. Khalifa Bin Duaij Al Khalifa (until 28/03/2023), Ghanaeya Mohsen Al Durazi (until 28/03/2023)	

**Independent Directors Committee**

Members	Summary of responsibilities
<b>Murad Ali Murad</b> Member (Independent) <b>Arif Haider Rahimi</b> Member (Independent) <b>Khalid Nasser AlShamsi</b> Member (Independent) <b>Mohamed A. Rahman Hussain</b> Member (Independent) <b>Tariq Jaleel Al Saffar</b> Member (Independent)	Provides independent views on certain issues, especially pertaining to minority shareholders.
<p><b>Note:</b> The following members were members of the above committee until the date mentioned for each respective member.                      Jassem Hasan Ali Zainal (until 28/03/2023), Sh.Khalifa Bin Duaij Al Khalifa (until 28,03,2023), Ghanaeya Mohsen Al Durazi (until 28/03/2023)</p>	

**Board Committee meetings and record of attendance**

Key: ● Attended × Absent ☐ was not a member during this period ⊖ did not attend due to conflict of interest.

Meetings of all Board Committees shall be held not less than four times a year, except for the Independent Directors Committee and the Nomination, Remuneration and Governance Committee, where the number of meetings can be less. Actual number of meetings are listed below.

**Executive Committee meetings in 2023 - Term ended 28 March 2023**

Members	16 Jan	5 Feb*	14 Feb	8 Mar
Mohamed Abdulrahman Hussain	●	●	●	●
Sh. Abdulla bin Khalifa bin Salman Al Khalifa	●	●	●	●
Ashraf Adnan Bseisu	●	●	●	●
Mishal Ali Al Hellow	●	●	●	●
Nour Nael Al Jassim	●	●	●	●

\* Unscheduled meeting

**Executive Committee meetings in 2023 - New term started 28 of March 2023**

Members	17 Apr	24 May	15 Jun	6 Jul*	17 Jul	6 Aug*	6 Sep	12 Sep*	25 Sep*	8 Oct*	11 Oct*	17 Oct	22 Nov**	28 Nov	27 Dec*
Aref Haider Rahimi	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Khalid Hussain Taqi	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Mohamed Abdulrahman Hussain	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Nour Nael Al Jassim	●	×	●	●	●	●	●	⊖	●	●	●	●	●	●	●

\* Unscheduled meeting

\*\* Held in Mumbai- Republic of India

**Audit and Compliance Committee meetings in 2023 - Term ended 28 March 2023**

Members	5 Jan*	15 Feb
Murad Ali Murad	●	●
Jassem Hasan Ali Zainal	●	●
Sh. Khalifa bin Duaij Al Khalifa	●	×
Edrees Musaed Ahmad	●	●

\* Unscheduled meeting

**Audit and Compliance Committee meetings in 2023 - New term started 28 of March 2023**

Members	12 Apr	3 May*	15 May*	16 July	7 Aug*	27 Aug*	18 Oct	6 Nov*
Murad Ali Murad	<input type="checkbox"/>	•	•	•	•	•	•	•
Khalid Nasser Al Shamsi	•	•	•	•	•	•	•	•
Naser Khaled Al Raee	<input type="checkbox"/>	•	•	•	•	•	•	•
Tariq Jaleel Al Saffar	•	•	•	•	•	•	•	•

\* Unscheduled meeting

**Nomination, Remuneration and Governance Committee meetings in 2023 - Term ended 28 March 2023**

Members	15 Feb	27 Feb
Murad Ali Murad	•	•
Sh. Khalifa bin Duaij Al Khalifa	×	×
Mohamed Abdulrahman Hussain	•	•
Edrees Musaed Ahmed	•	•

\* Unscheduled meeting

**Nomination, Remuneration and Governance Committee meetings in 2023 - New term started 28 of March 2023**

Members	22 May*	18 Jul*	15 Aug*	29 Aug*	6 Sep*	24 Sept*	11 Oct*	17 Oct	31 Oct*	10 Dec*
Murad Ali Murad	•	•	•	•	×	•	•	•	•	•
Dana Aqeel Raees	•	•	•	•	•	•	•	•	•	•
Khalid Nasser Al Shamsi	•	•	•	•	•	•	•	•	•	•
Tariq Jaleel Al Saffar	•	•	•	•	•	•	•	•	•	•

\* Unscheduled meeting

**Risk Committee meetings in 2023 - Term ended 28 March 2023**

Members	14 Feb
Jassem Hasan Ali Zainal	•
Aref Haider Ali Ismaeel Rahimi	•
Naser Khaled Al Raee	•
Ghaneya Mohsen Al Durazi	•
Sh. Khalifa Bin Duaij Al Khalifa	×

**Risk Committee meetings in 2023 - New term started 28 of March 2023**

Members	3 May*	16 July	18 Oct	15 Nov*
Khalid Nasser Al Shamsi	•	•	•	•
Tariq Jaleel Al Saffar	•	•	•	•
Khaled Mohamed Alasfour	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	•

\* Unscheduled meeting

**Independent Directors' Committee meetings in 2023 - Term ended 28 March 2023**

Members	8 Jan*	22 Feb
Murad Ali Murad	•	•
Jassem Hasan Ali Zainal	•	•
Sh. Khalifa bin Duaij Al Khalifa	•	×
Mohamed Abdulrahman Hussain	•	•
Ghaneya Mohsen Al Durazi	•	•

\* Unscheduled meeting

- 1) The full text for the Board Committees' terms of reference is available on the bank's website [www.bbkonline.com](http://www.bbkonline.com)
- 2) No major issues to report regarding the work of committees during the year 2023.

### Other meetings

Murad Ali Murad, Chairman of the Board, attended the periodical CBB prudential meetings on 22 March 2023 and 19 October 2023. A joint meeting between the Audit & Compliance Committee and the Nomination, Remuneration, and Governance committee was held on 14 September 2023 and attended by all the members of both committees.

### Shariah Supervisory Board disclosures

In 2016, the Bank established a Shariah Supervisory Board as the Bank conducts some of its transactions according to the Islamic Shariah and must ensure that these transactions are within Shariah standards and norms as required by the regulatory authority in the Kingdom. The Shariah Supervisory Board members and the meetings during 2023 were as follows:

### Shariah Supervisory Board attendance in 2023

Members	13 April	13 July	10 Dec
Dr. Osama Bahar (Chairman)	•	•	•
Sh. Abdalnasser Al Mahmood (Member)	•	•	•
Dr. Adel Al Marzooqi (Member)	•	•	•

### Communication strategy

The Bank has an open policy on communication with its stakeholders, and has adopted a communication disclosure policy consistent with Basel II requirements. Shareholders are invited by the Chairman to attend the AGM. The Chairman and other Directors attend the AGM and are available to answer any questions. The Bank is at all times mindful and conscious of its regulatory and statutory obligations regarding dissemination of information to its stakeholders.

The Bank provides information on all events that merit announcement, either on its website – [www.bbkonline.com](http://www.bbkonline.com) – or through other forms of publication. The Bank's annual report and three years' financial statements are also published on the website, as well as the Bank's Corporate Governance Report, Corporate Governance Framework, Whistle-Blowing Policy, Board Charter, Code of Conduct, and Key Persons' Dealing Policy, and the Terms of Reference of all Board Committees. Shareholders can complete an online form, which can be found on the website, to forward any queries they may have.

The Bank uses a bulletin board for communicating with its employees on general matters, and sharing information of common interest and concern.