



Crafting a **Sustainable Future**

SUSTAINABILITY REPORT 2022



Table of Contents

01	Introduction to this Report
02	Sustainability at BNH
02	Our Stakeholders
03	Our Materiality
04	Our ESG Framework
05	Our ESG Policy
06	Our ESG Strategy
08	SDGS Alignment
11	Sustainability Highlights
13	Our Commitment to Responsible Operations
14	Corporate Governance
17	Risk, Ethics and Compliance
23	Digitalisation
25	Our Commitment Towards Our People
25	Talent and Retention
27	Training and Development
29	Diversity and Inclusion
31	Health, Safety, and Wellbeing
33	Our Commitment to the Environment
33	Climate Change and Energy Management
36	Water, Effluents and Waste
39	Our Commitment to Customers & the Community
39	Customer Experience

INTRODUCTION TO THIS REPORT

Welcome to our third annual Environmental, Social and Governance (ESG) Report, which highlights our sustainability efforts, accomplishments, and plans for the future, including our plans to implement best practice throughout the BNH Group.

BNH works to assist Bahrain’s economic diversity, prosperity, and sustainable growth in its capacity as a leading insurance business. By adhering to sound corporate governance and displaying transparent performance, we strive to rank in the top tier amongst the most dependable insurance companies.

To achieve our sustainability objectives, we promote openness and discussion about our business practices with the aim of setting the standard for the sector by incorporating sustainable business considerations into the day-to-day insurance and investment decision-making. The focus of our Group is to achieve better long-term outcomes for all our stakeholders in all the activities we do as a business which leaves us with a great sense of pride.

SCOPE OF THE REPORT

Reporting Period

This report covers the calendar year from 1 January 2022 to 31 December 2022 and focuses on the activities during this period. Information from previous years is provided, wherever it is necessary

Reporting Guidelines

This report has been developed in alignment with the Bahrain Bourse ESG Reporting Guidance, with reference to the Global Reporting Initiative (GRI) standards and on our commitments towards the United Nation’s Sustainable Development Goals (SDGs) and the Bahrain Vision 2030.

Report Boundary

This report covers BNH Group’s operations across the Kingdom of Bahrain. Unless specified in the data, the information presented covers BNH including its primary subsidiaries: Bahrain National Insurance Company (bni) and Bahrain National Life Assurance Company (bnl). This reporting period excludes iAssist from its boundaries.



SUSTAINABILITY AT BNH

BNH strives to be one of the leading insurance companies in the world by delivering long-term economic value through its strong corporate governance practices and transparent performance. We aim to ensure that our governance infrastructure promotes equitable, transparent, and responsible business practices, while focusing on driving down our negative environmental impacts, ensuring the retention, satisfaction and development of our workforce, providing inclusive, accessible services to our customers, and positively contributing to the development of the communities in which we operate.

OUR STAKEHOLDERS

At BNH, we are dedicated to actively interact with our stakeholders to comprehend and meet their demands. Since they support ongoing business improvements, our stakeholders are indispensable to our organisation. To steer BNH towards a more sustainable future, we understand how crucial it is to create solid and long-lasting connections with all our stakeholders. We are ultimately responsible to meet the expectations of all stakeholders.



Sustainability at BNH (continued)

OUR MATERIALITY

In 2021, we carried out a desktop-based materiality assessment to identify the economic, social, governance and environmental issues of greatest relevance to our businesses and our stakeholders.

We have identified thirteen material issues which, if not managed properly, could significantly impact the BNH Group.

Accordingly, our sustainability framework aligns with all these critical issues for our business, and this report is structured in such a manner that they are all addressed in the corresponding sections.



OUR ESG FRAMEWORK

Sustainability implies continuously generating value for all stakeholders of BNH. Our corporate strategy includes sustainability as a key component rather than viewing it as a separate issue.

Our sustainability framework captures the essential elements of sustainability for the BNH Group by highlighting the important areas that require attention and appropriate adjustments.

Four pillars make up our sustainability framework and are aligned with our corporate mission and values. Each of the four pillars of this framework comprises the material issues we have identified as relevant to our Group.



Sustainability at BNH
(continued)



OUR ESG POLICY

BNH seeks to align, learn from, and support global and Bahraini initiatives and policies that enhance our capabilities, our confidence in our sustainability integration approach, as well as in upholding our stature as a premium insurance provider.

We have an ESG policy in place, which provides an overview of BNH's commitments across the key ESG issues that are relevant to our business and defines BNH's sustainability approach. The policy focuses on addressing long-term value creation to our stakeholders as well as ensuring the sustainable management of our operations.

We provide regular training on this policy besides the annual refreshers to ensure all employees are able to actively meet the expectations of the ESG policy. Moreover, to ensure the proper cascading of sustainability related matters, our Board of Directors are responsible for approving the guidelines contained in the ESG policy and evaluating the adequacy of the risk management systems and internal controls with regards to ESG.

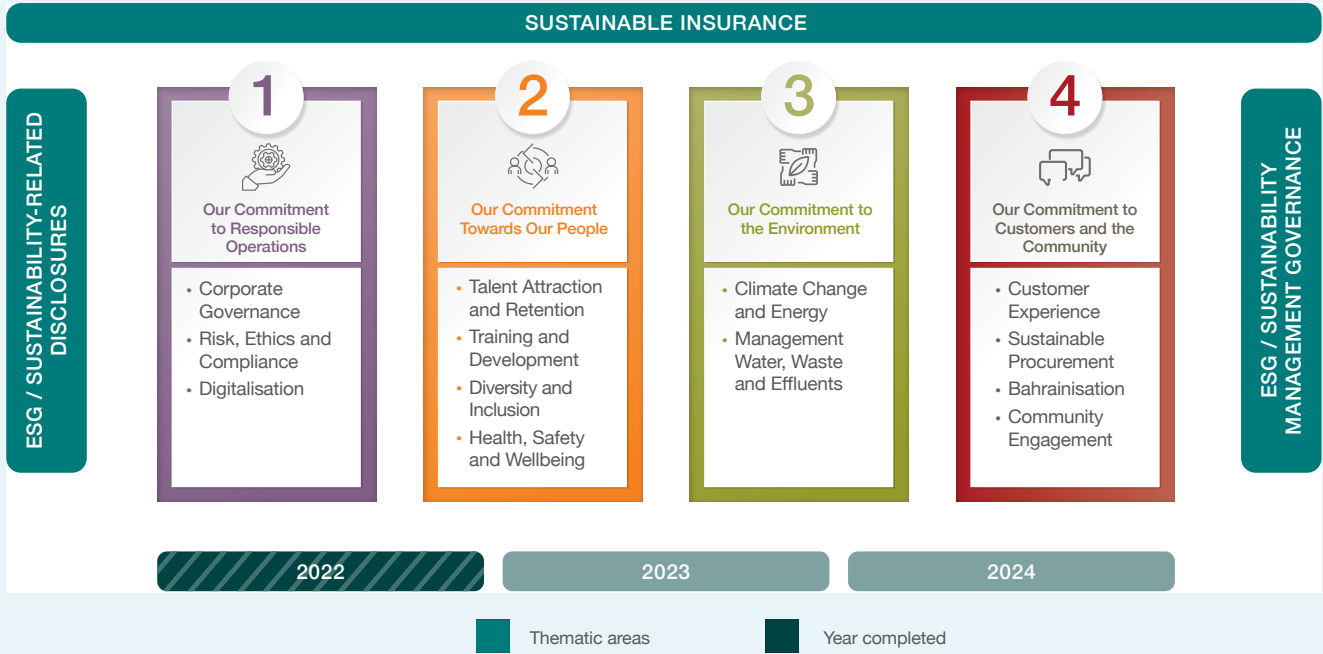
Sustainability at BNH	Our Commitment to Responsible Operations	Our Commitments Towards Our People	Our Commitments Towards the Environment	Our Commitment to Customers and the Community
-----------------------	--	------------------------------------	---	---

OUR ESG STRATEGY

By accepting responsibility and contributing positively to Bahrain's environment, society, and economy, we hope to serve as an example for others. To attain this, we have developed our three-year ESG strategy. The strategy is dedicated to an ongoing improvement of our sustainability management practices through our operations and activities as especially it was developed based on benchmarking assessments and industry best practices, considering both national and international goals.

The strategy is aligned with our sustainability framework and considers three thematic areas that make up our sustainability plan and are being developed and integrated over the three-years period 2022 - 2024.

Our ESG ambition
We will ensure to invest, insure, and operate in a way to drive towards a more sustainable future



In 2022, BNH expanded its ESG activities to align with our 2022 roadmap actions. In addition, BNH has also queued in several new projects that are to be kick started in 2023.

Sustainability at BNH
(continued)

OUR 2022 ESG KEY ACHIEVEMENTS INCLUDE:

Our Commitment to Responsible Operations:

- BNH has enhanced its ESG disclosures year on year to improve transparency on the Group’s sustainability efforts and performance.
- BNH initiated dialogue with subsidiaries on different ESG related issues while communicating BNH’s expectations and requirements.

Our Commitment Towards Our People

- BNH developed a competency assessment framework to help evaluate employees’ skills and performance in relation to specific performance standards.
- BNH provided more enhanced e-learning and training programmes in line with our employee competency evaluation.

Our Commitment to the Environment

- BNH conducted awareness raising sessions for employees on environmental related issues and sustainability initiatives.











Our Commitment to Customers & the Community

- BNH delivered awareness raising sessions and training to customers with the aim of raising awareness on data security threats and provide security tips to ensure the safe storage of data.














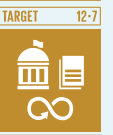



SDGS ALIGNMENT

BNH recognises the need to contribute to the transition to a more sustainable future and the interdependence of the 17 SDGs, which means that one action in a specific area may have multi-dimensional eff porate sustainability strategy is therefore informed by the SDGs, and we have aligned our four-pillar sustainability framework so that it corresponds to the SDGs considered relevant for each element of our framework.

SDG	Target	BNH Contribution
		<ul style="list-style-type: none">• We have strict health and safety policies protecting all employees, visitors, and the public from potential incidents and accidents.• For three consecutive years, zero fatalities and injuries were recorded among employees and contractors.
	 	<ul style="list-style-type: none">• We provide employees with training courses in Bahrain and overseas, related to the employees’ job requirements and functions.• The average training hour per employee is 7 times higher than 2021, standing at 106 hours/employee in 2022.• We approved over BHD 55,000 to be invested in training and development enhancements in 2022.• We offered a summer Internship Programme to 15 students from various universities.• We participated in the Corporate Governance Forum by The Ministry of Youth and Sports Affairs and Pearl Initiative, which provides youth with solid understanding of good Corporate Governance.• We participate in the Trade Quest Programme, which is the largest national content on virtual portfolio management.
	 	<ul style="list-style-type: none">• The percentage of female employees in our workforce has increased by 5.5% in 2022 compared to 2021.• The percentage of females at the senior management level has increased by 3% in 2022.
		<ul style="list-style-type: none">• Water consumption decreased by 44% since 2020.• Water consumption intensity (per full time employee) decreased by around a third since 2020.• bnl sponsored the “Road to Awareness Campaign”, a campaign organised by UNICEF that helps provide clean drinking water and proper sanitation facilities for children and families across Africa and the Middle East.

Sustainability at BNH
(continued)

SDG	Target	BNH Contribution
		<ul style="list-style-type: none">Total energy consumption in 2022 has decreased by about 9% compared with 2021, while electricity consumption has decreased by 10% within the same time period.
	<div><div> SUSTAINABLE ECONOMIC GROWTH</div><div> PROMOTE POLICIES TO SUPPORT JOB CREATION AND GROWING ENTERPRISES</div><div> FULL EMPLOYMENT AND DECENT WORK WITH EQUAL PAY</div><div> PROMOTE YOUTH EMPLOYMENT, EDUCATION AND TRAINING</div><div> PROTECT LABOUR RIGHTS AND PROMOTE SAFE WORKING ENVIRONMENTS</div><div> UNIVERSAL ACCESS TO BANKING, INSURANCE AND FINANCIAL SERVICES</div></div>	<ul style="list-style-type: none">We established our Corporate Governance Guidelines which encompass 8 principles to strengthen the Group's position and commitment to ensure transparency, fairness, and accountability across our businesses.We launched a variety of sustainable products within the Group to support small and medium enterprises (SMEs) and clean energy projects among others.In 2022, spending on local suppliers increased by 22% compared with 2021, while our percentage on local procurement spending stood at 89%.
	<div><div> DEVELOP SUSTAINABLE, RESILIENT AND INCLUSIVE INFRASTRUCTURES</div><div> INCREASE ACCESS TO FINANCIAL SERVICES AND MARKETS</div><div> UNIVERSAL ACCESS TO INFORMATION AND COMMUNICATIONS TECHNOLOGY</div></div>	<ul style="list-style-type: none">We upgraded our IT system, policies, and procedures to reflect CBB's requirements and support the digital transformation process in motor insurance.Our AML system went live in 2022 through which an automated transaction monitoring, customer profiling, and rule-based approach is conducted.

SDG	Target	BNH Contribution
	<div><div> REDUCE INCOME INEQUALITIES</div><div> PROMOTE UNIVERSAL SOCIAL, ECONOMIC AND POLITICAL INCLUSION</div><div> ENSURE EQUAL OPPORTUNITIES AND END DISCRIMINATION</div><div> ADOPT FISCAL AND SOCIAL POLICIES THAT PROMOTE EQUALITY</div></div>	<ul style="list-style-type: none">Our community investment almost tripled compared to 2021 figures.Total number of youth employees recruited accounted for 97% of the total number of employees recruited.
	 REDUCE THE ENVIRONMENTAL IMPACT OF CITIES	<ul style="list-style-type: none">As per our Health and Safety policy, any products that pollute the environment, such as chemical substances, are not permitted on site.
	<div><div> SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES</div><div> RESPONSIBLE MANAGEMENT OF CHEMICALS AND WASTE</div><div> SUBSTANTIALLY REDUCE WASTE GENERATION</div><div> PROMOTE SUSTAINABLE PUBLIC PROCUREMENT PRACTICES</div></div>	<ul style="list-style-type: none">Paper waste that was recycled amounted for 1,975kg in 2022.We continued to donate the Group's plastic waste to the Bahrain Association for Parents and Friends of the Disabled, in support of their initiative for collecting plastic to raise funds for purchasing special wheelchairs for people with disabilities.
	<div><div> INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING</div><div> BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE</div></div>	<ul style="list-style-type: none">Our Board of Directors oversees the Group's position on climate change and related strategic planning and risk management policies and procedures, including those for managing climate-related risks and opportunities.BNH contributed to the National Afforestation campaign "Forever Green" launched by the National Initiative for Agricultural Development (NIAD). The Group planted more than 128 trees and shrubs over Sitra walkway, Sheikh Isa Bin Salman Highway, Dry Dock Highway, Dry Dock Graden, and Al Banna Garden.

Sustainability at BNH (continued)

SUSTAINABILITY HIGHLIGHTS

2022 was notable for several very positive developments across the four main pillars of our sustainability strategy. Key highlights are depicted below:

Our Commitment to Responsible Operations



2
New legal systems launched



ZERO
Corruption or grievances cases reported



ZERO
Data breaches for three consecutive years

Our Commitment to our People



106
Average training hours per employee




37
Corruption or grievances cases reported

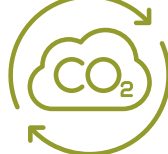


ZERO
Employees and contractor fatalities and injuries


Our Commitment to the Environment



34,093
BHD invested in climate-related infrastructure, and product development

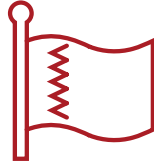


10%
Reduction in total GHG emissions




24%
Reduction in total water consumption


Our Commitment to Customers & the Community



78.2%
Bahrainisation rate



196%
increase in the amount of community investment



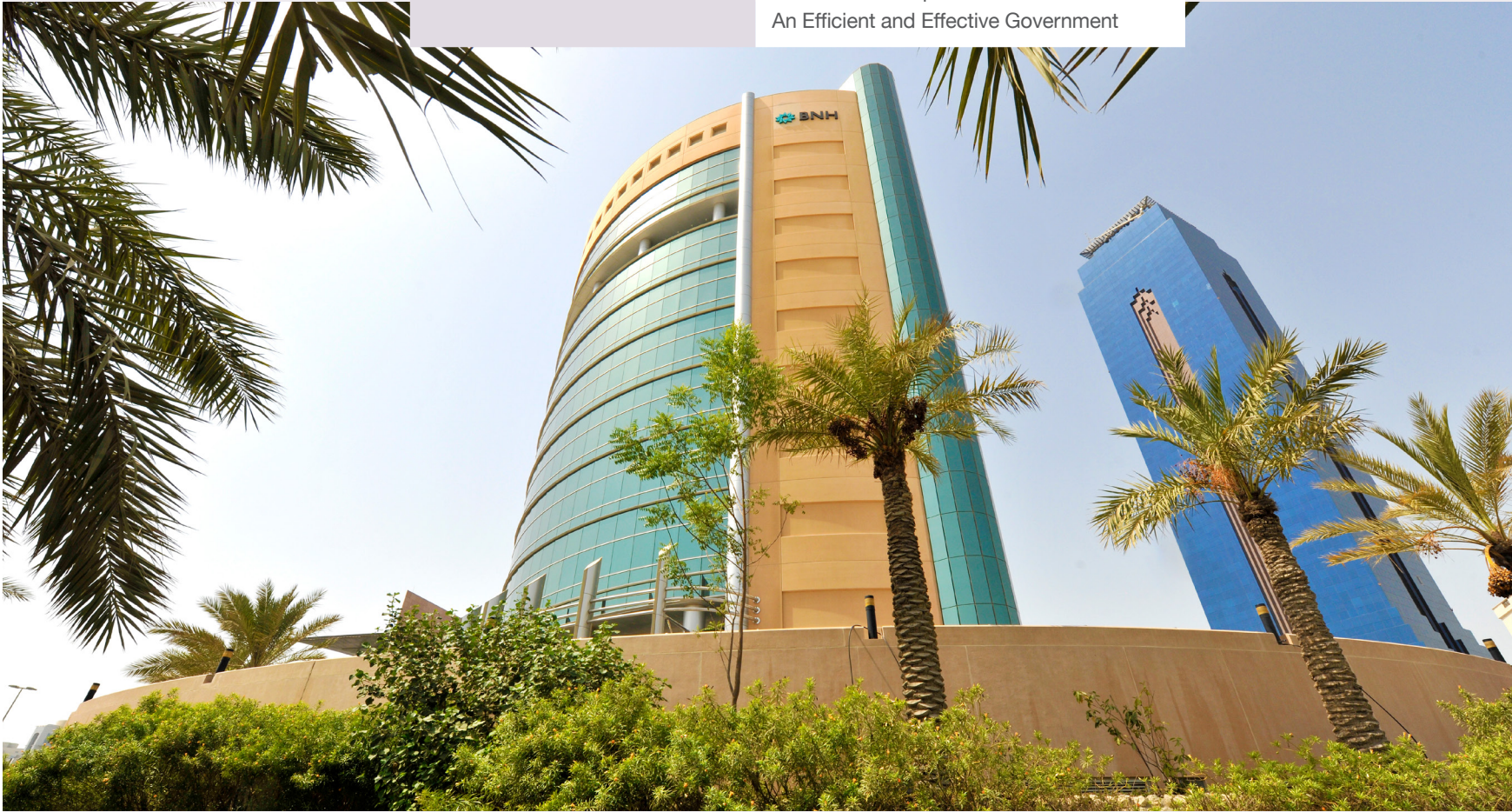
89%
Percentage of procurement spending on local suppliers

OUR COMMITMENT TO RESPONSIBLE OPERATIONS

BNH is dedicated to operating with the highest levels of honesty, transparency, and responsibility in order to achieve its vision of becoming the most dependable provider of insurance services.

In addition to helping us continuously improve our business and make sure that the interests of all our stakeholders are balanced and protected, our corporate governance structure ensures compliance with regulatory requirements and guidelines. We make a concerted effort to eradicate all types of financial crime, guided by our Anti-money Laundering and risk management frameworks.

Material Issues Covered	Corporate Governance Risk, Ethics and Compliance Digitalisation
Sustainable Development Goals	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
Bahrain Vision 2030 Aspiration	Robust Economic Growth that Benefits the People An Efficient and Effective Government



CORPORATE GOVERNANCE

Our corporate governance is central to achieving BNH’s objectives. BNH is committed to excellence in governance practices and ensures that they follow all statutory requirements and industry best practice.

Board of Directors

The overall direction, oversight, and management of the BNH Group are under the jurisdiction of the BNH Board of Directors. The Board is made up of ten members who represent a variety of top Bahraini companies. Each of them provides a strong set of talents and expertise that are in line with our Group’s goals and strategy. Furthermore, the CEO may not chair the board, according to BNH governance guidelines, which is in line with the Central Bank of Bahrain (CBB) and the Ministry of Industry and Commerce (MOIC) rules and regulations.

Board of Directors	2020	2021	2022
Total number of board members	10	10	10
Total number of independent members	4	4	4
Total number of non-independent members	6	6	6
Total number of non-executive members	10	10	10
Total board seats occupied by men	10	10	10
Total board seats occupied by women	0	0	0

In 2022, Dubai’s Top CEO Conference and Awards ceremony named BNH Group CEO as the GCC’s Top Insurance CEO. According to Dubai-based Hawkamah Institute and INSEAD Business School, the Top CEO Awards are based on the financial performance, size, and corporate governance of publicly listed companies in the Arabian Gulf stock markets. The assessment is conducted through a thorough evaluation by a panel of industry experts and the results are audited by KPMG.

Dar Al-Bilad, under the patronage of His Excellency Zayed bin Rashid Al-Zayani, the Minister of Industry and Commerce, recognised Bahrain National Holding (BNH) as one of the top 50 Bahraini companies. Dar Al Bilad selected Bahrain’s 50 Top Companies using four criteria. Market value, total assets, net profit, and sales or total income from December 31, 2021.

Our Commitment to Responsible Operations
(continued)

BNH Board Committees

The Board of Directors form three executive level committees:

Audit, Compliance & Risks Committee (ACRC)

ACRC oversees procedures and internal controls consistent with our Corporate Governance principles as well as the selection and compensation of External Auditors. The committee monitors internal control systems and ensures the Group's compliance with relevant regulatory and legal rules. Furthermore, the ACRC reviews arrangements for whistleblowing and ensures that whistleblowers are heard, and their rights are safeguarded.

Executive & Investment Committee (EIC)

The EIC is responsible for monitoring the development of Group strategy and aligning the management and performance of the Group's strategies, business plan and budget. The committee also contributes to maintaining oversight of financial requirements of the Group, developing the investment policy as part of the overall business plan and recommends business and investment opportunities.

Nomination, Remuneration & Corporate Governance Committee (NRCG)

The NRCG monitors and delivers the the Corporate Governance framework, making nominations and recommendations to the Board relating to changes of the Board and its Committees. The committee evaluates the performance of the Board, Board members, committees and senior executives, and assists in designing a succession plan and remuneration policy. The NRCG is entrusted to oversee sustainability integration within BNH's business and operations.

The activities and responsibilities of these committees are further detailed in the BNH Annual Report 2022. For further details on our corporate governance, please refer to the [BNH 2022 Corporate Governance Report](#).

Board Committees	2020	2021	2022
Total number of Committee chairs	3	3	3
Total Committee chairs occupied by men	3	3	3
Total Committee chairs occupied by women	0	0	0

BNH ESG Committee

BNH formed an ESG Committee in 2021 with the goal of completely integrating sustainable practices into the Group's strategy and decision-making processes. The establishment of the new Committee demonstrates BNH's commitment to long-term sustainability and the achievement of the UN SDGs and Bahrain Vision 2030.

The ESG Committee is comprised of cross-functional executives from several departments and divisions. The ESG Committee supports the Group's ongoing commitment to environmental stewardship, health and safety, diversity and inclusion, corporate social responsibility, corporate governance, and sustainability as they apply to the Group. The committee has several duties and responsibilities however it essentially aims to:

Define ESG priorities, targets, and strategy to integrate sustainability into the Group's strategy and operations


Manage the Group's ESG efforts by overseeing and coordinating ESG initiatives

Assist management and the board in ESG supervision

Track and improve the Group's ESG knowledge

“During this year, the committee has taken significant steps to ensure principles of responsible and sustainable business are formally embedded across the business. We are particularly proud to have started an assessment of the ESG-related impacts of our entire suite of products, and services through a review of our ESG strategy and measuring progress against key metrics.”

MS. BASHAYER DHAIF, CHAIR OF THE ESG COMMITTEE



The committee acts as the guardian of BNH's sustainability strategy and commitments and is ultimately responsible for the Group's overall performance. The committee aims to help setting the tone to reinforce the sustainability culture within the Group while promoting open discussion to further integrate ESG into everyday processes and overall goals.

To better integrate ESG issues into BNH's decision making process, the ESG committee reports its recommendations and activities to either the Nomination and Remuneration committee or the Board committee as it deems appropriate.

Our Commitment to Responsible Operations (continued)

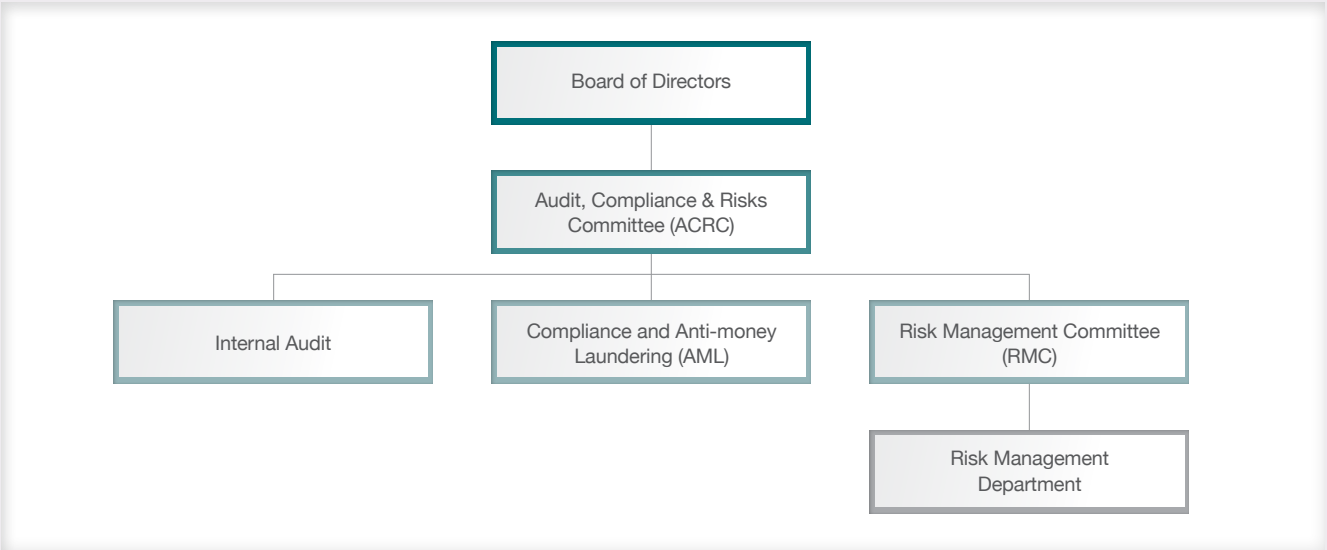
At the core of BNH's activities is risk management. To prevent problems from arising, promote individual responsibility for actions, and produce lessons that may be used throughout the entire organisation, we place a high priority on protecting human rights and minimising risk when making investment decisions.

RISK, ETHICS AND COMPLIANCE

Risk Management

The management of risk is crucial to all aspects of our business operations. The framework for risk management at BNH is based on a thorough understanding of risks, systematic risk assessment, measurement techniques, and an ongoing monitoring.

The ACRC Committee (chaired by an independent and non-executive director) is responsible for overseeing the Group's risks and determining overall risk appetite. The Risk Management Department independently reports to the ACRC. The ACRC has a number of responsibilities such as overseeing the Group's risk and determining the overall risk appetite. As well as determining the key risk areas and adopting the right management practices to realise the strategic objectives of the Group to name a few.



Nonetheless, the Group also has a Risk Management Committee (RMC) which is responsible for a number of processes such as overseeing the development and implementation of the Enterprise Risk Management (ERM) framework and monitoring its performance and also ensures that the business continuity plan is reviewed and monitored. It also ensures that risk mitigations and controls are implemented properly throughout the business.

Moreover, BNH's Risk Management Framework is based on 6 main pillars, which also covers sustainability issues and include:

- Risk Strategy & Appetite,
- Governance & Policies,
- Risk Capital Assessment,
- Capital Management & Stress Testing,
- Risk Reporting, and
- Stakeholder & Communication

We also conducted a comprehensive Risk Assessment Survey which was filled by Executive Management and Heads of Functions. The survey covered major areas such as, Strategy, Data & Information, Technology & IT, Compliance & Legal, Competitive Environments, and Investments.

During our annual risk assessment exercise, we consider the environmental and social pillars of risk, which ultimately may be reflected and considered in designing the risk-based audit plan and audit programmes..

Ethics, Bribery and Anti-corruption

Protecting Prosperity, which is also our Operating Philosophy, defines our commitment to professionalism, which is essential in upholding trust and fostering relationships with all our stakeholders. We have put several mechanisms and policies in place to ensure highest standards of business integrity.

The Group has established its new [Corporate Governance Guidelines in 2022](#), as part of its commitment to maintain sound corporate governance standards that seek to continuously implement the best practices across the Group. Transparency, integrity, and accountability are core values of our Group which form the foundation of our good corporate governance framework.

The following are the Group's key principles of corporate governance which are also included in the Ministry of Industry and Commerce Corporate Governance Code, CBB Rulebook High-level Module and our Corporate Governance Manual.



Our Commitment to Responsible Operations (continued)



In 2022, there were no confirmed cases of corruption reported.

Code of Conduct

Our strategy for good governance is based on the Group Code of Conduct. All employees and the Board of Directors are subject to the Code, which establishes guidelines for how we conduct business.

Upon joining the Group, all new hires are obliged to go through extensive training on the Code. Each employee must attest each year that they are aware of and abiding by the Code of Conduct. In addition to abiding by all rules, laws, and Group policies, we expect the greatest levels of personal and professional integrity from each employee. As part of the Group Code of Conduct, all employees including relatives are prohibited from accepting bribes of any form, including gifts, favoured treatment or loans from clients, suppliers, or providers of BNH.

In 2022, there were no confirmed cases of grievances reported.

BNH adheres to the Bahraini Labour Law. The law forbids the employment of minors, all forms of discrimination, and protections for workers' wages, working conditions, and rights (leaves, duties, and accountability, compensation for injuries and occupational diseases), as well as collective bargaining and penalties. Additionally, the Group has a Child and Forced Labour policy in place that forbids hiring minors, as well as a Sexual Harassment Policy that outlines what constitutes inappropriate sexual behaviour in the workplace and includes instructions on how to file a complaint. All new hires go through induction training to learn about the Group's policies, rules, practices, and systems.

Further, our Code of Conduct prohibits employees and their relatives from accepting any bribe in the form of gifts, favourable treatment, or loans from any client, supplier, or provider of BNH.

Anti-money Laundering, Compliance and Legal

We have Anti-Money Laundering policies and procedures manual, and 100% of our staff certify compliance with this policy. The policy explicitly and strictly instructs all employees without any exception to follow the laws and regulations of the Kingdom of Bahrain, in particular CBB's Financial Crime Module for Insurance licensees. The policy requires employees to record transactions in the accounting system with utmost transparency and to report any violation observed by any of their colleagues, superiors, or subordinates using all relevant channels provided by the Group.

BNH is committed to strict compliance programme with all applicable Anti-money Laundering (AML) and Combating Financing of Terrorism (CFT) laws and regulations to prevent using its products and services for money laundering and terrorist financing purposes. The Group AML and CFT policies and procedures set out a risk-based approach to conducting customer due diligence, ongoing monitoring, suspicious activity reporting, training, and record keeping.

We have a suspicious transactions reporting procedures stipulated in our AML/CFT policies and procedures manual which describes protocols and persons in charge when suspicious transaction is suspected. The AML/CFT policies and procedures manual also describes the systematic internal procedures for verifying the identities of customers. Training on AML/CFT is conducted on an annual basis through our intranet for existing staff (all staff have access to the intranet) and within three months of joining for new joiners.

Our Commitment to Responsible Operations (continued)

All new employees are required to complete AML and CFT training, while existing employees are required to take annual refresher training. Regular, independent external audits and internal compliance monitoring reviews are conducted to ensure that the Group fulfils its obligations under the AML/CFT rules and CBB insurance-related regulatory requirements. These reviews help identify any weakness points flagging a sign for the management team to take remedial actions and maintain full compliance.

In 2022, we achieved the following:

- AML system went live in March 2022 through which an automated transaction monitoring, customer profiling, and rule-based approach is conducted.
- Enhanced the due diligence procedures on brokers and intermediaries to ensure proper implementation of AML/CFT measures..
- Developed a proactive approach to managing and monitoring Compliance requirements.
- Risk Management, Compliance, and AML functions are now being managed by one head of department with two separate teams for each function.
- No penalties / fines imposed on the Group in 2022 for missing regulatory submissions.

In 2022, our key objectives were managing an enormous array of CBB rules and other regulatory requirements, expanding the Compliance Team, and developing a compliance and AML adherence culture that embeds ownership and accountability into the Group's ethos. Training, policy, communication, and automated systems are improving these areas.

The Group compliance and AML policies are approved. Therefore, all employees must comply with these policies besides their own function's regulations and procedures. Acknowledging the challenge for large companies to instil such a culture with new legislations, the Compliance and AML function trains employees regularly on all compliance and AML topics and informs them of their risks, processes, and controls' ownership and accountability.

Additionally, we offer Know Your Customer (KYC) training to all staff members, with a focus on those who interact with customers, enabling BNH to handle AML from a risk-based perspective. This guarantees that staff members are very knowledgeable about their clients and any possible hazards. When a customer poses a significant risk, the KYC process includes increased due diligence to reduce any potential drawbacks.

BNH launched two new legal systems summarised as follows:

- A new Legal Services system was developed by BNH's IT team under the guidance of the Legal department which allows the department to quickly and efficiently review contracts, gather opinions, and provide feedback to its internal and external clients in a timely manner. The system is highly user-friendly and provides the department with the information required to make informed decisions. It also has allowed the Department to streamline the contract review process and ensure that the clients receive the best possible services.
- A BNH Legal System was created to monitor Legal department cases and claims internally and externally. It allows the department to stay up to date on all their cases and claims, and quickly identify any potential issues. This system generates automated reports to clients to ensures that clients are kept up to date on the progress of their cases and that they are informed of any changes or developments. The frequency of these automated reports allows clients to stay on top of legal

Whistleblowing

The Group has established a whistleblowing policy and associated procedures, in line with its commitment to the highest standards of good governance, transparency, honesty, integrity and accountability. The whistleblowing channels enable all employees and independent third parties associated with BNH (including customers and suppliers) to report diverse types of potential misconduct to the relevant authority within BNH in a confidential manner. In addition, our whistleblowing policy and procedures cover identification of possible human rights violations across business operations. The policy and procedures are clearly communicated to all employees, with training material delivered to all new employees during the on-boarding process.

Our Commitment to Responsible Operations
(continued)

The Chairman of the ACRC is responsible for overseeing any reported misconduct. BNH Whistleblowing Policy ownership rests with the Group Fraud Control Officer, who is also the Group Internal Audit Manager, thus ensuring independence in managing any reported misconduct.

In 2022, there was only one whistleblowing case, the case was duly escalated and reported to the Audit Committee, where remedial course of action was taken and a thorough investigation of the same was carried out and completed. Additionally, no misconduct was reported using our anonymous reporting channels.

DIGITALISATION

We established an ambitious future strategy in order to improve our clients’ digital experiences, provide more value-added services and products and enhance our operations. The Group is actively managing and heavily investing in the area of technology, digitalisation, and automation to ensure providing seamless experience to its clients and reducing the manual intervention in its daily processes.

The Group has now moved into the next part of its strategy of enriching the core system with APIs that aim to support a digital customer interaction. The Group has approved the investment into the API layer and is expecting to receive the full benefits of the investment during the 1st half of 2023. The APIs aim to support the insurance business and provide customers with a convenient channel to conduct their insurance policy purchases, renewals endorsements and claims.

BNH is focused on digital transformation efforts. We have invested in a platform that consists of a set of tools strategically aimed at accessing the market faster through rapid development and prototyping. We continue to realise the benefits of using this platform which is fully cloud based.

The Group has automated several processes using robotics process automations and has invested in a major Robotic Process Automation (RPA) project to automate medical insurance management. The RPA system uses automation technologies to mimic back-office tasks of human workers, such as extracting data, filling in forms, and moving files, which achieves autonomous execution of numerous activities across systems. This is expected to bring major efficiency to the medical insurance department and reduce administrative costs.

We also acquired a new Cloud Based Enterprise Resource Planning (ERP) Human Resource (HR) system. This system has a user-friendly interface and comes with a complimentary mobile application that allows employees to complete their requests, punch attendance and retrieve information wherever they are based. Moreover, it comes with a dashboard for managers and supervisors that allows them to view infographics related to team productivity, availability, development, and demographic data. This is time saving, cost effective, and involves less paperwork..

All in all, BNH will continue to deliver on the major digital projects that were started in 2022 and push through with the next step of its digital strategies.



OUR COMMITMENT TOWARDS OUR PEOPLE

BNH is dedicated to preserving a diverse workforce and fostering an atmosphere where workers feel safe and content.

At BNH, we understand that our team members are crucial to our success. By providing sophisticated training and development opportunities, we make sure that our staff are valued. In addition to promoting Bahrainisation, we aim to draw the best talent by offering personal and professional development opportunities in a safe and rewarding work environment.

Material Issues Covered	Talent Attraction and Retention Training and Development Diversity and Inclusion Health, Safety and Wellbeing
Sustainable Development Goals	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>10 REDUCED INEQUALITIES</div>
Bahrain Vision 2030 Aspiration	A Just, Thriving Society

TALENT ATTRACTION AND RETENTION

BNH promotes an innovative work environment that is focused on recruiting and retaining talent, investing in various training and career development options, offering equal chances, and growing workforce diversity.

Workforce Overview

We actively promote the recruiting and growth of outstanding personnel in crucial positions across the business, as well as a welcoming and productive workplace. To maintain and grow our business, we want to be able to draw in and keep the most talented individuals. We are better equipped to future-proof our business if we have a diversified, highly motivated staff.

Key Performance Indicators (KPIs) - Employees	2020	2021	2022
Workforce size			
Total number of employees	231	235	202
Full-time employees	201	207	168
Part-time employees	0	0	0
Total number of contractors and/or consultants (#)	30	28	34
Workforce by employment level			
Full time employees in senior management (#)	20	18	20
Female	5	5	6
Male	15	13	14
Full time employees in middle management (#)	26	31	30

Key Performance Indicators (KPIs) - Employees	2020	2021	2022
Female	9	9	8
Male	17	22	22
Full time employee staff (other levels) (#)	155	158	118
Female	47	49	46
Male	108	109	72

Scope: BNH Group – 2020 & 2021 data includes iAssist

Our effective efforts to foster a stable work environment have been achieved this year, as we have decreased our turnover rate of our employees by 41% from 2021 and sustained our contractors’ turnover rate as well. Moreover, we provide an induction training for new joiners on the Group policies in relation to employment, leaves, benefits, training development, appraisals, and other topics that are of importance for an employee to know.

Key Performance Indicators (KPIs) - Employees	2020	2021	2022
New Hires and Turnover			
Total number of employees who left the Group	28	29	17
Full-time employees	28	29	17
Part-time employees	-	-	-
Contractor turnover			
Total number of contractors/ consultants who left the Group	3	4	6

Scope: BNH Group – 2020 & 2021 data includes iAssist

Employee engagement and satisfaction

Employee engagement and satisfaction are key elements of our relationship with our employees and how we retain our workforce. In 2021, BNH has introduced a number of new initiatives to build job satisfaction, introducing a retirement benefits plan to Bahraini full-time employees who have stayed 10 years or more in the Group as part of a retention plan. The scheme provides retirees with a financial grant that helps in starting their retirement phase with good support..

This year we have also awarded a number of employees several awards, as a way for us to show appreciation of our workforce and enhance the culture.

Our Commitment towards our People (continued)

Najm Programme	Ghabga Banquet for Employees	Mystery Shopping
The Najm programme is an employee recognition programme that aims to recognise, encourage and appreciate employees for their outstanding achievements and commitment. The programme encourages and motivates employees to innovate and adopt unprecedented ideas.	During the annual Ramadan celebrations, employees who have served the Group for more than 15 years and those who have achieved Academic certifications were recognised. A total of 29 employees from the whole Group were rewarded.	During a mystery shopping exercise conducted by bni, top-performing employees were rewarded for their excellence in customer service and communication skills.



TRAINING AND DEVELOPMENT

At BNH, we promote a culture of learning that helps our employees enhance their core competencies. We place a priority on our workers’ personal and professional growth and offer a variety of learning and development opportunities that are tailored to their individual needs. We pursue a thorough strategy for learning and growth through fostering a culture that promotes on-the-job learning opportunities, group projects, classroom instruction, and online learning that all contribute to the development of knowledge and skills. All of these processes are aided by mentorship and coaching. Employees at all levels are urged throughout the Group to pursue the most relevant training applicable to their role all year round. Moreover in 2022, we developed an action plan to be initiated in 2023 that is designed to enhance internal training and increase staff participation on topics related to Risk, AML, cyber security and data protection, and whistleblowing.

In 2022, senior management proposed a new learning culture and career development plans for our employees to enhance their knowledge and skills and encourage improved performance, all employees are encouraged to undergo professional courses, which can be done through correspondence and via day-to-day job tasks. Development for all levels of staff is considered a joint responsibility of the Group and the employee. Growth of individual skills improves both Group and individual performance and thus benefits both the parties. Furthermore, The Group sends employees for training courses in Bahrain and overseas as and when these are made available, and which are related to the employees’ job requirements and functions.

The coordination of training and development plans is done both internally and externally though third parties and online systems in order to enhance skills and transfer knowledge among employees. Moreover, these plans are coordinated based on CBB requirements, job-requirements, performance appraisal, succession plans and Training Needs Analysis (TNA).

There were 6 focus group sessions in 2022 to enhance and embed learning culture with our e-learning platform. We discussed with employees the different benefits and how we can manage time and organise work to start utilising all the learning tools available. Participation levels showed increased use and course completion rates compared to similar programmes run before the new scheme.

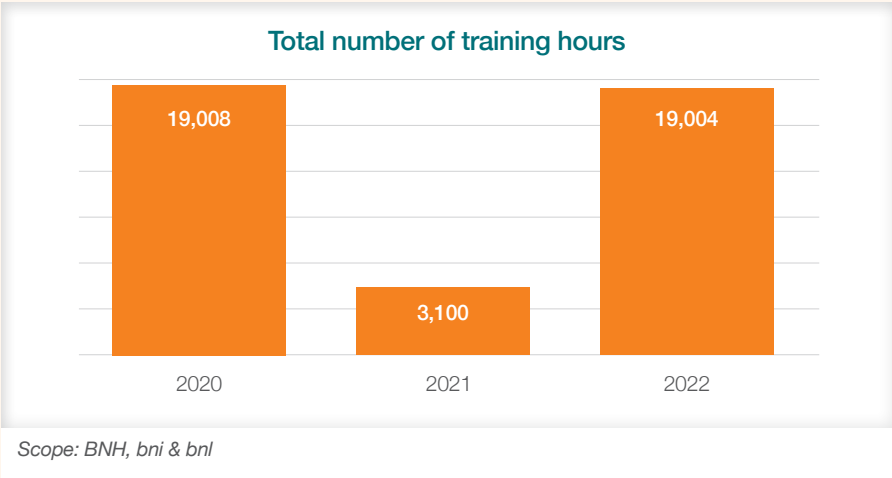
At bnl, all management-level employees completed a leadership masterclass training, which aimed to prepare identified personnel for their roles as successors within the organisation.

In 2022, the average number of training hours per employee amounted to 106 hours, a prominent increase in comparison with the two previous years that is due to the restrictions imposed by the COVID-19 pandemic. For board members, the average hours spent on training was 15 hours, spanning over 8 different courses, which is an increase from 2021’s 5 courses per board member that have amounted to 13.5 average hours of training per member.

We approved over BHD 55,000 to be invested in training and development enhancements in 2022.

Training and Development	2020	2021	2022
Total number of employees trained	176	172	178
Total number of training courses (online and in-house)	108	92	71
Average training per employee (hours)	95*	15*	106

Scope: BNH Group – 2020 & 2021 data includes iAssist



Our Commitment towards our People (continued)



Bahrain National Holding Announces the Establishment of BNH Toastmasters Club

In line with our commitment to invest in the development of our people, BNH and Subsidiaries; bni and bnl announced the formation of the Toastmasters club which includes employees from various functions and divisions. This initiative is in line with the Group's new ESG strategy and plan to ensure employees, continuous satisfaction, and growth.

The goal of the club is to help employee career progression and development, namely, to improve employees' listening skills, polish their presenting skills, boost team collaboration, and build their leadership talents to support them in future roles.

DIVERSITY AND INCLUSION

Regardless of gender, race, ethnicity, age, religion, or disability, BNH has embraced a work environment that is fair and courteous to all individuals. BNH does not tolerate any sort of discrimination, harassment, or abusive behaviour of any kind. Any employee who has a complaint is encouraged to voice it without fear of reprisal. At BNH, we believe that encouraging diversity and inclusion will give people a variety of perspectives and a competitive edge, as a result improving decision-making and workplace productivity.

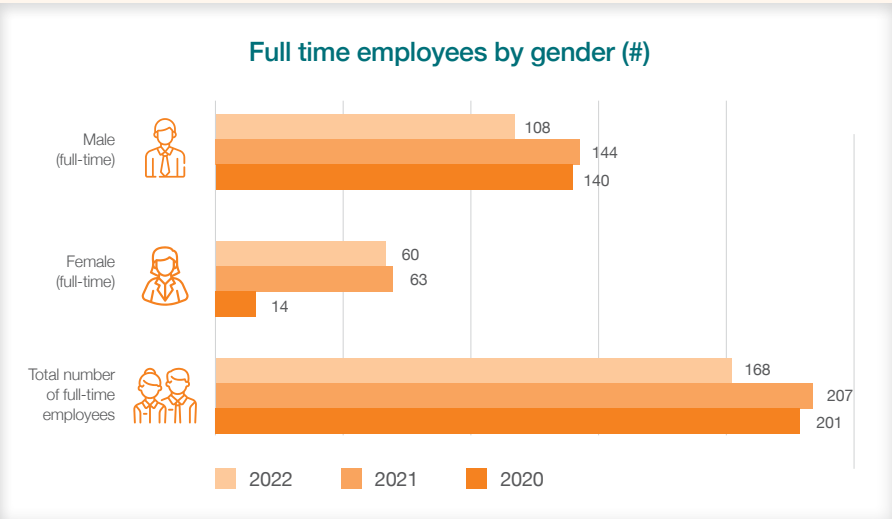
BNH commits to improving female representation across all levels of operation, particularly at management levels. In an effort to promote female employees who are qualified and capable of filling higher-level positions, we create career plans as part of their annual appraisal and ensure appropriate training is provided to enhance performance. The BNH workforce is composed of 36.3% female employees.

There are two female employees at executive level within the Group's management hierarchy. Moreover, there are four female employees in senior manager positions leading the functions they are assigned to in HR, Legal, Corporate Communication, Medical Insurance.



Key Performance Indicators (KPIs)	2020	2021	2022
Workforce by age group			
Full time employees aged 61-70	NA	5	6
Full time employees aged 51-60	NA	11	6
Full time employees aged 41-50	NA	51	48
Full time employees aged 31-40	NA	89	68
Full time employees aged 21-30	NA	51	40

Scope: BNH Group – 2020 & 2021 data includes iAssist



Scope: BNH Group – 2020 & 2021 data includes iAssist

The workforce is composed of employees from four different nationalities, covering a wide range of age groups. We are specifically proud of our contribution to youth employment, as we have employed 38 employees 37 of which are under the age of 35, totalling to a 97.3% youth employment rate in 2022.

Key Performance Indicators (KPIs)	2020	2021	2022
Total number of employees recruited	26	81	38
Total number of youth employees recruited (age of 35 and below)	16	27	37

Scope: BNH Group – 2020 & 2021 data includes iAssist

Our Commitment towards our People (continued)

HEALTH, SAFETY, AND WELLBEING

To maintain a safe and healthy working environment for our employees, the Group is committed to implementing international standards and best practices. In order for our employees to be able to completely express their strengths, it is crucial to have a workplace atmosphere that promotes employee wellbeing, from helping them adopt well-being habits to reducing stress as an example. We also have introduced a work from home policy so that we can promote a better work-life balance and reduce commute stress on our employees.

Moreover, our subsidiaries emphasise health and safety-related aspects and strive to take well care of their employees. For example, bnl launched a ‘Mental Wellbeing’ programme which targets the employees of corporate clients. The four-week virtual programme comes as part of bnl’s plans to consolidate the concepts and practices of quality of life in the workplace. Furthermore, bnl has also launched ‘bnl balanced’ initiative which is a well-rounded 12-month wellness programme. This programme aims at empowering bnl’s corporate clients’ employees by providing a variant of fitness and wellbeing workshops that focuses on improving their mental and physical well-being.

BNH undertakes that it is our duty to put into action steps to recognise, evaluate, and manage all health and safety risks in order to avoid accidents, fatalities, and occupational illnesses, as well as to continuously improve safety awareness. To prevent mishaps and accidents, BNH has strong health and safety policies in place to safeguard all employees, guests, and the general public. Moreover, the Group has future plans of obtaining the ISO 45001 Occupational Health and Safety certificate.

During 2022, BNH’s fire marshals attended a firefighting and first aid training. We have also conducted our annual fire drills this year at both the head office as well as the Sanad branch. We are proud of our health and safety record, which over the past three years seen no cases of serious incidents.

Health and Safety	2020	2021	2022
Total employee manhours	407,056	407,232	343,680
Total contractor manhours	46,500	46,500	46,500
Employee fatalities	0	0	0
Contractor fatalities	0	0	0
Employee total recordable injuries	0	0	0
Contractor total recordable injuries	0	0	0
Employee lost-time injuries	0	0	0
Contractor lost-time injuries	0	0	0

Scope: BNH, bni & bnl



OUR COMMITMENT TO THE ENVIRONMENT

BNH is dedicated to managing its environmental footprint through reducing our business’ negative impacts on the environment by adopting efficient practices.

By minimising any damaging effects our services may have on the natural and local environment, we hope to successfully reduce our environmental footprint, while at the same time benefitting from reduced environmental costs. By introducing new and innovative technology that contributes to environmentally friendly development - and which gives employees resources to assist in more sustainable operations - we focus on efficiencies in our energy consumption, water usage, and waste outputs.

Material Issues Covered	Climate Change and Energy Management Water, Waste and Effluents
Sustainable Development Goals	<div><div>6 CLEAN WATER AND SANITATION</div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>
Bahrain Vision 2030 Aspiration	A Just, Thriving Society

CLIMATE CHANGE AND ENERGY MANAGEMENT

BNH recognises the obligation to take action to reduce the effects of climate change on the environment and the local community as well as the financial and competitive repercussions on the Group’s operations if climate change is not mitigated properly by all. Our primary business lines are those relating to the provision of personal and automotive insurance. Our exposure to climate related risk is therefore lower than for those insurers with greater exposure to extreme weather events affecting buildings and property. We have nonetheless invested significantly in climate mitigation measures throughout our business.

Key Performance Indicator (KPI)	2020	2021	2022
Total amount invested, annually (BHD), in climate-related infrastructure, resilience, and product development	19,693	40,819	34,093
Scope: BNH, bni & bnl			

At BNH we have a Health and Safety policy stating that any products that pollute the environment, such as chemical substances, are not permitted on site, and a no-smoking policy that prohibits smoking on our premises.

We encourage staff, tenants, and visitors to use less power by posting stickers to help raise their awareness on what measures they can take to contribute positively to efficient energy use. Air conditioning is also turned on only during working hours to reduce electricity use, which reduces energy consumption..

The Board of Directors oversees the Group’s position on climate change and related strategic planning and risk management policies and procedures, including those for managing climate-related risks and opportunities. In particular, the Board reviews:

- Sustainable development processes
- Energy transition scenarios
- Investing in renewable energy solutions

Moreover, the Board of Directors and Executive Management attended a dedicated seminar on climate related risks. The seminar shed light on the various types of risks faced by organisations and the potential solutions and mitigation measures. It emphasised the importance of putting in place adequate governance systems and have a multi-dimensional collaboration to manage and mitigate climate-related risks. In addition to facilitating knowledge sharing and generating innovative ideas.

In 2022, we consumed an estimated 2,942,274kWh of electricity, reducing our consumption by almost 10% compared to 2021. Total energy consumption decreased by almost 9% in 2022 compared to 2021.

Key Performance Indicators (KPIs)	2020	2021	2022
Petrol consumption from operations and vehicles (L)	16,787	16,449	15,880
Electricity consumption (office, storage, facilities, etc.; kWh)	3,594,585	3,258,595	2,942,274
Scope: BNH, bni & bnl			

Key Performance Indicators (KPIs)	2020	2021	2022
Total energy consumption (GJ)	13,503	12,282	11,125
Energy consumption intensity (GJ/FTE)	67	59	62
Scope: BNH, bni & bnl			

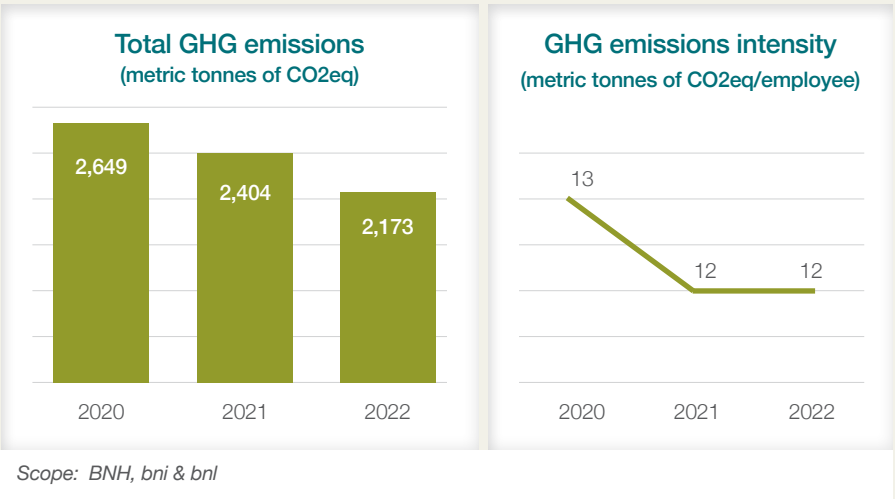
In 2022, our total Greenhouse Gas (GHG) emissions were 2,173 tonnes of CO2eq, which translated to an emission intensity of 12 tonnes of CO2eq/ employee. Total GHG emissions decreased by just under 10% for the same year compared to 2021 figures.



Our Commitment to the Environment (continued)

Key Performance Indicator (KPI)	2020	2021	2022
Direct GHG emissions (Scope 1) (metric tonnes of CO2eq)	39	38	37
Indirect GHG emissions (Scope 2) (metric tonnes of CO2eq)	2,610	2,366	2,136

Scope: BNH, bni & bnl



We extended our efforts to the community around us as well to help create value and safeguard our environment as much as possible.

BNH contributed to the National Afforestation campaign “Forever Green” launched by the National Initiative for Agricultural Development (NIAD) in line with Bahrain’s vision.

The campaign aims to plant over 25,000 trees in 40 sited to help sustain the development of the agricultural sector in the Kingdom and enourage the youth to volunteer in the field of agriculture.

As part of BNH’s contribution to the Forever Green campaign, the Group planted more than 128 trees and shrubs over Sitra walkway, Sheikh Isa Bin Salman Highway, Dry Dock Highway, Dry Dock graden, and Al Banna Garden.

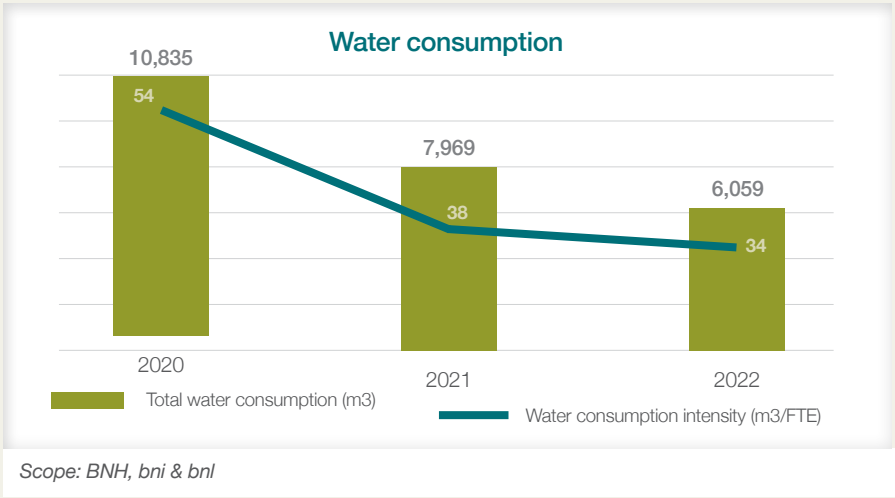


WATER, EFFLUENTS AND WASTE

BNH strives to increase environmental efficiency and management, with a focus on water and resource usage. In addition to adhering to all applicable rules and regulations, BNH’s workers and portfolio firms are expected to uphold our water, effluents, and waste management standards throughout our operations. Our absolute level of water consumption reduced significantly over the past three years, falling by approximately 44% while water use intensity fell by around a third.

Water Consumption

The focus on environmental issues must start with how the Group’s own operations affect the environment. BNH is always looking for ways to make our Group more efficient, especially when it comes to how we use water and materials. We continuously raise our staff’s awareness on the importance of responsible water consumption and the measures can be taken to conserve water usage.



Waste Generation

The insurance sector has a large reliance on paperwork. For that, we seek to minimise the waste we generate and to re-use or recycle materials wherever possible.

In 2022, we continued to donate the Group’s plastic waste to the Bahrain Association for Parents and Friends of the Disabled, in support of their initiative for collecting plastic to raise funds for purchasing special wheelchairs for people with disabilities.

With the support of our digitalisation programmes, BNH continues to actively work towards reducing the Group’s paper waste. In 2022 our paper waste came to 1,975 kg, which was sent to Nidukki (a waste management, cleaning, and recycling service provider in Bahrain) for recycling.

Our Commitment to the Environment (continued)

BNH has implemented the following practices within its business operations to reduce paper usage:

- Implemented multi-function printers with advanced features to control waste.
- Through Board meeting management software, Board meetings are paperless and are conducted digitally.
- We are working on digitising more of our customer interactions, creating better service options, and reducing the amount of paper we use. Electronic signatures have enabled us to provide a service where customers can digitally purchase policies, manage services, and pursue claims related interactions digitally.
- Continue generating digital proposal forms for all lines of businesses and products with the aim to reduce the number of paper transactions significantly..
- Ongoing Business-to-Business (B2B) online payments which was first introduced in 2020 to reduce paper wastage and to expedite the payment process to vendors and customers.



OUR COMMITMENT TO CUSTOMERS & THE COMMUNITY

BNH is dedicated to positively contributing to the economic future of Bahrain and the wellbeing of our people. With that comes our commitment towards enhancing our customer experience and enriching the lives of the communities in which we operate.

As a contributor to Bahrain’s economic future, we believe that we must also contribute to the community and our consumers. BNH lives by the notion of “building prosperity through security,” and it is dedicated to the development and well-being of its community and customers, as well as to sustainable sourcing. Community development and customer relationship management programmes improve people’s lives through our involvement. We have established high customer service standards to provide a positive customer experience.

Material Issues Covered	Customer Experience Community Engagement Bahrainisation Sustainable Procurement
Sustainable Development Goals	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>9INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Bahrain Vision 2030 Aspiration	A Just, Thriving Society

CUSTOMER EXPERIENCE

BNH is committed to enhancing the customer experience through positive and innovative customer relationship management. We have set robust standards of customer service, which we hope will guarantee a rich customer experience; this in turn can create positive client sentiment towards our brand, services, and staff.

As part of a digital transformation program, BNH has been working to simplify customer interactions and achieve more efficient and streamlined business processes to enhance the customer experience.

Customer Satisfaction

BNH is in the final stages of designing an online customer satisfaction survey which will be sent out to all customers after visiting our branches or communicating with us through any of our alternative channels (WhatsApp, Call Centre, virtual branch). This will support the Group in obtaining customer feedback upon delivery of its services. Moreover, our websites give the user the chance to provide feedback, and soon enough, this feature will be included in the mobile app as well.

For bni, a customer survey application along with a back end dashboarding and campaign management facility was developed covering customer policy purchase and renewal transactions online. The application can also handle manual customer survey messages where the Group would like to poll customers or send individual survey requests.

Another aspect of the customer survey is the ability to send customer surveys for Roadside Assists. The system is still under testing and is planned to launch in 2023. Similarly, for bnl, a customer survey feature has been developed following customers’ online interactions with bnl’s product pages. The survey is going through various enhancements and modifications and is also due for launch in 2023.

Digitalising Customer Interactions

In order to improve the digital experience of our customers and offer services and products of better value, we set up an ambitious future strategy, investing in data and the digitalisation of our business which aims to reduce costs and make our business more efficient. We continue to consult process owners and senior management on innovative ways of conducting business and we have been recently emphasising the impact of Digitalisation and data-driven decisions. Many of our audit reports contain recommendations on automation, efficiency, and the adoption of data-driven decision making.

The main development in the area of customer digital experience is the work on revamping the Group’s websites which is planned to launch in 2023.

On the customer interaction front, BNH is integrating innovative solutions to simplify the customer interface, such as the use of the WhatsApp platform to engage with customers, respond to queries and requests and facilitate policy quotations, purchases, and renewals. BNH has been using digital platforms actively since April 2021 and continues to utilise its experience to further develop the platform. Our platform upgrades will include customer facing applications such as motor claims, motor endorsement, customer satisfaction surveys, and hosting APIs for future digital channels. Our goal is to achieve a satisfactory result with our business partners to realise value as quickly as possible.

In line with the CBB’s initiatives towards digital transformation, it has published a requirement for all insurance firms in Bahrain to implement digital solutions to serve customers’ and policyholders’ Motor Insurance Policy without requiring their presence in the insurance firm’s premises. This digital transformation was introduced in six phases throughout 2021, and the BNH Group upgraded its IT system, policies, and procedures to reflect CBB’s requirements and to support the digital transformation process in motor insurance.

Last year we started drafting the requirements of a mobile application for both subsidiaries that addresses the basic needs of clients which can help with providing the customer with facilities to request quotes, purchase their insurance policy plan, endorse policies, initiate and follow-up on claims, raise complaints, and have access to insurance policy documentation. In 2022, we managed to focus on the functionality layer which enables any delivery channel to interact with BNH’s core systems. The layer will then be utilised for all other channels ranging from partner integrations, mobile apps, web apps, and others.

In 2021 bni’s Virtual Branch was launched where clients were able to interact with customer service representatives via video call to complete their insurance-related transactions. This initiative has seen some positive feedback as a new portal for mandatory health

Our Commitment to Customers & the Community (continued)

insurance for visitors was launched. The portal provides a great convenience to bnl’s customers utilising an online end-to-end workflow. Moreover, in 2021, bni updated its website to allow for online claims and motor transfer endorsement to be made to further enhance the customer experience. In 2022, this translated into launching many motor agents on bni’s Agents’ platform.

Customer Privacy and Data Security

A Cyber Risk Framework has been designed by BNH to enhance the Group’s dedication to the security of operational infrastructure and sensitive data. BNH’s leadership attaches high value to ensuring that steps are made to minimise cyber risks to technology and digital assets. As part of the framework for managing cyber risks, the Risk Management Committee is tasked with reporting the organisation’s level of cyber maturity in terms of information security and cyber security controls.

BNH’s Incident Management Policy regulates security incidents that occur in BNH-controller production environments. The policy’s main objectives are to quickly return to normal service operation after a security incident, to communicate each event to all stakeholders in a timely and accurate manner, and to reduce the negative effects of an incident on business operations and/or the quality of the services offered.

To comply with the Personal Data Protection Law (PDPL), which is based on the General Data Protection Regulation, the Group has appointed a Data Protection Officer (DPO) and has established a data protection policy and framework that is authorised by its governance structure (GDPR). To improve the Group’s outlook in terms of handling its data, the DPO established a Data Register.








In 2023, there will be further investments into cybersecurity tools that solidify the Group’s cybersecurity approach. Phishing e-mails have been the most prevalent risk, however, the Group’s extensive cybersecurity toolkits and the cybersecurity awareness programmes in place, have protected the Group against cybersecurity threats. The Group conducts external vulnerability assessment and IT penetration tests on a semi-annual basis and internal vulnerability assessment penetration tests on a quarterly basis to ensure the safety and integrity of our systems.

Moreover, we have worked on encrypting our database backups to ensure further protection of the Group’s data and we continue to invest in cybersecurity tools to reduce attacks or risks.

For three consecutive years, zero data breaches were recorded.

Sustainable products and services

We recognise that today’s consumers, especially the younger generation, are concerned about sustainability issues and factor them in to the purchasing decisions. Accordingly, we have a wide range of innovative and forward-thinking sustainable products and services such as:

bni	
Bahrain’s very first Pay-Per-Mile insurance cover which offers low mileage drivers, affordable car insurance based on how much they drive their insured vehicles.	
Food Truck insurance that combines commercial automobile coverage for trucks with a restaurant. business owner policy.	
Solar panels and electric cars insurance.	
Cyber-Insurance Solution, an exclusive cybersecurity and risk mitigation cover for companies and organisations.	
Offering a special rate scheme for corporate clients who are committed to applying sustainable practices across their operations.	
SME programme “Reyada” - which aims to offer start-ups as well as Small and Medium-sized Enterprises competitively priced and customisable product bundles that will address key exposures such as their professional liability and cybersecurity amongst others.	
bnl	
Introduced “nmou” - a comprehensive healthcare plan designed exclusively for small and medium enterprises to support their workforce for healthier business performance.	

Our Commitment to Customers & the Community (continued)

Sustainable Procurement

At BNH, we prioritise our purchasing practises to directly support Bahraini businesses. Our Group procurement department establishes policies and standards, oversees significant purchases, organises supplier contracts, creates sourcing strategies, and centralises our purchasing activities. In order to boost the economy of the nation, we make it a priority to engage local vendors whenever possible. We believe that a more stable business climate is supported by investing in local suppliers, which also helps to create jobs and increase local capabilities.

In 2022, the total procurement spending increased by 21% amounting a value of BHD 2.47 million, while spending on local suppliers increased by 22% for the same time period, with 89% of our total suppliers being local.

Procurement Practices	2020	2021	2022
Total number of suppliers engaged	183	260	241
Total number of local suppliers engaged	159	234	215
Procurement spending on local suppliers (BHD)	1.34m	1.80m	2.20m
Total procurement spending (BHD)	1.52m	2.05m	2.47m
Percentage of procurement spending on local suppliers (%)	89%	88%	89%

Scope: BNH, bni & bnl

Bahrainisation

To support the development of Bahrain, BNH has measures in place to reflect the Group’s commitment to support the employment of locals where possible. BNH has always strived to lead the way to recruit Bahraini nationals within the Group.

We aim to increase the percentage of nationals in all positions, through the various measures outlined below:

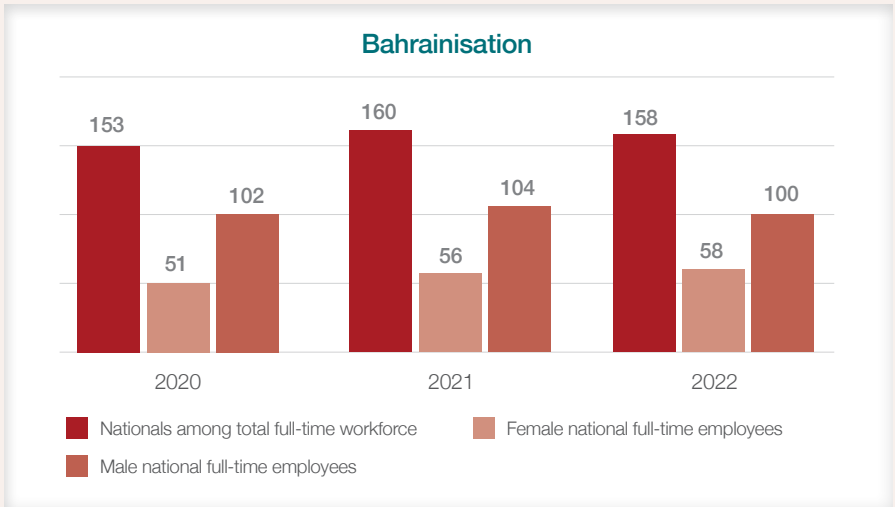
- Employ Bahraini nationals who have the appropriate qualifications, skills and experience and make efforts to identify Bahraini candidates.
- Bahraini employees are encouraged to pursue their further training through private study and the Group provides financial assistance in the field of study. This in turn helps the employee to improve his/her career and present position at the Group.
- BNH also supports Bahraini universities by offering internship opportunities in a range of functions within the Group.

Bahrainisation is an important corporate objective within the organisation. BNH will continuously aim to train and develop suitable Bahraini candidates and ensure that opportunities are made available to individual staff members to improve their knowledge and performance in line with government policy.



We are pleased to announce the establishment of an internal actuarial unit that includes specialist Bahraini cadres who wish to develop their careers. We are proud to be the first Bahraini organisation to specialise in insurance, establishing an actuarial unit in line with the directives of the CBB, supporting efforts to develop the insurance industry, to bring it in line with international standards and to prepare qualified Bahraini staff in the main areas of expertise of the insurance industry.

In 2022, the Bahrainisation rate among full-time workforce was 78.2%.



Scope: BNH Group – 2020 & 2021 data includes iAssist

Community Engagement

BNH is mindful of the communities in which it operates. Through innovative, social, and charitable efforts that are in line with our principles and have a beneficial effect on our society and environment, we seek to deliver targeted activities and initiatives that advance the socioeconomic development of the communities where we operate.

Our areas of attention depend on a variety of variables, including the demands and needs of our community, including fostering economic development, opening work opportunities, maintaining good health, and engaging in charitable endeavours. In 2022, our total community investment amounted to BHD 126,844.

Community Investment	2020	2021	2022
Amount of community investment (BHD)	95,513	42,918	126,844
Community investment as a % of Group revenue	0.6%	0.2%	0.6%

Scope: BNH, bni & bnl

Our Commitment to Customers
& the Community
(continued)

Corporate Social Responsibility

In 2022, BNH Group implemented the following initiatives of a philanthropic nature to support local communities as part of the Group’s social responsibility programme that promotes community solidarity:








BNH	
	Organised the distribution of Ramadan Baskets to underprivileged families and engaged staff volunteers to participate in this initiative. A total of 41 Ramadan baskets were distributed to families, and members of the Association for Parents and Friends of the Disabled.
	On the occasion of Eid Al-Fitr, the staff visited the Future Youth Society for children with cancer to celebrate and distribute gifts.
	Donated books to the new cancer children’s ward at Salmaniya Medical Complex.








BNH	
	Arranged for a staff visit to UCO Elderly Care centre on the occasion of Bahrain National Day which included engaging activities and presented residents with gifts.
	Participated in the Corporate Governance Forum for the ‘Masari’ challenge. This initiative by the Ministry of Youth and Sports Affairs and Pear Initiative enabled youth to participate in workshops, panel discussions, and team building activities. The focus was on capacity building for corporate governance, business integrity, accountability, transparency, and sustainability.
	Participated as a mentor and judge in TradeQuest, a programme that gives students real-life experience in capital market investment. Students learned about regulations and systems used in Bahrain Bourse and NYSE, choose shares to invest in, and manage a share portfolio.

Our Commitment to Customers & the Community
(continued)

bni	
	Continued insuring cars and properties of charity societies and care centres in Bahrain. Charitable organisations who benefitted from this included the Bahrain Downs Syndrome Society, UCO Parents Care Centre, and Hope Institute for Special Education.
	Supported the General Directorate of Traffic awareness campaigns such as Traffic Week Campaign, Back to School Awareness Campaign, National Day Awareness Campaign promoting safety tips on the roads and in cars.
	bni was the main sponsor of the Ministry of Interior ANTI-DRUG Campaign.
	Collaborated with the Ministry of Education in providing support to less fortunate students.
	Continued offering training to high school and universities students.



bni	
	Sponsored “Complete Your Tournament” event organised by the Rotary Club Bahrain, where the proceeds of the event were allocated to help treat breast cancer patients in Bahrain.
	Sponsored Al-Kindi Hospital cancer diagnostic and surgery centre along with sponsoring the surgery for a cancer case recommended by the Breast Cancer Society.
	Sponsored the “Road to Awareness Campaign”, an initiative supported by the Ritz-Carlton Bahrain, which is organised by the UNICEF to provide clean drinking water and proper sanitation facilities for children and families across Africa and the Middle East.
	Sponsored a “Padel for A Cause” tournament organised by Rotary Club of Seef Bahrain. The proceeds of the tournament were allocated to sponsor the educational costs of disadvantage students in addition to various community development initiatives.
	Conducted several health awareness sessions for corporate clients on a variety of topics, including breast and prostate cancer.

