

Making an Impact

We approach ESG in a structured manner, first as a responsible business and, second, as a responsible investor by integrating ESG considerations into our investment processes.

Being a regional group, SICO endeavors to stay at the forefront by aligning its ESG policies with internationally recognized best practices. We look to leading independent global organizations, such as the UNPRI (United Nations-supported Principles for Responsible Investment), a foremost advocate for Responsible Investing, and the UNSDGs (United Nations Sustainable Development Goals), as benchmarks for shaping our commitment to responsible and sustainable business practices.




At a corporate level, SICO takes pride in being an ethical organization that prioritizes diversity, inclusion, environmental sustainability, and sound corporate governance through its decision-making process and operations. Furthermore, we are strong supporters of developing the

communities where we operate. Accordingly, the Group is working to integrate ESG considerations into the fabric of its operations which allows us to create long-term value for all stakeholders, including clients, partners, employees, and the community at large.

Environmental Social, Governance (ESG)


Environmental

Minimize carbon footprint and integrate environmental awareness into our operations in line with Bahrain's commitment to net zero carbon emissions in 2060




Social

Investing in human capital by focusing on women's empowerment, diversity and inclusion, education, and access to employment



Governance

Adhering to the highest standards of Corporate Governance and ensuring oversight of ESG integration into the investment process

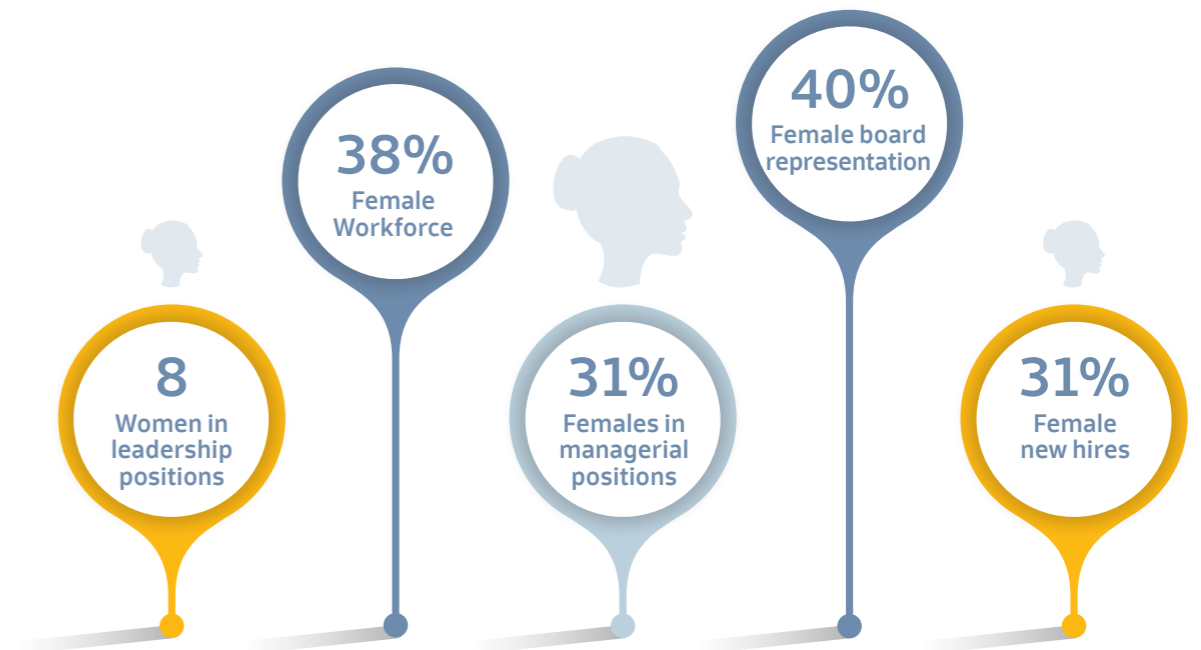


Supporting Our People

Diversity and Inclusion

SICO takes pride in its commitment to being an equal opportunity employer, fostering a diverse workforce and cultivating a culture that emphasizes the empowerment of women. Since 2014, SICO has been led by its first female CEO, Najla Al-Shirawi, and currently, 31% of managerial positions are held by women. The Group is proud to have the highest female representation in Bahrain on its Board of

Directors at 40%. Overall, 38% of SICO's total workforce is made up of women, with eight currently in leadership positions. Furthermore, our research team is 45% female, and our brokerage team is led by the only female Chief Broker in Bahrain together with her team that consists of 60% women. Our market making business line is also headed by a female and her team consists of 100% females.

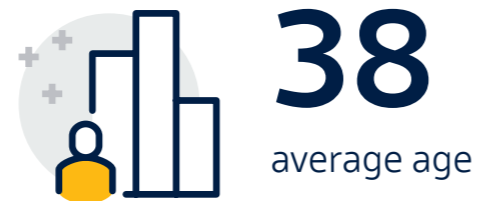


The Group's dedication to equality is further evidenced by the existence of an Equal Opportunity committee, established in 2017, which actively works to ensure equal employment opportunities and continually enhances policies, procedures, and practices to champion gender inclusion and diversity. In recognition of these efforts, SICO was honored as the Best Bank for Diversity and Inclusion in Bahrain by the Euromoney Awards for Excellence in 2023. SICO's HR staff have all participated in unconscious bias training and all department heads completed a diversity and inclusion training programme.

In 2023, SICO partnered with PLAYBOOK, a leading global platform for professional development and networking, to elevate and support the career progression of female leaders within SICO through an ecosystem of curated learning resources, mentorship, and networking opportunities. Through the partnership, members gain access to a library of expert-led masterclasses, workshops, executive speaker sessions, a mentorship programme, networking opportunities (online and offline), and more. The curated learning resources help women navigate leadership challenges and build more inclusive workplaces with access to equal opportunities.

Total Workforce by Gender and Age-Group

	20-30	31-40	41-50	Above 50
Male	13.6%	20.4%	21.8%	6.8%
Female	14.3%	12.9%	9.5%	0.7%



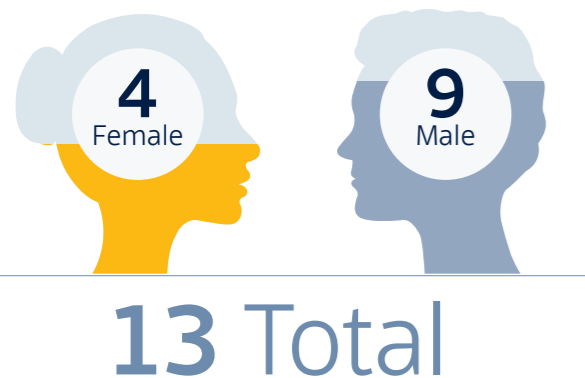
Employee Turnover Rate

2023	Turnover %
SICO	10.4%
SICO Invest	18.2%
SICO Capital	67.9%

SICO's offices in the Bahrain World Trade Center (BWTC) include communal areas where colleagues can sit, talk, eat, and bond in a comfortable relaxed setting. The layout of the departments and offices also includes collaborative spaces that provide the ideal environment for brainstorming, connecting, and teamwork with phone booths and meeting rooms available for more private and quiet assemblies. Prayer rooms are also adequately provided to allow employees to practice their faith, and wellness rooms are available as lactation spaces for new moms, and as quiet spaces for employees and guests in need of a boost of energy.

The official work from home (WFH) policy that was adopted in 2021, allowing employees, on a case-by-case basis, to work 50% of the time from home remains

New Hires by Gender



Total Percentage of Nationals at SICO



in effect. All employees are given the opportunity to work from home, especially those with chronic conditions, mothers, and pregnant women. All employees working from home are supported with the required equipment and/or technical support from IT to ensure uninterrupted workflows.

SICO's HR department implements an open-door policy to encourage employees to voice their opinions and to promote a culture of transparency, develop trust, and facilitate with the implementation of changes that positively impact workplace efficiency and productivity. At SICO, we uphold a commitment to equality among our employees, irrespective of factors such as gender, age, religion, disabilities, ethnicity, experience, or background. Our Grievance Policy serves as a transparent framework, offering explicit guidance on the proper channels for raising and addressing workplace concerns. In 2023, SICO recorded zero incidents of discrimination or harassment or of child or compulsory labour.

Developing Talent

SICO places a paramount emphasis on nurturing talent within the organization through dedicated mentoring and training initiatives. Throughout the year, comprehensive training courses are offered, encompassing a wide spectrum ranging from banking and finance to soft skills, leadership and management, risk management, anti-money laundering, and diversity and inclusion. These courses are conducted in collaboration with esteemed global and local experts, including institutions such as the Bahrain Institute of Banking and Finance (BIBF), Roshcomm, Bloomberg, and Thomson Reuters Compliance Learning, among others. This strategic approach ensures that SICO's workforce is equipped

with a diverse skill set and stays abreast of the latest industry standards and practices.

During the year, SICO employees continued to participate in the CFA Society Bahrain's Qodwa Mentorship Program, which pairs candidates with experienced charter holders as mentors to help them work towards their academic and professional goals. The program, which is currently in its fifth round, has successfully paired over 70 mentors and sixth, trained more than 100 participants, and expanded across four countries.

A total of 111 employees have successfully completed cybersecurity and anti-money laundering (AML) training programmes. These initiatives reflect our commitment to fostering a secure and compliant work environment, where employees are equipped with the necessary knowledge and skills to safeguard sensitive data and uphold regulatory standards. Through these comprehensive training sessions, our workforce has gained valuable insights into identifying and mitigating cyber threats, as well as detecting and preventing illicit financial activities.

Employee Savings Scheme

SICO's employee saving scheme (ESS), launched in 2023, allows employees to opt into a savings plan by designating a portion of their monthly base pay with a guarantee that SICO will match the amount with a cash contribution of a similar amount, subject to a maximum cap and a vesting period. Employees can select one of three global options (aggressive, moderate, conservative) according to their personal investment needs. SICO's Global Markets team then invests the savings in diversified, low-cost liquid investments that are ring-fenced according to international best practice. The ESS was designed in consultation with multinational insurance company, Aon.

Addressing Climate Challenge

Given that climate change has emerged as the foremost challenge of our era, SICO places high importance on advancing ecological preservation and sustainable measures, both within the organization and in external engagements. SICO is dedicated to contributing to the collective effort against global warming and supporting the Bahraini government's objective of achieving net zero carbon emissions by 2060. Continuous efforts are underway to discover and execute new initiatives aimed at reducing SICO's carbon footprint, which declined 23%



Training Hours by Gender*



in 2023 alone. Furthermore, the Group is committed to incorporating environmental awareness and sustainability into its core operations in the years ahead.

SICO publishes an annual GHG (greenhouse gas) Emissions Report, to monitor and reduce GHG emissions. Its 2023 report, which will be published at the end of March, covers the period from January 1 to December 31, 2023, and includes direct emissions from controlled equipment and assets (scope 1), emissions from purchased electricity (scope 2), and selected categories that constitute indirect emissions that occur within the value chain such as business travel, commuting, and working from home.

SICO's total carbon emissions were down by 32% to 455.5 Mt CO2e from 669.36 in 2022. SICO's scope 1 emissions were down drastically to a total of 7.87 Mt CO2e compared to 210.79 Mt CO2e in 2022, while scope 2 emissions recorded 282.72 Mt CO2e, down from 317.38 Mt CO2e in 2022. Offices in Bahrain and the UAE shifted to district cooling, reducing scope 1 emissions compared to 2022.

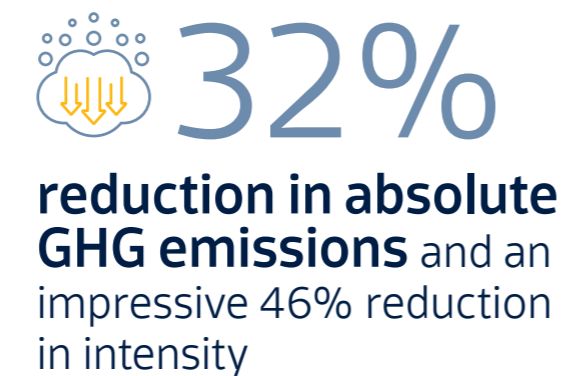
SICO made notable progress in reducing its GHG emissions, with a 20% reduction in absolute emissions and a 23% reduction in GHG intensity from the base year of 2021. Similarly, with reference to last year, SICO continued its commitment to sustainability, resulting in a significant 32% reduction in absolute GHG emissions and an impressive 46% reduction in intensity. These reductions demonstrate our ongoing endeavors to minimize air emissions and mitigate its environmental impact.

Fugitive emissions experienced a notable decrease due to SICO Bahrain's transition to a green building reflected

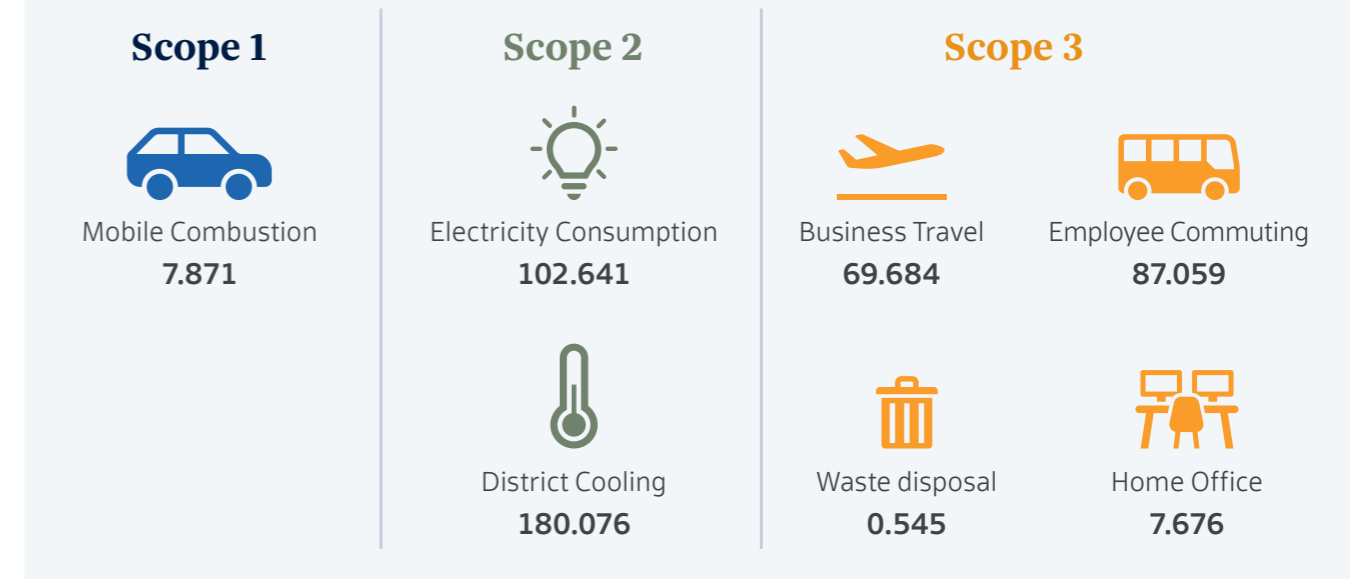
in the specific reduction of refrigerants. Additionally, both Bahrain and UAE offices adopted the eco-friendlier district cooling systems, contributing to a reduction in scope 1 emissions. In 2023, these emissions accounted for just 2%, a significant improvement compared to 48% and 31% in 2021 and 2022, respectively.

Despite progress in certain areas, SICO experienced an increase in business travel compared to the base year and the previous year. This surge in travel contributed to a notable 19% increase in scope 3 emissions compared to the base year and a 17% increase compared to the previous year. Business travel accounted for more than half of scope 3 emissions, representing 53% of the total.

As part of an ongoing partnership with The National Initiative for Agricultural Development (NIAD)'s 'Forever Green' campaign, held under the patronage of Her Royal Highness Princess Sabeeka bint Ibrahim Al Khalifa, SICO completed its fourth tree-planting effort. Since the beginning of the campaign, SICO has planted more than 2,582



GHG EMISSIONS In Mt CO2e



trees in urban areas, which is reflected in an estimated 46.48 tons of CO2e sequestration. The Group reaffirmed its commitment to playing a role in expanding green spaces in Bahrain with SICO's team and their families collaborating to fight against climate change. This involves generating oxygen, absorbing carbon dioxide, enhancing air quality, promoting biodiversity, conserving soil, and contributing to Bahrain's target of achieving net-zero carbon emissions by 2060.

During the year, SICO sponsored a commendable beach cleanup initiative rallying the efforts of 132 volunteers, to mitigate the negative impact of waste and plastic pollution on thousands of species of marine animals. The volunteers undertook the task of cleaning up two beaches, demonstrating their commitment to preserving the natural beauty of coastal areas. Through their collective efforts, an impressive 500 kilograms of waste were successfully removed from the shores, marking a significant contribution to the ongoing global efforts towards environmental sustainability.

To further embed sustainability internally, SICO has in place a "No Plastic, No Printing" policy and digitized business cards. SICO no longer uses or supplies plastic bottles,

cutlery, or cups anywhere on its premises and reusable bottles have been issued to all employees. SICO also recycles paper, plastic bottles, and metal cans in its offices, in addition to working with a local supplier to recycle any electronic waste generated.

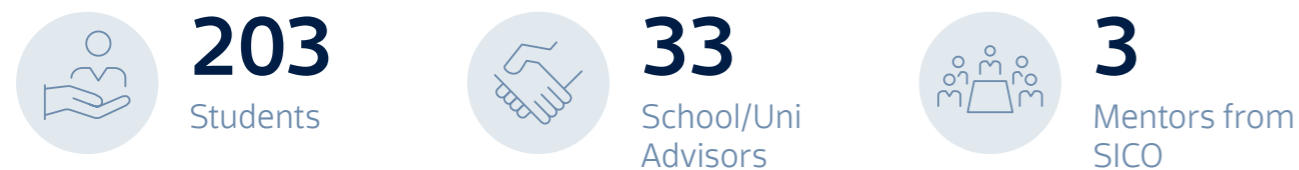
Developing Our Communities

Educational Initiatives

SICO is dedicated to increasing the accessibility of education through proactive and engaging community initiatives. The Group continued to sponsor a variety of education and career development programs targeting different segments of the population in collaboration with local entities, including the Bahrain Bourse, the CFA Society, and the Bahrain Institute of Banking and Finance (BIBF).

In 2023, SICO and the Supreme Council of Women (SCW) concluded the "Trading in Financial Markets" programme, empowering 44 Bahraini women with valuable knowledge and experience in global financial market trading. The programme covered trading fundamentals, various types of investment instruments, stock market analysis, developing trading strategies,

TradeQuest 2022-2023



and risk management. The winners received several prizes, including the opening of an account on the trading platform, SICO LIVE, with a cash amount to support the initiation of their trading.

SICO also launched the second round of the Women in Investment (WIM) Programme in collaboration with the Supreme Council for Women (SCW) and CFA Society – Bahrain during the year. The new training programme was delivered by the Bahrain Institute of Banking & Finance (BIBF) as the knowledge partner. Thirty women were selected to embark on a transformative learning journey which encompassed a mix of engaging interactive workshops and insightful fireside sessions, providing participants with the rare opportunity to connect with renowned industry experts and gain valuable insights from their vast experience. To further support their professional growth and advancement, the programme participants will receive ongoing executive mentoring through the CFA Society mentorship programme, Qodwa, which empowers participants by connecting them with experienced industry professionals. This programme facilitates the transfer of knowledge and guidance across diverse levels, fostering professional growth for mentees.

In 2023, members of SICO's staff participated in two initiatives with INJAZ Bahrain, a non-profit organization that was established in 2005 as part of Junior Achievement Worldwide with the aim of empowering young people to own their economic success and be prepared for today's business challenges. SICO employees participated in the organization's Career Speaker Series, where professionals, entrepreneurs, and innovative thinkers from a variety of industries share their personal and professional career journey

with students. They also took part in the Entrepreneurship Masterclass, which was a one-day workshop designed

to give intermediate school students the opportunity to learn the skills and behaviors necessary to establish and run a company.

SICO continued to sponsor Bahrain Bourse's TradeQuest Program, a competitive financial simulation that provides university and high school students with real-life experiences simulating local and international financial markets. Participants form investment teams made up of seven to eight members who are given virtual portfolios worth BD 500,000 and USD 4 million to invest in companies listed on the Bahrain Bourse and the New York Stock Exchange (NYSE). Students trade on both markets during specified trading sessions via an electronic trading platform on the BHB and Stock Trak Websites. Teams are provided with mentors and evaluated based on presentation and the financial performance of their portfolio.

SICO participated in Room to Read, a global non-profit supporting girl's education across Asia and Africa that aims to improve literacy and gender equality in education. SICO's contribution to the organization's Tokyo Marathon campaign, spearheaded by Yusuf Alireza, Room to Read's Global Board Chair, helped raise USD 128 thousand to be matched. Room to Read has impacted the lives of more than 39 million children across 23 countries.

SICO lent its support to Bahrain's flagship educational programs, including the Al Mabarrah Al Khalifia Foundation and the Crown Prince's International Scholarship Program (CPISP), which it has contributed to for the past 18 years. The CPISP, which celebrated its 25-year anniversary in 2023, is a program established by Bahrain's Prime Minister and Crown Prince, HRH Prince Salman bin Hamad Al Khalifa, and operated through funding by the Crown Prince, as well as a number of local and international sponsors. The program seeks to



support talented individuals in their academic journey. Since it first began working with CPISP, SICO has supported more than 175 scholars in pursuing higher education degrees at some of the world's leading educational institutions.

SICO renewed its sponsorship for the 9th edition of the Ibn Khuldoon National School's Annual Model United Nations Conference which brings together students to roleplay as UN delegates and simulate UN committees. MUN participants significantly improve their leadership, public speaking, teamwork, and negotiation skills, while also expanding their knowledge of current global issues. This year's conference was hailed as a great success, with 341 students from 20 different schools across the Kingdom of Bahrain.

In 2023, SICO also hosted a group of students from BIBF and Al Mabarrah Al Khalifiah at its offices. Its goal was to provide them with valuable insights into the different business lines and the exciting opportunities awaiting them in the finance industry. Throughout the day, they had the chance to dive into the finance world with diverse presentations from different departments and an exclusive tour of the premises.

Healthcare and Social Services

At the core of our commitment to social responsibility, we recognize the invaluable contribution that our workforce can make beyond their professional roles. In the year 2023, the collective spirit of philanthropy within SICO was vividly demonstrated as our dedicated employees generously volunteered their time and skills for an impressive 1,076 hours. Over the years, SICO has forged partnerships with diverse organizations to actively engage in volunteering initiatives focused on enhancing healthcare and elevating the overall quality of life within its communities through impactful social programs.

SICO's employees also regularly organize and execute a number of initiatives to give back to the community, including blood drives, animal shelter support, book and clothing donations, Movember activities, diabetes support for children, and breast cancer awareness campaigns.

During the holy month of Ramadan in 2023, SICO's staff collected 90 food boxes for distribution to needy families in Bahrain. Each of these food boxes contained essential food items to support families in need. We hope that this contribution helped alleviate some of the struggles that many families are facing. As a socially responsible organization, we strive to do our part in supporting our communities during Ramadan.

In response to the call from His Majesty the King of Bahrain, the Royal Humanitarian Foundation, and the Central Bank of Bahrain, SICO made a contribution of BD 10,000 to aid in alleviating the humanitarian crisis in Gaza. This not only aligns with the royal initiative but also reflects SICO's commitment to making a positive impact in times of need. Supporting the Palestinian community in Gaza is not only a humanitarian duty, but an expression of solidarity during challenging times.

Additionally, when Turkey and Syria were hit by devastating earthquakes earlier this year resulting in the loss of lives and displacement of thousands of people, SICO donated to the relief efforts launched by the Royal Humanitarian Foundation in Bahrain. SICO also invited its employees to participate by donating goods to the Syrian and Turkish embassies in Bahrain.

During 2023, the Bank continued to support the Shaikh Ebrahim Center, which was established in 2002 as a forum for dialogue on philosophy, literature, poetry, culture, and the arts. Since its inauguration, it has hosted over 500 speakers, philosophers, poets, and thinkers, who have presented their thoughts in the center's weekly lecture program. The center has also restored traditional Bahraini houses in Muharraq and Manama.

Responsible Investing

SICO recognizes the increasing significance of ESG in the region and aims to stay ahead by aligning with international best practices and peers, integrating ESG considerations into its investment decisions.

Understanding the impact of ESG issues on long-term portfolio performance, such as sustainable development and climate change, SICO incorporates ESG criteria to gain insights into potential risks and mitigate them effectively. Embracing the UNPRI framework, the Group remains committed to promoting responsible investment, integrating ESG into its operations for long-term stakeholder value. SICO also prioritizes transparency, adhering to global standards such as the Global Investment Performance Standards (GIPS) to safeguard the interests of shareholders and clients.

Launched in 2023, the Responsible Investment Policy of SICO extends its coverage to the Equity and Fixed Income Asset Management Department, as well as the Strategy, Partnership, and Treasury Department. This policy serves as a foundational framework, offering a reference point and presenting a set of initiatives for implementation by all relevant employees engaged in integrating Environmental, Social, and Governance (ESG) considerations into SICO's investment decision-making process.

The primary objective of this policy is to streamline and enhance the efficiency of the investment process by providing clear guidance. It acts as a comprehensive resource, outlining a series of actions to be undertaken by employees involved in incorporating ESG factors into SICO's investment decisions. In order to efficiently integrate the policy's objectives across the Group, SICO's Fixed Income, Equity, and Investment teams all attended an awareness class to educate them on the implementation of framework. A member of the SICO team is now additionally qualified as a CFA ESG-certified professional.

Developed to offer organizational guidance, this policy outlines how ESG factors should be seamlessly integrated into the investment decision process. It acts as an additional lens, supporting the identification of potential risks that could impact the investment portfolio. Emphasizing adaptability, the policy is designed to evolve over time, aligning with shifts in business practices and the regulatory landscape. Regular monitoring is a key feature, with an annual review ensuring that the policy remains robust and aligns with the organization's commitment to responsible investment. Adjustments

to the approach are made as necessary, reflecting the dynamic nature of responsible investment practices and the evolving expectations within the industry.

Economic Impact

SICO, through its direct economic impact, not only generates revenue and contributes to operating costs but also invests significantly in its workforce through employee wages, benefits, and community investments. By establishing innovative financial schemes such as the Employee Savings Scheme (ESS), SICO fosters financial growth among its employees, offering benefits and matching contributions while managing assets efficiently.

Moreover, the bank's indirect economic influence extends to various sectors, including education and market making. Through partnerships with educational institutions and initiatives, including the Women in Investment Programme and Financial Literacy Summer Camp, SICO promotes financial literacy and supports educational development. Additionally, SICO's market making division plays a pivotal role in enhancing liquidity, investor confidence, and market performance through strategic transactions and the Bahrain Liquidity Fund, ultimately contributing to economic growth and stability.

Furthermore, SICO contributes to the advancement of Bahrain's financial sector by embracing innovative technologies and supporting initiatives such as Fintech Bay, aiming to enhance client interactions and promote digitalization. As a sponsor of Bahrain's CFA society and through active participation in conferences and panels, SICO demonstrates its commitment to professional development and the growth of local capital markets. Additionally, SICO's CEO, Najla Al-Shirawi, along with senior executives from all SICO's business lines are regular participants in conferences and panels addressing key issues in the financial sector in Bahrain and throughout the GCC. By engaging in these activities and fostering a culture of innovation and collaboration, SICO strengthens its position as a leader in the financial industry while driving economic progress and development in Bahrain and the broader GCC region.



Corporate Governance

Commitment

SICO is committed to upholding the highest standards of corporate governance. This entails complying with regulatory requirements, protecting the rights and interests of all stakeholders, enhancing shareholder value and achieving organizational efficiency. The Bank has Board-approved policies for Risk Management, Compliance, and Internal Controls, in accordance with the rules and guidelines from the Central Bank of Bahrain (CBB).

The adoption and implementation of corporate governance is the direct responsibility of the Board of Directors. The Board is committed to excellence in corporate governance and adheres to rules of the High Level Controls Module (HC Module) of the CBB and the principles of the Corporate Governance Code of the Kingdom of Bahrain issued by the Ministry of Industry, Commerce, and Tourism.

Shareholder Information

The Bank's shares are listed on the BHB as a closed company. As of 31 December 2023, the Bank had issued 441,342,373 ordinary shares of Bahraini fils 100 each. The last Annual General Meeting was held on 27 March 2023.

Responsibilities of the Board of Directors

The Board is accountable to the shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. The Board works as a team to provide strategic leadership to staff, maintain the organization's fitness for purpose, set the values and standards for the organization and ensure that sufficient financial and human resources are available.

The Board's roles and responsibilities are outlined in the Board Charter of the Bank. The Board organizes a formal schedule of matters for its decision-making process to ensure that the direction and control of the Bank rests

with the Board. This process includes strategic issues and planning, review of management structure and responsibilities, monitoring management performance, acquisition and disposal of assets, investment policies, capital expenditure, authority levels, treasury policies, risk management policies, the appointment of auditors and review of financial statements, financing and borrowing activities, reviewing and approving the annual operating plan and budget, ensuring regulatory compliance, and reviewing the adequacy and integrity of internal systems and controls framework.

The Chairman is responsible for leading the Board, ensuring its effectiveness, monitoring the performance of the Executive Management, and maintaining a dialogue with the Bank's shareholders. The Chairman also ensures that new Directors receive a formal and tailored induction to facilitate their contribution to the Board.

Without abdicating its overall responsibility, the Board delegates certain responsibilities to Board Committees. This is to ensure sound decision-making and facilitate the conduct of business without unnecessary impediment, since speed of decision-making in the Bank is crucial. When a Committee is formed, a specific Charter of the Committee is established to cover matters such as the purpose, composition, and function of the Committee. The Board has three Committees to assist it in carrying out its responsibilities: The Investment Committee; the Audit, Risk, and Compliance Committee; and the Nominations, Remuneration, and Corporate Governance Committee. The Internal Audit, Compliance, and Risk Management functions report directly to the Board through the Audit, Risk, and Compliance Committee.

The Board receives reports and recommendations from Board Committees and Management on matters it considers to be of significance to the Bank.

Board Composition and Election

The Board's composition is guided by the Bank's Articles of Association. As of 31 December 2023, the Board consisted of nine Directors, two of which are Independent Directors, two are Executive Directors, and five are Non-Executive Directors, including the Chairman. The Bank recognizes the need for Board composition to reflect a range of skills and expertise. The profiles of Board Members are listed later in this Review. The Company Secretary is Simone Del Nevo. The classification of Executive, Non-executive, and Independent Directors is per the definitions stipulated by the CBB. Directors are elected by the shareholders at the AGM, subject to prior approval by the CBB, for a period of three years, after which they shall be eligible for re-election for a further three-year period.

Independence of Directors

In line with the requirements of the CBB's HC Module, the Bank has put in place Board-approved criteria to determine "Test of Independence" using formal requirements as specified in the CBB rule book and other relevant requirements as assessed by the Board of SICO. The purpose of the test is to determine whether the Director is "Independent" of management, and any business or other relationships, that could materially interfere with the Director's ability to exercise objective, unfettered, or independent judgment. The test also assesses the Director's ability to act in the best interests of SICO. Based on an assessment carried out in 2023, the Board of Directors resolved that two of the Non-executive Directors of SICO met the relevant requirements of the "Test of Independence", and accordingly, these Directors were classified as "Independent" Directors.

Board and Committee Evaluation

The Board performs a self-evaluation on an annual basis. The Board periodically reviews its Charter and its own effectiveness, while initiating suitable steps for any amendments. The Board also reviews self-evaluations

SICO is committed to upholding the highest standards of corporate governance in compliance with regulatory requirements.

of the individual Board members, Chairman, and the Board Committees, and it considers appropriately any recommendations arising out of such evaluation.

Remuneration of Directors Policy

The Board of Directors' remuneration is governed by provisions of the Commercial Companies Law 2001 and the CBB. The Directors' remuneration is approved by the shareholders at the Annual General Meeting. In addition, the members are paid sitting fees for board and committee meetings. The Board's remuneration is reviewed by the Nomination, Remuneration, and Corporate Governance Committee, as per the remuneration policy. Directors' remuneration is accounted as an expense, as per international accounting standards and CBB regulations.

Board Meetings and Attendance

According to the Bahrain Commercial Companies Law and CBB rules, Board meetings will be conducted at least four times a year (on a quarterly basis). All Board members must attend at least 75% of all Board meetings within a calendar year. At least six Directors must attend each Board meeting, including the Chairman or the Vice-Chairman. During 2023, five Board meetings were held in Bahrain.

Directors' Attendance – January to December 2023

Board Meetings

Board members	#152, 27 Feb 2023 – SICO	#153, 10 Apr 2023 – SICO	#154, 11 May 2023 – SICO	#155, 9 Aug 2023 – SICO	#156, 19 Nov 2023 – SICO
Sh. Abdulla Al Khalifa (Chairman to meeting 152 on 27 Feb 2023)	✓	N/A	N/A	N/A	N/A
Abdulla Kamal (Chairman from meeting 153 on 10 April 2023)	✓	✓	✓	✓	✓
Hisham Al Kurdi (Vice Chairman)	✓	✓	✓	✓	✓
Mohammed Abdulla	✓	✓	✓	-	✓
Tala Fakhro	✓	✓	✓	✓	✓
Dana Raees	✓	✓	✓	✓	✓
Naseema Haider	✓	✓	✓	✓	✓
Khalid Aljassim	✓	✓	✓	✓	✓
Sh. Waleed Al Hashar	✓	✓	-	✓	✓
Elham Al Majed	N/A	✓	✓	✓	✓

Investment Committee Meetings

Board members	#46, 31 Jan 2023 – SICO	#47, 10 May 2023 – SICO	#48, 21 Jun 2023 – SICO	#49, 6 Nov 2023 – SICO
Sh. Abdulla Al Khalifa (Chairman to meeting 46 on 31 Jan 2023)	✓	N/A	N/A	N/A
Abdulla Kamal (Chairman of Investment Committee)	N/A	✓	✓	✓
Hisham Al Kurdi	✓	✓	✓	✓
Sh. Waleed Al Hashar	✓	✓	✓	✓
Elham Al Majed	N/A	✓	✓	✓
Khalid Al Jassim	✓	N/A	N/A	N/A

Audit, Risk & Compliance Committee Meetings

Board members	#78, 21 Feb 2023 – SICO	#79, 10 May 2023 – SICO	#80, 8 Aug 2023 – SICO	#81, 9 Nov 2023 – SICO
Tala Fakhro (Chairperson of the Audit, Risk & Compliance Committee)	✓	✓	✓	✓
Mohammed Abdulla	N/A	✓	-	✓
Naseema Haidar	✓	✓	✓	✓
Abdulla Kamal	✓	N/A	N/A	N/A

Nomination, Remuneration and Corporate Governance Committee Meetings

Board members	#41, 16 Feb 2023 – SICO	#42, 15 Mar 2023 – SICO	#43, 20 June 2023 – SICO
Khalid Al-Jassim (Chairman of Nomination, Remuneration, and Corporate Governance Committee)	N/A	N/A	✓
Mohammed Abdulla	✓	✓	✓
Dana Raees	✓	✓	✓
Khurram Ali Mirza	✓	✓	N/A

•(N/A): The Director was not a committee member due to changes in committee composition throughout the year or was at the end of his/her term.

•(-): The Director was not in attendance.

Board Committees

Investment Committee

Objective –

- Review investment policies and procedures to monitor the application of, and compliance with, investment policies.
- Approve and recommend (where appropriate) to the Board relevant investment decisions (as defined in the Investment Policy Guidelines and Restrictions).
- Review strategy and budget business plans prior to submission to the Board.
- Monitor financial performance.
- Oversee the financial and investment affairs of the Bank.

Audit, Risk and Compliance Committee

Objective –

- Review the Bank's accounting and financial practices.
- Review the integrity of the Bank's financial and internal controls and financial statements.
- Recommend the appointment, compensation, and oversight of the Bank's External Auditors.
- Recommend the appointment of the Head of Internal Audit, Head of Compliance, and Head of Risk.
- Review the Bank's compliance procedures and regulatory matters.
- Provide active oversight on the risk management framework, approve risk policies and Delegated Authority Limits (DAL), and ensure adequacy of risk controls.

Nomination, Remuneration and Corporate Governance Committee

Objective –

- Identify and screen suitable and qualified candidates as members of the Board of Directors, or for the roles of Chief Executive Officer, Chief Financial Officer, Corporate Secretary, and any other officers of the Bank considered appropriate by the Board. If and when such positions become vacant, with the exception of the appointment of the Heads of Internal Auditor, Compliance, and Risk Management, which shall be the responsibility of the Audit, Risk, and Compliance Committee.
- Submit its recommendations, including candidates for Board membership, to the whole Board of Directors, which should, in turn, include them in the agenda for the following Annual Shareholder Meeting.
- Review the Bank's remuneration policies for the approved persons and material risk-takers, which must be approved by the shareholders and be consistent with the Bank's corporate values and strategy.
- Approve the remuneration policy and amounts for approved persons and material risk-takers, as well as the total variable remuneration to be distributed, taking account of total remuneration, including salaries, fees, expenses, bonuses, and other employee benefits.
- Approve, monitor, and review the remuneration system to ensure the system operates as intended.

- Recommend Board Members' remuneration based on their attendance and performance, and in compliance with Article 188 of the Company Law.
- Review the Bank's existing Corporate Governance policies and framework.
- Advise the Board on the Bank's public reporting of information on Corporate Governance practices and issues

Management

The Board delegates the authority for the day-to-day management of the business to the Chief Executive Officer, who is supported by a qualified senior management team and three management committees: Asset Management Committee; Assets, Liabilities, and Investments Committee (ALIC); and Internal Control Committee.

Management committees

Managers	Asset Management Committee	Assets, Liabilities, and Investment Committee	Governance, Risk, and Compliance Committee
Chief Executive Officer	Chairperson	Chairperson	Chairperson
Chief Capital Markets Officer			
Chief Operating Officer			
Chief Financial Officer			
Head of Equities Asset Management			
Head of Fixed Income Asset Management			
Head of Treasury		x	
Head of IT	x	x	
Head of Internal Audit	x	x	
Chief Risk Officer			
Head of Internal Control	x	x	
Head of Compliance		x	
Head of Strategy and Treasury			x
Head of Legal			x
Information Security Officer			x

Note:
 Shaded = Voting committee members
 X = Non-voting member

Asset Management Committee

Objective –
 Oversee the fiduciary responsibilities carried out by the Asset Management Department in managing clients' discretionary portfolios and the funds operated and managed by SICO. It also reviews the investment strategy of the Bank's funds and portfolios, reviews portfolio performance, and reviews subscription, redemptions, and compliance.

Assets, Liabilities, and Investments Committee (ALIC)

Objective –
 ALIC acts as the principal policy-making body responsible for overseeing the Bank's capital and financial resources. It is also responsible for managing the balance sheet and all proprietary investment activities, including investment strategy and asset, country, and industry/sector allocations. The committee is specifically responsible for managing the balance sheet risk, capital and dividend planning, forecasting and monitoring interest rate risk positions, and liquidity and funds management. The committee is also responsible for formulating and reviewing the Bank's investment policies (subject to approval by the Board), strategies and performance measurement and assessment.

Governance, Risk, and Compliance Committee (GRCC)

Objective –
 The GRCC has been established to supervise and ensure smooth coordination between various support and control units at SICO and its subsidiaries in order to create a strong internal control environment. It serves as an advisory, supervision, and coordination forum for the implementation of internal control mechanisms in line with the best practices/industry standards and assessing the overall impact on the bank's systems from the various risks encountered by SICO Group.

Management Profiles

Najla Al Shirawi

Chief Executive Officer

Najla Al Shirawi has more than 26 years of investment banking experience. Having been part of SICO since 1997, she was appointed CEO in 2014, following her appointment as deputy CEO in 2013. Najla served with Geneva-based Dar Al-Maal Al-Islami Trust, where she established private banking operations for the Group in the Gulf region. Najla is a Board member at the Bahrain Economic Development Board (EDB); a Chairperson on the Board of Directors for two SICO subsidiaries, SICO Funds Services Company (SFS) in Bahrain and SICO Invest in Abu Dhabi, UAE; and the Vice Chairperson of SICO Capital in Riyadh, KSA. She is also an Independent Board Member of Eskan Bank BSC(c), Bahrain, and a Board Member of the Deposit Protection Scheme, Bahrain; the Future Generations Reserve Council; the Bahrain Associations of Banks; Bahrain Credit Facilities Company; and the Bahrain Institute of Banking and Finance. She holds a Master of Business Administration and Finance from the American College in London and a Bachelor's Degree in Civil Engineering from the University of Bahrain.

Fadhel Makhloq

Chief Capital Markets Officer

With over 41 years of professional experience, Fadhel Makhloq joined SICO in 2004 as Head of Brokerage before being appointed Head of Investments and Treasury in 2008. He was re-appointed Head of Brokerage in 2010 and then assumed the position of Chief Capital Markets Officer in 2018. Prior to joining SICO, he worked for a number of leading financial institutions, including Investcorp and Chemical Bank (now JPM Morgan Chase). He currently also serves as Board Director and Chief Executive Officer of SICO Capital in Saudi Arabia and as a Board Member of SICO Invest in UAE. Fadhel holds a Master of Business Administration from the University of Glamorgan, UK.

Anantha Narayanan**Chief Operating Officer**

With over 33 years of diversified experience in the areas of operations, audit, and risk in the banking industry, Anantha joined SICO in 2008. Prior to joining SICO, he worked for Credit Agricole, BBK, Commercial Bank of Oman/Bank Muscat, and Pricewaterhouse Coopers. He is currently the Vice Chairman of SICO Invest, UAE, and a Board Member at SFS. Anantha is a Chartered Accountant and Cost Accountant (India), a Certified Information Systems Auditor (USA), Financial Risk Manager (USA), and an Associate Member of the Institute of Financial Studies (UK). He holds a Bachelor of Science (Honours) from the University of Manchester, UK.

K. Shyam Krishnan**Chief Financial Officer**

K. Shyam Krishnan has 33 years of experience in finance, accounting, audit, investments, and risk management, with the majority of his career spent in conventional and Sharia-compliant banking. Shyam currently also serves as a Board Member at SICO Invest, UAE. Prior to joining SICO in 2015, he was Group Head of Finance at Al Salam Bank-Bahrain. Before this, he was Head of Hedge Funds' Operational Risk Management at Investcorp, Bahrain, and Audit Supervisor at the Bahrain office of Ernst & Young. He is a Chartered Accountant and Management Accountant from India and a Chartered Financial Analyst, Certified Internal Auditor, and a Certified Information Systems Auditor. He holds a Bachelor of Commerce from Madras University, India.

Maryam AlMohri**Chief Risk Officer**

Maryam AlMohri brings a wealth of experience in risk management to her role as Chief Risk Officer at SICO, specializing in asset management, treasury, brokerage, and investment banking. Maryam's journey with SICO began in 2017, and her most recent position before this appointment was Vice President of Risk Management. Prior to joining SICO, she held the position of Assistant Manager in ALM Reporting and Capital Management at Gulf International Bank. Maryam holds the Chartered Financial Analyst (CFA) designation and a first-class Master of Science (MSc) in Investment Banking & Islamic Finance from the University of Reading, United Kingdom.

She also earned a Bachelor of Arts (Honors) in Finance and Investment Management from Northumbria University, United Kingdom. Additionally, she is a qualified Chartered Islamic Finance Professional (CIFP).

Shakeel Sarwar**Head of Equities Asset Management**

Shakeel Sarwar joined SICO in 2004 and, over the length of his career, has accumulated over 29 years of investment industry experience in the UK, Pakistan, and the Middle East. Prior to joining SICO, he worked with Riyadh Bank's Asset Management Division and was part of a team that managed over USD 3 billion in Saudi equities. He has also held positions with ABN Amro Asia Securities in the UK and Pakistan. Shakeel holds a Master of Business Administration in Banking and Finance from IBA, Karachi, Pakistan.

Ali Marshad**Head of Fixed Income Asset Management**

Ali Marshad has over 18 years of experience in asset management, investments, treasury, and brokerage. After joining SICO in 2008 as an Analyst in the Investments and Treasury division, Ali then headed up the newly established Fixed Income Desk in 2012 before being promoted to Head of Fixed Income in 2015. Prior to joining SICO, he worked in the UK as an Analyst with Mercer Investment Consulting and as a Performance Analyst with UBS Global Asset Management, London. A Chartered Financial Analyst, Ali holds a Bachelor of Science (Honours) in Banking, Finance, and Management from Loughborough University, UK.

Wissam Haddad**Head of Investment Banking and Real Estate**

Wissam Haddad has 22 years of experience in investment banking, private equity, and corporate finance. Prior to joining SICO in 2014, he was a Director with Gate Capital in Dubai and had previously held senior positions with UAE-based Najd Investments, Unicorn Capital, Emirates NBD's NBD Sana Capital, Saudi National Commercial Bank's NCB Capital, and Eastgate Capital, among others. Wissam holds a Bachelor of Commerce from Concordia University, Canada.

Jithesh K. Gopi**Head of Strategy and Treasury**

Jithesh Gopi has over 25 years of experience in investment management, research, and analytics. Since 2013, he has worked with Al Rajhi Capital in Riyadh as Head of Research, Head of Asset Management, Director of Research and Financial Institutions, and Director of Corporate Development and Proprietary Investments. In 2006, he joined SICO as Senior Analyst and as Head of Research, covering over 50 companies in major sectors, and he is currently a Board Member at SICO Capital, KSA. Jithesh holds a Bachelor of Science in Mechanical Engineering from the College of Engineering, Trivandrum, India, and a Master of Business Administration from the Asian Institute of Management in Manila, Philippines. He is also a CFA charterholder, and he has completed the Asian International Executive Program at INSEAD Singapore.

Mariam Isa**Head of Brokerage**

Mariam Isa has 19 years of experience in regional equity trading and sales. She joined SICO in 2005. Before becoming the Head of Brokerage, she held the position of Chief Broker. Mariam has also worked as a Senior Officer in the Placement Department at Gulf Finance House. She holds a Master of Business Administration in Islamic Finance from the University College of Bahrain, an Associate Diploma in Accounting from the University of Bahrain, and a Treasury and Capital Market Diploma from BIBF. She has also completed the Leadership Development Program at the University of Virginia, USA.

Salman Al Sairafi**Head of Transformation**

With more than 21 years of experience in financial services and technology, Salman Al Sairafi joined SICO in 2020 as the Head of the newly established Global Markets division, and was appointed Head of Transformation in 2023. Prior to joining SICO, he held the role of Chief Investment Officer and Board Member at Capital Growth Management in Bahrain and was a Senior Investment Advisor at United Consulting Group in KSA. Prior to that, he headed the Fixed Income and Money Markets desk at NCB Capital in KSA. Salman has also held various other positions in Bahrain

and the UK in the fields of consulting and R&D. Salman is Chairman of the Board at Dar Al Ma'rifa in Bahrain and is both a Chartered Financial Analyst and a Chartered Alternative Investment Analyst. A former Chevening Scholar, Salman holds a Bachelor of Engineering in Information Systems Engineering and a Master of Science in Advanced Computing from Imperial College London.

Nishit Lakhota**Head of Research**

Nishit Lakhota has nearly 20 years of experience in the fields of investment research, risk management, hedge funds, and private equity. He has been involved in sell side Research in SICO since 2009, actively covering sectors such as telecommunications, consumers, aviation, and construction across the GCC. Previously, Nishit worked for an Iceland-based private equity firm focusing on India's infrastructure sector and a US-based global hedge fund. Nishit is a Chartered Financial Analyst, a Chartered Alternative Investment Analyst, and a Financial Risk Manager from the Global Association of Risk Professionals. He holds a Master of Business Administration in Finance from the Narsee Monjee Institute of Management Studies, Mumbai, India.

Nadeen Oweis**Head of Sustainability and Corporate Communications**

Nadeen Oweis joined SICO in 2008 and has accumulated over 22 years of professional experience. Prior to joining SICO, Nadeen oversaw corporate communications and public relations for Microsoft in Bahrain. Before this, she handled regional accounts for Lowe Contexture. She also held posts at Procter and Gamble in Jordan and managed the advertising and promotions account for Radio Fann FM in Jordan. Nadeen holds a Master's Degree in Diplomatic Studies from the Jordan Institute of Diplomacy, a Bachelor's Degree in Law from the University of Jordan, and a Certificate of Digital Marketing from Columbia Business School.

Haifa Ajlan**Head of HR & Administration**

Haifa has more than 22 years of experience in the field of Human Resources. She first joined SICO in 2004, holding the position of Assistant Vice President before now being

appointed as Head of Human Resources and Administration. Haifa holds a master's degree in Business Administration from the University of Strathclyde Business School in Glasgow, UK and a bachelor's degree in Business Information Systems from University of Bahrain.

Mohammed Ibrahim

Head of Information Technology

Mohammed Ibrahim has over 23 years of experience in the field of information technology (IT), including IT project management, business analysis, complex system builds and interfaces, business continuity planning, and information security. Prior to joining SICO in 2007, he was Training Head and Technical Consultants Team Lead at the Bahrain Institute of Technology and Technical and Training Manager at YAT Group, Egypt. Mohammed is a Certified Information Systems Security Professional (CISSIP), a Master Certified Internet Web Professional (MCIW), a Microsoft Certified Solutions Expert, and a Microsoft Certified Trainer. He holds a Bachelor of Science and Education and a Postgraduate Diploma in Science and Education from Alexandria University, Egypt.

Mohammed Juma

Head of Compliance and MLRO

Mohammed Juma has over 20 years of experience in compliance, investment, and operations management. Mohammed joined SICO in 2016 as Head of Compliance and MLRO, assuming responsibility for monitoring SICO Group's operational adherence with the guidelines of regulatory authorities. Previously, Mohammed was Head of Compliance and MLRO with the International Investment Bank and JS Bank Limited in Bahrain. Mohammed holds a Bachelor's Degree in Banking and Finance from the University of Bahrain and has completed the Leadership Grooming Executive Program with the Ivy Business School in Canada and Hong Kong. He is a Certified Compliance Professional and a Certified Anti-Money Laundering Specialist.

Joseph Thomas

Head of Internal Audit

Joseph Thomas has over 21 years of experience in internal audits, assurance engagements, and other financial advisory services. Joseph joined SICO in 2015 after having been Head of Internal Audit at Global Banking Corporation

and holding a post with the Risk Consulting division of KPMG Bahrain. He began his career with Bharat Overseas Bank in India, followed by an internal audit role at the South Indian Bank. He later served as Audit Manager and Partner at a Dubai-based auditing firm. Joseph is a Chartered Accountant and a Certified Internal Auditor. He holds a Bachelor of Commerce from Mahatma Gandhi University, India.

Bassam A. Khoury

General Manager of SICO Invest

Bassam has over 39 years of international experience in brokerage, investments, and financial consultancy. He joined SICO in 2008 as Head of Brokerage before leaving in 2010 to join QInvest, Qatar, as Head of Regional Brokerage. Prior to re-joining SICO in 2013 as General Manager of SICO Invest in the UAE, Bassam was Chief Executive Officer of Bahrain-based ABC Securities. Previously, he worked with Banque Saudi Fransi in KSA, BMB Investment Bank and Lehman Brothers in Bahrain, a private family office in Paris, and M Sternberg & Company in the USA. Bassam holds a Bachelor of Science in Business Administration and Economics from King's College, New York, USA.

Bassam Noor

Chief Executive Officer of SICO Capital

Bassam brings more than 20 years of experience in investment and management regionally and globally. Prior to joining SICO Capital, Bassam was the Chief Investment Officer for Alternative Investments at Derayah Financial and significantly contributed to increasing AUMs for alternative investments. He also held prominent roles in local and regional firms such as Alrajhi United, Arcapita Bank, and Gulf International Bank. Bassam holds a double bachelor's degree with honors in Finance and Management Information System from University of South Florida and is a CFA charterholder.

Governance Framework

SICO's Corporate Governance framework comprises of Board and Committee Charters, Code of Business Conduct, operational policies and procedures, internal controls and risk management systems, compliance

procedures, delegated authority limits (DAL), internal and external audit, effective communications and transparent disclosure, and measurement and accountability.

Code of Business Conduct

SICO conducts itself in accordance with the highest standards of ethical behavior. A Code of Conduct for SICO Staff has been developed to govern the personal and professional conduct of all employees. The Code of Conduct outlines areas of conflict of interest, confidentiality, fair and equitable treatment, ethics, and managing customer complaints. A Whistleblowing Policy and Procedures is also included within the Code of Conduct for SICO Staff.

Compliance and Anti-Money Laundering

As a licensed conventional wholesale bank and listed company, SICO has comprehensive policies and procedures in place to ensure full compliance with the relevant rules and regulations of the CBB and the BHB. The Bank has an independent Compliance Department, in keeping with Basel and CBB guidelines. The Compliance Department acts as the central coordinator for all matters relating to regulatory reporting and other requirements.

Anti-money laundering measures are also an important area for the Compliance Department, with a designated Money Laundering Reporting Officer (MLRO) and Deputy MLRO. The Bank has documented anti-money laundering and combating the financing of terrorism procedures in conformity to the regulatory requirements in the Kingdom of Bahrain. SICO has implemented a risk-based automated transaction monitoring system, which further enhances the Bank's anti-money laundering measures in line with the regulations of the CBB.

Corporate Communications

SICO conducts all communications with its stakeholders in a professional, honest, transparent, understandable, accurate, and timely manner. Main communication channels include an annual report, a corporate website, and regular announcements in the appropriate local media. To ensure disclosure of relevant information to all shareholders on a timely basis, the Bank publishes its annual report and the past ten years' financial statements on the corporate website (www.sicobank.com).

Related Party Transactions and Conflict of Interest

The Directors make every practicable effort to arrange their personal and business affairs to avoid a conflict of interest with the Bank. The Directors disclose their interests in other entities or activities to the NRCG Committee on an annual basis, inform the Bank of any conflict of interest whenever it arises, and abstain from voting on any related subject matter. The Bank reviewed all such transactions during 2023, and there were no transactions involving potential conflicts of interest that need to be brought to the shareholders' attention. The related party transaction details are disclosed in Note 27 of the Consolidated Financial Statements.

Recruitment of Relatives

The Bank has a Board-approved policy in place on the employment of relatives to prevent potential favouritism and conflicts of interest in decision-making due to certain relationships amongst employees, including approved persons.

Remuneration of Board Members and Senior Management and Fees Paid to External Auditors

The remuneration paid to Board members and senior management personnel are disclosed in Note 27 of the Consolidated Financial Statements. The information on fees paid to External Auditors for audit and other services will be available to the CBB and shareholders upon request, provided such disclosure does not impact the interest of the Bank.