

# Annual General Meeting

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25 March 2025, Kingdom of Bahrain

# Agenda

1. Regional and Global Operating Environment
2. Corporate and Strategic Developments
3. Financial Performance

4. Corporate Social Responsibility
5. Awards and Certifications
6. Our People





# Regional and Global Operating Environment

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# Regional Operating Environment

GCC including Bahrain

- Non-oil economic growth in the GCC is expected to remain strong in 2025, particularly in Saudi Arabia.
- GCC credit spreads have remained tight. Oil prices have remained range bound between \$70-80 per/bbl, with concerns about global growth putting a ceiling on prices.
- Inflation is contained and current account surpluses are high. Fiscal deficits are expected to fund the economic diversification plans.
- Interest rates are projected to decline but at a slower pace in line with the US and global interest rates.



# Global Operating Environment

- The IMF (Oct 2024) noted Global GDP real growth will maintain its pace at 3.2% in 2024 and 2025.
- Global disinflation continues with headline inflation expected to fall from 6.7% in 2023, to 5.8% in 2024 and 4.3% in 2025.
- The ECB and the FED have cut interest rates by 100bps this year. The FED delivered its latest 25bps cut in December.
- The market has reassessed the pace of the easing cycle after the outcome of the US election and is now discounting 1 cuts in the upcoming year in light of expectations of inflationary pressures.





# Corporate and Strategic Developments

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# Corporate and Strategic Developments

- ▶ Mr. Yaser Alsharifi has been appointed as a new GCE effective 18 August 2024.
- ▶ The Bank continues to progress its discussions and negotiations on the potential merger with National Bank of Bahrain B.S.C.
- ▶ Subsequent to the year 2024, BBK has entered into a binding agreement to acquire retail banking operations of HSBC Bank Middle East, Bahrain Branch ("HSBC Bahrain").
- ▶ A new three-year strategy has been developed for (2025-2027).
- ▶ Completed the issuance of a \$500 million 5-year medium term notes.
- ▶ Initiated several strategic collaborations with key players in the real estate, airlines, and automotive sectors.
- ▶ As part of its digital transformation journey, added Google Wallet to the range of digital wallets and launched “BBK Business” platform.



# Financial Performance

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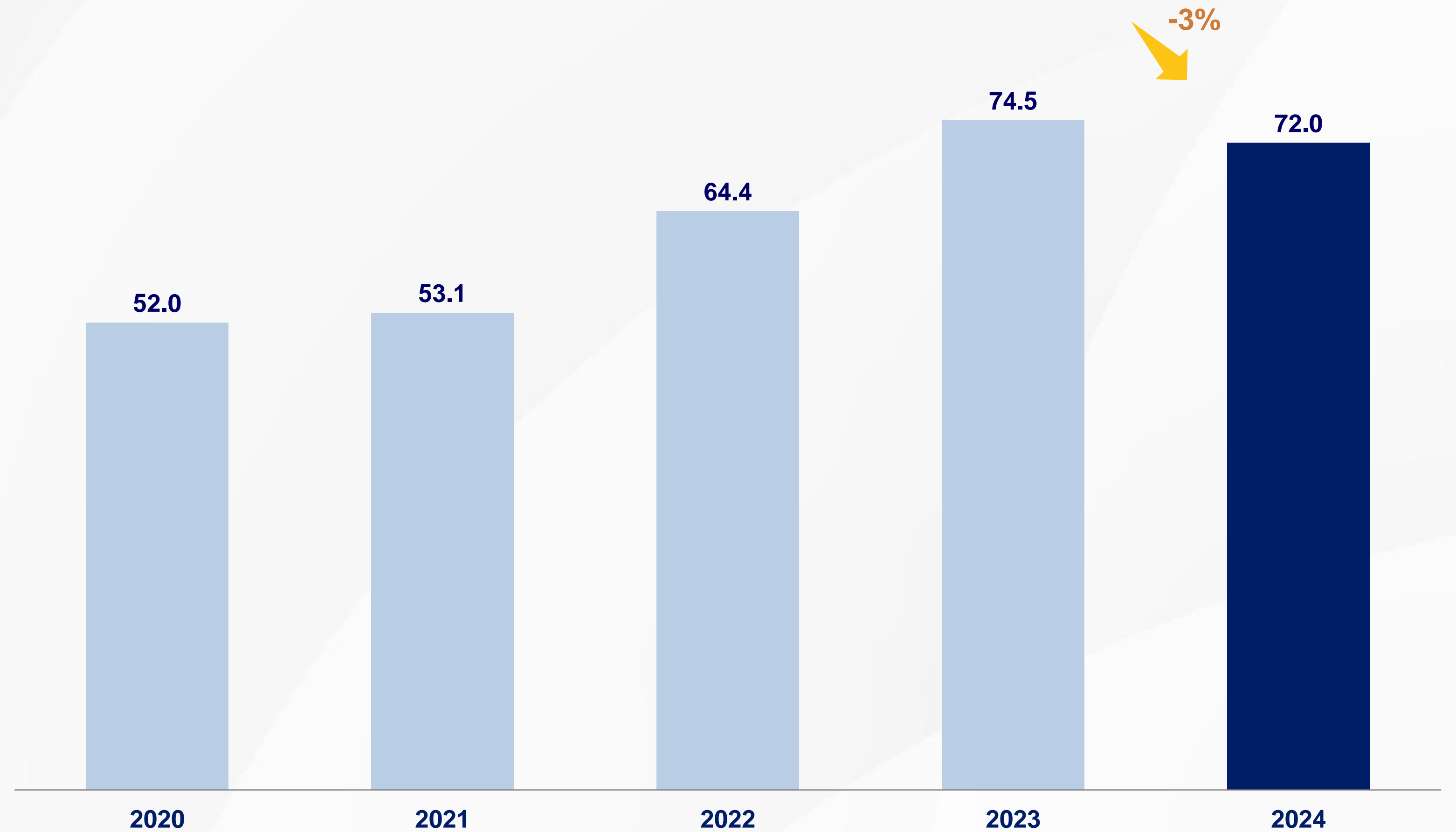


# Net Profit

(BD Millions)

## BD 72m

Decline by 3%



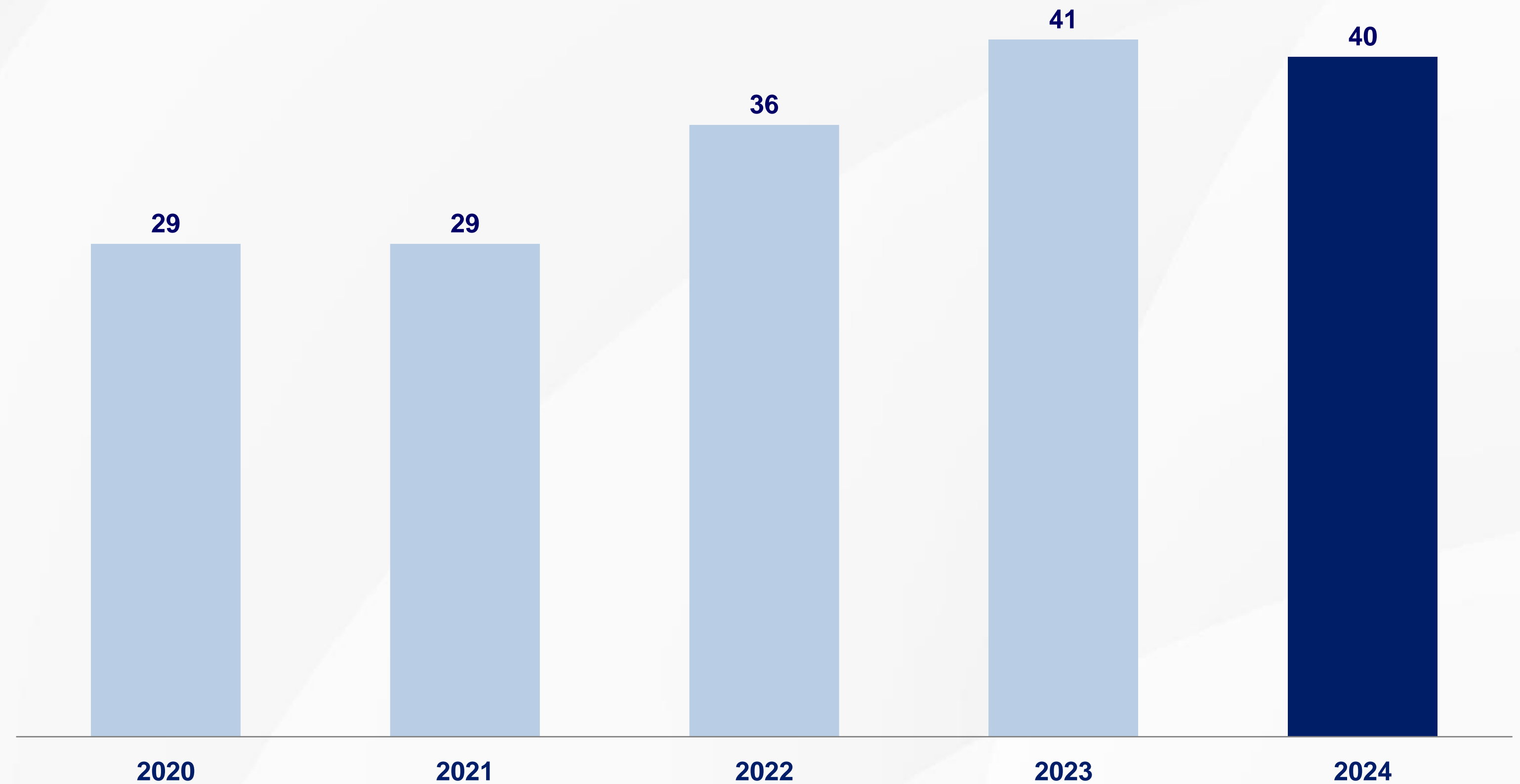


# Diluted Earnings Per Share

(Bahraini Fils)

## Fils 40

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# Total Assets

(BD Millions)

## BD 4,193m

Growth by 8%.



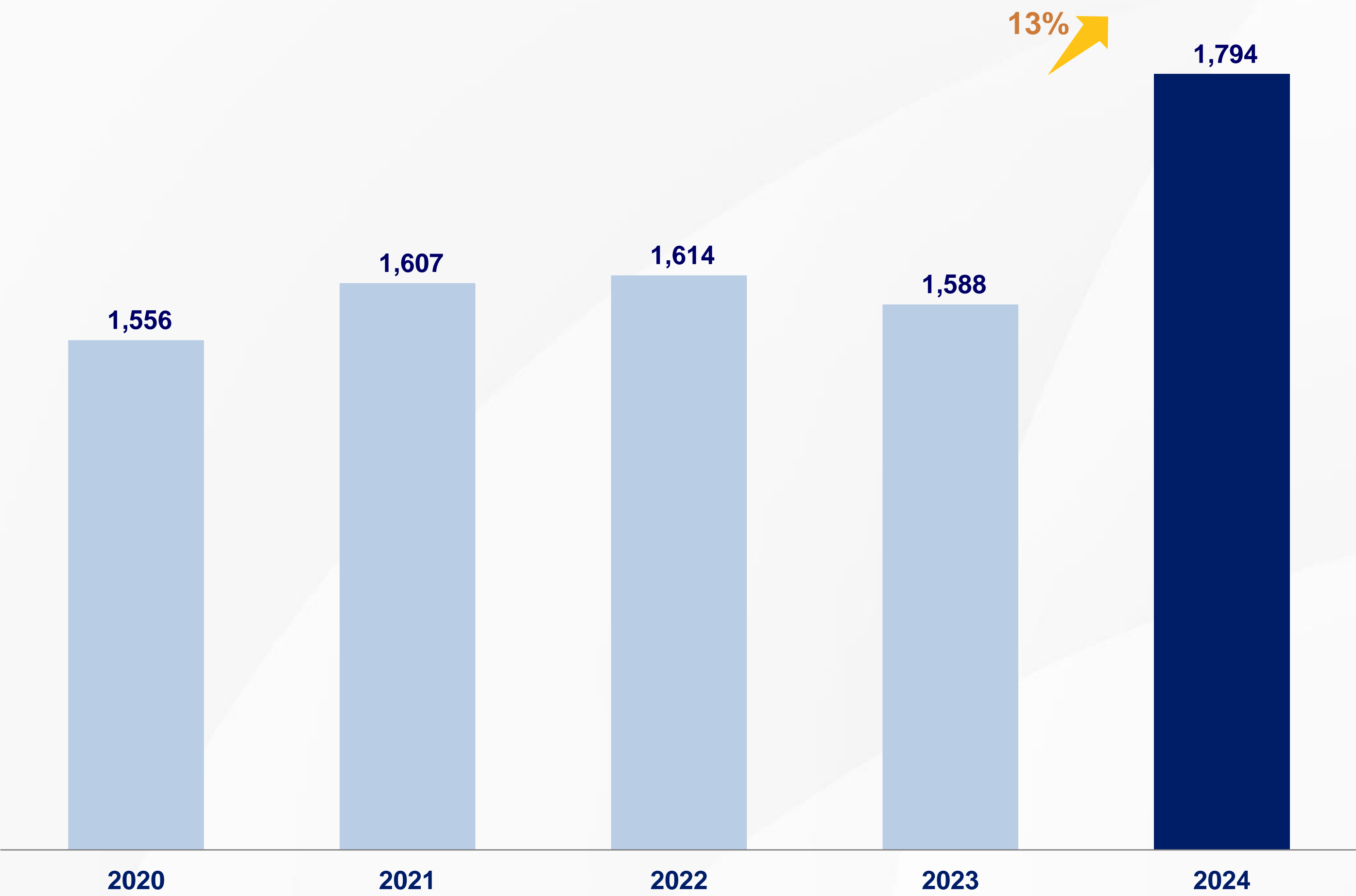


# Loans and Advances

(BD Millions)

**BD 1,794m**

Growth by 13%.



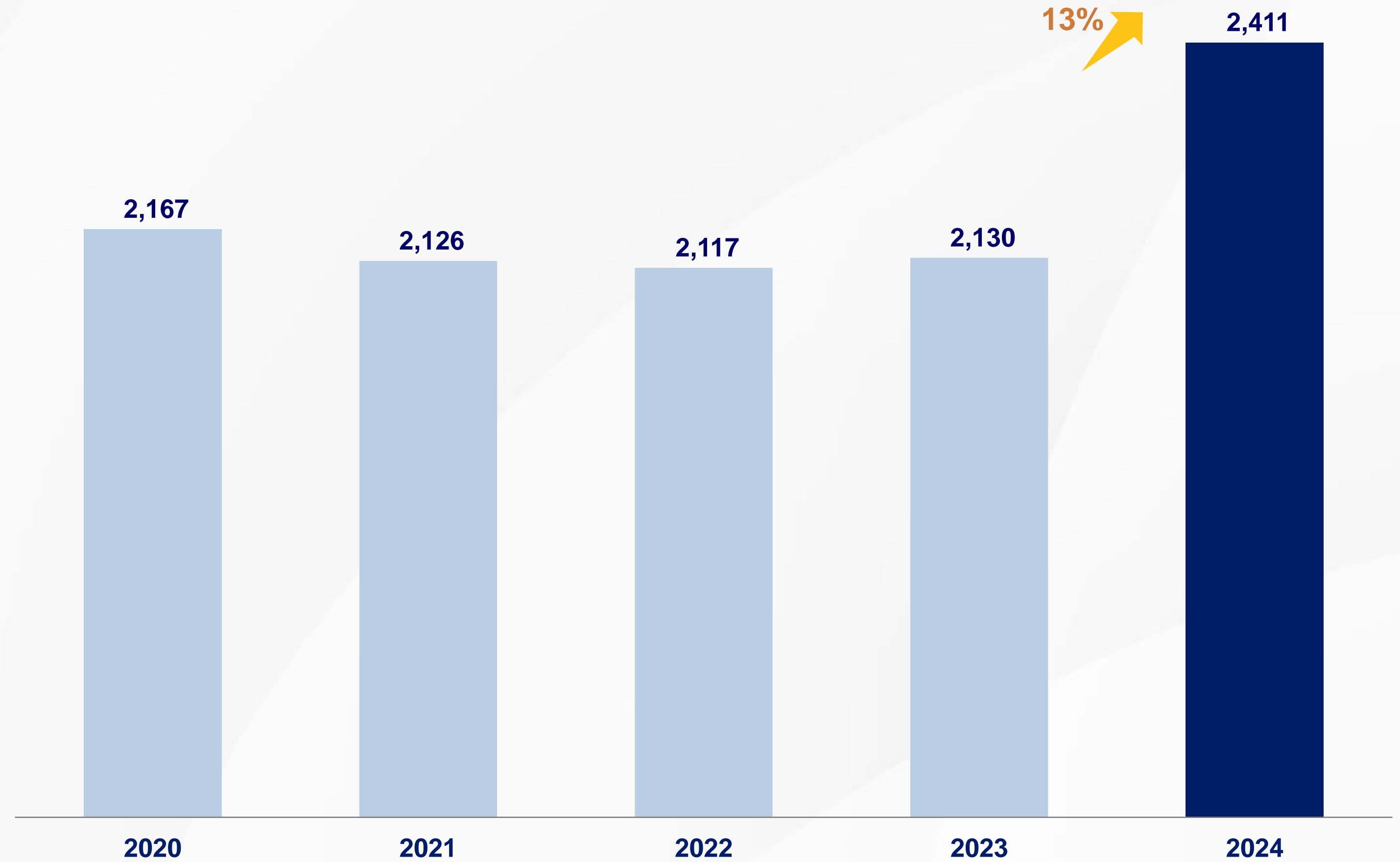


# Customer Deposits

(BD Millions)

**BD 2,411m**

Growth by 13%.

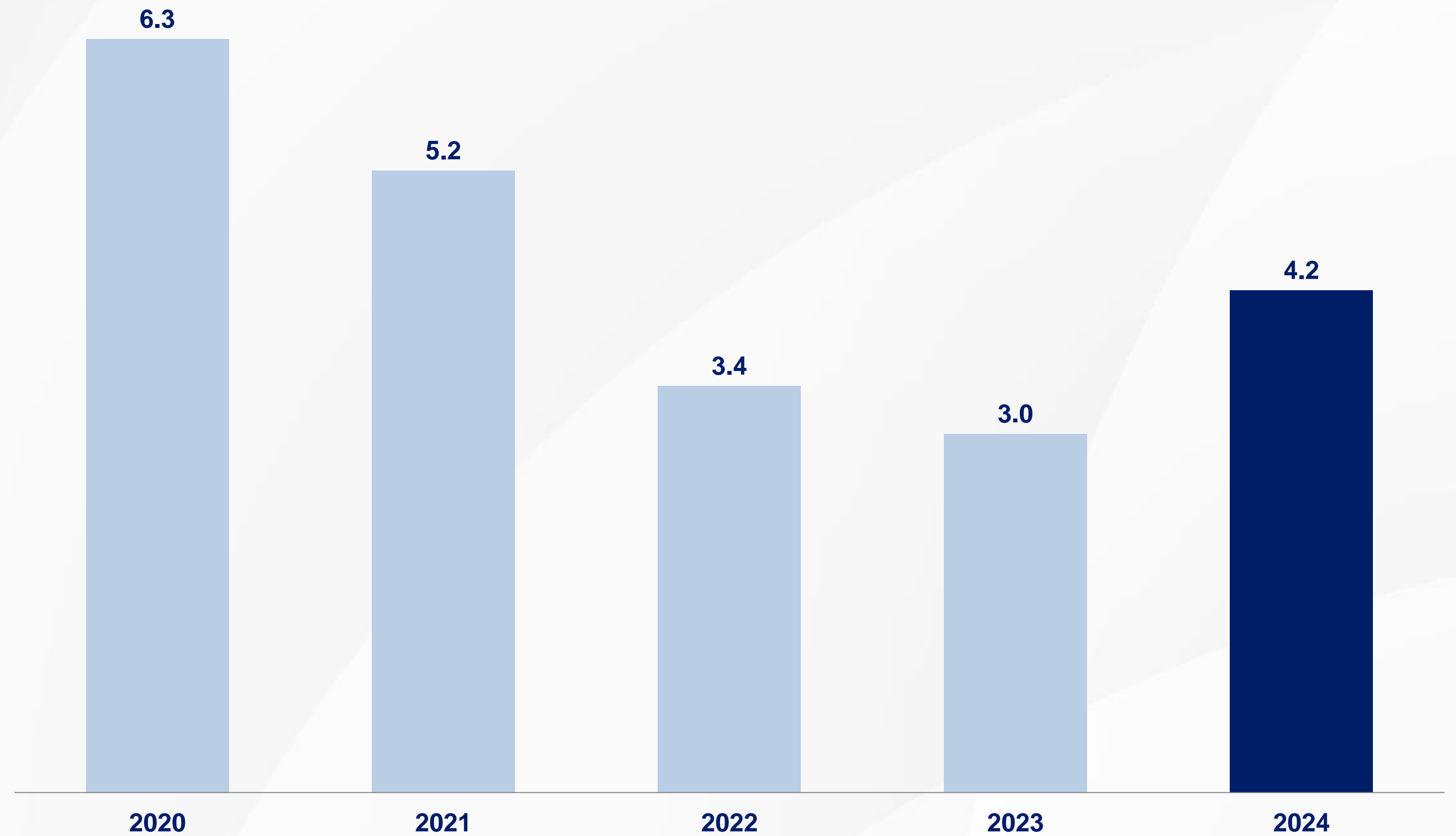




# Non-performing Ratio

(%)

**4.2%**

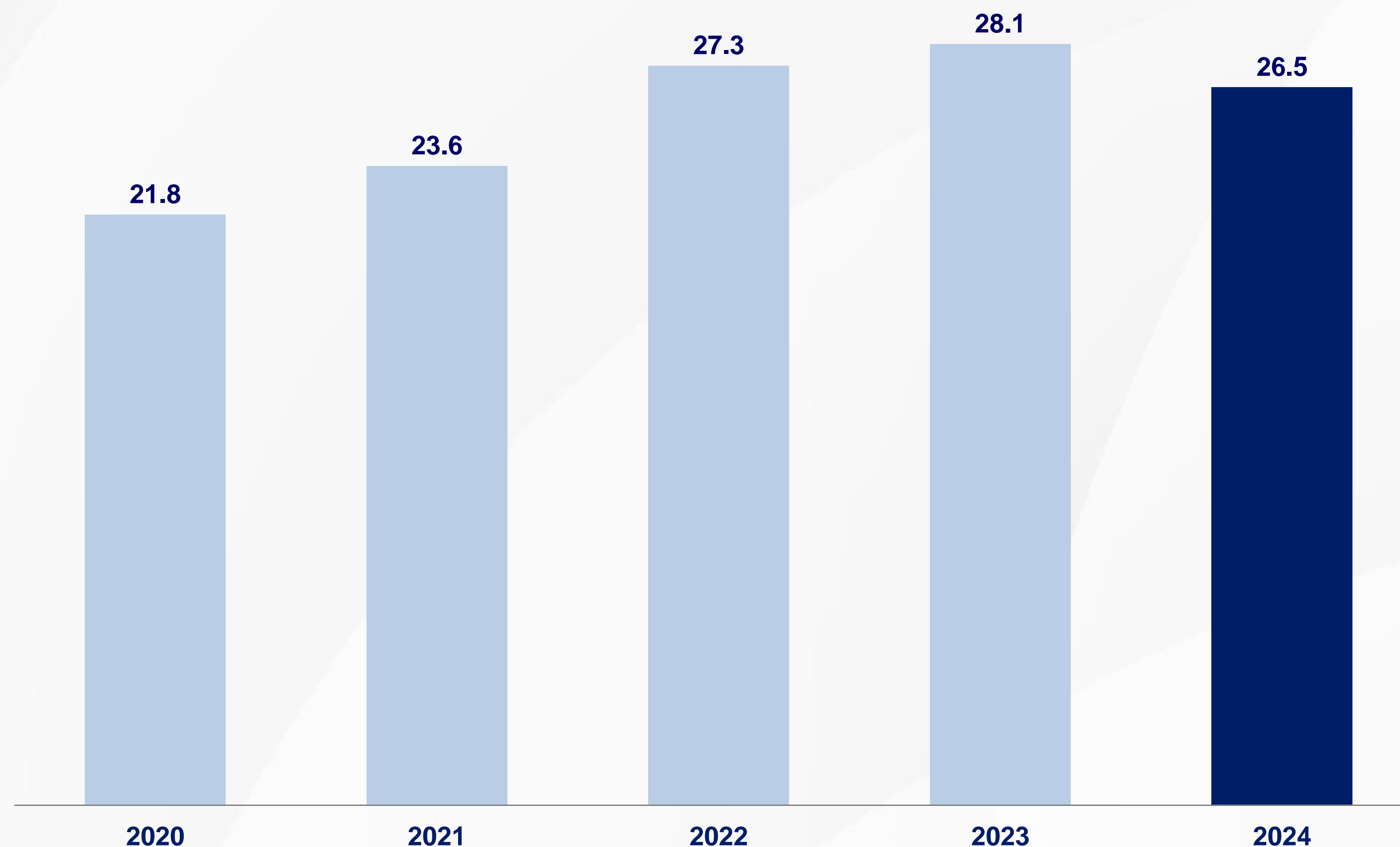




# Capital Adequacy Ratio

(%)

**26.5%**





# CSR, Awards and People

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# Corporate Social Responsibility

## Employee Engagement

- 354 volunteering hours compared to 116 in 2023

## Community Investment

- BHD 2.2 million invested in community initiatives.
- Support for infrastructure development and economic growth initiatives aligned with the Bahrain Vision 2030.
- Support for national pride events such as Celebrate Bahrain and the Spring of Culture festivals, contributing to community building, cultural heritage, and the growth of Bahrain's tourism sector.



# Environmental, Social and Governance (ESG)

## Introduction of New ESG Position Statements

- Anti-Discrimination & Harassment Position Statement
- Child and Forced Labor Position Statement
- Health and Safety Position Statement
- Human Rights Position Statement
- Workforce Nationalization Position Statement
- Climate Change Position Statement

## Sustainability Reporting

- Development of a Standalone Sustainability report to be released Mid 2025

## Sustainability Programs and Campaigns

- Launch of BBK's Sustainability Hub
- Launch of Green Guardians Program
- E-Waste campaigns for both Staff and Customers

## Regulatory Alignment

- Aligned KPIs with the Central Bank's requirements.

## Environmental Impact

- Addressing Green house gases (GHG) emissions in 2024 (Scope 1, Scope 2 & partially Scope 3)



# ESG Key Highlights



**Pillar 1**  
**Good Corporate Governance**

 <b>50%</b>	independent directors
 <b>30%</b>	female directors
 <b>100%</b>	non-executive directors
 <b>Zero</b>	reported incidents of corruption






**Pillar 2**  
**Responsible and Responsive Employer**

 <b>96.3%</b>	national employees of the total workforce
 <b>42%</b>	female employees
 <b>4.12%</b>	annual turnover rate for full-time employees
 <b>Zero</b>	reported incidents related to discrimination or harassment


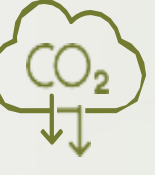




**Pillar 3**  
**Long-term Positive Customer Relationships and Experiences**

 <b>97.8%</b>	of customer transactions carried out on online mobile channels
 <b>75.4</b>	net promoter score
 <b>22%</b>	growth in clients benefiting from ESG pre-packaged products (excluding education loans)



**Pillar 4**  
**Social Responsibility Mindset**

 <b>29,254</b>	GJ of energy consumed
 <b>4,917</b>	MTCO <sub>2</sub> of GHG emissions
 <b>100%</b>	of generated waste recycled
 <b>BD2.2M</b>	Invested in Community



# Awards



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## 50 Years of Excellence

Global Banking  
and Finance Review

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## Best Financial Institution

Global Banking  
and Finance Review

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## Elite Quality Recognition

J.P. Morgan Bank

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# Awards



**Most Secure Online  
Banking Service Provider**

World  
Business Outlook



**Best Sustainable and Socially  
Responsible Banking Practices**

World  
Business Outlook



**Best  
Retail Bank**

World  
Economic Magazine



# Our People

## Workforce Composition

- 96.3% Bahraini employees of the total workforce.
- 42% Female employees.

## Employees Professional Development

Provides a range of programs, including leadership development, technical certifications, and compliance training, ensuring employees are well-equipped to excel in a dynamic banking environment.

- 67.2 average training hours per full-time employee in 2024.
- Retail Banking Certification Program: Exemplifies BBK's pledge to enhance employee technical expertise and service delivery within the Retail Banking Division.

## Youth Empowerment – Grow Internship Program

- Transformative six-month internship designed to develop the skills of Bahraini university graduates aiming for careers in the banking industry



# Thank You



On behalf of myself and the Board of Directors, I would like to extend my sincere thanks and deep gratitude to the shareholders of Bank of Bahrain and Kuwait for their continuous trust and support. I also extend my heartfelt thanks to our esteemed clients for their loyalty and support to the bank. Finally, I would like to express my sincere thanks and appreciation to the management team and employees for their diligent work and dedication, which resulted in another year of success and growth. I also commend their great ability to adapt, persevere, and innovate, which has helped us continue our steady journey towards success and enhance the legacy of excellence at the bank.

BBK continues its commitment to fostering innovation and driving growth amidst the rapidly evolving global and regional landscape.

