

# ESG Report

**Trafco Group B.S.C.**

Kingdom of Bahrain

**Reporting Year 2024**

## Table of Contents

<b>Message from the Chairman</b>	<b>4</b>
<b>Message from the Group CEO</b>	<b>5</b>
<b>Trafco Group B.S.C.</b>	<b>6</b>
<b>Sustainability Ahead</b>	<b>8</b>
Materiality Assessment	9
ESG Framework and SDG Mapping	11
Risk Management	17
<b>Environmental Sustainability</b>	<b>19</b>
Energy Management & Emissions	20
Water Conservation	24
Waste Management	26
<b>Social &amp; Community Impact</b>	<b>28</b>
Employment	29
Development and Training	32
Health, Safety and Well-being	34
Community Investment	38
Human Rights, Equity, and Labour Ethics	40
<b>Governance &amp; Management</b>	<b>43</b>
Corporate Governance and Compliance	44
Data Privacy and Legal Compliance	50
Supplier Code of Conduct	52
<b>Disclosure Dashboard</b>	<b>54</b>

## About this report

This Environmental, Social, and Governance (ESG) Report has been prepared in alignment with the Central Bank of Bahrain (CBB) ESG Reporting Module, issued in November 2023. The report complies with the CBB's directive for licensed banks to submit annual ESG disclosures that are consistent, transparent, and comparable, facilitating stakeholders' understanding of the bank's sustainability performance, risk exposure, and long-term value creation.

Covering the reporting period of the financial year (1 January to 31 December 2024), this report presented Trafco Group B.S.C.'s (CR 8500) ESG performance across all offices and business units. It includes disclosures on key performance indicators (KPIs) across the Environmental, Social, and Governance dimensions, as stipulated in Annexure 1 of the CBB Module. The report reflects our commitment to transparent reporting practices, and ensuring clear metrics, definitions, assumptions, and explanations where partial or no data is disclosed.

In addition to complying with national requirements, this report also draws upon relevant international frameworks and best practices, including the Global Reporting Initiative (GRI) standards, and the United Nations Sustainable Development Goals (SDGs). It is guided by the material issues identified through engagement of our stakeholders and aligned with emerging ESG priorities in the banking and investment sector.

Through this report, Trafco Group reaffirms its commitment to responsible banking, stakeholder responsiveness, and continuous improvement in ESG performance.

### Disclaimer

This report includes forward-looking statements that pertain to future events and anticipations. While these statements are grounded in responsible assumptions, it is essential to acknowledge that they are subject to various risks and uncertainties. Consequently, the outcomes might vary from the expectations conveyed in these forward-looking statements. The Company values your inputs and encourages you to share your feedback at [info@trafco.com](mailto:info@trafco.com).

## Message from the Chairman



In 2024, Trafco Group took important steps toward formalizing its Environmental, Social, and Governance (ESG) commitments. While responsible business practices have long guided our operations, this year marked a shift toward embedding ESG into the fabric of our governance, risk management, and operational strategy.

The evolving sustainability landscape, shaped by both national imperatives and global expectations, has reaffirmed the importance of aligning business resilience with environmental and social responsibility. Trafco is committed to playing its part in supporting Bahrain's Vision 2030 and Net-Zero by 2060 goals, and we view compliance not as an obligation alone, but as a path to long-term value creation.

During the year, we initiated a structured review of our existing practices and identified key areas for alignment with ESG priorities. This included enhancing internal awareness, assessing data systems for future reporting, and strengthening oversight at the Board level. We also took steps to integrate sustainability considerations into procurement, waste management, and community engagement reflecting our belief that incremental, practical actions lead to meaningful impact.

We understand that good governance and transparency are central to building trust. As such, we have committed to improving our ESG disclosures in line with recognised frameworks and stakeholder expectations. This report is part of that effort. It represents not only our progress, but also our intent to raise the bar each year.

Looking ahead, we will continue building the necessary systems, capabilities, and partnerships to advance our ESG performance. Our focus will remain on operational discipline, regulatory alignment, and contributing to a more inclusive, resource-efficient, and sustainable national economy.

On behalf of the Board of Directors, I thank our employees, partners, shareholders, and regulators for their continued trust and engagement. Your support will be vital as we continue this journey with seriousness, responsibility, and purpose.

**Ebrahim Mohamed Ali Zainal**  
Chairman of the Board of Directors

## Message from the Group CEO



This year marked an important step forward in Trafco's ESG journey, not only in setting direction, but in building the systems and structures that help turn ambition into sustained action.

We are forming a dedicated ESG Committee at the Board level and an internal working group that together ensure our efforts are coordinated, monitored, and continuously improved. These mechanisms are helping us build the accountability and consistency we need to make progress across all three pillars: environmental, social, and governance.

Among our most tangible achievements this year was the strong performance of our solar energy installation at the warehouse facility in Al-Hidd. The installation system this year is meeting around 45% of the site's total energy demand. This project is a milestone for us, not only reducing our carbon footprint, but also signaling our intention to transition towards cleaner, more responsible energy solutions across our operations. We are proud of this accomplishment and view it as just the beginning of broader sustainability initiatives to come.

Internally, we've continued to strengthen our governance framework, reinforcing the principles of transparency, ethical conduct, and regulatory compliance across our organization. This is critical not just for meeting legal requirements, but for maintaining the trust of our partners, customers, and shareholders.

We've also taken meaningful steps to improve workplace safety, enhance employee wellbeing, and expand opportunities for skill development. Across each of these areas, we are focused on measurable impact, ensuring that the work we do is guided by data, aligned with regulatory expectations, and benchmarked against our peers in the region.

Our ESG journey is still evolving, and we know there is more work ahead. But what gives me confidence is the commitment I see from our teams and the clarity we now have in our direction. Sustainability is not an isolated function at Trafco, it's becoming part of how we think, plan, and perform every day.

Thank you to all our employees, partners, and stakeholders who are part of this journey. Together, we are laying the groundwork for a more resilient and responsible Trafco, one that is well-prepared for the future, and firmly aligned with the values we stand for.

**Azzam Moutragi**

Group Chief Executive Officer.

# Trafco Group B.S.C.

TRAFCO Group BSC (TRAFCO) (CR 8500) is a publicly listed joint stock company founded in 1977 in the Kingdom of Bahrain and with a vision to revitalize and modernize the food business. Following a highly successful first public offering in 1980, the company listed on the Bahrain Bourse and has grown to become one of the top conglomerates in Bahrain's Fast Moving Consumer Goods (FMCG) industry. The Group's main business is importing and distributing a diverse range of food and non-food products. Its extensive portfolio comprises canned, frozen, and dried food items, general merchandise, eggs, fresh fruits and vegetables, chilled and frozen meat from countries like Australia, Brazil, Europe, the Far East, India, the United Kingdom, the United States, Pakistan, Turkey, and the wider Arab and Middle Eastern region.

Apart from its retail and wholesale business, Trafco's activities also involve dairy manufacturing, drinks, water bottling, and logistics services, with six main business segments: Wholesale, Retail, Investments, Dairy Products and Drinks, Fruits and Vegetables, and Storage and Logistics.

Trafco's subsidiaries drive their diversification and growth. The Group's investments have diversified its exposure and increased its capabilities within and outside the Kingdom of Bahrain. Over its 47-year life cycle, Trafco has established a reputation characterized by value, quality, and service excellence, always meeting the constantly evolving needs of customers and stakeholders. The Group persists in pursuing market growth through organic development and strategic acquisitions, thereby cementing its role as a solid and trustworthy partner in the FMCG sector.

While Trafco continues to affirm its heritage, the Company remains committed to its position at the vanguard of Bahrain's food industry as well as to fulfilling its function in the Kingdom's economic vision for regional growth and integration.

## *Our mission*

Trafco's mission is to ensure customer satisfaction by delivering superior quality products, the highest level of service, and a diverse range of world-leading brands at the most competitive prices. The company is dedicated to strengthening its supply chains, fostering innovation, and nurturing strong partnerships to achieve these goals responsibly and sustainably.

## *Our vision*

Trafco's vision is to be recognised as a household name synonymous with the finest food products in the GCC. Trafco is committed to upholding this vision by continually delivering high-quality products that meet evolving customer needs while ensuring responsible stewardship of the environment and community

## *Our values*

- **Teamwork:** Collaborating across departments and with stakeholders to drive innovation and progress.
- **Reliability:** Consistently delivering on promises and maintaining trust.
- **Accountability:** Taking ownership of outcomes and driving continuous improvement.
- **Fairness:** Ensuring equity, transparency, and respect in all interactions.
- **Commitment:** Remaining dedicated to quality, growth, and stakeholder satisfaction.
- **Optimum Value:** Striving for operational excellence, efficiency, and sustainable returns across the value chain.

## Our services

Trafco Group offers an integrated suite of services across the food distribution and logistics value chain. As a leading player in Bahrain's food and FMCG sector, our services are designed to ensure product quality, availability, and customer satisfaction.

The Group's core activities include the import and distribution of food and non-food products, retail operations, manufacturing, and logistics. Trafco offers a wide portfolio of canned, frozen, dry, fresh, and chilled products sourced from global markets. The Group holds ISO 22000:2018 and HACCP certifications for food safety and handling.

## Key Subsidiaries & Operations:

- **Bahrain Water Bottling & Beverages Company (BWBB):** A market leader in mineral water production with renowned brands like TYLOS, Selsabil, and MARWA. Also engaged in juice and snack manufacturing.
- **Bahrain Fresh Fruits Company (BFFC):** Specializes in the import and distribution of fresh produce and FMCG items with notable global brands like Chiquita and Bridel.
- **Trafco Logistics Company (TLC):** A modern 3PL logistics hub with state-of-the-art cold and dry storage facilities, located near key ports to serve Bahrain's growing logistics needs.
- **Mawashi Trading Company (MTC):** Handles the import and distribution of livestock and meat and operates Bahrain's central slaughterhouse.
- **Awal Dairy Company:** Bahrain's first dairy company and a market leader offering milk, juices, and ice cream with strong export presence in 18+ countries.

## Recognition and Industry Standing



Trafco Group B.S.C., was recognised among the Top 50 Strongest Bahraini Companies in 2024 by Al Bilad Newspaper, an initiative that highlights leading national companies based on financial strength, governance practices, Bahrainisation, and contributions to sustainable development. This recognition underscores Trafco Group's consistent performance, resilience, and commitment to excellence across all facets of its business.

The selection process, led by a panel of distinguished economic experts and industry professionals, considered several key indicators including market capitalization, revenue growth, net profits, asset base, governance quality, and representation of women in leadership. Trafco's inclusion in this prestigious list is a testament to its sound strategic direction, adherence to ethical business practices, and its role in supporting Bahrain's national economic priorities.

This achievement not only reflects the Group's financial health and operational strength but also reinforces its reputation as a trusted and responsible business entity. Trafco remains committed to creating long-term value for its stakeholders and contributing meaningfully to the Kingdom's economic and social progress.

# Sustainability Ahead

Trafco has initiated a structured ESG journey with a comprehensive materiality assessment that leverages global ESG standards and stakeholder insights. This assessment has shaped the foundation for developing a clear governance framework and a detailed ESG strategy with defined goals, KPIs, and targets aligned with Trafco's business operations and sustainability ambitions. Moving forward, Trafco is focused on implementing these initiatives across its operations, continuously monitoring progress, and enhancing transparency through regular ESG reporting. The company remains committed to engaging stakeholders throughout this process to ensure its ESG efforts are strategic, impactful, and aligned with evolving stakeholder expectations.

Moving towards a sustainable and resilient future, Trafco is deeply committed to embedding environmental, social, and governance (ESG) principles across its operations. The company strives to reduce its environmental impact, enhance social value, and uphold strong governance practices to contribute positively to its communities and stakeholders. Trafco's ESG aspirations are driven by several core priorities:

**Proactive climate risk management and carbon footprint reduction**

**Sustainable resource use and waste minimization**

**Ethical and transparent supply chain management**

**Commitment to health, safety and well-being of employees and customers**

**Promotion of diversity, equity and inclusive work culture**

**Strengthening governance frameworks to ensure accountability and integrity**

Through these focused efforts, Trafco aims to build long-term resilience and create shared value aligned with global sustainability goals and regional development priorities.

## Materiality Assessment

Trafco adopted a structured, benchmark-driven approach aligned with global best practices to identify and prioritize the most relevant Environmental, Social, and Governance (ESG) topics for the company. The process was designed to ensure that Trafco's ESG focus areas are strategic, forward-looking, and aligned with stakeholder expectations in the food retail and distribution sector.

The key steps in the materiality assessment included:

### 1. Understand

Trafco mapped its ESG landscape through a comprehensive review of international standards and industry benchmarks, including peer disclosures and recognized frameworks such as the Global Reporting Initiative (GRI), SASB Standards, MSCI, and S&P Global Sustainability Benchmarks.

### 2. Assess

Each identified ESG topic was evaluated based on its relevance to Trafco's sector and operations, considering factors such as scale, scope, and likelihood of impact. Topics mentioned by peers and industry frameworks were scored and consolidated into broader themes to provide a clear prioritization basis.

### 3. Prioritize

Using a scoring matrix and heatmap analysis, Trafco prioritized the material topics that are most significant for its business and stakeholders. This approach combined both top-down benchmarking and bottom-up thematic grouping to focus on critical ESG areas.

### 4. Validate

The preliminary list of material topics was internally validated to ensure alignment with Trafco's strategic priorities and operational realities, forming the basis for focused ESG management and reporting.

### 5. Revisit

Trafco plans to conduct periodic reviews of its materiality assessment to stay current with evolving ESG trends, stakeholder expectations, and regulatory developments, thereby continuously enhancing its sustainability strategy.

While the current approach is primarily desk-based and benchmark-driven, Trafco aims to incorporate broader stakeholder consultation in future iterations to further enrich its ESG focus and impact.

## Materiality Assessment Outcomes

17 topics were selected out of the 30 proposed material topics based on peer benchmarking and industry standards.

### List of Material Topics

S.N.	Priority	Material Topics
1	High	Supply Chain Management
2		Customer Health & Safety
3		Governance
4	Medium	Occupational Health & Safety Management System
5		Energy & Emissions
6		Waste Management
7		Water Conservation
8		Training & Education
9		Labour Management
10	Low	Privacy & Data Security
11		Diversity & Inclusion
12		Biodiversity
13		Marketing & Labelling
14		Local Communities
15		Environmental Policy & Management
16		Climate Change Risk & Management
17		Ethical Animal Sourcing

	Environment
	Social
	Governance

## ESG Framework and SDG Mapping



This section presents the alignment of Trafco’s material sustainability topics and corresponding KPI’s with the United Nations Sustainable Development Goals (SDGs), offering a structured view of the Company’s contribution to national and global sustainability agendas. By mapping key material issues and performance indicators against relevant SDGs, Trafco aims to demonstrate how its sustainability priorities are interconnected with broader development

objectives. Trafco’s sustainability strategy is underpinned by measurable KPI’s and material themes that reflect stakeholder expectations and align with the SDGs, reinforcing its commitment to responsible growth.

The following mapping highlights how Trafco’s identified material topics and sustainability performance metrics contribute to selected SDGs, ensuring coherence between operational goals and global sustainability imperatives. Through this impact mapping, Trafco connects its material sustainability focus areas with applicable SDGs, providing transparency on how its initiatives support wider social, environmental, and economic progress.

Material Topic	Key Performance Indicator	Target	SDG’s targets
<b>ENVIRONMENT</b>			
<b>Energy &amp; Emissions</b>	Total Scope 1 emissions (in tCO2e/year)	Baseline GHG inventory developed within 2 years	13.2: Integrate climate change measures into national policies, strategies and planning.
	Total Scope 2 emissions (in tCO2e/year)	Baseline GHG inventory developed within 2 years	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix  13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
	Emissions intensity (GHG emissions per MT of goods transported) (tCO2e/MT)	Baseline GHG inventory developed within 2 years	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.  13.2: Integrate climate change measures into national policies, strategies and planning.
	Total energy consumption (in MWh/year)	Baseline energy consumption mapped within 2 years	7.3: By 2030, double the global rate of improvement in energy efficiency.
	Energy intensity (Energy used per MT of goods handled) (MWh/MT)	Baseline energy consumption mapped within 2 years	7.3: By 2030, double the global rate of improvement in energy efficiency.
	Total renewable energy consumption (in MWh/year)	Assessment of renewable energy integration across operations	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix
	% of fleet upgraded to fuel-efficient or hybrid models	Assessment of current fleet energy efficiency	11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

Material Topic	Key Performance Indicator	Target	SDG's targets
			13.2: Integrate climate change measures into national policies, strategies and planning.
<b>Water Conservation</b>	Total water withdrawal (in m3/year)	Baseline water withdrawal mapped within 2 years	6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
	Total water consumption (m3/year)	Baseline water consumption mapped within 2 years	6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
	Total annual water recycled (m3/year)	Feasibility study for water recycling options	6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.
<b>Climate Change Risks &amp; Management</b>	Climate risk assessment conducted	Complete climate-related risk assessment by 2027	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.  13.2: Integrate climate change measures into national policies, strategies and planning.
	Number of climate resilience strategies identified	Drafting mitigation strategies for implementation	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.  13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
	Annual review of risks	Complete climate-related risk assessment by 2027	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.  16.6: Develop effective, accountable and transparent institutions at all levels.
<b>Biodiversity</b>	Actions taken to mitigate operational impact on biodiversity	Drafting and implementing mitigation strategies at high-risk sites	15.1: Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.  15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, protect and prevent the extinction of threatened species.
<b>Waste Management</b>	Total waste generated (hazardous and non-hazardous) (MT/year)	Baseline waste generated within 2 years	12.4: Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.  12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
	Different types of waste	Assessment of waste generation across operations	12.4: Achieve the environmentally sound management of chemicals and all waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

Material Topic	Key Performance Indicator	Target	SDG's targets
			12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
	Waste generated per facility (MT/month)	Baseline waste generated within 2 years	12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
	Waste disposal methods against types of waste	Feasibility assessment for waste disposal options	12.4: Achieve the environmentally sound management of chemicals and all waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.  12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
<b>Environmental Policy &amp; Management</b>	Implementation of ESG Policy	# of policy reviews and revisions conducted/	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. 16.6: Develop effective, accountable and transparent institutions at all levels.
	Number of training sessions conducted/ year	100% staff trained on ESG in few years.	4.7: By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.  13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
<b>Ethical Animal Sourcing</b>	% of animal product suppliers audited for compliance with animal welfare standards (% of suppliers/ year)	Assessment of animal product suppliers for welfare practices within 2 years	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.  12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
	Number of supplier contracts that include animal welfare clauses (number or %)	Integrate ethical animal sourcing into supplier contract	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.  12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
	% of procurement from certified/ ethical sources (% of total animal-based procurement)	Integrate ethical animal sourcing into supplier contract	12.8: By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Material Topic	Key Performance Indicator	Target	SDG's targets
<b>SOCIAL</b>			
<b>Occupational Health &amp; Safety Management System</b>	Total Recordable Incident Rate (TRIR) (per 100,000 hours worked)	Baseline tracking of TRIR & LTIFR within 2 years	8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Lost Time Injury Frequency Rate (LTIFR) (per 100,000 hours worked)	Baseline tracking of TRIR & LTIFR within 2 years	8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Number of health and safety trainings conducted/year	100% employees are trained on OHS	8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
<b>Training Education &amp;</b>	Average training hours per employee/ year (hours/employee)	Baseline data on training hours within 2 years	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.  8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	% staff who receive trainings	100% employees have received trainings	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.  8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	# of training sessions conducted (number/ year)	Training need assessment across all departments	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
<b>Labour Management</b>	% of employees covered under formal contracts	Mapping all employees categorized by age and gender	8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.  8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Employee turnover rate (% per annum)	Baseline turnover & contract data	8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
	Grievances received and resolved (number/ year)	Maintain 100% grievance redressal	16.6: Develop effective, accountable and transparent institutions at all levels.
<b>Diversity Inclusion &amp;</b>	Gender Diversity Ratio (% women in total workforce and leadership)	Draft Diversity & Inclusion initiatives for implementation	5.1: End all forms of discrimination against all women and girls everywhere.  5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
	Gender Pay Ratio (median compensation salary of females to males)	Baseline gender pay ratio	5.1: End all forms of discrimination against all women and girls everywhere.  8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for

Material Topic	Key Performance Indicator	Target	SDG's targets
			young people and persons with disabilities, and equal pay for work of equal value.
<b>Marketing &amp; Labelling</b>	% of products with accurate labelling	100% product labelling compliance	12.8: By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.
	# of regulatory non-compliance cases	0 cases of non-compliance.	16.3: Promote the rules of law at the national and international levels and ensure equal access to justice for all.  16.6: Develop effective, accountable and transparent institutions at all levels.
<b>Customer Health &amp; Safety</b>	# of product safety incidents reported	Baseline assessment of product safety practices	3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
	% of products compliant with safety standards and regulations	100% compliance with safety standards and regulations	12.4: By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.  12.8: By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.
	# of customer complaints related to health and safety	0 cases of customer health & safety incidents	3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.  3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
<b>Local Communities</b>	# of community engagement activities conducted	Impact assessment of community initiatives	11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.  11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage.
	Community investments made (in amount; BHD)	Impact assessment of community initiatives	1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.  10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
	Impact on community through engagement activities	Impact assessment of community initiatives	11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.  17.7: Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.

Material Topic	Key Performance Indicator	Target	SDG's targets
<b>GOVERNANCE</b>			
<b>Governance</b>	Board size by gender and type (executive, non-executive, independent)	Maintain a diverse Board that upholds ethical standards & demonstrates integrity	5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
	Number of governance policies reviewed/updated annually	Conduct annual board performance reviews	16.6: Develop effective, accountable and transparent institutions at all levels. 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels.
	Percentage of board members trained on ESG and governance topics	100% compliance to trainings for board members	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. 16.6: Develop effective, accountable and transparent institutions at all levels.
	# of reported ethical violations or breaches	Zero-tolerance for governance violations with annual disclosures	16.5: Substantially reduce corruption and bribery in all their forms.
<b>Privacy &amp; Data Security</b>	# of data breaches or privacy violations	0 cases of data breaches or privacy violations	16.6: Develop effective, accountable and transparent institutions at all levels.
	% of employees trained on data protection & security	100% employees trained	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
	Average time to detect & respond to data threats	0 hours spent on detecting & responding to data threats	9.8: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries.
<b>Supply Chain Management</b>	% of suppliers evaluated for ESG performance or compliance	ESG compliance audit for 100% suppliers	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
	# of supplier audits conducted annually	Baseline ESG risk assessment of key suppliers.	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
	% of procurement from local/ regional suppliers	Identify local/ regional suppliers.	8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
	% of suppliers that comply with Trafco's Supplier Code of Conduct	100% compliance with Supplier Code of Conduct	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. 16.5: Substantially reduce corruption and bribery in all their forms.

## Risk Management

### (CBB: E.7)

The Group adopts a structured and proactive approach to financial risk management, focusing on market risk, credit risk, and liquidity risk. The Board of Directors oversees the overall risk strategy, while the Executive Committee evaluates and implements business and financial risk policies. Market risk includes interest rate, foreign currency, and equity price risks. The Group manages these through sensitivity analyses and portfolio diversification. Interest rate risk stems from floating-rate loans and overdrafts, while foreign currency risk is primarily related to operational transactions in non-USD pegged currencies. Equity price risk is mitigated through regular monitoring and investment limits.

Credit risk arises from trade receivables and bank balances. The Group minimizes this by transacting with reputable banks and closely monitoring customer creditworthiness. An expected credit loss model is used to assess impairment, and credit risk concentration is considered low due to a diversified customer base. Liquidity risk is managed by maintaining access to sufficient bank facilities. The Group ensures that trade and other payables are matched by receivables and that liabilities are met through structured payment terms and effective cash flow planning.

This integrated risk management framework helps safeguard the Group's financial stability and supports informed decision-making across its operations.

### Climate-related risks

Trafco Group acknowledges that climate-related risks, both physical and transition-related, pose emerging challenges to businesses across sectors, including the food distribution and logistics industry. While climate risk is not yet embedded as a formal component of our enterprise risk management framework, we recognize the importance of proactively integrating climate considerations into our long-term strategy and operations.

As part of our ESG roadmap, Trafco has identified the need to conduct a comprehensive climate-risk assessment as one of our near-term goals. This process will enable us to identify and evaluate the specific climate-related risks relevant to our value chain and develop actionable mitigation plans.

To proactively address climate-related challenges, Trafco is in the process of establishing a robust climate-risk management framework tailored to its specific operations and supply chain dynamics. This framework begins with a thorough mapping of climate-related vulnerabilities, including physical risks such as extreme weather events, flooding, and heatwaves, as well as transition risks associated with evolving regulations, shifts in energy markets, and changing customer expectations.

Given the nature of our operations, including the storage, transportation, and distribution of food and consumer goods, Trafco may be exposed to the following climate-related risks:

Physical Risks	Transition Risks
<ul style="list-style-type: none"> <li>• Extreme heat may impact cold chain efficiency and increase refrigeration energy consumption,</li> <li>• Flooding and storms could disrupt transportation routes, damage warehousing infrastructure, and delay deliveries.</li> <li>• Rising temperatures may accelerate spoilage rates for temperature-sensitive products.</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory shifts such as new energy-efficiency or emissions standards for fleet and logistics infrastructure.</li> <li>• Carbon pricing mechanisms that may increase operating costs.</li> <li>• Reputational risks if stakeholders expect greater environmental responsibility across supply chains.</li> </ul>

Trafco is committed to carefully evaluating the potential financial and operational impacts these risks may pose, recognizing that disruptions can affect everything from transportation efficiency to warehousing and overall supply chain continuity. In response, the company is developing and implementing adaptive strategies designed to mitigate these risks and strengthen resilience. Key initiatives under consideration include reduce emissions and improve reliability, adopting energy-efficient technologies and practices within warehousing facilities, and enhancing business continuity plans to ensure operational stability in the face of climate disruptions.

Through these efforts, Trafco aims not only to safeguard its business operations but also to align closely with both national climate goals and global climate commitments, positioning itself as a forward-thinking leader in sustainable logistics and supply chain management.

# Environmental Sustainability

## Environmental Stewardship and Commitment

At Trafco Group, we are committed to advancing environmental sustainability as a core element of our operational and strategic outlook. As Bahrain and the global community accelerate efforts to address climate change and environmental degradation, we recognize our role in contributing to collective action. Our approach is centered around responsible energy use, emissions reduction, and long-term resilience through data-driven decision-making.

We have begun formally measuring and reporting our energy consumption and greenhouse gas emissions—marking a foundational step in our environmental journey. This reflects our intent not only to comply with emerging expectations, but also to build a baseline for continuous improvement and greater transparency.

Our operations rely primarily on electricity, which powers our warehouses, cold storage, and logistics facilities. We are working to improve efficiency while exploring opportunities to integrate renewable energy sources. A rooftop solar energy system, installed at our Al-Hidd warehouses, currently supplies a substantial share of their electricity needs—demonstrating our shift toward clean energy solutions. Looking ahead, we plan to assess the feasibility of expanding renewable energy adoption and improving energy efficiency across our transport fleet and infrastructure.

As part of our forward-looking strategy, we aim to reduce our carbon footprint through the identification of high-impact interventions, from operational enhancements to future technological investments. This includes data collection on energy use, emissions tracking, and periodic evaluations to inform further reductions and improvements.

By embedding sustainability into our environmental practices, Trafco Group supports national ambitions under Bahrain’s Vision 2030 and contributes to key global sustainability priorities.

# Energy Management & Emissions

(CBB: E.1, E.2, E.3, E.4, E.5, E.6, E.10)



## ESG Framework and Governance

Trafco is committed to advancing its environmental, social and governance (ESG) performance in alignment with Bahrain's Economic Vision 2030. We fully support the national goal of transforming Bahrain from a regional pioneer to a globally competitive economy rooted in sustainability, fairness, and competitiveness. As part of this commitment, and in line with the Central Bank of Bahrain's ESG module, Trafco is formalizing its ESG framework and governance systems to support long-term value creation, risk mitigation, and transparent stakeholder engagement.

Trafco is currently in the process of formulating its ESG Policy that will be implemented, outlining our commitment to responsible business practices, resource efficiency, and ethical governance. The policy will provide a clear foundation to integrate ESG principles into the organization's strategic and operational decision-making processes.

### *ESG Governance Structure*

ESG Governance at Trafco is overseen by a combined Corporate Governance and ESG Committee, reflecting the company's belief that good governance and sustainability are intrinsically linked. This integrated committee ensures that ESG is not treated as a standalone concern but is embedded into the organisations core strategies and governance framework. The committee plays a multifaceted role in providing guidance on the integration of ESG priorities within the overall business strategy and long-term planning. It will lead the development, periodic review, and approval of the ESG policy and framework, ensuring they remain aligned with national and international sustainability standards.

The committee will play a vital role in reviewing the ESG-related risks and opportunities as part of the company's broader risk management processes. The committee will be responsible for overseeing the implementation of the ESG initiatives and evaluating performance against set goals and KPIs. This would include reviewing quarterly and annual ESG updates and ensuring consistent, transparent disclosures. The committee will ensure a company-wise culture of sustainability and ethical conduct by ensuring awareness, training and accountability at all levels, and enhance the broader governance principles reinforcing Trafco's commitment to responsible business.

To drive implementation, Trafco has established an ESG Working Group comprising of key representatives from across business units. The working group will be responsible for:

- Coordinating ESG data gathering and reporting processes
- Facilitating the execution of ESG-related initiatives
- Monitoring progress and ensuring alignment with the ESG framework
- Providing periodic updates to the senior management, the Board, and the CG&ESG Committee

This collaborative structure ensures that ESG considerations are embedded throughout the organization and that the framework remains adaptive to evolving sustainability risks and opportunities. It reflects Trafco's commitment to operational excellence, transparency, and long-term value creation.

## ESG Framework

In line with its commitment to sustainable growth and responsible governance, Trafco has developed an ESG framework. The framework establishes a structured foundation for embedding ESG considerations into the company’s governance, operations, and performance monitoring mechanisms. The ESG framework is designed to support Trafco in advancing its sustainability agenda through the following core objectives:



This framework will act as the central tool for aligning Trafco’s sustainability efforts across departments and entities, promoting transparency, accountability, and measurable impact. Its implementation reflects Trafco’s proactive approach to building a resilient, future-ready organisation guided by environmental and social responsibility.

## Energy Management

Electricity is the primary source of energy utilized by Trafco Group across its operations. The majority of this energy consumption occurs within the company’s warehouses and distribution centers, where electricity powers lighting, climate control, material handling equipment, and general operational machinery. This high demand underscores the importance of efficient energy use to support smooth and sustainable operations.

The electricity consumed by Trafco Group is supplied by the Electricity and Water Authority (EWA) of Bahrain, the national utility provider responsible for delivering reliable power across the Kingdom. While the majority of this electricity is sourced from the national grid, Trafco is proactively reducing its reliance on conventional energy sources by integrating renewable energy solutions, such as solar power, into its energy mix.

Indicator	Unit	Consumption value
Electricity consumption (Indirect energy consumed)	kWh	2,496,377.00
Electricity consumption (Indirect energy consumed)	GJ	8,986.96
Fuel consumption (Indirect energy consumed)	L	403,046.00
Fuel consumption (Indirect energy consumed)	GJ	13,643.73
Renewable energy consumption (Direct energy consumed)	kWh	101,300.00
Total non-renewable energy consumption (Indirect energy consumed)	GJ	22,630.69
Energy intensity (total energy consumed during the year/ total revenue from operations)	GJ/BHD	0.0014
Solar energy consumption	kWh	101,300.00
Total energy consumption (renewable + non-renewable energy)	GJ	22,995.37

### Solar energy initiatives

A key milestone in Trafco’s energy management journey was the installation of a rooftop solar energy system at its warehouses in the Al-Hidd area in 2022 as a pilot project. This system currently generates approximately 45% of the total electricity required to operate these warehouses, substantially reducing reliance on electricity from conventional fossil fuel-based power plants. By generating a significant portion of its own clean energy, Trafco has taken an important step toward lowering its environmental footprint and promoting sustainable operations.

The entire project was funded internally by Trafco, with a total investment exceeding BHD 30,000. In support of local industry, the solar panels were sourced from factories within Bahrain. The system's design carefully considers the region's climatic challenges, such as high temperatures, humidity, and dust accumulation, which can affect solar panel efficiency. Despite these factors, the installation consistently delivers a reliable and meaningful contribution to the company's electricity needs, helping to alleviate pressure on the national grid—particularly during peak demand periods.

Trafco's solar project enables the company's proactive approach to integrating clean energy solutions and reducing dependence on non-renewable energy sources. This initiative aligns closely with Bahrain's broader national priorities aimed at increasing the share of renewable energy within the country's energy mix and reflects the private sector's growing leadership role in advancing the Kingdom's clean energy transition. The commitment to such sustainable infrastructure investments highlights Trafco's dedication to environmental stewardship and its strategic vision for long-term operational resilience.

### *Commitment to energy efficiency*

Recognizing the critical importance of energy efficiency and cleaner energy transition, Trafco Group has committed to ongoing improvements in its energy management strategy. Trafco Group is actively planning to deepen its commitment to energy efficiency and the integration of cleaner energy sources through two key initiatives: a comprehensive assessment of renewable energy opportunities across its operations and an evaluation of the current fleet's energy efficiency.

- **Assessment of Renewable Energy Integration:**

This assessment will involve a detailed analysis of Trafco's various operational sites to identify feasible opportunities for increasing the use of renewable energy sources beyond the existing solar installation. It will examine factors such as site-specific solar potential, availability of other renewable technologies (e.g., wind or biomass), energy demand profiles, and infrastructure readiness. The goal is to develop a clear roadmap for scaling up clean energy adoption in a cost-effective manner that maximizes environmental benefits while supporting operational needs. The assessment will also explore options for energy storage solutions and potential partnerships to enhance renewable energy deployment.

- **Evaluation of Fleet Energy Efficiency:**

The fleet evaluation will focus on systematically reviewing the energy consumption patterns and operational efficiency of Trafco's transport and material handling vehicles, including electric hoists, trucks, and other machinery. This process will involve collecting data on fuel and electricity usage, maintenance practices, and vehicle utilization rates. The evaluation aims to identify inefficiencies and recommend measures such as upgrading to more energy-efficient vehicles, optimizing fleet schedules to reduce idle time, and adopting alternative fuel or electric-powered options where feasible. Through this evaluation, Trafco intends to reduce overall energy consumption and greenhouse gas emissions associated with its fleet, thereby lowering operating costs and improving environmental performance.

Together, these initiatives represent Trafco Group's forward-looking strategy to continuously improve energy management, reduce carbon footprint, and contribute positively to Bahrain's national sustainability objectives. As part of this approach, Trafco plans to strengthen systems for collecting and reporting data on energy use across its operations. This will include establishing mechanisms to track energy performance over time, identify areas for improvement, and ensure greater transparency and accountability in energy-related decision-making.

## Emissions Monitoring

Trafco Group recognizes the growing importance of reducing greenhouse gas (GHG) emissions as part of Bahrain’s broader climate ambitions. Trafco is reporting its Greenhouse Gas (GHG) emissions for the first time in this ESG report, marking a significant step toward greater transparency and accountability in our environmental performance. In line with national goals and our internal sustainability priorities, we are actively working to track, manage and reduce our Scope 1 and Scope 2 emissions across our operations. Our primary sources of emissions include:

- Scope 1: Fuel used by our fleet vehicles, Refrigerant usage of our cold rooms, vehicle freezers and air conditioners
- Scope 2: Electricity consumption in our warehouses and cold storage facilities

To lay the foundation for long-term emissions reduction, we are in the process of developing a comprehensive baseline GHG inventory. This baseline will allow us to track emissions year over year and help us monitor performance against targets. Within one year, we aim to complete this inventory, which will include:

- Total Scope 1 emissions (from direct fuel consumption in company-owned vehicles and machinery),
- Total Scope 2 emissions (from electricity purchased from the Electricity and Water Authority),
- Emission intensity metrics, such as emissions per metric ton of goods transported (tCO<sub>2</sub>e/MT), enabling us to link emissions performance with operational activity.

Indicator	Unit	Consumption value
Total Scope 1 GHG emissions	tCO <sub>2</sub> e	3,127.30
Total Scope 2 GHG emissions	tCO <sub>2</sub> e	1,812.37
Total Scope 3 GHG emissions	tCO <sub>2</sub> e	Data not available
Emissions intensity (total annual GHG emissions/total revenue from operations)	tCO <sub>2</sub> e/BHD	0.0003

## Commitment to reducing emissions

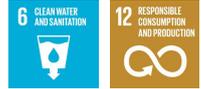
As part of our commitments, we aim to minimize GHG and pollutant emissions specifically across our operations, particularly the transport fleet and cold storage infrastructure. These segments are not only energy-intensive but also provide significant opportunities for emissions efficiency improvements. Trafco does not currently account for Scope 3 emissions, we are taking clear steps to reduce operational (Scope 1 and 2) emissions.

While our initiatives are not currently in place, we recognize the following as key opportunities for future emissions management:

- Evaluating the replacement of aging fleet vehicles with more fuel-efficient or alternative fuel models to reduce fuel consumption and emissions.
- Assessing energy efficiency in cold storage units, including potential upgrades to insulation, compressor systems, and smart cooling technologies.
- Improving data collection and reporting systems to track energy use and GHG emissions more effectively, enabling continuous improvement and accountability.

In the meantime, Trafco Group is working to:

- Finalize and publish its baseline GHG emissions inventory.
- Begin reporting annual Scope 1 and 2 emissions transparently.
- Develop internal reduction targets, aligned with national frameworks and global best practices.
- Integrate emissions intensity metrics into business performance tracking and decision-making processes.



## Water Conservation (CBB: E.8)

The Kingdom of Bahrain maintaining to avoid water scarcity due to its geographic and climatic constraints. With only 9% of its surface area comprising land and average rainfall of just 80 mm<sup>1</sup>, Bahrain relies heavily on non-conventional water sources, including desalinated seawater and treated wastewater, to meet its needs. The high population density of the country, places further strain on the limited water resources.

To address these challenges, Bahrain has initiated progressive policies under its Economic Vision 2030, aligned with the United Nations SDGs. Within this framework, the Supreme Council for Environment (SCE) plays a vital role as the national authority for environmental and sustainable development strategy, tasked with protecting Bahrain’s natural ecosystems, promoting sustainable resource use, and ensuring the resilience of environmental systems for future generations.

At Trafco Group, we recognise that water conservation is not only an operational imperative but a national responsibility. Our commitment to sustainable water management is aligned with the SCE’s environmental protection goals and Bahrain’s development priorities. We are also guided by the SDG 6 (6.4) which calls for significant increasing water-use efficiency across all sectors and ensuring sustainable withdrawals to mitigate water scarcity.

### Commitment to Water Stewardship

As an FMCG retailer and distributor operating in a water-stressed region, Trafco recognises the imperative of responsible water stewardship. Our commitment to water conservation is deeply embedded within our ESG framework, where it is identified as a material priority. We are focused on minimizing water wastage by improving operational practices and adopting efficient protocols. To enhance long-term sustainability, we are actively investing in water-saving technologies that reduce consumption while maintaining hygiene and product quality.

Additionally, we are exploring opportunities to reuse treated water for non-potable purposes, such as cleaning floors, chillers, and vehicles. To ensure continuous improvement and transparency, we are also in the process of establishing robust water performance indicators and implementing systems for regular tracking and reporting. These efforts reflect our strategic objectives to optimise water use across all facilities, align with national sustainability goals, and contribute to the achievement of SDG 6 on improving water-use efficiency.

### Water usage

Trafco relies exclusively on municipal water supplied by the Electricity and Water Authority (EWA) of Bahrain.

Indicator	Reported value (in Kilo Litres, KL)
Total annual amount of water consumed by the organisation	1,493.29 KL
Total annual amount of water withdrawn by the organisation	1,493.29 KL
Total annual amount of water recycled/ reclaimed by the organisation	Not applicable

While this reflects relatively low usage for the scale of operations, water remains a vital input across various functional areas of our business.

<sup>1</sup> [sdg6\\_acceleration\\_snapshot\\_642\\_bahrain\\_feb\\_2023.pdf](#)

The operational areas where we utilize water include:

- **Hygiene and sanitation:** Used extensively for cleaning floors, chillers, fresh produce, storage zones, and transportation vehicles.
- **Livestock management:** Supports animal hydration and is critical for maintaining hygiene in pens, slaughter areas, and associated tools.
- **Office use:** Required for kitchen operations, restrooms, and other workplace amenities.

As per the current operational setup, we do not carry out any formal water recycling or reclamation processes. While defrost water from the cold rooms could be theoretically utilized for limited purposes such as gardening, it is not suitable for general cleaning due to potential contamination. Additionally, the facility uses electric defrost heaters, which produce minimal quantities of defrost water. This small volume is typically drained into a soak-pit, and therefore, is not captured or processed for reuse. Consequently, no measurable amount of water is currently recycled or reclaimed by the organisation.

### Water feasibility study

As part of our continued commitment to responsible resource management, Trafco plans to undertake a comprehensive water feasibility study. This prospective strategic initiative is intended to support our goal of optimizing water use, reducing wastage, and enhancing efficiency across all operations.

This study, when undertaken, would involve a detailed assessment of water consumption patterns at each facility, establishing process-level benchmarks, such as litres used per kilogram of product, to measure performance and drive improvements. It may also identify inefficiencies, including leakages, outdated infrastructure, or excessive water use during cleaning and processing activities.

A key focus would be to explore viable opportunities for water reuse and recycling. Potential areas of intervention include:

- Utilising greywater for non-potable purposes such as floor and vehicle washing
- Recovering condensate from HVAC and cooling systems
- Treating wastewater for reuse in suitable operational processes

In parallel, the study may also evaluate the adoption of advanced water-saving technologies, such as:

- Low-flow fixtures to reduce usage without compromising performance
- Clean-in-place (CIP) systems to minimise water requirements during equipment cleaning
- IoT-enabled metering for real-time monitoring and leakage detection
- Reverse osmosis recovery systems and feasibility of rainwater harvesting

The outcomes of the study would be supported by a comprehensive cost-benefit analysis to estimate potential savings, calculate return on investment (ROI), and assess the broader environmental and reputational benefits.

Through this initiative, Trafco aims to significantly reduce its water footprint, strengthen operational resilience, and contribute meaningfully to Bahrain's national sustainability objectives, including those outlined under SDG 6.4 and the goals of the SCE.

# Waste Management

(CBB: E.9)



As one of the most densely populated nations in the GCC region, the Kingdom of Bahrain faces mounting challenges in managing its waste. With a population nearing 1.6 million and over two-third residing in the capital of Manama, the country generates more than 1.2 million tons of solid waste annually<sup>2</sup>. Bahrain’s growing population, consumer demand, and rapid development have led to high waste generation. With limited land and landfill space, the country is shifting focus toward sustainable waste management and a circular economy that emphasizes on reduction, responsible disposal, and resource recovery.

## Commitment to responsible waste management

As a leading FMCG distributor and food processor in Bahrain, Trafco recognises the critical importance of responsible waste management in ensuring environmental sustainability. We are committed to minimizing waste generation across all operational units and adopting practices that align with national priorities and circular economic principles. Our waste management approach is guided by compliance with local regulations, reduction of landfill dependency, and promotion of resource recovery wherever feasible.

We ensure that all waste, whether from food processing, packaging, or logistics, is handled, stored, and disposed of in accordance with Bahrain’s environmental and public health directives. Additionally, Trafco maintains transparent records of waste handling and seeks continuous improvement in its processes to reduce overall environmental impact.

In 2024, our general waste, primarily consisting of materials such as corrugated boxes, damaged wooden pallets, plastics, and papers, was efficiently handled. This waste was managed through a dedicated skip-container services providers under an annual contract, highlighting our structured approach to ensuring appropriate disposal pathways and minimizing our environmental footprint.

Total general waste generated: **15 tonnes**

## Case study

### Ensuring Safe Disposal: Trafco’s responsible management of expired food waste

In the reporting period, Trafco disposed of a total of 11.28 metric tons of damaged and expired dry and frozen food products that had been removed from customer sites and retail outlets. This waste consisted of items unfit for consumption due to damage or spoilage and was managed in strict adherence to the Ministry of Health’s directives on handling rejected food shipments<sup>1</sup>.

The directive states once a shipment or project is rejected, there are two pathways:

- **Re-exporting the shipment:** Re-export to country of origin, by submitting the required documentation and coordination with food control specialists at the port of entry
- **Safe destruction of the shipment:** Safe destruction of the shipment in coordination with the designated health office and landfill authorities, with oversight and certification from the relevant bodies.

For the reported waste, Trafco followed the latter process, submitting the necessary documentation and scheduling the disposal through the relevant food control authorities. The waste was safely destroyed at Askar Landfill under the supervision of a designated health inspector, and a certificate of destruction was issued upon completion to confirm regulatory compliance.

Waste type	Quantity (in Metric Tons)
Dry waste	5.74
Frozen waste	5.54
<b>Total waste</b>	<b>11.28</b>

Trafco remains committed to upholding food safety standards and ensuring that all non-compliant products are managed responsibly, with full transparency and in accordance with Bahrain’s environmental and public health regulations.

<sup>2</sup> [Frontiers | An overview of solid waste management and privatization in kingdom of Bahrain](#)

To operationalize our ESG strategy on waste, Trafco is currently considering a comprehensive waste management feasibility study to strengthen its waste management approach. This study would serve as the foundation for reducing solid, organic, and packaging waste while improving segregation and reuse across all operational sites. Key objectives of the study would include:

- **Baseline Mapping and Categorization of Waste**

Detailed assessment of waste streams across Trafco's operations, covering dry goods, frozen products, packaging materials, organic waste, and hazardous waste where applicable. The study will quantify total waste generated per facility (in MT/month), forming the basis for future benchmarking.

- **Facility-wise Waste Profiling**

Waste profile mapping for each location to assess source points, frequency, and types of waste generated. This will help identify high-impact intervention areas and develop tailored waste reduction plans.

- **Evaluation of Current Disposal Methods**

Assessment of existing waste disposal practices and their environmental impact, particularly for expired food and packaging waste. This will include a gap analysis against Ministry of Health directives and global best practices.

- **Feasibility Assessment for Waste Diversion**

Exploring potential alternatives to landfill disposal, including:

- Composting of organic food waste
- Recycling partnerships for packaging materials (cardboard, plastics, etc.)
- Donation or secondary use of near expiry but safe food (in compliance with health standards)
- Off-site treatment of dry/frozen waste where viable

- **Segregation and Collection Infrastructure**

Feasibility assessment of setting up standardized segregation bins and collection systems at all sites, particularly offices and warehouses. Options such as color-coded waste bins, compactors, and labelling protocols will be reviewed.

- **Cost-Benefit Analysis and ROI Projections**

Financial and environmental impact analysis of proposed waste management options, accounting for cost savings, reputational benefits, and regulatory compliance.

Through this roadmap, Trafco aims to achieve two core objectives: to reduce the generation of solid, organic, and packaging waste across its operations, and to enhance waste segregation and responsible disposal at all facilities, including offices and warehouses. By building data-driven baselines, exploring viable alternatives to landfill disposal, and evaluating technology-enabled solutions, Trafco is committed to fostering a more circular, efficient, and environmentally responsible approach to waste management.

# Social & Community Impact

## Commitment to Social and Community Impact

A deep commitment to social responsibility is embedded in Trafco Group's core values. We believe that people are at the heart of our business, and we take pride in creating a respectful, inclusive, and growth-oriented work culture. Guided by our Social Responsibility Policy, we uphold practices that promote human dignity, fairness, and diversity in all aspects of our operations. As part of this commitment, we aim to:

- Enhance health, wellbeing, and quality of life for all through sustainable and socially responsible practices.
- Provide a safe, healthy, and engaging workplace by aligning with internationally recognised labour standards and continuously improving our systems.
- Foster an environment of equality and mutual respect, ensuring freedom from all forms of discrimination, harassment, or intimidation.
- Embrace diversity in the workplace and ensure fair labour practices that comply with national and local laws wherever we operate.
- Support employees' personal and professional goals through equal opportunities, fair remuneration, and investment in career development.
- Contribute positively to society by supporting charitable, environmental, and educational initiatives that uplift the communities we operate in.

## Nationalisation

Trafco Group ensures they support their national workforce development by providing meaningful employment opportunities to Bahraini nationals. In line with government priorities and guidelines, we continue to build a strong and inclusive national workforce by recruiting, retaining, and advancing local talent. Our approach to nationalisation reflects our long-term vision of contributing to Bahrain's economic resilience and sustainable growth.

## Diversity and Inclusion

We strive to cultivate a diverse and inclusive work culture where individuals from all backgrounds feel welcomed and empowered. Trafco actively promotes equality in recruitment, career advancement, and workplace interactions. Our policies prohibit discrimination, harassment, and intimidation of any kind. We believe that diversity enhances innovations, enriches perspectives, and strengthens team performance.

## Community Development and Corporate Social Responsibility

Trafco Group's social responsibility extends beyond our operations into the communities we serve. We actively support initiatives that promote environmental sustainability, community welfare, and educational development. In line with our values, we engage in programs that include green initiatives, charitable donations, and support for both employee wellbeing and public services. These initiatives demonstrate our dedication to delivering positive community impact while contributing to Bahrain's broader goals for inclusive and sustainable development.

In 2024, Trafco continued to strengthen community ties and creating lasting value for stakeholders across the Kingdom.

# Employment

(CBB: S.1, S.3, S.4, S.7, S.10)



Trafco remains committed to cultivating a safe, equitable, and inclusive workplace that supports the wellbeing and development of all employees. We recognise that our workforce is a key enabler of our performance, values, and long-term business sustainability. Through a combination of fair employment practices, inclusive policies, and continuous engagement, we strive to create an environment that nurtures talent, respects rights, and reflects the diversity of our operating context.

At Trafco, we recognise that our responsibility to our workforce extends beyond regulatory compliance, it is a key lever in delivering social value and building long-term resilience. Our approach to employment and workforce well-being is deeply aligned with the United Nations Sustainable Development Goals (SDGs), particularly those focused on advancing inclusive growth, gender equality, and decent work for all. By aligning our internal workforce strategies with global development goals, Trafco not only enhances its operational resilience but also reinforces its commitment to driving positive impact across the communities in which it operates.

## Diversity and inclusion

Trafco Group takes pride in being a significant employer within the Kingdom of Bahrain’s FMCG industry. As of December 31, 2024, the Group employed a total of 176 employees, reflecting our strong presence in the national workforce. This dedicated team plays a vital role in driving innovation, ensuring efficiency, and upholding service excellence across our operations. Trafco recognises that a diverse workforce strengthens innovation, productivity, and team culture. We are at the early stages of our Diversity & Inclusion (D&I) journey, with our current gender representation standing at 7% women, indicating an opportunity to improve gender diversity across all levels.

Table 1. Total number of employees by gender

Gender	Workforce (as of December 31, 2024)	Percentage of total workforce
Male	164	93%
Female	12	7%
<b>Total</b> <i>**only full-time employees</i>	<b>176</b>	<b>100%</b>

Table 2. Total number of employees per age group and gender *\*\*includes full-time employees only*



Table 3. Employee as per employment type and management level

Category	<30 years		30 - 50 years		> 50 years	
	Male	Female	Male	Female	Male	Female
	No.	No.	No.	No.	No.	No.
Senior management (Executive)	0	0	1	0	4	1
Middle management	0	0	3	2	4	0
Junior management (Entry-level)	22	1	101	6	29	2
<b>TOTAL</b>	22	1	105	8	37	3
Full-time	22	1	105	8	37	3
Part-time	0	0	0	0	0	0
Contract/ Worker	0	0	20	0	0	0
<b>TOTAL</b>	22	1	125	8	37	3

Trafco Group has continued to maintain a stable and forward-looking hiring trend, welcoming new talent across its operations in 2024. A majority of our new hires during the year were under the age of 35, reflecting the Group's strong focus on engaging youth and nurturing the next generation of professionals within Bahrain's trading, food distribution, and logistics sector. By attracting young talent, Trafco is not only investing in its own future but also contributing to the Kingdom's broader goals of economic diversification and sustainable development. Building a dynamic, multi-generational workforce remains central to the Group's commitment to innovation and resilience in a rapidly evolving marketplace.

Trafco has also disclosed its **Gender Pay Ratio**, currently recorded at **2.47**, indicating that the median total compensation of women is 2.47 times that of men. This reflects pay disparities that may be linked to the small number of women employed and their job roles. We acknowledge this and are committed to conducting deeper analyses and addressing any structural or policy barriers that may exist. Establishing a baseline is the first step, and our objective is to build a fair and equitable compensation framework.

**Employee retention** remains an important focus area, particularly in the context of Bahrain's evolving labour market. In 2024, Trafco recorded a total annual turnover rate of **12.85**. This turnover rate remains well below the general industry threshold of 20%<sup>3</sup>, indicating a relatively stable workforce and reflects the Group's efforts to maintain an engaging and supportive work environment.

Table 4. Total number of employees who left Trafco by age and gender

Age/ Gender (as of December 31, 2024)	<30 years	30-50 years	>50 years
<b>Total</b>	5	11	7
<b>Male</b>	3	11	7
<b>Female</b>	2	0	0

### Nationalisation and Local Impact

Trafco is committed to supporting the Kingdom of Bahrain's economic development by investing in national talent and fostering inclusive employment opportunities for Bahraini citizens. The Group views nationalisation not only as a policy goal but as a strategic imperative to build a resilient, homegrown workforce that is equipped to lead the organisation into the future.

<sup>3</sup> [Employee Turnover Statistics and Trends For 2024 | Hubstaff Blog](#)

As of the reporting period, Bahraini nationals form 30% of the total workforce across various departments. The Group continues to make consistent efforts to attract, retain, and develop local talent through structured recruitment initiatives, internship and graduate programs, and on-the-job training opportunities tailored to national employees. Among the new hires in 2024, 15.4% were Bahraini nationals, reflecting Trafco’s ongoing efforts to strengthen its national workforce.

**Table 5. Total workforce by Nationality**

Countries	Total workforce	Percentage of total workforce
Kingdom of Bahrain	52	30%
India	101	57%
Pakistan	11	6%
Bangladesh	11	6%
Philippines	1	1%

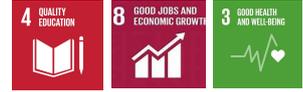
Trafco is also certified by the Ministry of Labour for meeting the prescribed nationalisation percentage, affirming compliance with Bahrain’s workforce localisation requirements. This certificate ensures Trafco’s commitment to aligning with national employment mandates while maintaining a productive and diverse workforce. We also recognise the importance of ensuring career progression for Bahraini employees across all levels. The Group is actively working to enhance training and succession planning mechanisms to empower local talent in leadership and decision-making roles.

By supporting the national labour market and investing in local human capital, Trafco contributes meaningfully to Bahrain’s Vision 2030, reinforcing its role as a responsible employer and economic partner in the Kingdom.

Trafco remains committed to fostering fair, inclusive, and empowering work environment that aligns with national priorities. Through progressive initiatives in formalising employment, enhancing diversity and inclusion, and strengthening nationalisation efforts, we aim to uphold the highest standards of labour practice and employee well-being. Our focus on ethical conduct, continuous learning, and responsive grievance mechanisms further reinforces our dedication to building a resilient and engaged workforce that contributes meaningfully to Bahrain’s sustainable development goals.

## Development and Training

(CBB: S.11)



At Trafco, our commitment to excellence goes hand-in-hand with investing in the continuous development of our workforce. We recognize that the knowledge, skills, and certifications of our employees are fundamental to maintaining the highest standards of safety, quality, compliance, and sustainability. Our training programs reflect this understanding and are carefully designed to meet both current operational needs and future ambitions.

### Training Objectives and Commitment

The primary objective of our training initiatives is to foster a culture of competence, safety, responsibility, and compliance throughout the organization. We believe that well-trained employees are better equipped to contribute effectively to the company's goals while upholding ethical and regulatory standards. Our commitment extends beyond simple compliance, training is viewed as a strategic investment to drive continuous improvement, operational excellence, and innovation.

Moreover, as part of our social responsibility and alignment with Bahrain's nationalization agenda, we place a strong emphasis on training and developing Bahraini nationals. Supporting local talent is not only a regulatory requirement but a vital part of our mission to contribute to the Kingdom's economic diversification and sustainable development.

Indicators	Value
No. of employees who have received trainings	38 Nos.
Average hours spent on trainings	248 hours
Average hours spent on trainings by female employees	18 hours
Average hours spent on trainings by male employees	230 hours
Average hours spent on trainings by employment type:	
a) Full-time	248 hours
b) Part-time	0
c) Contract workers	0

### Specialized Training Programs and Certifications

We offer a wide range of specialized training programs tailored to specific operational and compliance needs. We strategically collaborate with reputable external tuition providers, including Manahel Training Center, Total Quality Services, and Bahrain Society of Engineers. These partnerships enable us to offer our employees access to a diverse array of specialised training programs, meticulously designed to enhance their skills, deepen their expertise, and equip them with the latest industry knowledge. Throughout the year, 38 of our employees were successfully able to get internationally recognised certifications that validated their expertise and readiness.

Key specialized trainings delivered to our employees in 2024 include:

- **Environmental Refrigerant License:** A comprehensive 5-day, 5-hours-per-day course focusing on safe and environmentally responsible refrigerant handling and management, a critical area for our refrigeration operations.
- **Highfield Food Safety Level 1:** This internationally recognized certification ensures that our food handlers understand essential food safety principles and practices.
- **HACCP (Hazard Analysis and Critical Control Points) Training and Awareness:** Our teams are trained on the latest HACCP protocols, including internal auditing, enabling us to maintain the highest food safety standards across all operations.
- **HABC Level 2 Fire Safety Certification:** This program equips employees with the knowledge and skills to manage fire safety risks effectively.

- **AHA Heat Saver First Aid, CPR & AED Training:** Providing critical lifesaving skills to our workforce, enhancing workplace safety.
- **Internal Audit HACCP Awareness (2022):** Training focused on auditing processes to maintain and verify HACCP compliance.

Many of our employees have successfully obtained certifications in these fields, such as the Highfield Level 2 Award in Fire Safety and Food Safety, which further demonstrates our commitment to maintaining rigorous international standards. These certifications are not only a testament to individual achievement but also serve as pillars supporting Trafco's reputation for quality and safety.

### Focus on Nationalization

A key strategic priority is the empowerment of Bahraini nationals within our workforce. We recognize that building local capacity is essential for sustainable economic growth and social development. Therefore, we prioritize identifying, recruiting, and training Bahrainis across various departments. Through targeted development programs, we aim to equip them with the technical and leadership skills needed for current and future roles.

Our nationalization efforts are supported by mentorship, on-the-job training, and access to formal certifications, helping to create clear career pathways and enhance employee retention. This approach ensures that Trafco is not only compliant with national workforce policies but is actively contributing to Bahrain's vision of a skilled and competitive labour market.

### Regular Trainings for All Employees

In addition to specialized courses, we conduct regular training sessions on corporate governance, ethics, compliance, and workplace conduct. These trainings reinforce our culture of integrity, transparency, and adherence to all applicable regulatory requirements. They include but are not limited to:

- **Code of Conduct and Ethics Training:** Ensuring employees understand the company's ethical standards and behavioural expectations.
- **Compliance Trainings:** Covering regulatory updates, anti-corruption policies, and data protection standards to safeguard our operations and reputation.
- **Health and Safety Awareness:** Ongoing refresher courses that cover workplace hazards, emergency response, and personal protective equipment usage.

These foundational programs are mandatory for all employees and are regularly updated to address new regulatory developments and operational priorities.

We are actively working to enhance and broaden our training framework. We plan to incorporate comprehensive ESG training programs that will become an integral part of our workforce development strategy.

- **Basic ESG Awareness Training:** Designed for all employees to build foundational knowledge about sustainability principles, climate change, social responsibility, and governance.
- **Specialized ESG Training:** Targeted at key personnel involved in sustainability reporting, data management, and ESG strategy implementation. This will include modules on ESG data collection, analysis, regulatory compliance, and best practices.
- **Leadership and Governance Training:** Strengthening the capabilities of our governance bodies and management teams to oversee ESG initiatives and ensure accountability.

With the new trainings, we will continue to evolve our existing training offerings to ensure alignment with emerging industry standards, technological advances, and regulatory expectations. We are committed to maintaining a robust governance framework supported by a dedicated ESG committee and an active working group tasked with overseeing training programs and sustainability initiatives.

## Health, Safety and Well-being

(CBB: S.5)



Trafco Group is committed to fostering a safe, healthy, and supportive work environment. The company prioritises protecting the physical and mental well-being of its employees and stakeholders by embedding health and safety principles into its operational practices. Trafco Group aims to continuously improve workplace safety standards, uphold food safety integrity, and promote overall employee well-being through proactive management and ongoing commitment to best practices.

### Employee Health and Safety

At Trafco, the health, safety and well-being of our employees is a top priority. We are firmly committed to providing a safe and secure work environment where risks are systematically identified, assessed and controlled. This commitment is rooted in our compliance with national laws and international standards. Our health and Safety framework is guided by the Labour Law for the Private Sector as well as the Civil Defence Law through which the Kingdom of Bahrain acceded to the ILO Convention No. 155 on Occupational Safety and Health. We also align with regional conventions and best practices in workplace safety.

To translate these commitments into action, Trafco has implemented a robust Health, Safety and Security Policy and Procedure framework. This comprehensive set of protocols outlines our approach to identifying hazards, responding to emergencies and safeguarding our workplace. The policy includes detailed guidelines on fire safety measures, the use of fire extinguishers and sprinkler systems, and standard procedures for emergency situations such as power outages, fires, earthquakes, and bomb threats. Clear evacuation plans and designated emergency exits have been established across all operating sites.

Additionally, our policy framework ensures that all employees understand the importance of reporting violence, abuse, or any unsafe conditions through a confidential and structured mechanism. This promotes a culture of trust and accountability. The HSS P&P is reviewed and approved by the Acting HR Manager and the Group CEO, reflecting strong leadership commitment and cross-functional oversight. Complementing these procedures, we have a codified set of workplace safety rules to ensure day-to-day safety compliance.

Indicators	2024	2023	2022
Number of cases of injuries	3	0	2
Number of cases of fatalities	1	1	0
Number of lost days due to work injury	79 days	Nil	6 days

We believe that safety is a shared responsibility, and we actively engage employees in building a culture of awareness, accountability, and preparedness. All employees receive mandatory health and safety training, ensuring they are familiar with safety protocols. Regular refresher trainings are conducted to reinforce critical procedures and to keep staff updated on any policy changes. Moreover, we organise simulated safety drills for various emergency scenarios to empower employees with the knowledge and confidence to manage risks effectively and contribute to a safe working environment.

At Trafco, the safety and well-being of our employees and stakeholders remain paramount. In line with our unwavering commitment to maintaining a secure and prepared working environment, a comprehensive fire drill was strategically conducted. This vital exercise served as a critical opportunity to test the efficacy of our emergency response protocols, assess evacuation procedures, and ensure that all personnel are well-versed in the actions required during a potential fire incident.



The drill involved active participation from various departments, simulating a real-life emergency scenario to evaluate the speed, coordination, and overall effectiveness of our response teams. Crucially, following the drill, a detailed performance survey was administered to all participants. This invaluable feedback mechanism allowed us to gather firsthand insights and observations, identify any potential areas for improvement in our existing safety plans, communication channels, and evacuation routes. The responses collected through this survey are instrumental in continuously refining our emergency preparedness strategies, ensuring that Trafco remains resilient and ready to respond to any unforeseen circumstances, thereby reinforcing our dedication to a safe and secure workplace.

### Employee well-being initiatives

Trafco Group believes that employee well-being extends beyond physical safety to include recognition, motivation, and a sense of belonging. As part of our commitment to fostering a positive workplace culture, we have implemented various initiatives aimed at boosting morale and rewarding dedication.

One such initiative is the **“Employee of the Month”** program, which recognises outstanding contributions from staff across different departments. This monthly recognition not only encourages excellence and accountability but also reinforces the company’s values of commitment and teamwork.

In addition to individual recognition, Trafco also invests in team-building and cultural engagement. The **Annual Staff Ghabga**, held during the holy month of Ramadan, brings together management, department heads, and staff members in a celebration of tradition and unity. The event serves as an opportunity to strengthen relationships among employees and to express gratitude for their ongoing contributions to the company’s growth and success.



At the core, we believe in fostering an inclusive environment that recognises and celebrates the diverse contributions of all individuals. In line with this commitment, we proudly observed both International Women’s Day and Mother’s Day, holding special events to honour the profound impact of women within our organisation and the broader community. These celebrations served as a powerful testament to our dedication to gender equality and the empowerment of women in various roles, both professional and personal. By acknowledging these significant days, we aimed to create spaces for appreciation, reflection, and encouragement. Such initiatives underscore our ongoing efforts to champion women’s rights and create a supportive workplace where every female employee feels valued and respected. The events provided an opportunity to highlight the multifaceted achievements of women, challenging stereotypes and promoting a more equitable landscape. We recognise that gender diversity strengthens our teams, enriches our perspectives, and drives innovation. These celebrations are just one facet of our broader strategy to cultivate a truly inclusive culture where all voices are heard and celebrated, reinforcing our belief in the indispensable role women play in our collective success.



## Food Health and Safety

Trafco Group B.S.C. is firmly committed to maintaining the highest standards of food health and safety across all facets of its operations. The company’s approach to food safety is anchored in international best practices and regulatory frameworks, with a fully integrated Food Safety Management System (FSMS) that is certified with the ISO 22000:2018 standard and the principles of HACCP 2023. This system is not only central to our operational integrity but is also critical to upholding customer trust and protecting public health.



Our food safety framework is designed to ensure that all products are kept in the safest and highest hygienic conditions throughout the food chain, from procurement and handling to storage, transportation, and final delivery. Our commitment is to deliver end-products that are safe for human consumption, in full compliance with statutory, regulatory, and customer-specific requirements. Trafco’s food safety policy serves as a foundational document that guides all food-related operations, outlining core commitments including the elimination or minimization of contamination (physical, chemical, and

microbiological), the implementation of preventive control measures, and the establishment of measurable food safety objectives for continuous improvement.

In practical terms, this commitment is executed through a comprehensive set of initiatives aimed at preserving product quality and hygiene. These include routine disinfection, sanitation, and cleaning protocols across all facilities, which are rigorously implemented and monitored to ensure optimal hygiene. All equipment, utensils, and transportation units undergo scheduled and ad-hoc cleaning cycles to mitigate

contamination risks. The sanitation process is aligned with both internal operating procedures and international hygiene standards to ensure consistency and effectiveness.

A critical component of Trafco's food safety efforts is the human element, the individuals directly involved in food handling and operations. The company places strong emphasis on training, awareness-building, and capacity development for all food handlers and related personnel. Mandatory food safety training programs are conducted on a regular basis to ensure that employees understand and adhere to hygiene standards, personal protective practices, and food safety protocols. This includes clear guidance on personal hygiene, health screening, and safe food handling techniques, supported by visual aids and workplace instructions at key operational zones.

Trafco also maintains robust systems to identify and control food safety hazards across all its operations. A detailed Hazard Analysis and Critical Control Points (HACCP) framework has been implemented, covering every critical point from sourcing to final delivery. This includes checks for potential contaminants, assessment of supplier quality, monitoring of cold chain integrity, and evaluation of sanitation effectiveness. All hazard assessments are regularly updated, and corrective actions are swiftly implemented to prevent recurrence and protect consumer health.

A key area of focus within our food safety program is the responsible handling of food waste. Trafco has established separate channels for managing dry and frozen food waste, ensuring that all waste is stored, handled, and disposed of in a hygienic and traceable manner. This not only mitigates contamination risks but also contributes to our sustainability efforts and regulatory compliance. Additionally, guidelines are in place to ensure the safety of water used across premises, in line with World Health Organization (WHO) standards. All water entering our facilities is tested and treated to confirm its suitability for food-related use.

The governance and implementation of food safety initiatives are overseen by a dedicated Food Safety Team, led by the Food Safety Team Leader (FSTL), who holds direct accountability for organizing, supporting, and supervising all food safety-related activities. The FSTL ensures that the FSMS is effectively maintained through periodic reviews, internal audits, performance assessments, and continuous improvement planning. Detailed roles and responsibilities related to food safety are defined for personnel at every level of the organization, reinforcing a culture of ownership and accountability.

Trafco's food health and safety policy is actively communicated to all employees and made accessible to customers and interested parties upon request. The policy is reviewed regularly during management reviews to ensure it remains aligned with evolving standards, business needs, and customer expectations. Through this proactive and integrated approach, Trafco continues to safeguard the wellbeing of its consumers, while demonstrating its commitment to excellence in food health and safety.

**When to wash hands?**

Food handlers should wash their hands,

- ▶ Before commencing work
- ▶ Before handling food
- ▶ After visiting toilet
- ▶ After putting on or changing a wound dressing
- ▶ After dealing with an ill colleague or customer
- ▶ After coming into contact with pests or their feces
- ▶ After handling contaminated raw foods of animal or plant origin
- ▶ After handling soiled equipment or utensils
- ▶ After coughing, sneezing, smoking, eating, drinking or blowing nose
- ▶ After handling animals or waste
- ▶ After engaging in any activities that may contaminate foods (such as handling money, carrying out cleaning duties)
- ▶ After returning from break

---

- Hand washing must be frequent, thorough and performed in hand wash basins

---

- Wearing gloves should not be an alternative to proper hand washing.

# Community Investment

(CBB: S.8)



Trafco Group is deeply committed to supporting the social and environmental well-being of the communities it operates in. In 2024, the company contributed towards charitable and community development causes. Its efforts spanned donations to registered societies, support for staff welfare and education, and large-scale contributions to national sustainability initiatives. These programs reflect Trafco’s belief that meaningful community investment not only uplifts vulnerable groups but also strengthens societal resilience and cohesion.

Among the many social contributions, Trafco focused its efforts across three key thematic areas:

- **Environmental Sustainability**

In alignment with Bahrain’s national climate goals, Trafco Group advanced its commitment to environmental sustainability through active participation in the *Forever Green* national afforestation campaign. These initiatives involved the plantation of various flowering and shade trees to enhance green spaces and improve the surrounding environment. These initiatives aimed to expand green spaces in densely populated areas, improving climate resilience, and reinforce Trafco’s support for Bahrain’s Sustainable Development Goal 13 (Climate Action), and its commitment to achieving net-zero emissions by 2060.

### Case Study

#### Partnering for a Greener Bahrain

Trafco Group’s commitment to environmental sustainability was demonstrated through its continued support for the “Forever Green” national afforestation campaign, led by the National Initiative for Agricultural Sector Development (NIASD). As part of this public-private collaboration, Trafco contributed to two key greening projects that advanced Bahrain’s climate goals while delivering direct community benefits.



In March 2024, Trafco supported the greening of the Hoorah Health Center in the Capital Governorate, funding the plantation of 29 saplings including Poinciana, Hibiscus tiliaceus, Cassia glauca, and Ruellia. Building on this momentum, the Group backed another plantation effort in November 2024 at the Ibn Khaldun Social Center, where 64 trees and shrubs were planted across 259 square meters. The project enhanced the quality of public spaces for visitors, particularly the elderly and families, by fostering a greener, more health-conducive environment within a densely populated urban setting. These projects also contribute to expanding the urban green cover, improving local microclimatic conditions, and advancing Bahrain’s national climate objectives in alignment with SDG 13 – Climate Action.

At both events, Trafco’s leadership reaffirmed its long-term commitment to environmental stewardship, with GCEO Mr. Azzam Moutragi emphasizing the role of cross-sector collaboration in addressing climate challenges. His remarks underscored the Group’s view that such initiatives are not just ecological investments, but strategic efforts to improve quality of life and promote lasting sustainability. These projects reflect Trafco’s broader vision of integrating corporate responsibility with national development priorities, where business growth and environmental well-being go hand in hand.

- **Social Welfare**

Trafco Group’s social investment strategy prioritizes the well-being of underserved communities and the promotion of social cohesion. In 2024, the Group extended financial support to 42 registered societies and associations, including organizations such as the Parents Care Society and Al Hala Club, thereby enabling the continuity of community-based programs and services. In alignment with its commitment to equitable access to basic necessities, Trafco distributed 1,352 Ramadan baskets to low-income families, ensuring food security during the holy month. Additionally, the Group provided emergency medical assistance to families of employees facing unforeseen health crises. Collectively, these initiatives reinforced community resilience, supported local civil society actors, and strengthened Trafco’s role as a socially responsive corporate citizen.

- **Education and Youth Support**

Trafco Group recognises the pivotal role of education and youth empowerment in driving long-term social development. To support employee families and encourage higher education, the company offered financial assistance toward university tuition fees for the children of its workforce. This investment not only reduced economic barriers to education but also fostered employee well-being and retention. Further, in collaboration with the Ministry of Education’s Physical Training Section, Trafco committed to the supply of 200,000 water bottles for students, with 20,000 bottles distributed in 2024 alone. This initiative aimed to promote hydration and health among school-going children, while also advancing sustainable public-private partnerships in the education sector.

**Amount invested in the community initiatives**

Indicator	Amount invested (in BHD) (in 2024)
Total profit (in BHD)	1,827,333
Total community investment (in BHD)	34,886
Percentage of profit invested in community initiatives (in %)	1.91 %

Trafco Group’s community investment efforts reflect a thoughtful and evolving commitment to responsible corporate citizenship. While modest in proportion, the scale and intent behind these initiatives speak to a deeper alignment with national development goals and stakeholder expectations. Rather than viewing community support as ancillary, the Group approaches it as an integral part of its long-term value creation. Its investments are carefully directed toward areas where meaningful change can be fostered, with an emphasis on sustainability, equity, and impact. As societal needs grow more complex, Trafco continues to strengthen its role as a partner in progress, responsive to emerging challenges and proactive in supporting inclusive development.

Looking ahead, the Group remains committed to enhancing the depth, reach, and relevance of its community programs, ensuring that its contributions continue to generate positive, lasting outcomes for people and the planet.

## Human Rights, Equity, and Labour Ethics

(CBB: S.2, S.6, S.9)



Respect for human rights, equity, and labour practices forms the foundation of our organizational culture. We are committed to creating a workplace where any individual is treated with dignity, empowered equally, and supported through fair and transparent policies. Our practices are guided not only by global standards but also firmly aligned with the Kingdom of Bahrain's constitutional values, National Action Charter, and the National Human Rights Plan (2022-26)<sup>4</sup>.

We believe that safeguarding human rights and promoting a culture of fairness is essential to building an inclusive, resilient, and future-ready organisation. Through strong governance mechanisms, open communication channels, and a commitment to continuous improvement, we aim to foster a respectful, safe, and equitable environment for all employees.

### Commitment to Fair Labour Practices

As part of our core values, Trafco is committed to upholding fair labour practices and ensuring that all employees are treated with dignity and respect. We comply with national labour laws and international standards on decent work, and we ensure that all employees operate under formal contracts. We are currently working to achieve 100% coverage under formal employment agreements, reinforcing our position as responsible employers. In line with our ESG goals, we have set out to draft a comprehensive D&I roadmap in the coming year. This includes setting benchmarks for gender diversity in both workforce and leadership positions and developing policies to support equitable hiring, retention, and promotion practices.

Creating a safe and responsive work environment is a fundamental priority. Trafco maintains open communication channels and grievance mechanisms accessible to all staff. Our goal is to ensure 100% grievance resolution in a timely and confidential manner. As part of our labour management framework, we plan to report annually on grievances received and addressed. We also recognise the emotional and mental wellbeing of our employees as integral to overall productivity. While formal wellbeing programs are at a nascent stage, we are actively exploring policies that support work-life balance, employee engagement, and mental health awareness.

### Safeguarding Human Rights

At Trafco Group, we recognise that respecting and safeguarding human rights is not only a fundamental moral obligation but also a critical pillar supporting sustainable business success and community well-being. Our approach to human rights is rooted in the principles enshrined in the Kingdom of Bahrain's legal and constitutional framework. Trafco's policies and operational standards reflect the Kingdom's emphasis on inclusiveness and non-discrimination, supporting an organisational culture grounded in fairness and respect. We uphold the principles outlined in Bahrain's National Human Rights Plan (2022-2026), which focuses on safeguarding civil and political rights, economic, social, and cultural rights, protecting vulnerable groups, and promoting solidarity. By incorporating these pillars in our governance structure, we ensure our workforce benefits protections in line with national priorities.

**Zero-tolerance** to violation of human rights

We maintain an unequivocal zero-tolerance stance on any violations of human rights. This includes but is not limited to issues such as forced labour, child labour, discrimination, harassment, and unsafe working conditions. Our policies explicitly forbid such practices,

and we actively monitor compliance through robust internal controls, audits, and continuous engagement with our workforce and supply chain. We regularly conduct risk assessments to identify potential

<sup>4</sup> [The National Human Rights Plan \(2022-2026\)](#)

vulnerabilities and implement proactive mitigation measures. Our Audit Committee closely ensures that our policies and procedures are aligned with evolving international standards and local regulations.

These measures have been effective, as evidenced by no reported human rights breaches or incidents in 2024.

Beyond compliance, we view human rights as integral to our culture and corporate identity. We seek to foster an environment where fairness, transparency, and accountability are not just policies but lived values. This approach helps us build lasting relationships with our employees, partners, and the communities where we operate.

### **Fostering a culture of equality and non-discrimination**

We are deeply committed to cultivating a workplace where diversity is celebrated, and inclusion is embedded in every process. We understand that a workplace reflecting diverse backgrounds, perspectives, and experiences enhances creativity, drives innovation, and strengthens business resilience.

Our strict non-discrimination policy prohibits any form of unfair treatment or bias based on race, religion, gender, age, nationality, disability, or any other protected characteristics. This policy is enshrined in our code of conduct, employee handbook, and reinforced through our recruitment, retention, and promotion practices. We take active measures to ensure equality of opportunity throughout the employment lifecycle. From talent acquisition to career development, we employ fair and transparent processes designed to promote meritocracy and equal access. Our performance management systems are structured to reward based on competence and contribution, free from prejudice or favouritism.

**Zero** incidents or cases of breaches reported of discrimination

Our commitment to inclusion extends beyond policy to action. We run diversity awareness workshops, promote flexible working arrangements, and supportive initiatives aimed at fostering intercultural understanding and collaboration. These efforts have helped maintain zero recorded incidents of discrimination in 2024, underlying the effectiveness of our inclusive culture.

Creating a safe and respectful workplace is a strategic priority for us. We maintain clear procedures for addressing grievances related to discrimination, harassment, or bullying. Employees are encouraged to report concerns confidentially, and all complaints are taken seriously, investigated promptly, and addressed with appropriate disciplinary measures where necessary. Our whistleblower policy ensures the confidentiality and protection of individuals raising concerns.

### **Upholding Labour Rights: Eradicating Child and Forced Labour**

Trafco is unwavering in its commitment to eliminate child and forced labour across its operations and supply chain. We fully comply with the Kingdom of Bahrain's Labour Law, which stipulates that the minimum legal working age is 15 years<sup>5</sup>. This legal threshold safeguards young individuals from exploitation and ensures they have access to education and personal development.

Our recruitment and hiring practices are designed to rigorously verify the age and eligibility of every employee, thereby preventing any incidence of underage employment. Identity checks, document verification, and third-party audits form part of this multi-layered approach. We extend these principles to all contractors and suppliers through our Supplier Code of Conduct, which explicitly prohibits child labour and mandates compliance with all relevant labour laws. Regular supplier assessments and on-site audits verify adherence, and any deviations trigger corrective actions and, if necessary, contract termination.

<sup>5</sup> KINGDOM OF BAHRAIN

We actively combat all forms of forced labour, including bonded labour, human trafficking, and involuntary servitude. Our policies emphasize the voluntary nature of employment, the right to terminate contracts, and freedom of movement within the workplace. Employee contracts are clear, transparent, and issued in languages understood by workers. We maintain open channels for workers to raise concerns confidentially and protect whistleblowers from retaliation.

Our rigorous approach has been effective in maintaining a supply chain free from such practices, with no child or forced labour cases identified during the reporting year. Trafco requires all vendors and suppliers to comply with anti-child and forced labour standards, verified through supplier declarations, and audits. We believe that understanding the risks of child and forced labour can arise in indirect operations, hence we extend our due diligence to the entire supply chain.

## Governance & Management

As a publicly listed company in the Kingdom of Bahrain, Trafco Group complies with the corporate governance requirements set by the CBB, the Bahrain Bourse, and the Ministry of Industry and Commerce. These requirements, including transparent disclosures and structured shareholder engagement, are critical to maintaining investor confidence and aligning with national efforts to promote ethical and accountable corporate conduct.

Trafco follows the Corporate Governance Code of Bahrain, which sets out ten key principles covering board effectiveness, director loyalty, internal controls, fair remuneration, structured management, shareholder communication, transparency, financial statement integrity, and corporate social responsibility. The company integrates these principles across its governance framework to ensure that decision-making at all levels reflects best practices in integrity, accountability, and performance.

### Corporate Governance Code

Trafco has embedded the principles of the Corporate Governance Code into its internal governance systems and policies. Both the Board and employees are expected to uphold the highest ethical standards and comply with legal and regulatory obligations. The company's governance framework is periodically reviewed and adapted to reflect evolving laws and strategic priorities.

### Code of Conduct

Trafco is committed to upholding the highest ethical, professional, and legal standards across all levels of the organisation. The Code of Conduct sets clear expectations for employees and Board members to act integrity, avoid conflicts of interest, maintain confidentiality, use company assets responsibly, engage in fair business practices, and comply fully with applicable laws and regulations. Our expectations extend to our third-party partnerships to uphold these same standards when collaborating with the company.

### Whistleblower Mechanism

Trafco is committed to fostering a transparent and ethical workplace culture. In 2024, we strengthened this commitment by introducing a formal Whistleblower and Non-Retaliation Policy. This mechanism empowers employees, directors, vendors, and other stakeholders to confidentially report any concerns related to misconduct, fraud, or breaches of our Code of Conduct.

### Personal Data Protection

Trafco is committed to protecting the privacy and personal data of all employees, customers, partners, and stakeholders in full compliance with the Personal Data Protection Law (PDPL). We ensure that personal information is collected, processed, stored, and shared responsibly, securely, and transparently.

Our commitment includes implementing robust data protection policies, training employees on data privacy requirements, and maintaining strict controls to prevent unauthorized access or misuse of personal data. Trafco also upholds individuals' rights under the PDPL, including the right to access, correct, and request deletion of their personal information.

## Corporate Governance and Compliance

(CBB: G.1, G.3, G.6, G.9)



Trafco Group is committed to upholding the highest standards of corporate governance, transparency, and accountability. The Group complies with all governance requirements and implements robust oversight through its Board of Directors, specialized committees, and Executive Management. They periodically review the governance practices and take necessary measures to ensure alignment with regulatory directives from the Central Bank of Bahrain (CBB), the Ministry of Industry and Commerce, the Bahrain Bourse, and both internal and external auditors.

### Board composition

The Board of Directors (BoD) at Trafco Group consists of the Chairman, the Vice Chairman and eight Board members who were elected in accordance with the Memorandum and Articles of Association of the Company and the Bahrain Commercial Companies Law. Trafco's BoD comprises experienced professionals with deep expertise in governance, business operations, and strategic oversight.

The Board's primary role is to govern the company by setting its overall direction, policies, and practices, while delegating operational authority to the Executive Management. Guided by the Commercial Companies Law and the Corporate Governance Code issued by the Ministry of Industry and Commerce in Bahrain, the Board ensures that all governance responsibilities are executed with integrity and accountability. It represents the interests of all shareholders, safeguards the company's long-term value, and ensures that effective governance frameworks and ethical standards are embedded across all levels of the organization.

Here are the details of the Board of Directors in the reporting period, there were no female members in the Board of Directors in the reporting year:

S.N.	Name	Executive/ Non-Executive	Independent/ Non-Independent	Tenure (First appointed)	Representation
1.	Mr. Ebrahim Mohamed Ali Zainal	Non-executive	Non-independent	Elected	1978
2.	Mr. Yusuf Saleh Abdulla Alsaleh	Non-executive	Non-independent	Elected	1978
3.	Dr. Esam Abdulla Yousif Fakhro	Non-executive	Non-independent	Elected	1995
4.	Mr. Jihad Yusuf Abdulla Amin	Non-executive	Non-independent	Elected	1998
5.	Mr. A Redha Mohamed Redha Aldailami	Non-executive	Non-independent	Elected	1981
6.	Mr. Faud Ebrahim Khalil Kanoo	Non-executive	Non-independent	Elected	1994
7.	Mr. Ali Yusuf A. Rahman A. Rahim	Non-executive	Non-independent	Elected	1994
8.	Mr. Sami Mohammed Yusuf Jalal	Non-executive	Non-independent	Elected	1995
9.	Mr. Ebrahim Salahuddin Ahmed Ebrahim	Non-executive	Non-independent	Elected	1995
10.	Mr. Sofyan Khalid Almoayed	Non-executive	Non-independent	Elected	2022

Trafco adopts the "Comply or Explain" approach as outlined in the Corporate Governance Code for Trafco, which allows the company to deviate from certain provisions when justified by their specific operational structure, size, or business context. Trafco's Corporate Governance Framework proactively identifies potential non-compliance scenarios and outlines corrective action measures to address them in a timely and transparent manner. In each instance of deviation, the company has provided clear justification and has implemented appropriate internal mechanisms to ensure continued accountability, regulatory alignment, and oversight. Some instances of non-compliance and their corrective actions include:

## • Independence of Board Members

As disclosed, all Board members are non-executive but not independent. While the Code encourages a higher degree of board independence, the Company has explained that given its concentrated ownership structure and long-standing Board composition, the current framework supports effective governance.

*Corrective Action:* This matter is periodically reviewed during Board evaluations, and the Company continues to assess opportunities to introduce independent representation while balancing shareholder expectations and continuity of strategic leadership.

Trafco has an Internal Audit and Compliance Department that monitors all relevant laws, rules, and regulatory obligations. A compliance checklist covering all high-risk items is regularly circulated, and any instance of non-compliance is investigated with findings reported to the General Manager and reviewed by the Head of Compliance. Remedial actions are documented, approved, and tracked for timely closure.

The Group Chief Executive Officer (CEO), along with the Senior Executive Management team, is tasked with implementing the corporate strategy and overseeing the Company's overall operations. The CEO keeps the Board informed on a regular basis regarding the company's technical, administrative, and financial progress, including the effective execution of the strategic goals, policies, and targets approved by the Board.

## Committees

Trafco Group has established four specialized committees to support effective governance and ensure focused oversight across key areas of the company's operations. These committees operate under a defined charter and play a critical role in advising the Board, enhancing transparency, and strengthening decision-making in their respective domains.

The Board regularly reviews the composition of these Committees to align with legal requirements and to support the Company's effective functioning. The Committees include:

Committee	Objective	Members	Executive/ Non- Executive	Independent/ Non- Independent
Audit Committee	The Audit Committee is responsible for: 1) Monitoring the integrity of the financial reporting process, Trafco systems of Internal Control, review of the consolidated financial statements and reports, compliance of the board with legal and regulatory requirements and the performance of the Company's Internal Audit function. 2) To recommend the appointment of external auditors, agreeing their compensation, overseeing their independence, and preparing reports required to be prepared by the Committee pursuant to Central Bank of Bahrain, Bahrain Bourse, Bahrain Commercial Companies Law and other regulatory authorities in the Kingdom of Bahrain.	1. Mr. Ebrahim Salahuddin Ahmed Ebrahim (Chairman) 2. Mr. A. Redha Mohamed Redha Aldailami 3. Mr. Ali Yusuf A. Rahman A. Rahim 4. Mr. Sofyan Khalid Almoayed	Non-Executive	Non-Independent
Executive Committee (Investment & Finance)	The Executive Committee is formed to discuss matters with the Company's management regarding senior staffing, financial performance, strategies, and all other issues as directed by the Board	1. Mr. Ebrahim Mohamed Ali Zainal 2. Mr. Yusuf Saleh Abdulla Alsaleh 3. Dr. Esam Abdulla Yousif Fakhro 4. Mr. Jehad Yusuf Abdullah Amin	Non-Executive	Non-Independent

Committee	Objective	Members	Executive/ Non- Executive	Independent/ Non- Independent
Nomination and Remuneration Committee	Review and advise the Board of Directors on the Board's composition, new directors' nominations in addition to Board and Senior Management remuneration.	1. Mr. Ebrahim Mohamed Ali Zainal (Chairman) 2. Mr. Yusuf Saleh Abdulla Alsaleh 3. Dr. Esam Abdulla Yousif Fakhro 4. Mr. Jehad Yusuf Abdullah Amin	Non-Executive	Non-Independent
Corporate Governance committee	To review and ensure compliance with Corporate Governance Code framework and guidelines.	1. Mr. Ebrahim Salahuddin Ahmed Ebrahim (Chairman) 2. Mr. A. Redha Mohamed Redha Aldailami 3. Mr. Ali Yusuf A. Rahman A. Rahim 4. Mr. Sofyan Khalid Almoayed	Non-Executive	Non-Independent

In the reporting year 2024, Trafco took several actions to strengthen and complete its Corporate Governance Framework in line with the Corporate Governance Code. The Board and all employees were guided by a strong commitment to uphold the highest standards of ethical conduct and corporate behaviour. A comprehensive code of conduct was implemented to provide a legal and ethical framework for employees, defining the company's approach to internal conduct, stakeholder engagement, and community responsibilities.

To reinforce ethical governance, the Board formally adopted the Code along with a Whistleblower Policy, ensuring a mechanism for monitoring compliance and encouraging responsible behaviour. The Code outlines standards for business conduct, interactions with government bodies, communities, and partners, and overall workplace ethics, aligning with international best practices.

Throughout 2024, the Management and Board of Directors ensured adherence to the corporate governance framework and guidelines. No instances of non-compliance were recorded during the year, except for two instances:

- The Chairman of the Audit Committee, Mr. Ebrahim Salahuddin Ahmed Ebrahim, is classified as a non-independent director due to his nomination to subsidiary companies, which are wholly owned by Trafco as per Corporate Governance Code.
- Several directors initially elected as independent were later nominated to subsidiary boards, thereby reclassifying them as non-independent under the Code. Despite these classifications, Trafco affirms that these arrangements do not compromise the objectivity, oversight, or integrity of its corporate governance practices.

### Corporate Governance Code

Trafco Group B.S.C. is committed to maintaining the highest standards of governance, transparency, and ethical conduct in accordance with the Corporate Governance Code of the Kingdom of Bahrain, issued by the Ministry of Industry and Commerce (MOIC) and the Central Bank of Bahrain (CBB). The Company has adopted a comprehensive corporate governance framework that outlines key principles and practices for effective oversight, risk management, accountability, and strategic direction.

Throughout the reporting year 2024, Trafco adhered to the "Comply or Explain" approach of the Code. The Company implemented ten key principles of governance, embedded across the Company's charters,

policies, and operational guidelines, ensuring all directors, officers, and employees are aligned with best practices. These principles include:

1. **Effective Board Leadership:** The Company is headed by a qualified and informed Board responsible for strategic oversight and governance.
2. **Loyalty to the Company:** Directors and Executive Management are required to act in the best interest of the Company at all times.
3. **Strong Internal Controls:** The Board must ensure rigorous internal controls for financial audits, reporting, and legal compliance.
4. **Appointment and Evaluation of Directors:** The Company must have formal procedures for appointing, training, and evaluating directors.
5. **Fair and Responsible Remuneration:** Directors and senior officers are to be fairly and transparently remunerated.
6. **Efficient Management Structure:** The Board establishes a clear structure with defined job titles, authority, and responsibilities.
7. **Shareholder Engagement:** The Company must communicate transparently with shareholders and respect their rights.
8. **Governance Disclosure:** Trafco publicly discloses its governance practices to promote transparency.
9. **Integrity of Financial Statements:** The Board ensures the integrity of financial reporting through independent external auditors.
10. **Corporate Social Responsibility:** The Company seeks to be a responsible corporate citizen through meaningful CSR initiatives.

Trafco's Board regularly reviews the governance framework to ensure alignment with evolving legal and regulatory requirements. The Company also monitors its governance performance through internal assessments and committee oversight, ensuring continuous improvement and compliance.

### Code of Conduct

The Group Code of Conduct outlines the ethical, professional, and legal standards expected across all levels of the organisation, including the Board of Directors. It serves as a foundational framework for responsible conduct across various domains including conflicts of interest, use of company assets, workplace conduct, environmental responsibility, and compliance with applicable laws and regulations.

Employees are expected to act with integrity, avoid conflicts of interest, maintain confidentiality, and ensure that their actions reflect the values and reputation of the Company. The Code strictly prohibits any form of bribery, corruption, or unethical behaviour and provides clear guidelines for acceptable business practices, including transparency in giving and receiving gifts and interactions with government bodies and external partners.

Trafco expects all employees to be familiar with the Code, to make ethical decisions aligned with legal obligations, and to report any suspected violations through designated channels. The Company's Whistleblower Policy reinforces this by enabling employees to report concerns in a secure and confidential manner. The Code also extends to third-party stakeholders such as suppliers and contractors, who are expected to align with Trafco's ethical standards when engaging in business with the Company.

For the Board of Directors, the Code provides a comprehensive guidance on the ethical and professional standards expected from Trafco's Board members in line with the Corporate Governance Code of Bahrain. It addresses a wide range of governance responsibilities including fiduciary duties, compliance, independence, disclosure, and the prudent use of powers.

Board members are required to act with honesty, integrity, and in the best interest of the Company and its stakeholders. They are expected to avoid conflicts of interest, protect the confidentiality of information, use company assets responsibly, and refrain from any behaviour that could damage the Company's reputation. The Code explicitly prohibits Directors from using their position for personal gain or engaging in any competing business activities.

In addition, the Code outlines specific obligations regarding disclosure of personal interests, qualifications, and the protection of employee interests. It also mandates that Directors remain up to date with regulatory developments and possess the necessary skills and diligence to fulfil their governance role. Any breaches of this Code are subject to review and disciplinary action, including the possibility of non-reappointment or removal from directorship.

The Code reinforces Trafco's commitment to building a culture rooted in transparency, ethical conduct, and strong governance principles, ensuring the trust of stakeholders and the long-term success of the Company.

### **Ethics & Anti-corruption**

Trafco Group is committed to maintaining the highest standards of integrity, transparency, and ethical conduct across all levels of the organisation. The company has a Code of Ethics and Business Practices that strictly prohibits all forms of bribery, corruption, and unethical conduct. Directors are expected to act in good faith, avoid conflicts of interest, protect company assets, and comply with all applicable laws and regulations.

It is strictly prohibited in Trafco to offer, accept, or facilitate bribes, kickbacks, or any form of improper payment, whether directly or indirectly. These principles are reinforced through clear guidelines on conflict of interest, confidentiality, use of company assets, and professional conduct.

In 2024, 100% of Trafco's employees formally certified their compliance with the company's Code of Ethics and Business Practices. As part of this process, all employees are required to review the code, acknowledge their understanding of its provisions, and sign a declaration confirming their commitment to uphold the ethical standards outlined.

Trafco continuously promotes a culture of accountability and encourages directors and senior management to report any suspected violations through formal channels managed by the Corporate Secretary, in accordance with the Group's Whistleblower Policy. All violations are addressed with appropriate disciplinary measures to ensure ongoing compliance and uphold the company's values.

### **Whistleblowing**

By introducing a formal Whistleblower and Non-Retaliation Policy in 2024, Trafco Group reinforced its commitment to ethical conduct, transparency, and accountability across all levels of the organization. The Company's Code of Conduct encourages employees and stakeholders to report any unethical behaviour, suspected misconduct, or violations of company policy or applicable laws.

The policy underscores that all employees, vendors, customers, and other stakeholders have a responsibility to raise concerns related to fraud, corruption, conflicts of interest, or any conduct that may harm the Company's integrity or reputation. Individuals are directed to report concerns confidentially through designated internal channels, including their line manager, HR department, Company Secretary, or Group CEO/GM. These concerns are escalated to the Audit Committee for impartial and thorough investigation.

To promote a safe and supportive environment, the policy guarantees protection against retaliation for anyone reporting in good faith. Even if the concern is ultimately unsubstantiated, the whistleblower is shielded from disciplinary action, provided the report was made without malice or personal gain.

In support of the new policy, Trafco is actively working on expanding awareness initiatives across the organization. These efforts include onboarding sessions for new employees and vendors, internal communications, and periodic training to emphasize the importance of speaking up. Plans are also underway to enhance the accessibility and confidentiality of the reporting process through potential digital solutions, ensuring that every individual feels empowered to act in the Company's best interest.

Through this policy and its ongoing initiatives, Trafco demonstrates its strong and evolving commitment to upholding a culture of openness, ethics, and accountability.

### **Conflict of Interest**

Trafco Group B.S.C. maintains a strong governance framework to identify, disclose, and manage conflicts of interest in a transparent and structured manner. The Company has clear mechanisms in place for dealing with situations where personal or professional interests may conflict with those of the organization, as outlined in its internal policies.

This internal policy is complementary with the company's Code of Conduct that reinforces individuals must avoid any activity or relationship that could impair their objectivity or lead to improper personal gain. The mitigation measures cover areas such as cross-board memberships, cross-shareholdings, related-party transactions, insider dealings, and competing business interests. Directors, senior executives, and other key individuals are required to submit an Annual Independence and Conflict of Interest Declaration, disclosing any external roles, personal interests, or transactions that could impact their objectivity. If a conflict arises, the individual must update their declaration and abstain from related decisions, with all such disclosures and abstentions documented in the Board meeting minutes.

Trafco also provides full disclosure of conflict of interest, related-party relationships, transaction details, and outstanding balances in its Corporate Governance report, in line with Corporate Governance Code and CBB requirements. Stakeholders are kept informed of any controlling shareholders or interlocking directorships that may influence Company decisions.

Through these structured processes, Trafco ensures all decisions are made in the company's best interest, reinforcing its commitment to transparency, ethical conduct, and stakeholder trust.

## Data Privacy and Legal Compliance

(CBB: G.4)



In today's data-driven environment, Trafco Group recognizes the critical importance of protecting personal data and ensuring that its processing practices are lawful, transparent, and secure. As a responsible corporate entity operating in the Kingdom of Bahrain, Trafco strictly adheres to the requirements outlined under Law No. 30 of 2018, the Personal Data Protection Law (PDPL), which came into effect in August 2019.

In alignment with PDPL, Trafco has adopted and implemented an internal Data Privacy Policy that governs the collection, processing, handling, and storage of personal data across the organization. The policy outlines the company's approach to managing personal data in a manner that respects individual rights while meeting legal and regulatory obligations.

The key principles embedded in Trafco's Data Privacy Policy include:

- **Purpose-Specific Processing:** Personal data is processed only for legitimate and predefined business purposes, in accordance with the legal grounds specified by the PDPL.
- **Confidentiality and Integrity:** The company enforces strict internal controls and authorizations to safeguard personal data from unauthorized access, disclosure, alteration, or destruction.
- **Limited Access:** Only authorized personnel, for whom the data is necessary for fulfilling professional responsibilities, are granted access to personal information.
- **Lawful Use:** All data processing activities comply with applicable legal requirements, including obtaining consent where required and upholding the rights of data subjects under the PDPL.

The policy further delineates responsibilities across departments, particularly within the Human Resources and IT functions, for ensuring that systems, databases, and manual records adhere to secure data handling protocols. Trafco ensures that all employees are aware of the company's obligations under PDPL and are trained to act in accordance with the organization's data protection standards.

While Trafco is not currently required to appoint a dedicated Data Protection Officer, the company's internal governance mechanisms, led by senior management, ensure PDPL compliance through routine oversight, risk assessments, and policy reviews. This includes:

- Ensuring that data collection forms, contracts, and consent mechanisms are compliant with PDPL.
- Periodic audits and reviews of internal systems and third-party vendors who process personal data on behalf of Trafco.
- A system for data subject access requests (DSARs), allowing individuals to exercise their rights under PDPL, such as requesting data rectification or deletion.
- Implementing data breach protocols, including mandatory internal reporting, mitigation, and communication procedures in the event of a breach.

Through the adoption of this policy and its rigorous implementation, Trafco reaffirms its commitment to upholding privacy rights, enhancing transparency, and maintaining trust among its stakeholders, in full accordance with the national data protection framework.

Trafco recognizes that effective data privacy begins with awareness. The company has taken steps to cultivate a culture of compliance through training sessions and internal communication. Employees are sensitized to their roles and responsibilities in upholding the company's privacy commitments and are required to understand how their actions can affect data integrity and security. Key departments, such as HR, IT, and Administration receive focused training on data handling procedures, consent and communication protocols, reporting obligations in the event of misuse or unauthorized access, and safeguarding employee, customer, and vendor data.

Trafco has implemented multiple layers of control to safeguard data across its digital infrastructure. These include:

- Access restrictions based on job roles
- Password protection and multi-factor authentication
- Data encryption for storage and transmission
- Regular backups and disaster recovery systems
- Firewall and anti-malware protections to mitigate cyber threats

Sensitive personal data, such as identification numbers, health information, or salary details, is handled in accordance with strict confidentiality guidelines. Physical files containing personal data are secured in controlled-access areas and are only accessible to authorized personnel.

Trafco maintains full transparency with its stakeholders regarding how data is used and protected. This includes:

- Making the company's Data Privacy Policy available to employees, customers, and business partners upon request.
- Responding in a timely manner to inquiries about data use, access, or rectification.
- Monitoring for any PDPL updates issued by Bahrain's Personal Data Protection Authority (PDPA) and aligning internal policies accordingly.

Through these comprehensive measures, Trafco Group not only meets its legal obligations but also reinforces its commitment to responsible governance and stakeholder trust. As regulatory expectations evolve, the company remains vigilant in its approach to data ethics and privacy, viewing compliance as an ongoing process and a business imperative.

## Supplier Code of Conduct

(CBB: G.7)



At Trafco, responsible sourcing is a cornerstone of sustainable business conduct. As a key player in Bahrain's FMCG sector, the company recognises the critical role of its suppliers and partners in upholding its values and delivering on its commitments to quality, ethics, and sustainability. To this end, Trafco has established a formal Supplier Code of Conduct which outlines the standards of behaviour, legal compliance, and governance expectations applicable to all entities engaged across its value chain.

Trafco has a structured framework for supplier selection based on a criterion that goes beyond the basic procurement due diligence. This criterion includes:

- **Financial health:** Supplier must demonstrate stable financial status to ensure reliability and long-term partnership
- **Service and product quality:** Supplier should provide consistently high-quality products and responsive after-sales support
- **Technical capability:** Supplier must have technical expertise, equipment, and innovation capacity to meet Trafco's requirements
- **Operational efficiency:** Supplier should maintain streamlined processes to deliver orders on time with minimal errors and cost
- **Pricing:** Supplier must offer competitive and transparent pricing aligned with market standards and Trafco's budget

### Compliance principles

The Group is committed to embedding ESG principles and ethical standards throughout its supply chain, ensuring suppliers operate with integrity, transparency, and social accountability. In line with Bahrain's national regulations, Trafco requires all suppliers and contractors comply with the company's Code of Ethics and Business Practices and relevant policies, including but not limited to:

- Adherence to labour rights and human rights standards, including the strict prohibition of child and forced labour, fair wages, and decent working conditions.
- Commitment to diversity, equity, and inclusion, with no tolerance for discrimination based on race, gender, religion, nationality, disability, or any protected characteristic.
- Compliance with occupational health and safety regulations, with expectations that suppliers provide a safe and hazard-free work environment for their employees.
- Zero tolerance for bribery, fraud, or any form of corrupt practice, in line with Trafco's anti-corruption policies and applicable anti-bribery laws.
- Protection of data privacy and business confidentiality, especially for any suppliers who handle personal or commercially sensitive information as part of their engagement with Trafco.

## Compliance and monitoring

To operationalize these expectations, Trafco has a multi-tiered supplier compliance framework, which includes the following elements:

<p><b>Prequalification and screening</b> processes that evaluate ESG performance and ethical standing as part of the selection process.</p>	<p><b>Contractual clauses</b> mandating adherence to Trafco’s Supplier Code of Conduct and the Group’s wider governance policies.</p>	<p><b>Annual compliance declarations,</b> whereby suppliers acknowledge their understanding and commitment to the Code of Conduct.</p>	<p><b>Auditing mechanisms and site inspections,</b> either directly by Trafco or via authorized third parties, to validate ongoing compliance and detect potential breaches.</p>	<p><b>Corrective action plans</b> in cases of non-compliance, with clear protocols for remediation, escalation, and, if necessary, termination of the supplier relationship.</p>
-------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Trafco’s Procurement and Compliance teams work collaboratively to ensure that supplier relationships are not only commercially viable but also ethically sound and socially responsible. In addition, internal training for employees involved in procurement emphasizes the importance of ethical sourcing, risk identification, and supplier due diligence.

Indicator	Percentage of suppliers in compliance (%)
Percentage of suppliers that comply with the company’s code of conduct and the compliance assessment mechanism	100%

By holding its suppliers to the same high standards, it applies internally, Trafco ensures that every partnership contributes meaningfully to its value-driven approach. As the Group continues to scale its operations, its commitment to responsible sourcing remains firm, anchored in robust governance, guided by ethical standards, and driven by long-term sustainability. As the next step forward, Trafco is working to formally integrate environmental stewardship and social impact into its supplier selection and compliance processes, ensuring full alignment with the company’s broader ESG commitments. This evolution reflects Trafco’s belief that ethical procurement is not only a commercial imperative, but a strategic lever for systemic, positive change across the value chain.

# Disclosure Dashboard

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
Environmental	E.1 Environmental Oversight	1. A statement on how the company addresses its environmental impact (e.g., explain whether senior management and/or the board address sustainability issues in meetings or have dedicated committees to do so.)	Page 20 Energy Management & Emissions		
		2. A statement of purpose and approach of the board/management towards sustainability matters.	Page 20 Energy Management & Emissions		
		3. A description of the following (where applicable): 3.1 Policies 3.2 Commitments 3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets) 3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.) 3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.	Page 20 Energy Management & Emissions		
	E.2 Energy Consumption	1. Report total energy consumed and breakdown by type: 1.1 Indirect energy consumed in the form of electricity, heating, cooling (i.e., total of energy purchases)	Page 21 Energy Management		GRI 302: Energy 2016
		1.2 Direct energy consumed, classified by renewable and non-renewable sources	Page 21 Energy Management		GRI 302: Energy 2016
		2. State the standards, techniques, assumptions, and/or calculation tools utilised	All consumption figures were based on actual invoices and not estimated. Energy units were converted using standard conversion factors from DEFRA UK 2024.		GRI 302: Energy 2016

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
	E.3 Energy Intensity	1. Report total energy consumed during the year divided by the selected scaling factor (e.g., sales, revenue etc.)	Page 21 Energy Management		GRI 302: Energy 2016
		2. State the standards, techniques, assumptions, and/or calculation tools utilised	No techniques or assumptions were applied in this calculation, and the approach reflects a straightforward intensity metric as per GRI guidelines. Total energy consumption (in GJ) by the company's total revenue for the reporting year. The revenue figures were used as scaling factor was sourced from Trafco's 2024 Annual Report. Energy units were converted using standard conversion factors from DEFRA UK 2024.		GRI 302: Energy 2016
	E.4 Energy Mix	1. Report the percentage of energy used by source, as part of total energy consumption	Page 21 Energy Management		GRI 302: Energy 2016
		2. Report the percentage of renewable and non-renewable energy used, as part of total energy consumption	Page 21 Energy Management		GRI 302: Energy 2016
	E.5 Greenhouse Gas (GHG) Emissions	1. Report total absolute emissions by scope:			
		1.1 Total amount, in CO2 equivalents, for Scope 1	Page 23 Energy Management		GRI 305: Emissions 2016
		1.2 Total amount, in CO2 equivalents, for Scope 2	Page 23 Energy Management		GRI 305: Emissions 2016
		1.3 Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Not applicable	Scope 3 emissions were not reported due to the unavailability of relevant data during the reporting period.	

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		2. State the standards, techniques, assumptions, and/or calculation tools utilised	For the calculations, the methodology outlined in GHG Protocol: Corporate Accounting and Reporting Standard was followed. Emission factors and Conversion factors were sourced from DEFRA UK 2024 and IF Default Grid Emission Factor Datasets.		GRI 305: Emissions 2016
	E.6 Emission Intensity	1. Report total annual GHG emission during the year divided by the selected scaling factor	Page 23 Energy Management		GRI 305: Emissions 2016
		2. State the standards, techniques, assumptions, and/or calculation tools utilised	No techniques or assumptions were applied in this calculation, and the approach reflects a straightforward intensity metric as per GRI guidelines. Total emissions (in tCO <sub>2</sub> e) by the company's total revenue for the reporting year. The revenue figures were used as scaling factor was sourced from Trafco's 2024 Annual Report. Energy units were converted using standard conversion factors from DEFRA UK 2024.		GRI 305: Emissions 2016
	E.7 Climate Risk Mitigation	1. Describe how your company identifies, assesses, and manages climate-related risks (including physical risks and transition risks)	Page 17 Risk Management		TCFD S1-S3

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		2. Report the amount invested annually in climate-related issues (in BHD or USD) (e.g., research and product innovation)	Not applicable	Trafco has not made any investments in climate-related issues, hence this is not applicable to us.	
E.8 Water Usage	Water	1. Report the total annual amount of water consumed by the organisation	Page 24 Water Conservation		GRI 303: Water & Effluents 2018
		2. Report the total annual amount of water withdrawn by the organisation	Page 24 Water Conservation		GRI 303: Water & Effluents 2018
		3. Report the total annual amount of water recycled/reclaimed by the organisation	Not applicable	We do not carry out formal water recycling or reclamation processes. Mentioned in detail in Page 25 of the report.	
E.9 Waste Generation	Waste	1. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste (hazardous and non-hazardous)	Page 26 Waste Management		GRI 306: Waste 2020
		2. Description of the company's waste disposal method(s)	Page 26 Waste Management		GRI 306: Waste 2020
		2.1 Description of the company's sustainable waste management practices (such as recycling initiatives and waste reduction strategies)	Page 26 Waste Management		GRI 306: Waste 2020
		3. State the standards, techniques, assumptions, and/or calculation tools utilised	Page 26 Waste Management		
E.10 Emission Targets	Emission Targets	1. A statement on how the company addresses its total emission	Page 23 Energy Management		
		2. A statement of the board/management approach towards its total emissions, including whether it is subject to any country, regional, or industry-level emissions regulations and policies	Page 23 Energy Management		

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		3. A description of the following (where applicable): 3.1 Policies 3.2 Commitments 3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets) 3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.) 3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.	Page 21-23 Energy Management		
Social	S.1 Total Workforce by Sex, Age-Group, and Employment Type	1. Report total number of employees currently employed within the organisation	Page 29-30 Employment		GRI 2: General Disclosures 2021
		1.1 Composition of the total workforce by sex, as percentage of the total workforce	Page 29-30 Employment		GRI 2: General Disclosures 2021
		1.2 Composition of the total workforce by age-group (as per the GRI's employee age group categories: (a) under 30 years old, (b) 30-50 years old, and (c) over 50 years old), as a percentage of the total workforce	Page 29-30 Employment		GRI 2: General Disclosures 2021
		1.3 Composition of the total workforce by employment type (e.g., full-time, part-time, intern etc.), as a percentage of the total workforce	Page 29-30 Employment		GRI 2: General Disclosures 2021
	S.2 Child and Forced Labour	1. A statement on how the organisation addresses prohibition of child and or/forced labour	Page 40-41 Human rights, ethics		
		2. A statement of the board/management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies	Page 40-42 Human rights, ethics		

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		<p>3. A description of the following (where applicable):</p> <p>3.1 Policies</p> <p>3.2 Commitments</p> <p>3.3 Goals and targets (e.g., a description of how management/the board oversee progress against climate/sustainability related targets)</p> <p>3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.)</p> <p>3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about climate/sustainability targets and processes.</p>	Page 40-41 Human rights, ethics		
	S.3 Employee Turnover	1. Report total annual employee turnover rate (whether voluntary or involuntary) for full-time employees during the reporting period, by sex	Page 30 Employment		GRI 401: Employment 2016
		2. Report total annual employee turnover rate (whether voluntary or involuntary) for full-time employees during the reporting period, by age-group (as per the GRI's employee age group categories: (a) under 30 years old, (b) 30-50 years old, and (c) over 50 years old)	Page 30 Employment		GRI 401: Employment 2016
	S.4 Gender Pay Ratio	1. Report the median total compensation for women compared to the median total compensation for men (as a ratio)	Page 30 Employment		GRI 405: Diversity & Equal Opportunity 2016
	S.5 Health and Safety	1. Report on the total number of injuries and fatalities occurred in each of the past three years including the reporting year	Page 34 Health, Safety & Well-being		GRI 403: Occupational Health & Safety 2018
		2. Report lost days due to work injury in each of the past three years including the reporting year	Not applicable	Trafco does not track data on the days lost due to work injury	
		3. A description of occupational health and safety measures adopted, and how they are implemented and monitored	Page 34 Health, Safety & Well-being		GRI 403: Occupational Health & Safety 2018
	S.6 Non-Discrimination	1. A statement on how the organisation addresses harassment and discrimination matters	Page 40-41 Human rights, ethics		GRI 406: Non discriminatio n

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		2. A statement of the board/management approach, including whether it is subject to any country, regional, or industry-level regulations and policies	Page 40-41 Human rights, ethics		GRI 406: Non discrimination
	S.7 Nationalisation	1. A statement of the board/management approach to increase nationalisation, including whether it is subject to any country regulations and policies	Page 31 Employment		
	S.8 Community Investment	1. Amount invested in the community as a percentage of company revenues	Page 38- 39 Community Investment		GRI 413: Local Communities 2016
		2. Description of the scope and impact of its community investment initiatives	Page 38- 39 Community Investment		GRI 413: Local Communities 2016
	S.9 Human Rights	1. A statement on how the organisation addresses human rights	Page 40-41 Human rights, ethics		GRI 2: General Disclosures 2021
		2. A statement of the board/management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies	Page 40-41 Human rights, ethics		GRI 2: General Disclosures 2021
		3. A description of the following (where applicable): 3.1 Policies (and if it also covers suppliers and vendors 3.2 Commitments 3.3 Goals and targets 3.4 Responsibilities	Page 40-41 Human rights, ethics		GRI 2: General Disclosures 2021
	S.10 Management Composition/ Diversity	1. Report percentage of male to female metrics, as per the below categories: 1.1 Entry-level 1.2 Mid-level 1.3 Senior/ Executive level positions	Page 29-30 Employment		GRI 405: Diversity & Equal Opportunity 2016
	S.11 Development and Training	1. Report average hours of training, as per the below categories:	Page 32 Training and Development	Trafco does not track data on the average hours spent on training, only the number of employees	GRI 404: Training & Education 2016
		1.1 By Sex			
		1.2 By Employee category (Full-time, part-time, internship etc.)			
Governance	G.1 Board Composition	1. Report board size	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		2. Report female board directors by number and percentage of the Board size	Page 44 Corporate Governance		GRI 2: General Disclosure 2021

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		3. Report composition of the board and its committees by:	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		3.1 Executive or non-executive	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		3.2 Independence	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		3.3 Tenure	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		3.4 Representation (appointed or elected)	Page 44 Corporate Governance		GRI 2: General Disclosure 2021
		3.5 Details of non-compliance with regulations, as well as a description of the corrective actions taken	Page 44 Corporate Governance		
G.2 Collective Bargaining		1. Report total enterprise headcount covered by collective bargaining agreements (Unions) (if applicable)	Not applicable	While collective Bargaining is legally permissible in Bahrain, Trafco has not reported on this aspect as the organisation does not have any employee unions or representative bodies in place.	GRI 2: General Disclosures 2021
		2. Provide a description of the process by which employees negotiate their contracts with the organisation to determine their terms of employment (e.g., compensation, benefits, hours, leave, occupational health and safety standards, initiatives to balance work and family etc.)	Not applicable	Trafco follows the Bahrain Labour Laws for any negotiations or contracts and hiring practices.	GRI 2: General Disclosures 2021
G.3 Whistleblowing		1. Provide a description of internal and external mechanisms for seeking advice and reporting concerns on organisational integrity	Page 48 Corporate Governance and Compliance		GRI 2: General Disclosures 2021
		2. Provide a description on awareness initiatives conducted by the organisation	Page 48 Corporate Governance and Compliance		GRI 2: General Disclosures 2021
G.4 Data Privacy		1. Provide a description of the company's Data Privacy policy	Page 50-51 Data Privacy and Legal Compliance		GRI 418: Customer Privacy 2016

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		2. Provide a statement of the steps taken to comply with Personal Data Protection Law (PDPL) rules	Page 50-51 Data Privacy and Legal Compliance		GRI 418: Customer Privacy 2016
G.5 Disclosure Practices		1. Report if the company provides its sustainability data to sustainability supporting organisations such as the Global Reporting Initiative (GRI) Secretariat, United Nations (UN), CDP etc.	Not applicable	This report marks the first effort aligned with the CBB's reporting requirements. While this report mentions how the material topics align with the UN SDGs, and CBB disclosures complement GRI standards, we do not provide the sustainability data to any sustainability supporting organisations.	
		2. Report if the company focuses on specific UN Sustainable Development Goals (SDGs), including setting targets and reporting progress	SDG mapping with KPIs	Within this report, we have highlighted how the material topics align with the UN SDGs, and how the CBB disclosures complement the GRI standards. This report serves as the baseline for future ESG reporting.	
		3. State whether the company publishes a sustainability report and/or how it integrates sustainability data in its disclosures	This is the first ESG report to be published	While the company follows established disclosure processes for its annual reporting obligations, a formalised ESG-specific disclosure practice is not yet in place.	
G.6 Conflict of Interest		1. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: 1.1 Cross-board membership	Page 49 Corporate Governance and Compliance		GRI 2: General Disclosure 2021
		1.2 Cross-shareholding with suppliers and other stakeholders	Page 49 Corporate Governance and Compliance		GRI 2: General Disclosure 2021
		1.3 Existence of controlling shareholders	Page 49 Corporate Governance and Compliance		GRI 2: General Disclosure 2021

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
		1.4 Related parties, their relationships, nature, transactions, and outstanding balances	Page 49 Corporate Governance and Compliance		GRI 2: General Disclosure 2021
	G.7 Supplier Code of Conduct	1. Provide a description of the company's Supplier Code of Conduct	Page 52-53 Supplier Code of Conduct		
		2. Report the percentage of suppliers that comply with the company's code of conduct and the compliance assessment mechanism	Page 52-53 Supplier Code of Conduct		
	G.8 Incentivised Pay	1. Report if executives are formally incentivised to perform on sustainability	Not applicable	As Trafco is still in the process of finalising its ESG strategy and report, there are currently no incentivisation mechanisms in place that are directly linked to ESG or sustainability performance metrics. While other performance-based incentives programmes do exist at Trafco, none are presently aligned with ESG-related outcomes.	GRI 2: General Disclosure 2021
		2. Report the percentage of executive compensation tied to ESG performance metrics	Not applicable		GRI 2: General Disclosure 2021
		3. Provide a description of other links between executive performance and sustainability performance (if any)	Not applicable		GRI 2: General Disclosure 2021
	G.9 Ethics & Anti-Corruption	1. Report if your company follows an Ethics and/or Anti-Corruption policy	Page 48 Corporate Governance and Compliance		GRI 205: Anti-corruption 2016
		1.1 If yes, report the percentage of the workforce that has formally certified its compliance with the policy (provide description of certification and process)	Page 48 Corporate Governance and Compliance		GRI 205: Anti-corruption 2016
		2. Provide a statement of the company's commitment towards its ethics and/or anti-Corruption policy/position	Page 48 Corporate Governance and Compliance		GRI 205: Anti-corruption 2016
	G.10 Assurance	1. Provide a description of the process by which sustainability disclosures are assured or validated	Not applicable	Since this is the first ESG report Trafco has ever published,	

Area	KPI	Main Reporting Component(s)	Location	Reason for Partial Disclosure or Non-disclosure if any	Framework it is reported in accordance with, if any
				there is no process in place for sustainability disclosures to be assured or validated. By the next reporting cycle, Trafco will collaborate with third-party agencies and empanel them for the same.	
		1.1 Report if the company's sustainability disclosures are assured or validated by an independent third party	Not applicable	As this marks Trafco's inaugural ESG report with initial parameter disclosures, the Bank is committed to identifying and engaging an independent third-party vendor to conduct assurance on its ESG parameters for the next reporting year, following internal validation for this cycle.	