



UN Global Compact

Communication on Progress

2018

Reporting period: January 2016 - December 2017



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Letter of commitment

To our stakeholders,

On behalf of the BMMI Group, I am pleased to reaffirm our support to the Ten Principles of the United Nations Global Compact (UNGC) and our commitment to respecting human and labour rights, safeguarding the environment, and working against corruption in all its forms.

In our annual Communication on Progress (COP), and as part of our commitment to sustainable and responsible business practices, we describe the actions we have taken to strategically integrate the Global Compact across the BMMI Group for the period: January 2016 to December 2017.

The past two years have been a major turning point for our CSR agenda. We have truly witnessed the transition as CSR blossomed from 'simply nice to have' to a more strategic and fundamental priority across the Group.

BMMI is not all about business, we are also about community and caring for the people around us. We have continued to invest heavily in our CSR programs and challenge ourselves to deliver value to the communities we serve.

We want to be relevant. We don't just want to do things because they are easy and we don't want to do things that are not related to who we are. We want to integrate our CSR work into what we do so that we can add more value and ensure that all our initiatives are sustainable.

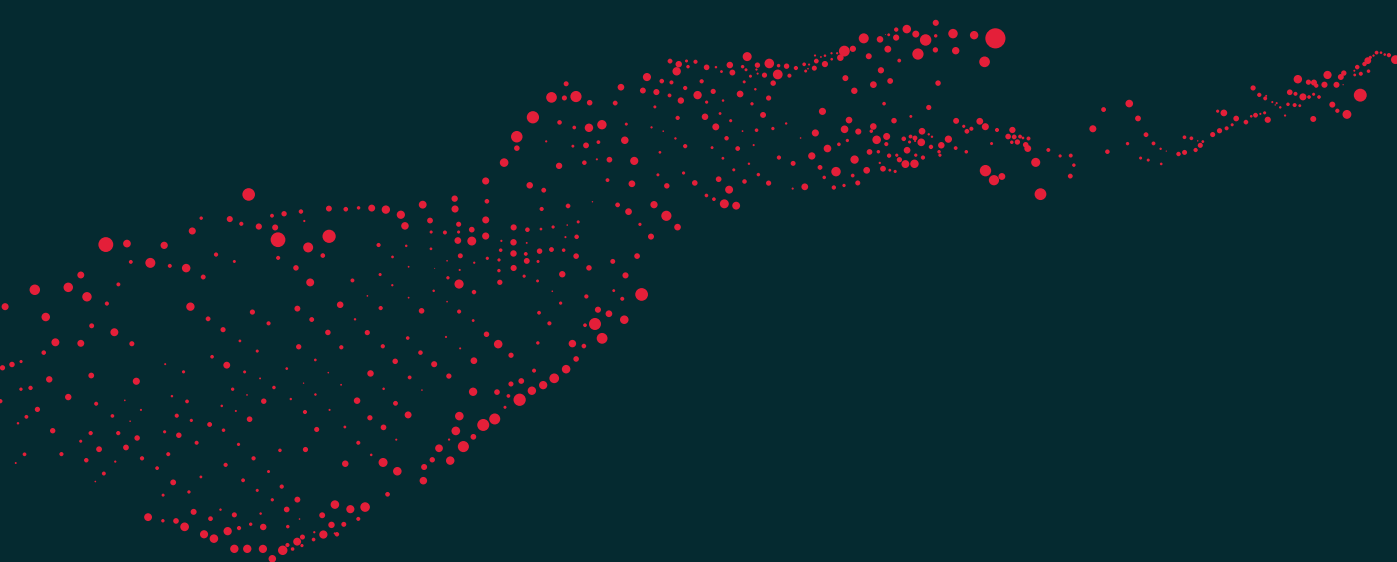
We still have a very long way to go, but we are certainly moving in the right direction. We are expecting increased employee engagement as our focus shifts towards broadening influence across the entire value chain, including the company's business strategy, policies and talent pipeline.

By aligning our efforts with the SDGs through to 2030, we will always be selective about the initiatives we take on as we simultaneously encourage every single one of us to be part of innovative change. It is all about challenging the status quo and turning business problems into opportunities.

Sincerely,



Marek Sheridan
CEO



About us

Headquartered in the Kingdom of Bahrain, with international operations in nine countries in the Middle East and Africa, BMMI is a diversified retail, distribution, hospitality, and contract services and supply group, supported by an advanced logistics capability.

Listed on the Bahrain Bourse, BMMI is now one of the leading private sector business enterprises in the Kingdom of Bahrain and the GCC region and a fast-growing multinational organisation. With a multicultural workforce representing over 50 different nationalities, the Group currently operates strategic branches, associates and joint ventures across the Middle East and Africa.

In 2018, BMMI will celebrate over 135 years of operations.

The Group continues to adopt an untiring performance-driven and customer-focused approach that meets the finest international standards and best global practices.



HOW WE DO THINGS

Resilience and agility are the cornerstones of our business that give us a competitive advantage, drive our momentum and help us deliver tremendous shareholder value. We stand committed to our corporate strategy, our vision, and our values that are a source of pride among our stakeholders, shareholders, and employees.

OUR MISSION

Winning the hearts and minds of our customers by delivering exceptional service.

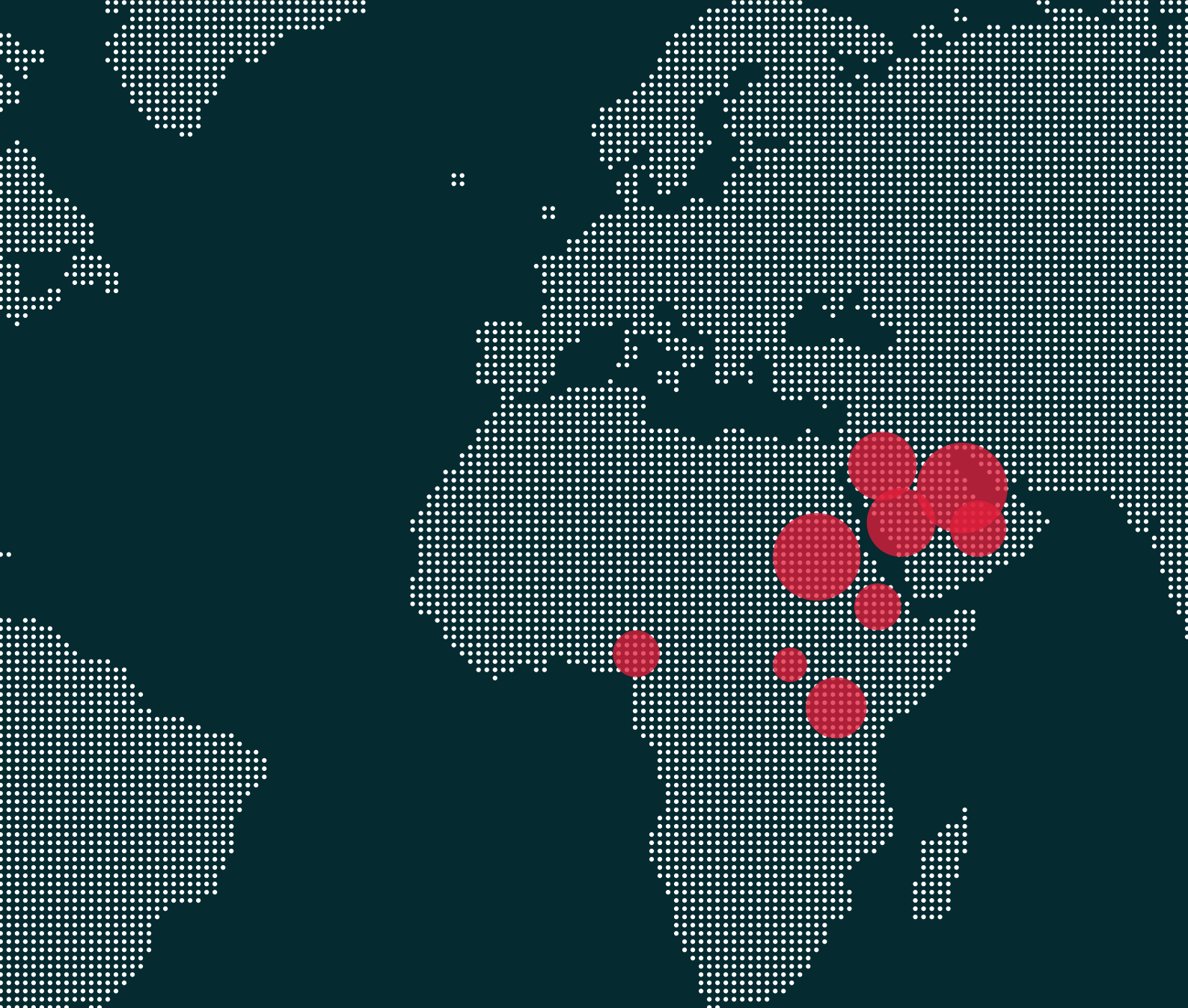
OUR VALUES

The delivery of exceptional service is driven by our values:

**Honesty,
Excellence,
Achievement,
Recognition,
Team Spirit.**

In 2018, we will revisit our values and conduct stakeholder engagement sessions across the group. This will be vital to ensure that our values remain relevant and to give us the confidence in working working towards both reinforcing and evolving them.

We continue to encourage all employees to use every opportunity to live our values - especially in the most challenging of situations - to set an example for others as true Winning Hearts ambassadors.



**1500+
EMPLOYEES**

*help exceed customer
expectations.*

**40+
NATIONALITIES**

*drive diversity of thought
and innovation.*

Providing supply chain, logistics, and integrated facility management services in some of the world's most austere and complicated environments, the Group's overseas presence now covers nine countries, including Djibouti, Ghana, Iraq, Kenya, Qatar, Saudi Arabia, Republic of the Sudan and South Sudan, in addition to the head office in Bahrain.

2016 MILESTONES

LA VINOTECA | BARCELONA

La Vinoteca Barcelona selected as a finalist for the 2016 Food and Travel GCC Awards.

BMMI

BMMI amongst first in the region to pass audits for newly revised global certification, ISO 9001:2015 (Quality Management Systems) and ISO 14001:2015 (Environmental Management Systems).



Alosra supermarket opens its seventh branch in Bahrain at El Mercado Janabiya.

BMMI

BMMI first in its field in the region to pass audits for ISO 22301 Business Continuity Management Systems.

LA VINOTECA | BARCELONA

La Vinoteca Barcelona wins multiple awards at the annual Citi FACT Dining Awards 2016 ceremony.

BMMI

BMMI launches EPIC, a leadership programme that develops participants' skills in experience, people, innovation & culture over 7 months.



ZAD Marketing and Distribution wins a top award at the Hershey's Middle East 2016 Conference.

BMMI

BMMI Djibouti gains certification for Food Safety Management System, ISO 22000:200.

2017 MILESTONES

AWARDS



Nader Trading received two awards from its principal Henkel to recognise them with the Highest Market Growth and Regional Distributor of the Year for 2017.



GSS awarded with a major one-year contract from a US-based contractor for end-to-end supply chain management in Iraq, to encompass food procurement, acquisition, logistics and delivery services.

LA VINOTECA | BARCELONA

Bahrain's Ministry of Tourism declares La Vinoteca Barcelona as 'Best Fine Dining Restaurant' at the Food and Travel Arabia Bahrain Awards.

2017 Citi Fact award for Best Mediterranean restaurant for La Vinoteca Barcelona.



Downtown Rotana recognised by Bahrain Electricity and Water Authority for the hotel's exceptional energy saving efforts in 2017.

OPENINGS



Alto, a trendy Middle Eastern inspired lounge, opens its doors on the 25th floor of the Downtown Rotana in Manama, Bahrain.



Alosra's second branch in Saudi Arabia and the 9th supermarket in total launches at Al Safa in Dammam.



Elios Craft Cafe relaunches, with updated and reimagined offerings, in the BMMI Tower in Seef District, Bahrain.

LA VINOTECA | BARCELONA

La Vinoteca Barcelona relaunches with a major design makeover and revised value proposition.

2017 MILESTONES

CSR

BMMI

BMMI launches Employment Facilitation Training Service (EFTS) in partnership with The Bahrain Society for Children with Behavioural and Communication Difficulties (BSCBCD), and in collaboration with Tamkeen and Project SEARCH. Fourteen apprentices with Autism Spectrum Disorder (ASD) gain valuable workplace training in Alosra Saar and Janabiya.

BMMI

BMMI partners with Conserving Bounties to help tackle food waste in the Kingdom of Bahrain.

alosra
الأسرة

Alosra Charitable Foundation invests USD50K with Conserving Bounties to set up Bahrain's first soup kitchen.

INITIATIVES

BMMI

BMMI launches the Winning Moments Recognition initiative, giving heads of departments in Bahrain the opportunity to recognise and instantly reward high performers and those who display our 'Winning Hearts' culture.

BMMI

EPIC, the second edition of BMMI's in-house 'experience-sharing' training initiative, takes place. The leadership programme helps develop participants' skills in experience, people, innovation and culture.

SOCIAL RESPONSIBILITY AND CORPORATE CITIZENSHIP



For BMMI, social responsibility and sustainability extend beyond compliance. It is not about mitigating harm, but rather adding real value to all those who interact with us.

We see ourselves as a company that nourishes the lives of our customers, our employees, our customers, the communities in which we operate and our planet. Which is why at the end of every day we will ask ourselves: **what role did I play in nourishing the lives of our customers? In what ways did I nourish the lives of my colleagues? How did I nourish the communities in which we operate? And how did I nourish the earth on which we live?**

Our Sustainability Policy, Nourishing Life, guides all of BMMI's employees in each of our countries of operation. It is driven by 75 commitments, which are continuously reviewed and revised, under three over-lapping themes: Truth, Zero Waste, and Wellbeing.

ZERO WASTE

To be wasteful and to squander resources when many are in need is a terrible thing. While our Sustainability Policy tackles traditional waste, we also view waste differently. Wasted talent. Wasted opportunities. Wasted time and energy. Wasted potential.

WELLBEING

As a business, we believe we should play a role in nourishing and improving the quality of life for all who are associated with BMMI. This includes our employees, our customers, communities, and the planet.

TRUTH

BMMI's first corporate value is Honesty. This means communicating respectfully, truthfully and transparently with our customers, our colleagues, and with governments in each endeavour that we undertake. It also means being true to ourselves, our values, and our purpose as a business.



CORPORATE SOCIAL RESPONSIBILITY

We understand that in order to manage our environmental, social and economic aspects, we also need to look at our stakeholder relationships, whether that is through our workplace, supply chain, community engagements or so forth. With our highly globalised economy, we will continue to adopt selective CSR programmes that make business sense and support our core values as we scale up.

BMMI strives each and every day to give back not only to the local communities where we operate, but also to ensure, first and foremost, that our employees are prioritised and that their basic needs are met. As such, we have adopted a comprehensive Corporate Social Responsibility (CSR) program which implements strategic initiatives across our countries of operation.

We're proud of our history of contributing positively towards the communities in which we operate, and we always aim to create a sustainable impact that will have a lasting effect.

The initiatives outlined in the next section provide a series of examples of our commitments during the reporting period.

One example is our work with the Bahrain Society for Children with Behavioral & Communication Difficulties as the first business host for an Employment Facilitation Training Service (EFTS) programme for individuals with disabilities – there is a massive need from the community in the area of inclusive employment generation and we can play a key part in making a real difference to people.



THINK LOCAL

‘Think Local’ continues to be our guiding principle as far as CSR is concerned, and towards this end, we will continue to invest in the local industry, local food produce and local talent across the territories where we operate. In 2016 and 2017, we were actively involved in providing tactical support to local charities such as the Alia School for Early Intervention, the RIA institute and the Aisha Yateem Family Counselling Centre, to name a few.

In Bahrain and Saudi, BMMI operates Alosra supermarket. Originally importing all fresh fruits and vegetables via twice-weekly airfreight deliveries from Europe. BMMI identified and mentored a small, but growing, number of local farmers in greenhouse growing techniques and fertiliser use. Between 2016 and 2017 alone, BMMI purchased over BD500K in locally grown herbs, fruits, and vegetables from Bahraini farmers, which was able to expand the normal produce supply in BMMI’s grocery stores by 20 percent. The produce was then marketed under BMMI’s own ‘Think Local’ brand – appealing to green-conscious consumers and also reducing the costs of importation. Alosra also continues to support other local producers and entrepreneurs including fishmongers and food artisans - the majority of which are women.

Young adults with autism gain valuable work experience through BMMI and Alosra supermarket



In April 2017, BMMI was the first organisation approached to become a business partner for the launch of the Employment Facilitation Training Service Program (EFTS), conducted in collaboration with the Bahrain Society for Children with Behavioural and Communication Difficulties (BSCBCD).

The EFTS is the first of its kind initiative to take place in the region, and is a result of a collaborative effort between Tamkeen and Project SEARCH, an international consultant with a trademarked and copyrighted programme model. Under the EFTS, 14 trainees who fall under the Autism Spectrum Disorder (ASD) were able to receive valuable workplace training in BMMI's fully-owned subsidiary, Alosra supermarket.

This initiative has helped us create a more inclusive workforce. Proper support and an encouraging environment for individuals with disabilities has resulted in productive engagement in society and an opportunity for beneficial inclusion for all those involved.

We take inclusivity and diversity very seriously at BMMI. It has been very encouraging and motivating to see how much the trainees have grown and developed throughout the year, and how supportive our customers have been with them as part of the team.

The trainees spent a year gaining a multitude of skills in two Alosra stores, Saar and Janabiya, and quickly became some of the team's favourite employees. It is thanks to our Alosra team for all the effort they put into making sure the students were well supported and primed for success. It has been rewarding to witness the trainees learning skills that empower them, as well as prepare them for future job opportunities at our supermarket and other businesses.

Seeing how beneficial this experience has been, not only for the trainees, but even for us as a business, we strongly encourage other organisations to proactively include supporting inclusivity and diversity initiatives as part of their core strategies.



BMMI supports local non-profit Conserving Bounties to help tackle food waste in Bahrain

In an effort to meet our commitment of achieving zero waste and to directly reach out to the communities in which we operate, BMMI has successfully partnered with local non-profit organisation, Conserving Bounties, throughout 2017. Conserving Bounties is non-profit organisation specialising in providing meals to families and individuals in need in Bahrain by managing the logistics of food collection, meal preparation, packing and redistribution, in partnership with selected charities. Since May 2017, Alosra has worked closely together with the Bahraini non-profit to collect close to expiry bakery items and ready to eat meals. By the end of 2017, BMMI's contribution through Alosra supermarket accounted for a total of 28,286 meals.

Members of our CSR and Alosra teams met with Chairman of the Board of Conserving Bounties, A. Latif Al-Rajhi, Financial Secretary, Layla Janahi and Director Manaf Alani, as well as recently appointed Conserving Bounties CEO, Thawra Al Dhaen who expressed their gratitude for BMMI's donation, in addition to the critical role BMMI plays in bolstering this crucial and sustainable initiative.

Being a responsible corporate citizen is at the core of how business is done at the BMMI Group. We are always on the lookout for opportunities to add real value to the communities in which we operate. With our heavy involvement in the food industry, it made complete sense to partner with Conserving Bounties and to play our part in helping tackle the problem of food waste.

From Alosra's side, we have taken it up as our responsibility to tackle this issue by identifying the best solution for redistributing resources to those in need in the most efficient manner. We will also commit to making small changes in the way we source and purchase produce, and in educating customers about how to shop and eat by improving meal planning, food storage, promoting a culture of eating leftovers and contributing towards making a difference.

In 2018, the team will continue to identify further partnership opportunities across the business to continue and focus efforts towards redirecting food, thanks to our strategic partnership with Conserving Bounties.



ACROSS BORDERS

BMML conducts country-specific CSR initiatives to give back to employees and local communities. We strive to build a business case for each initiative – in other words, identifying a business need which can be addressed through a CSR initiative. We believe that this makes CSR sustainable in the long run, and drives the business forward in a productive manner.



South Sudan

U.S. Embassy English language staff training program

The literacy rate of South Sudan, generally, is approximately 32% - one of the lowest in the world. While able to effectively succeed in their job duties through training and effective mentoring, as well as with local national supervisors, 60% are effectively illiterate – not only in English but in the local language as well.

Building a business case for a CSR program to improve the English language literacy of the team, BMMI's South Sudan management and BMMI's CSR team developed an English language training program to raise the English language skills of our local national staff.

Outcomes were expected to improve customer service levels, skill adaptation, and overall life chances to access further education and training opportunities.

BMMI worked with Windle Trust International (WTI), an NGO with experience in providing English language, teacher training, and refugee education management in Eastern Africa since 1977, to develop and execute a training program for around 40 of BMMI's local national employees at the U.S. Embassy.

In the spring of 2017, with the support of Embassy personnel, training took place three days per week during a slow period for Embassy activities (8am to 10am). Over an initial period of 90 days the training utilised a learner-centered approach, audio/visual materials, and work-related materials related to the participant's job that enable the learner to understand and respond more efficiently.

This program was successful in improving employee language skills and job performance, as well as overall motivation, confidence and empowerment of our workforce, both within their professional duties, as well as outside them.



Djibouti

Toy donation at a Djiboutian primary school

BMMI's subsidiary, Alosra supermarket, faced a problem in Bahrain with over-stockage of an unexpected item: children's toys. The toys had been purchased in advance of the Eid holiday, but sales were not what was expected and there was an excess inventory sitting in BMMI's warehouses.

When BMMI's CSR team visited Djibouti in 2017 to meet with the team there, they had the opportunity to visit a local orphanage. Knowing about Alosra supermarket's issue in Bahrain, the CSR team built a business case to reduce the over-supply with a CSR initiative – toy donation to the orphanage. Twelve pallets of toys were quickly loaded into a container and shipped to our facilities in Djibouti.

It was with huge smiles and tremendous joy that the children of the “Notre Dame de Boulaos” Primary School in Djibouti welcomed the BMMI team and the receipt of their toys – many of which were educational in nature.

This initiative is an example of how various stakeholders at BMMI can work together to achieve sustainable and mutually beneficial CSR

goals, while also having the opportunity to create happiness in others' lives. The school has been open since 1956 primarily for girls, but in 2003 they started welcoming poor and vulnerable boys who did not have access to education. After setting up intensive training for their instructors, the school was able to welcome and accommodate differently-abled children in 2013. The mission of the school has solidified to providing education to unaccounted, disabled or vulnerable children, in order to set them up for a better future. Notre Dame de Boulaos now hosts a significant number of children from different backgrounds.

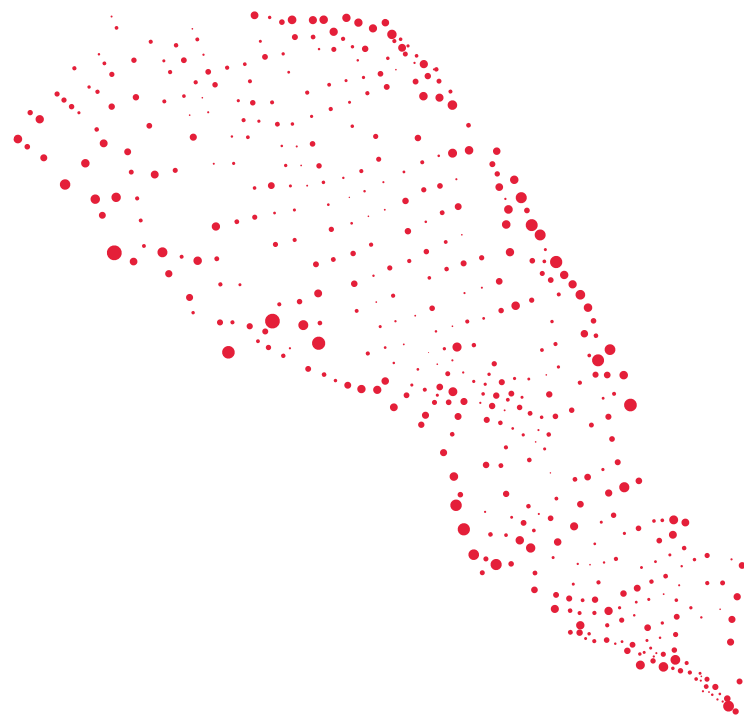
Giving is a simple gesture and thanks to this humble contribution, the school is able to improve the learning experience of the students. In line with our CSR efforts, the team will continue to identify ways to make a positive influence as a responsible corporate citizen in the countries in which we operate.



BMMI Djibouti provides employees with prescription eyeglasses

As part of commitment to employee wellbeing and safety, BMMI Djibouti conducted medical examinations for employees and discovered that most warehouse employees and drivers suffered from pre-existing vision problems.

Unfortunately, because the cost of eyewear is expensive in Djibouti, a number of employees joined the team without eyeglasses. This presented a huge risk to their own livelihoods and jeopardises the safety of others. Because we always put the wellbeing of our employees first, and in order to facilitate their daily tasks, we provided employees suffering from impaired vision with the eyeglasses they need.





Capacity building

The BMMI Djibouti team has been working diligently in full coordination with the World Health Organization, UNICEF, the United Nations Logistics Cluster, a number of NGOs, and the Government of Djibouti to develop and expand Djibouti's capacity to mount an effective, timely, and professional humanitarian response to the crisis in Yemen.

Prior to the Yemen crisis, Djibouti had a relatively advanced logistical sector due to its geographic location in the Horn of Africa along the main sea lanes from the U.S. and Europe to Asia (via the Suez Canal / Red Sea / Indian Ocean). Djibouti is also the port of entry for all sea freight into Ethiopia, one of the largest countries in Africa. Owing to these factors, Djibouti has a modern port, thriving free zone, and sizable transportation fleet along the Ethiopian corridor. However, there are always delays and significant red tape associated with customs and the administration of cargo.

Djibouti also has a developed humanitarian logistics sector due to the fact that BMMI manages a food aid preposition warehousing and logistics program in Djibouti for the Horn of Africa, including Yemen, and stores up to 30,000 metric tons of basic food aid commodities at any given time for re-export and distribution.

That said, the infrastructure for managing the import of highly temperature sensitive medications and vaccines was not a specialty of the Government. There are also limited cold chain logistics facilities (BMMI being the largest provider in the Free Zone) able to manage such cargo with the care required.

BMMI worked closely with all parties and the Government of Djibouti to seek the required approvals and reduce the timelines associated with import and export operations for medical logistics bound for Yemen.

HUMAN RIGHTS

PRINCIPLE 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2:

Make sure that they are not complicit in human rights abuses.

We condemn forced labour, child labour and all practices that are conducive to exploiting children. There have been zero incidents of human rights violations, including child labour, slavery or bonded labour, or violations of the rights of indigenous people.

This is not a significant risk within BMMI, however in the GCC region, migrant workers are commonly mistreated and exploited and the withholding of payment and identity papers is common. Therefore, we continue to monitor our supply chain, our contract clients and our partners to ensure the protection of human rights.

BMMI has a zero tolerance workplace violence policy and prohibits all kinds of violent behaviour including, but not limited to, physical assaults, fighting, threatening, intimidation and the intentional or reckless destruction of company, employee or customer property. Any comments or behaviour that could reasonably be interpreted as intent to do harm will be considered a threat.

SUPPLIERS

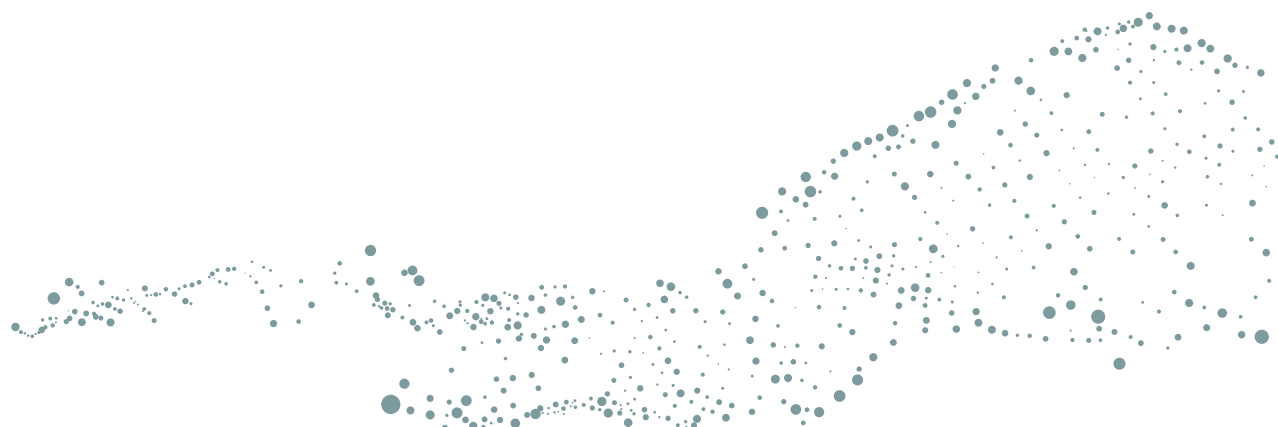
Suppliers are evaluated for quality, ISO certifications for Quality Management (9001) Occupational Health & Safety (18001), Environmental Management (14001), and Food Safety Management (22000). Suppliers are screened on relevant criteria, such as qualifications, service quality, competitive prices, ethics, and reputation. Our supplier selection process ensures competitive procurement based on fairness and transparency

We expect, and take responsibility to ensure that our suppliers conduct business on our behalf in compliance with applicable laws and regulations, including health and safety principles, and in accordance with the highest human rights standards.

Where possible, BMMI supports marginalised suppliers, including minorities, women and so forth, in order to truly embed socially responsible procurement practices. In fact, throughout the past year, Alosra supermarket supported a number of local female entrepreneurs by promoting their products through our 'Think Local' initiative.

GRIEVANCES

There have been zero human rights grievances in 2016/2017. Zero incidents were reported for human rights, corruption or forced labour. However, due to the span of our business, we have ongoing employment tribunal issues including unfair dismissal cases. Nonetheless, we continue to have consistently good standing with local authorities when it comes to treatment of staff across the group.



LABOUR



PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4:

The elimination of all forms of forced and compulsory labour;

PRINCIPLE 5:

The effective abolition of child labour; and

PRINCIPLE 6:

The elimination of discrimination in respect of employment and occupation.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

BMMI encourages employees to exercise freedom of association and collective bargaining. The issue of a workers union was raised many years ago at BMMI Bahrain, but employees chose not to take this forward.

CHILD & FORCED LABOUR

There has been zero incidents of child labour, or forced labour. Relevant issues are also addressed in the 'Human Rights' section of the report.

EMPLOYEE BENEFITS

All employees are given a written contract, regular performance reviews, above market wages and generous benefits including some or all of the outlined below depending on geographic location:

- Health insurance
- Life insurance
- Financial Assistance (available for all staff based on case evaluation)
- Annual bonus (based on Group criteria, personal performance and achievement of budget)
- Sick leave
- Bereavement leave
- Widowhood leave
- Marriage leave
- Maternity leave
- Paternity leave
- Hajj leave

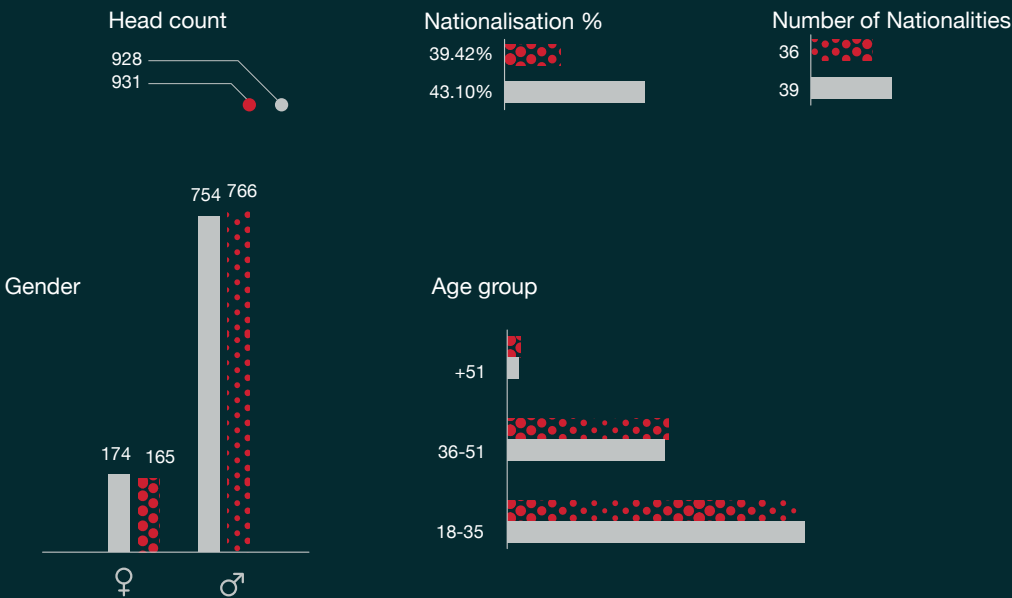
WORKFORCE COMPOSITION

BMMI is recognised for its size, strength and diversity, with overseas presence covering over nine countries across the Middle east and Africa.

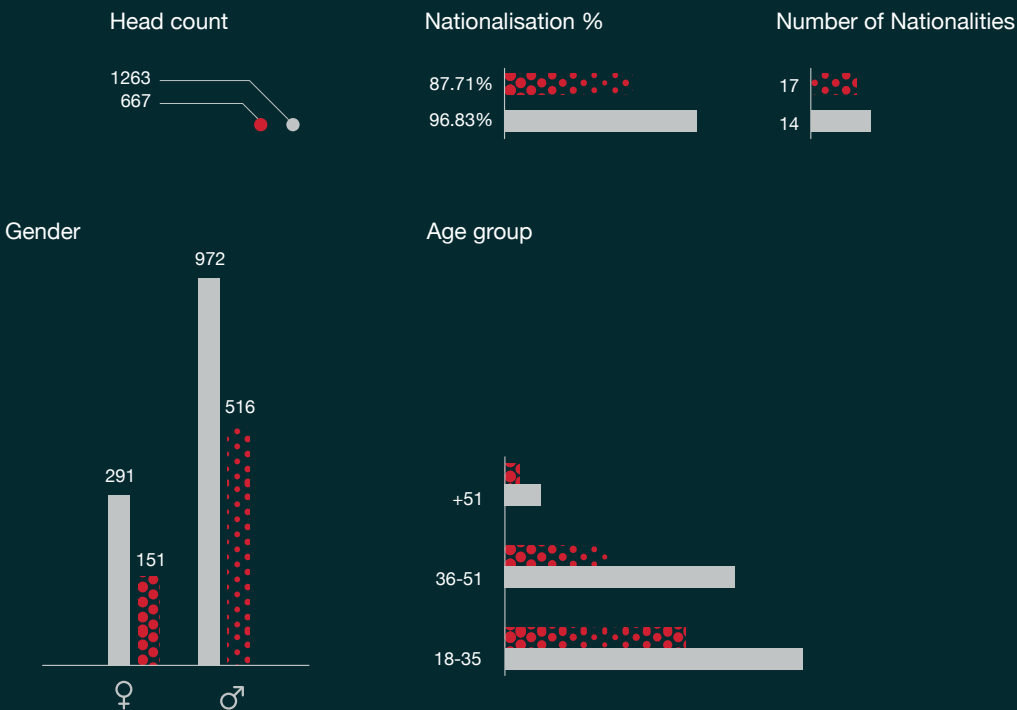
GCC (BAHRAIN / SAUDI / QATAR)

- 2016
- 2017

GCC (Bahrain / Saudi / Qatar)



GSS (IRAQ / DJIBOUTI / KENYA / SUDAN / SOUTH SUDAN / GHANA)



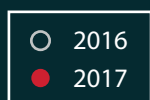
*BMMI exited from Gabon in November 2017 hence the severe drop in headcount

NATIONALISATION

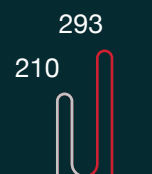
In line with local regulations and individual contractual requirements, BMMI strives to employ local nationals to the maximum extent practicable. BMMI currently employs approximately 1,500 individuals of over 40 nationalities, and while we celebrate our cultural diversity, we are committed to supporting locals at our global locations. Our nationalisation rate in Africa, for example, still averages at 97%.

STAFF TRAINING AND DEVELOPMENT

Some of the training and educational opportunities BMMI employees have had access to in recent years include diversity and inclusion training, team building activities, self awareness and personal development training sessions to learn more about themselves, as well as their strengths and weaknesses, career and role-specific training based on training needs assessments (TNAs), and e-learning courses. BMMI also provides for a Young Leadership Programme (YLP) which provides eager, fresh graduates and students to learn about the different professions and opportunities BMMI has to offer.



Total training hours



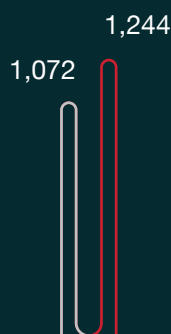
Total training events



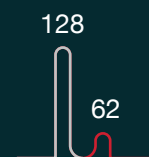
Total training hours for management staff



Total training hours for non-management staff



Total numbers of employees undergone training



Total numbers of staff who attended management courses



Total numbers of staff who attended non-management courses



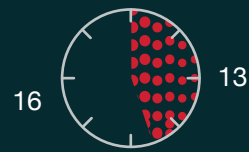
Total management staff trained



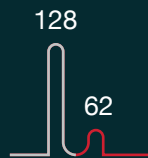
Total non-management staff trained



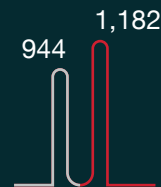
Average hours of training per year per employee for management staff



Average hours of training per year per employee for non-management staff



Total # of staff who attended management courses



Total number of staff who attended non-management courses



Total training hours for males

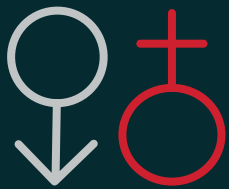


Total training hours for females

EMPLOYEE ENGAGEMENT SURVEY

Overall, it's great to hear that the majority of our 2017 Employee Engagement Survey respondents are happy with our leadership management, development and culture. In fact, more employees feel better about most of these areas than the last time the survey was shared.

However, there are always opportunities for improvement, and we will continue to work to make sure all processes are in place to encourage engagement. Below are the results.



75% of males responded
25% of females responded

Of these numbers:
2% were 'Baby Boomers'
39% were 'Generation X'
59% were 'Millenials'



95% of respondents have a clear understanding of their department's objectives.



75% of respondents feel they have the opportunity to participate in their department's goal setting process.

The number of respondents who feel involved in their department's goal setting process has increased by 10%, compared to last year's survey.

PARTICIPANTS

PLANNING & GOAL SETTING



79% feel their manager supports them in achieving their objectives.

84% feel their manager regularly engages them and the team.



66% feel performance reviews are an accurate & fair evaluation of doing their job.

47% feel performance is effectively addressed throughout the organisation.

Now this is important! 47% is a high number! We are making this a priority, through process reviews, education and onboarding.



68% feel senior management leads by example.

67% feel senior management demonstrate strong leadership skills.

99% feel accountable for the quality of work they produce.

73% feel others are held accountable for achieving goals.



59% receive recognition for doing a good job.

96% put effort into displaying behaviours associated with Winning Hearts values.

PERFORMANCE MANAGEMENT

LEADERSHIP

CULTURE



77% of our respondents feel they have adequate opportunities for growth in the organisation.



62% feel their manager is actively interested in their professional development.

69% feel their manager show them how to recover from their mistakes.

DEVELOPMENT



78% receive useful feedback from their manager that helps improve their performance

89% feel teamwork is encouraged and practised in the organisation



Based on their experiences, 83% of them would recomend BMMI as a place to work!

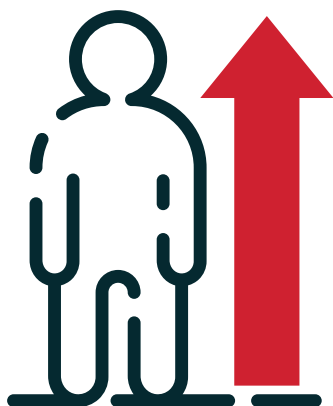
COMMUNICATION

GSS ENGAGEMENT SURVEY

78% of respondents would recommend GSS as an employer to a friend.



82% feel that their manager motivates them, 93% of those who answered this have been with us for less than 1 year.



87% say GSS inspires them to do their best at work.

84% feel their managers give them feedback to improve performance.

80% feel that GSS provides future career prospects.



“I am so grateful to work with GSS/BMMI. The best team spirit makes me contribute to the development of the company.”



“A1 team! Motivated!”



“Motivation levels are not checked. Employees are disrespected by some of their managers.”



“Employees should be appreciated & contributions to the company should be recognised fairly.”

EPIC

One of the major investments has been in the field of people development. We see this as a growth area that will have significant impact on our business in the long term. In particular, in 2016 we have invested in and launched a leadership programme that we call EPIC, which allowed 14 employees within the company to grow.

Besides the bid to generate excitement, the 'course' name is meant to encompass everything we look to our leaders to invest in and excel at: experience, people, innovation and culture. Those are exactly the areas our first batch of participants focused on developing with the help of two external development consultants over the next seven months.



The second edition of BMMI's talent development initiative kicked off in October 2017 with a batch that included thirteen carefully selected employees who have displayed high potential, and will in the future be responsible for playing an even more critical role.

The Talent function is tasked with making sure our culture is sustained and carried forward with new generations of leaders, as well as ensuring that they foster and practice continuous growth, in order to adapt to our evolving customer and business needs. We want to be able to recognise and engage all the hard workers and others who display promising potential through development, which of course comes in many forms.

ENVIRONMENT



PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8:

Undertake initiatives to promote greater environmental responsibility; and

PRINCIPLE 9:

Encourage the development and diffusion of environmentally friendly technologies.

BMMI is an 14001 (Environmental Management Systems) certified company and has not violated any environmental laws and regulations in any of the countries in which it operates, nor has the company been subject to sanctions and/ or compliance fines. We are well aware that environmental data reported in the past years has been inconsistent, which is why we hoped to re-focus our efforts in 2016-2017 to ensure the implementation of improved processes to monitor and measure our data collection.

Currently, under our Integrated Management Systems (IMS) department, the environmental aspects register assesses up to 80 activities impacting the environment, their significance, any legal requirements, and preventative measures to control those aspects by location. This includes spills, hazardous and non-hazardous waste management, emissions management, natural resource depletion, noise pollutions, and even contractor activities. Mitigation measures, including training, awareness, monitoring, maintenance and engineering are also part of this.

The aspects register is conducted for:

- | | |
|------------------|----------------------------------|
| • Alosra Juffair | • The Food Processing Unit (FPU) |
| • Alosra Durrat | |
| • Alosra Amwaj | • Bayader (restaurants) |
| • Alosra Nakheel | • Mina Salman |
| • Alosra Riffa | • Sitra HQ |
| • Alosra Saar | |

IMS SPECIFIC TRAININGS

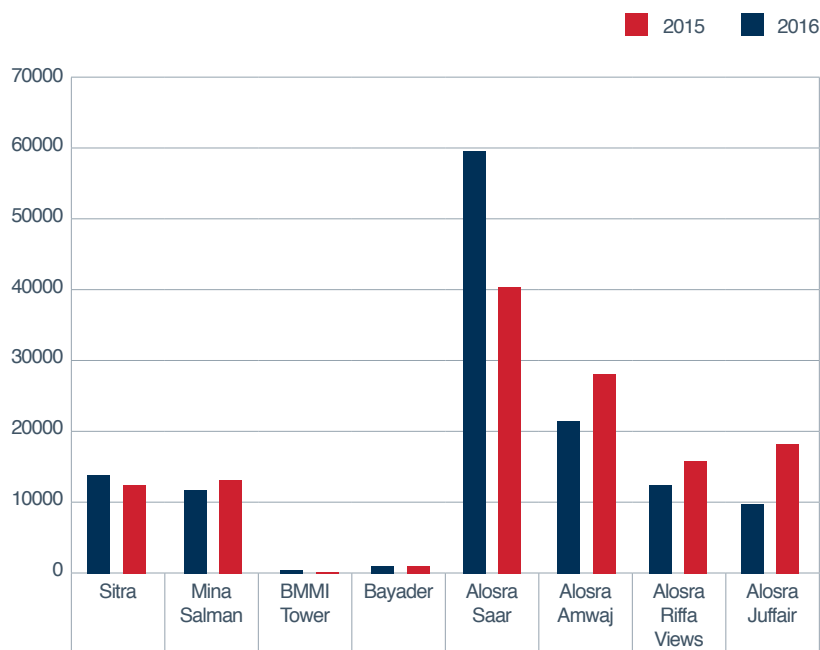
IMS related training is conducted on a regular basis in the areas of Quality, Food Safety, Health & Safety, and Business Continuity as well as Environmental Safety.

In 2016, over 300 employees received IMS related training, while in 2017, approximately 490 employees were trained in a range of issues, such as:

- Food safety toolbox
- Cleaning toolbox
- IMS policy toolbox
- Injury and ill health toolbox
- CCP, OPRP & PRR toolbox
- Prevention of cross contamination toolbox
- Fire evacuation responsiveness
- First aid awareness
- Carrier pricing and price check
- Work equipment hazards
- Performance improvement plan (PIP)
- Continuing professional development (CPD)
- Audit tools and techniques for internal auditors
- Chemical spillage prevention
- Security food patrolling procedures
- Driving safety
- Fire drill assembly point

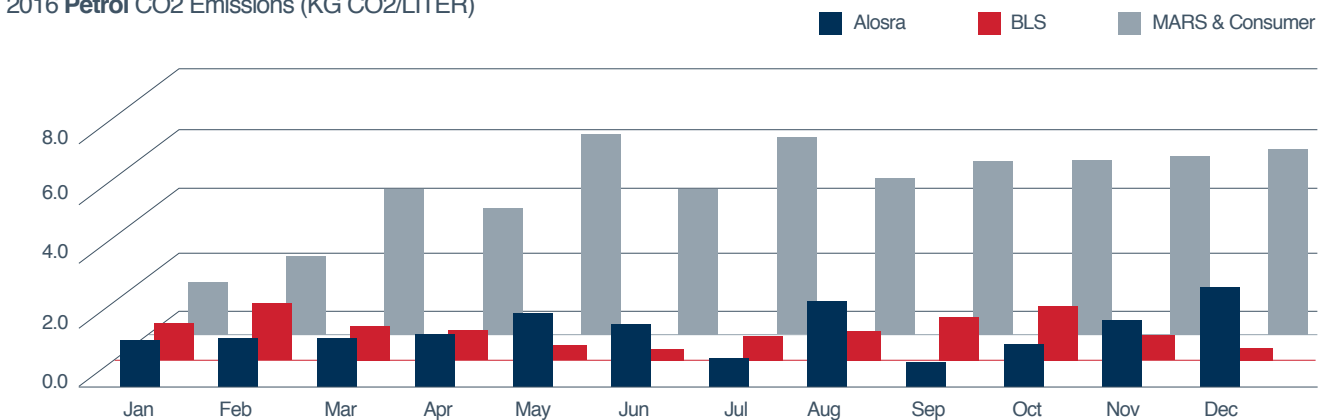
Waste Management (2016)

KG recycled 2015 & 2016		
(paper, cardboard and plastic)		
Location	2016	2015
Sitra	15,520	14,850
Mina Salman	13,780	15,210
BMMI Tower	600	130
Restaurants and cafes	1,430	1,690
Alosra Saar	59,610	40,600
Alosra Amwaj	21,120	27,090
Alosra Riffa Views	13,600	15,600
Alosra Juffair	9,450	17,250
Total Waste Recycled (KG)	135,110	132,420
Revenue Generated (BD)	10,882	9,787



CO2 emissions (2016)

Total Fuel consumption (PETROL/LITER)
2016 **Petrol** CO2 Emissions (KG CO2/LITER)



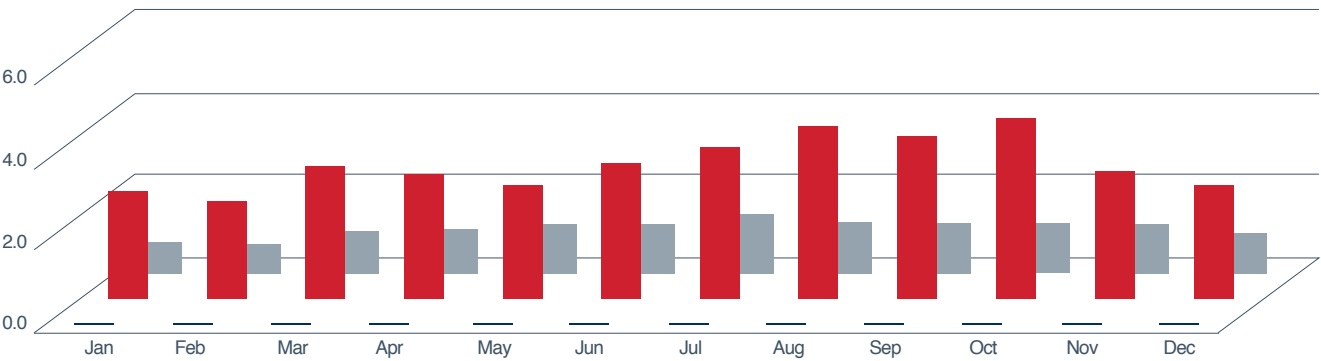
C02 Emissions	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
Alosra	1.5	1.6	1.6	1.7	2.4	2.1	1.0	2.8	0.8	1.4	2.3	3.3	22.7
BLS	1.3	1.9	1.2	1.0	0.6	0.3	0.7	1.0	1.4	1.8	0.8	0.4	12.4
MARS & Consumer	1.7	2.6	4.9	4.2	6.7	4.8	6.5	5.2	5.8	5.8	5.9	6.2	60.3
Total	4.5	6.1	7.6	6.9	9.7	7.3	8.3	9.0	8.0	9.0	9.0	9.9	95.4

Baseline for 2016 is 95.4 KG CO2/LITER
2017 target: 10% reduction

CO2 emissions (2016)

Total Fuel consumption (Diesel/LITER)
2016 Diesel CO2 Emissions (KG CO2/LITER)

Alosra BLS MARS & Consumer

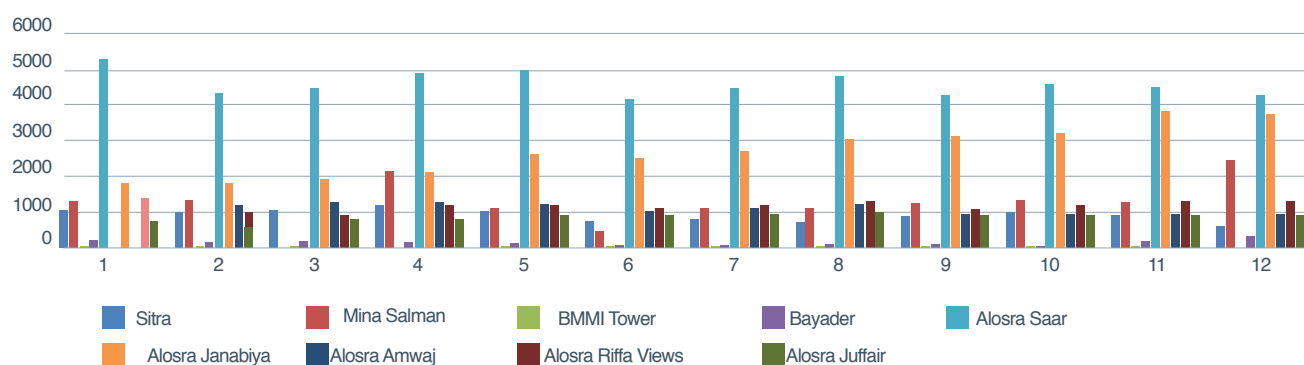


C02 Emissions	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
Alosra	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
BLS	26.4	24.2	32.5	30.4	27.5	33.1	37.2	42.4	39.7	44.1	31.1	27.8	396.6
MARS & Consumer	7.8	6.7	10.1	10.8	11.9	11.8	14.4	12.4	12.1	12.0	11.8	9.7	131.7
Total	34.2	31.0	42.6	41.2	39.4	45.0	51.7	54.8	51.9	56.1	43.0	37.5	528.3

Baseline for 2016 is 528.3 KG CO2/LITER
2017 target: 10% reduction



Waste Management (2017)



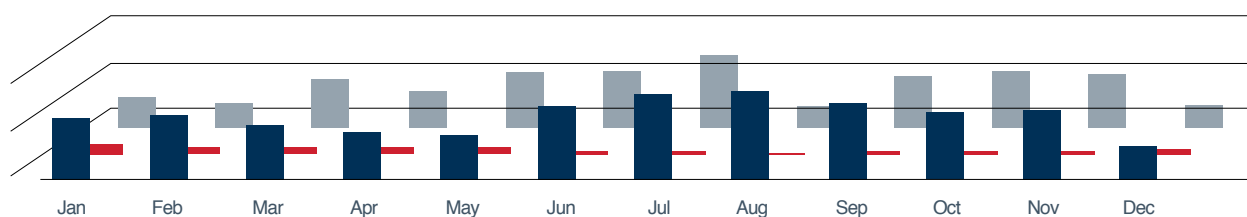
2017 per KG waste recycled per month

Carton/paper/plastics	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sitra, Mina, Tower, Bayader Total KG	2560	2550	2840	3450	2300	1350	2030	1980	2270	2433	2480	3390	29,633
Sitra, Mina, Tower, Bayader Total BHD	108	107	119	145	97	57	85	83	95	102	104	142	1,245
Alosra Total KG	10785	8935	9285	10200	10850	9650	10400	11250	10300	10800	11400	11100	124,955

Petrol CO2 emissions (2017)

2017 Petrol CO2 Emissions (KG CO2/LITER)

■ Alosra ■ BLS ■ MARS & Consumer



BMMI total fuel consumption (Petrol/ltr.) 2017 CO2 emissions KG CO2 PER LITER

CO2 Emissions	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Total
Alosra	13.0	13.4	11.3	9.9	9.4	15.4	18.1	19.0	16.1	13.7	14.5	6.6	160.5
BLS	2.0	1.2	1.3	1.3	1.2	0.4	0.4	0.0	0.4	0.4	0.4	1.0	10.0
MARS & Consumer	6.5	5.6	10.2	7.8	11.9	12.1	15.7	4.5	10.9	12.0	11.6	5.0	113.8
Total	21.4	20.2	22.8	19.0	22.5	27.9	34.2	23.4	27.4	26.2	26.6	12.6	284.4

ONGOING IMS OBJECTIVES

Energy Management:

- Reduce annual fuel consumption
- Reduce annual electricity consumption
- Reduce annual water consumption

Waste Management:

- Reduce hazardous waste, as well as the usage and handling of it, in all locations, in addition to increasing the amount of waste that is recycled
- Reduce the potential land contamination spill from storage and use of diesel for emergency generator
- Reduce amount of total suspended solids, oil and greases and other chemicals by conducting regular effluent analysis

R22 Refrigerants:

- Phase out of R22 refrigerants as per the Montreal Protocol (35% reduction target by 2020)

Working Environment:

- Organise annual HSE week to increase awareness, communication and participation
- Provide and maintain safe and healthy working environments for all employees and customers by increasing scheduled inspections
- Ensure unsafe work practices are identified and corrected to prevent and minimise impact of incidents, in order to prevent recurrence
- Complete 100% risk assessment to ensure all activities are subject to hazard analysis to prevent accidents
- Identify clear trends in the type of incidents and interventions implemented to reduce the likelihood of similar accidents from re-occurring (reduce the number of accidents occurring in BMMI by 50% in 2018)

In 2018, the team will develop a Plastic Reduction Strategy to be driven by a committee made up of representatives from across the Group. The committee is intended to drive our mission of being one of the first supermarkets in Bahrain to reduce the use of non-essential plastic, provide sustainable alternatives to customers, and to switch to reusable materials where possible.

Anti-Corruption

PRINCIPLE 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

Transparency, ethical conduct, respect for human rights are upmost priorities across our divisions and communities in which we operate. BMMI believes that businesses should work against corruption in all its forms, both externally and internally – including extortion and bribery.

BMMI's first corporate value is Honesty. Our ethics consist of our integrity, the fact that we operate honestly, legally, transparently, incorruptly and with care towards the communities we operate in, as well as our environment.

Our employees at all levels, are empowered to confidentially voice any concerns they may have regarding any wrongdoings in the course of the company's dealings or day-to-day transactions. This covers any acts of misconduct of general, operational, legal, or financial nature, including but not limited to topics covered in our Code of Business Conduct.

BMMI has a zero-tolerance policy for retaliation and assures that any employee who reports possible violations in good faith will not experience abuse, harassment, threats, discrimination or any adverse employment consequences as a result.

Employees who are found to have retaliated against an individual who reports a suspected violation will be subject to disciplinary action up to and including termination.

Not only do we have these values but we also act on them. Early 2017, we have had to let some senior team members go when their behaviour and actions have shown serious breach our values

As such, and in order to prohibit any wrongdoings, our corporate governance ensures adherence to the highest levels of transparency, accountability and equity – in all areas of its operations and in all interactions with stakeholders, employees, governments and other agencies.

Corporate governance remains the responsibility of our Board with support of managerial staff. A big part of this continues to be accurate and timely disclosure of financial performance, board constitution and ownership of the company.



