

CORPORATE SOCIAL RESPONSIBILITY REPORT

OUR JOURNEY TOWARDS SUSTAINABLE
BANKING 2018-2019



TABLE OF CONTENT

A MESSAGE FROM BANQUE LIBANO-FRANÇAISE	3
ABOUT BANQUE LIBANO-FRANÇAISE	4
CSR STRATEGY	14
MAJOR CSR MILESTONES	16
KEY 2018-2019 CSR IMPACTS	18
RAISING CSR AWARENESS	20
ENGAGEMENT WITH KEY STAKEHOLDERS	22
MATERIALITY ASSESSMENT	24
REPORTING PRACTICE	27
WORKPLACE	28
MARKETPLACE	72
COMMUNITY	100
ENVIRONMENT	128
GRI STANDARD CONTENT INDEX TABLE – UNGC, ISO AND SDGS CORRESPONDENCE TABLE	155

A MESSAGE FROM BANQUE LIBANO-FRANÇAISE

Dear stakeholders,

Banque Libano-Française is pleased to share with you its fourth CSR Report which has been prepared in line with the Global Reporting Initiative (GRI) standards. It highlights the many ways the Bank moves forward in its sustainability journey to create shared value across its key pillars: the Workplace, Marketplace, Community and Environment.

The Bank is proud to showcase in this report how it has in the past two years laid a solid foundation to further embed CSR within its operations.

Crucial to the Bank's socially responsible aspirations is its renewed endorsement of the ISO 26000 guidelines and the United Nations Global Compact (UNGC) principles. Furthermore, as a founding Board Member of the GCNL, BLF continues to pledge its support to the United Nations Sustainable Development Goals (SDGs). In view of the current situation which has further exacerbated socioeconomic disparities and pushed the poverty rate in Lebanon to over 45%, focusing on "SDG 10: Reduced Inequalities" remains BLF's key priority. Through its presence in the UNGC SDG Council, the Bank has also been actively supporting the National Poverty Targeting Plan (NPTP) to provide food assistance to the poorest and most vulnerable Lebanese households.

Finally, BLF would like to thank its shareholders, clients, employees, correspondents, community partners and suppliers whose continuous trust and commitment helped achieve the significant milestones that it reached. Despite the adverse conditions, the Bank is committed to its sustainability journey and counts on its partners' ongoing collaboration to contribute to shared values in society.

ABOUT BANQUE LIBANO-FRANÇAISE

PROFILE

Banque Libano-Française (BLF) was established as a joint stock company (Société Anonyme Libanaise, S.A.L.) in 1967. Its head office is located at the Beirut Liberty Plaza Building, Hamra District, Beirut, Lebanon. It is one of the leading banks in Lebanon and an important participant in the Lebanese economy.

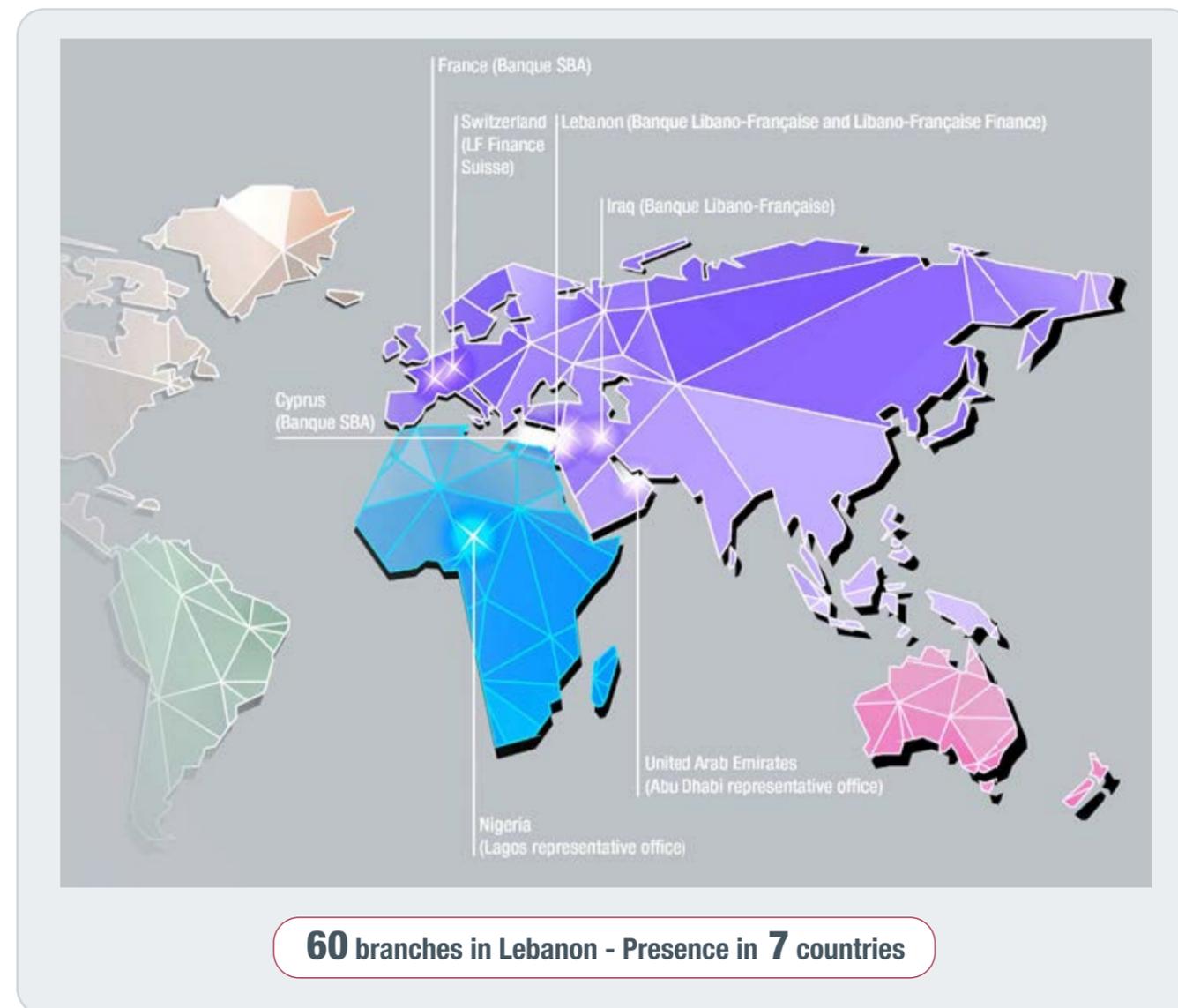
While it has historically been a commercial bank, the Bank has diversified its activities and currently provides banking services in five principal areas: Commercial banking, retail banking, investment banking, private banking and wealth management, and correspondent banking.

As at end of December 2019, BLF operates in Lebanon through a network of 60 branches and 181 ATMs. Abroad, BLF Group is present in France and Cyprus (Banque SBA), in Switzerland (LF Finance Suisse), in the United Arab Emirates (a representative office in Abu Dhabi), in Nigeria (a representative office in Lagos), and in Iraq (a branch in Baghdad). It has 1,328 employees, including 1,234 persons employed in Lebanon.

	2016	2017	2018	2019
Total assets in USD million	12,715	13,619	13,688	12,720
Shareholders' equity including net income in USD million	1,164	1,264	1,315	1,270
Customers' deposits in USD million	10,423	10,935	11,315	10,552
Assets in safekeeping and under management in USD million	1,283	1,895	1,882	1,885
Total loans in USD million	4,272	4,414	4,386	3,556
Total revenues in USD million	260	319	286	228
Operating expenses in USD million	(131)	(134)	(138)	(137)
O/W staff expenses in USD million	(78)	(82)	(84)	(84)
Taxes paid to government in USD million	(21)	(53)	(64)	(62)
Income taxes in USD million		(21)	(24)	(16)
Net income in USD million	112	120	121	(70)
Total number of employees	1,404	1,447	1,469	1,435
Total number of operations in million*	2.6	2.7	2.6	2.6
Total number of products	100	102	100	100
Total number of services	12	14	14	15

Scale of the organization (consolidated financial figures).

*Non-consolidated figures.



MISSION STATEMENT

Banque Libano-Française is a Lebanese, universal, highly performing bank, renowned for its professionalism and financial strength. It aims at being a leading player and a reference in the banking sector in Lebanon. We are committed to constantly develop our skills to ensure expertise and quality of service, and to maintain and strengthen the trust relationship with:

- Our clients who see us as a real partner
- Our staff to whom we offer opportunities for self-accomplishment and a promising future
- Our shareholders who are looking for capital preservation and appreciation
- The Lebanese banking sector by spearheading its drive towards sustainable growth
- The Lebanese economy towards the prosperity of which we are strongly committed.

In addition, we aim at creating shared value while supporting community needs and protecting the environment.

VALUES

Banque Libano-Française maintains with its audience and stakeholders a partnership that relies on its core values.



Responsibility



Integrity



Skills



Humanism



Commitment

All these values represent a set of core beliefs which are permanent, steadfast and faithful to our founder's personality and legacy. They have made our history, they dictate our present and draw the path to follow the future. They are reflected in our vision, our strategy, our policy and our procedures. They are transmitted in terms of best practices, setting the behavior standards of our employees. By spontaneously and constantly applying our values, we are contributing to the unity, the performance, the competitiveness, the sustainability and the image of our Bank.

In addition, BLF values:

- Are part of the Bank's vision and form the basis of its policies and actions
- Are a logical extension of the Bank's legacy
- Provide a code of conduct for its employees
- Are essential for the present and vital for the future
- Are permanent
- Set an example as they are espoused at the highest levels of management
- Are shared, communicated and internalized by all employees.

CORPORATE GOVERNANCE

Principles

Banque Libano-Française has defined its own model of governance, inspired by its founding values and the banking regulations. Its governance is based on the values of transparency, responsibility and efficiency. This is translated in the organization and the work of the Board of Directors through:

- Conformity to worldwide best practices in corporate governance
- Adherence to governing principles as discussed in several Bank documents such as its statutes and those of its subsidiaries which define the roles of the Board of Directors and stakeholders in terms of management, regulations, procedures and codes of conduct aiming to ensure transparency and the assumption of responsibility
- Willingness to pursue openness and balance in the distribution of powers and the composition of the governing bodies
- Constant concern with the ability of each individual to efficiently exercise his/her responsibilities with objectivity and independence, particularly through the quality of dialogue and the transparency of information
- Belief that good governance allows the creation of value; therefore the Bank formalizes the principles of good governance and integrates them in its company culture
- Active involvement of Board Members in the social life of the company, as well as in its strategy
- In the context of reinforcement of regulatory provisions, the Board of Directors devotes a major part of its work to the analysis of the consequences of change, and establishes ways for the Group to respond to and prepare for new regulations; the Audit Committee and Risk Committee being focused on these changes.

Composition of the Board of Directors

The Bank is administered by a Board of Directors made up of three to twelve members, elected by the General Assembly among shareholders holding each a minimum of 250 shares:

- National law determines how many members of the Board must be Lebanese citizens
- Corporations may be members of the Board, they may be represented by a manager or delegate of their Board of Directors, even if those representatives are not shareholders of the corporation
- Board Members serve for a three-year term
- At each Annual Assembly, a partial or total renewal of the Board is carried out by election in such a way that total renewal takes place at the end of every three years
- Each member must assign 250 shares as a collective guarantee of the Board; these shares are inalienable during the Board Member's mandate
- A member of the Board is considered to have resigned if he/she takes a position of employment or becomes a member of the Board of Directors of another company in Lebanon exercising the same activities as the Bank, unless he/she has been given special permission to do so by the General Assembly
- Should one of the positions of Board Member become vacant, the Ordinary General Assembly may vote to fill that position at its next regularly scheduled meeting, unless the remaining Board Members view the replacement as urgent, in which case an Extraordinary Assembly can be formed
- If the number of members is reduced to less than three, a General Assembly must be called within two months in order to replace the missing Board Members
- Any Board Member taking over the position of a former member will stay until the expiry of the former member's mandate
- The Board of Directors elects a Chairman from among its members, to serve as such for the duration of their mandate
- On the basis of a proposal by the Chairman, the Board may nominate a General Manager from among the members or from outside the Board
- The General Manager will fulfill his/her duties under the Chairman's authority
- The Board chooses a Secretary from among the members or outside the Board

- The Board of Directors has officially adopted the definition of the profile of independent Board Member as defined by Banque du Liban; as such an “independent” Board Member shall be:
 - non-executive
 - not one of the major shareholders directly or indirectly holding more than 5% of the shares at the Bank, or voting rights relative to those shares
 - independent from all members of the Executive Committee and from the major shareholders, and does not have a professional relationship with them during his/her term or during the last two years preceding his/her nomination to the Board
 - not a fourth-degree relative or less of a major shareholder
 - not in debt to the Bank
- All members have financial, accounting, strategic planning, governance, risk management, regulatory, and auditory qualifications
- Group policy ensures that the Board has a non-executive majority.

In depth information about BLF’s corporate governance composition and structure, functions and responsibilities, meetings, committees, etc., are available in the Bank’s Corporate Governance Guide on BLF’s website: www.eblf.com.

Board of Directors Members



Walid Raphaël, Chairman



Elie Nahas, Chairman of Group Banque Libano-Française



Zafer Chaoui, Member



Philippe Doré, Member



Samer Iskandar, Member



Habib Letayf, Member



Philippe Lette, Member



Marwan Nsouli, Member



Raya Raphaël Nahas, Member

CODE OF CONDUCT

In order to succeed, a business must optimize its human capital by ensuring that all its employees share, understand and respect the same values, rules and procedures.

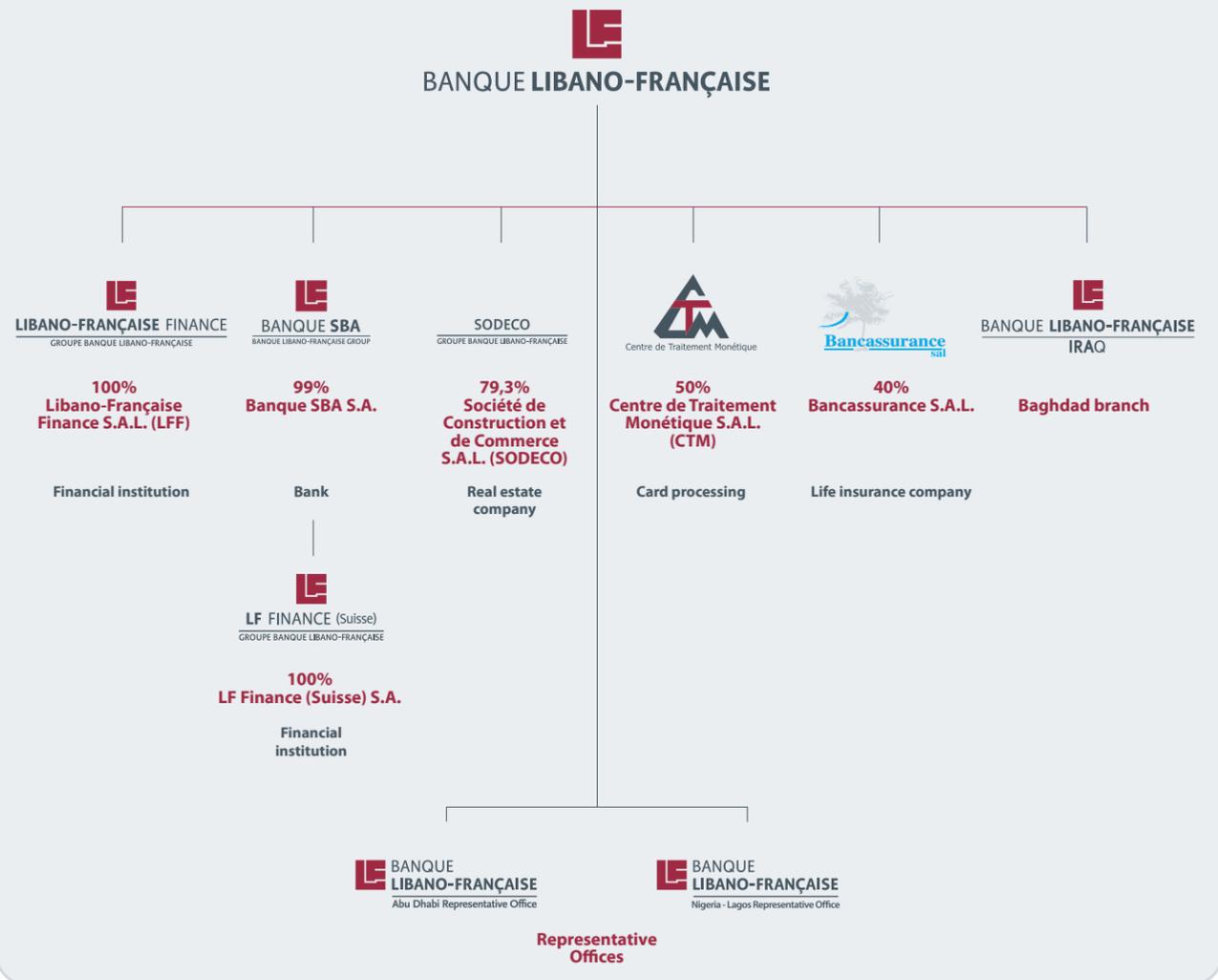
BLF’s employee handbook was thus created in order to:

- Facilitate the integration of all employees and reinforce their participation and brand engagement
- Inform employees of their obligations and rights, so they can fulfill their duties and responsibilities effectively
- Establish a set of regulations and points of reference
- Instill a culture of discipline, and ensure individual and collective behaviors are in line with the Bank’s expectations, and with the laws and applicable regulations
- Ensure the appropriate use of systems, equipment and resources provided by the Bank, in a way that is consistent with the Bank’s mission and that maintains and promotes its image, reputation and client confidentiality
- Provide, promote and maintain an atmosphere that is productive, serene, safe and respectful of individual and collective rights.

Summary of the Code of Conduct included in the Employee Handbook

- Employees are required to work with a complete secrecy on all financial, commercial or administrative transactions carried out by the Bank for its own account or for the account of others
- Operational Risk is the responsibility of all employees of the Bank on a daily basis; employees are expected to know the operational risks associated with their business and entity, and systematically identify and report any operational risk to their supervisor, as well as potential risks or near misses
- Employees are prohibited from holding client mandates to enliven their accounts or make transactions on their behalf
- Employees are prohibited to misuse authority, or hierarchical and functional superiority in favor of employees who ask for personal services for their benefit or the benefit of a third party
- It is forbidden for employees to receive gifts from clients, suppliers or prospects, other than objects or promotional items of little value
- The rules of conduct that apply to all employees of the Bank strictly prohibit them from participating in gambling and speculation in market transactions
- In order to maintain a professional image of BLF, consistent with its values at all times and in all places, employees must refrain from posting in public and on social media, political, racist or discriminatory, indecent, indiscreet positions, talks, references, images or links
- Employees are required to maintain absolute neutrality with regard to politics and religion manners while at the Bank
- Maintaining a healthy work environment, to foster good productivity is the responsibility of all the employees
- Employees are required to comply with work schedules except in cases of force majeure and regular absence authorization
- Employees must respect the dress code during their working hours at the Bank or while representing it outside
- It is forbidden for employees to receive clients, suppliers or prospects, without the consent of the supervisory authority
- During the first six months of work at BLF, new recruits are invited to attend a workshop tracing the history of the Bank and discussing its values, objectives, management, products and services.

SUBSIDIARIES



SUPPLY CHAIN

	2016	2017	2018	2019
Total number of suppliers	765	600	594	531
Percentage of local suppliers	92%	90%	95%	91%
Monetary value of payments made to suppliers	USD 44,030,410	USD 58,782,347	USD 64,429,110	USD 57,577,846
Monetary value paid to local suppliers	USD 40,296,912	USD 52,830,994	USD 61,348,713	USD 52,591,178
Geographic locations of Lebanese suppliers	Greater Beirut	Greater Beirut	Greater Beirut	Greater Beirut

Suppliers and spendings on suppliers.*

*In 2018, the Purchasing Department set up a new mechanism to refine the criteria for its data collection and calculation processes with regards to the figures required for the CSR Reporting. After reviewing all data internally, the Purchasing Department revised the baseline figure, which generated a variation between this reporting period and the previous one.

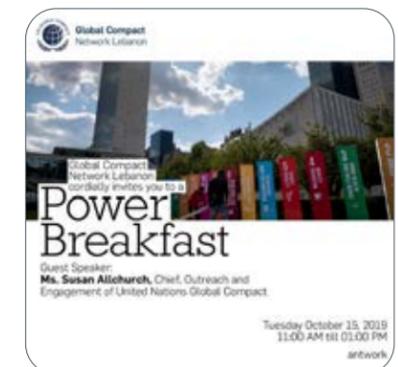
TYPES OF SUPPLIERS

- Advertising
- Banking equipment
- Catering
- Cleaning services
- Contracting
- Engineering
- Facilities management
- IT
- Legal services
- Mailing
- Media bying
- Office supplies and equipment consulting
- Paper and printing
- Security
- Telecom
- Web design and development.

BLF's Sustainable Procurement Policy details how the General Services Division selects the suppliers to ensure that their products and services have the lowest environmental impact and most positive social and economic impacts possible. The aim is not to favor Sustainable Procurement "at all costs", but to select the most competitive offer based on a rational analysis of costs, quality and risks as well as CSR criteria. Moreover, the selection of suppliers is conducted in a fair and equitable manner, free from discrimination and giving preference to local suppliers when their offers are competitive.

BLF also embedded a sustainability statement in all its contracts with suppliers influencing them to abide by socially responsible principles, thus extending CSR awareness into its sphere of influence.

More information on the Sustainable Procurement Policy can be found on the Bank's website: www.eblf.com/Library/Files/SustainableProcurementPolicy-ENG.pdf



As part of its efforts to sensitize its supply chain on social responsibility, BLF invited its suppliers to attend a workshop organized by UNGC.

AWARDS

During the reporting period, BLF received the below awards, appreciations and recognitions:

- “Most Inclusive Program Award 2018” at the second edition of the “Mastercard MENA Leadership Forum” in Paris in March 2018.
- “Bankers Association for Finance and Trade Appreciation Award 2018” during the “BAFT North America Annual Conference” in Orlando in Florida in May 2018.
- “Best Airline Co-Brand Performance 2018 in Levant Award” as a token of appreciation for the outstanding performance of the Visa Air France KLM – Banque Libano-Française card in Beirut in July 2018.



- “UNGC SDG Pioneer 2019 Lebanon” to BLF-nominated employee Marc Torbey-Helou in Beirut in July 2019.



“New York is a melting pot of civilizations, maybe the biggest one in the world. I had the opportunity to be part of this melting pot and most importantly bring Lebanon’s name to the table at the UN 74th General Assembly in a positive way. Lebanon was picked among 88 countries to get recognized and the participants’ profiles were of high caliber including executive directors in banks, managers in multinational companies.”

Marc Torbey-Helou (Senior Banker).

MEMBERSHIP OF ASSOCIATIONS

BLF’s main memberships of industry or other associations, and national or international advocacy organizations:

- Association of Banks in Lebanon
- Union of Arab Banks
- Arab Fund for Environment and Development
- Bankers Association for Finance and Trade
- Institute of International Finance
- Institute of Internal Auditors
- Information Systems Audit and Control Association
- Association of Certified Anti-Money Laundering Specialists
- American Chamber of Commerce
- Movement of French Enterprises and Economic Representations in Lebanon
- European Financial Management Association
- ACI - The Financial Markets Association
- International Advertising Association
- Lebanese League for Women in Business
- United Nations Global Compact
- Global Compact Network Lebanon.



Fady Lahoud (Head of Internal Audit) elected as a Governor for the Institute of Internal Auditors - Lebanon Chapter in July 2018.



Tania Rizk (Head of Communications, CSR and Customer Experience) elected as Secretary of the Board of the International Advertising Association Lebanon Chapter in June 2019.

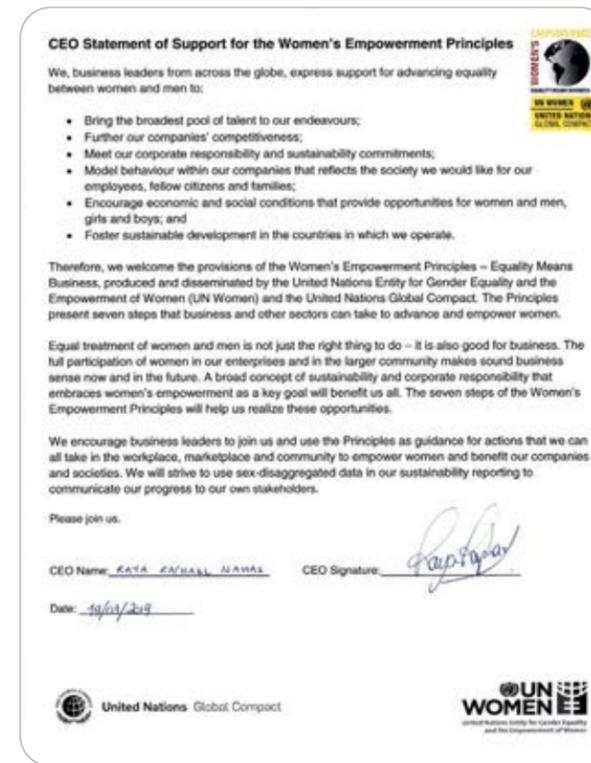
BLF’s memberships in the Association of Banks in Lebanon:

- Board of Directors, Secretary of the Board
- Corporate Governance
- Compliance and Fighting Money Laundering
- Investment Banks and Capital Markets
- Banking Terms and Conditions
- Banking Risk
- Organization, Standardization and Information Technology
- Legal
- Human Resources and Social Affairs
- Research Studies
- Communication.

CSR STRATEGY

Guided by its five founding values and solid corporate governance framework, the Bank has always been seeking to drive economic growth and contribute to a better society through its contributions to the Workplace, Marketplace, Community and Environment. BLF aims to create shared value and play a leading role in Sustainable Banking in Lebanon focusing on the key target areas of sustainability:

- Sustainable Lending
- Sustainable Financial Innovation
- Sustainable Support to the Community
- Sustainable Environmental Strategy
- Sustainable Engagement with Stakeholders.

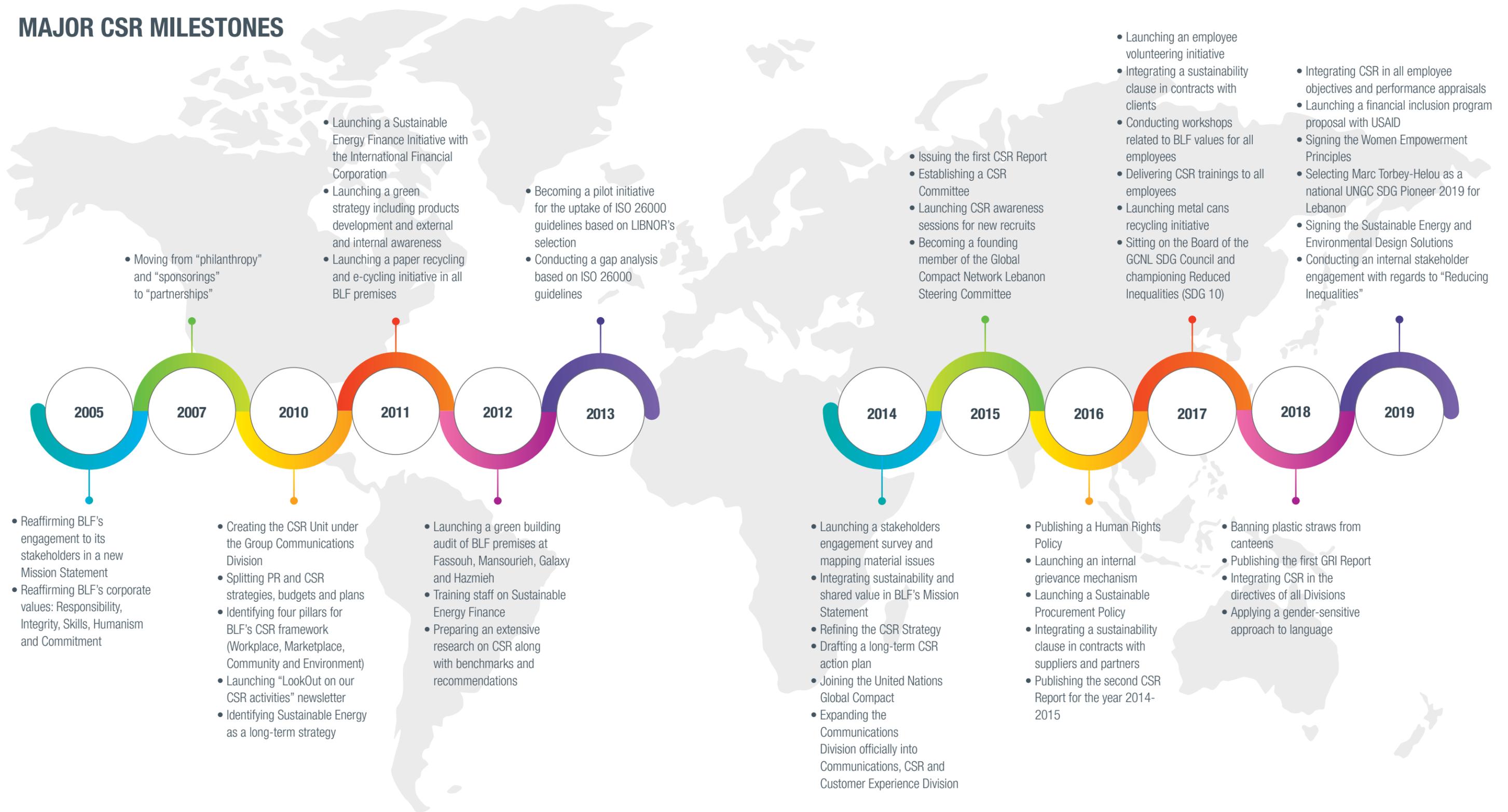


BLF signed the Women Empowerment Principles in 2019.



BLF was featured in the "Zooming on SDG Trends" UNGC publication.

MAJOR CSR MILESTONES



KEY 2018-2019 CSR IMPACTS



WORKPLACE

- 58.59% female employees
- 53% of managerial positions held by women
- USD 1,447,051 on trainings
- 60,137 hours of trainings to employees
- 26 employees study loans with no interest
- 100% of annual performance reviews
- 175 students' internships
- 118 new recruits sensitized on CSR
- USD 125,704,568 on employees' wages and benefits
- 569 loans to employees
- USD 3,932,697 on schools and universities of employees' children
- USD 2,084,000 on employees' health issues
- 5 employees with disabilities
- 98 new hires
- 69 beneficiaries of the flexible mothers' schedule.



MARKETPLACE

- 60 branches
- 181 ATMs
- 98,305 total retail customers
- 71% wheelchair accessible branches
- 71% wheelchair accessible ATMs
- 8% ATMs in rural areas
- 636 branch network mystery shopping visits
- 8.38/10 corporate customer barometer satisfaction
- 125,000 youth reach through BLF Lucky to be Young program
- USD 30,000,000 on six investment funds
- Food assistance for 1.6 million refugees and Lebanese citizens with WFP
- 227 beneficiaries from FATCA awareness sessions
- 910 special subsidized educational loans
- 40 Kafalat loans grants amounting to LBP 6.8 billion in 2018.



COMMUNITY

- USD 3,327,000 on community investments
- 274 initiatives supported in 2019 as follows:
 - 35.7% social and humanitarian issues
 - 28.8% economic development
 - 23.3% education
 - 12.04% culture
- 3,993,647 beneficiaries
- 27 contributions to municipalities
- 25 contributions to art and music festivals
- 32 long-term partnerships
- USD 218,000 on NGOs supporting disabled people.



ENVIRONMENT

- USD 4,511,085 in projects financing under BLF's Sustainable Finance Strategy
- 2,150 solar water heater loans amounting to USD 4,000,000
- 57 photovoltaic loans amounting to USD 1,000,000
- 25% energy savings in the Fassouh Data Center through a Cold-Aisle Containment
- 75% PC energy savings through the migration of 750 workstations to thin clients with Virtual Desktop Infrastructure (VDI)
- 572.528 tons of recycled paper saving:
 - 9,733 trees
 - 15,170,845 L of water
 - 2,290,112 kWh of electricity
 - 1,313 m³ of landfill space
 - 1,145 barrels of oil
- 3,889 recycled e-waste items
- 3,333 recycled metal cans.

RAISING CSR AWARENESS

BLF did not only focus on raising social and environmental awareness among its employees, but also invested significant efforts to sensitize within its sphere of influence as many stakeholders as possible. It increased its communication on sustainability-related issues via all communication channels and granted several interviews to students - who selected a CSR-related topic for their thesis. It also engaged with stakeholders through the organization and participation in numerous conferences, panels and workshops.



During his intervention at the "Economic Conference for Development through Reforms with the Private Sector (CEDRE)" conference in Paris, on April 6, 2018, Walid Raphaël (Chairman and General Manager) painted a clear picture of the situation in Lebanon and proposed solutions. He stressed that "Our economy has a huge potential. Its size has more than doubled since Paris 3 and has multiplied by 19 times since the end of the civil war. I believe it can still double in the next 10 years, which should reduce the debt burden, but this would only happen when the budget deficit is cut off and the potential capital is unlocked. Therefore, one major condition should be established: undertake reforms, especially the numerous state-level reforms which are indispensable."



"Current Trends in Emerging Markets" panel organized by the Emerging Markets Trade Association in Dubai in March 2018.



"BAFT Future Leaders Program Class of 2018" conference in May 2018.



"Challenges of Corporate Social Responsibility in Lebanon" organized by the Faculty of Economic and Social Sciences and the Center for Documentation and Economic Research of Université Saint-Joseph in May 2018.



"How BLF reduces inequalities" at the International College Beirut in May 2018.



"General Data Protection Regulation Conference" organized by L'Orient-le Jour, Le Commerce du Levant and Symposia at ESA Business School in June 2018.



"Macro-economic environment" at the "Hope or Gloom Conference" organized by the Lebanese International Finance Executives at the Surssock Museum in August 2018.



"CEO SDG Roundtable" organized by the Global Compact Network Lebanon at Beit El Wassat in October 2018.



"Reducing Inequalities" at the "Multi-stakeholder SDG Forum" at the Grand Serail in October 2018.



"Women in the Board Room and their Impact on Governance and Performance - The Business Case" panel at the "Tone from the Top Regional Corporate Governance Conference", organized at the Middle East Airlines Training and Conference Center in November 2018.



"Annual Climate Change Student Competition Award Ceremony" of BLF and the Issam Fares Institute at the American University of Beirut in January 2019.



"The importance of ethics and CSR in HR Management" to HR Masters students at Université Saint-Joseph in March 2019.



"The ABC's of Funding a Hospitality Project and the Different Financial Sources" panel at the "Annual Hospitality Forum HORECA" in April 2019.



"Bridging Community Service with the Workplace Panel" at the "9th Annual NGO Fair" at Notre Dame University in April 2019.



"General Data Protection Regulation GroupThink" at the Association of Banks in Lebanon Headquarters in August 2019.



"Visionary Goal Leaders panel" at the "Making Global Goals Local Business Middle East Forum" organized by the United Nations Global Compact Network Lebanon at the Grand Serail in Beirut in October 2019.

ENGAGEMENT WITH KEY STAKEHOLDERS

BLF conducted a stakeholder mapping to identify the stakeholders that can be impacted by the organization's activities, products, or services; or whose actions can be reasonably expected to affect the ability of the organization to implement its strategies or achieve its objectives.



BLF engages with its stakeholders in a continuous and transparent dialogue through a variety of channels, combining it with the insights it gathers from ongoing routine processes: Marketing studies, consultation through questionnaires, media and social media monitoring, engagement with the academia, involvement in associations, professional bodies, and participation in conferences, etc. Listening to its stakeholders and understanding their needs is crucial to growing BLF's business, meeting society's demands and expectations, and determining which topics are material for the Bank's Corporate Social Responsibility.

ENGAGEMENT MEANS WITH KEY STAKEHOLDERS

Shareholders

- General Assemblies
- Board of Directors meetings
- Board Committees
- Publications
- Reporting.

Suppliers

- Meetings
- Contracts (including Sustainability Clause)
- Sustainable Procurement Policy.

Civil Society

- Meetings
- Conferences and events
- Volunteering
- Membership in global sustainability initiatives (United Nations Global Compact Network Lebanon, Lebanese League for Women in Business, etc.)
- Donations
- Partnerships
- Sponsorships
- Contribution to local communities through business.

Employees

- Committees
- Meetings
- Seminars
- Employees' Club activities
- Internal events
- Internal campaigns
- Intranet
- Suggestion box
- Publications
- Surveys
- Employees' Facebook Group
- BLF Staff Instagram account
- Annual Performance reviews
- Brand engagement think tanks
- BLF brand ambassadors.

Regulators and Industry Associations

- Committees
- Meetings
- Conferences
- Workshops and trainings
- Reporting
- Auditing.

Journalists and Influencers

- Meetings
- Interviews
- Press conferences
- Events
- Newspapers and magazines
- Press releases
- Publications
- Social media.

Competitors

- Conferences and events
- Workshops
- Membership in global sustainability initiatives (United Nations Global Compact Network Lebanon, Lebanese League for Women in Business, Women Empowerment Principles, etc.)
- ABL and other industry meetings.

Clients

- Meetings
- Branches and online touch points
- Feedback and complaints mechanisms
- Surveys and focus groups
- Net Promoter Score (NPS)
- Market research studies.

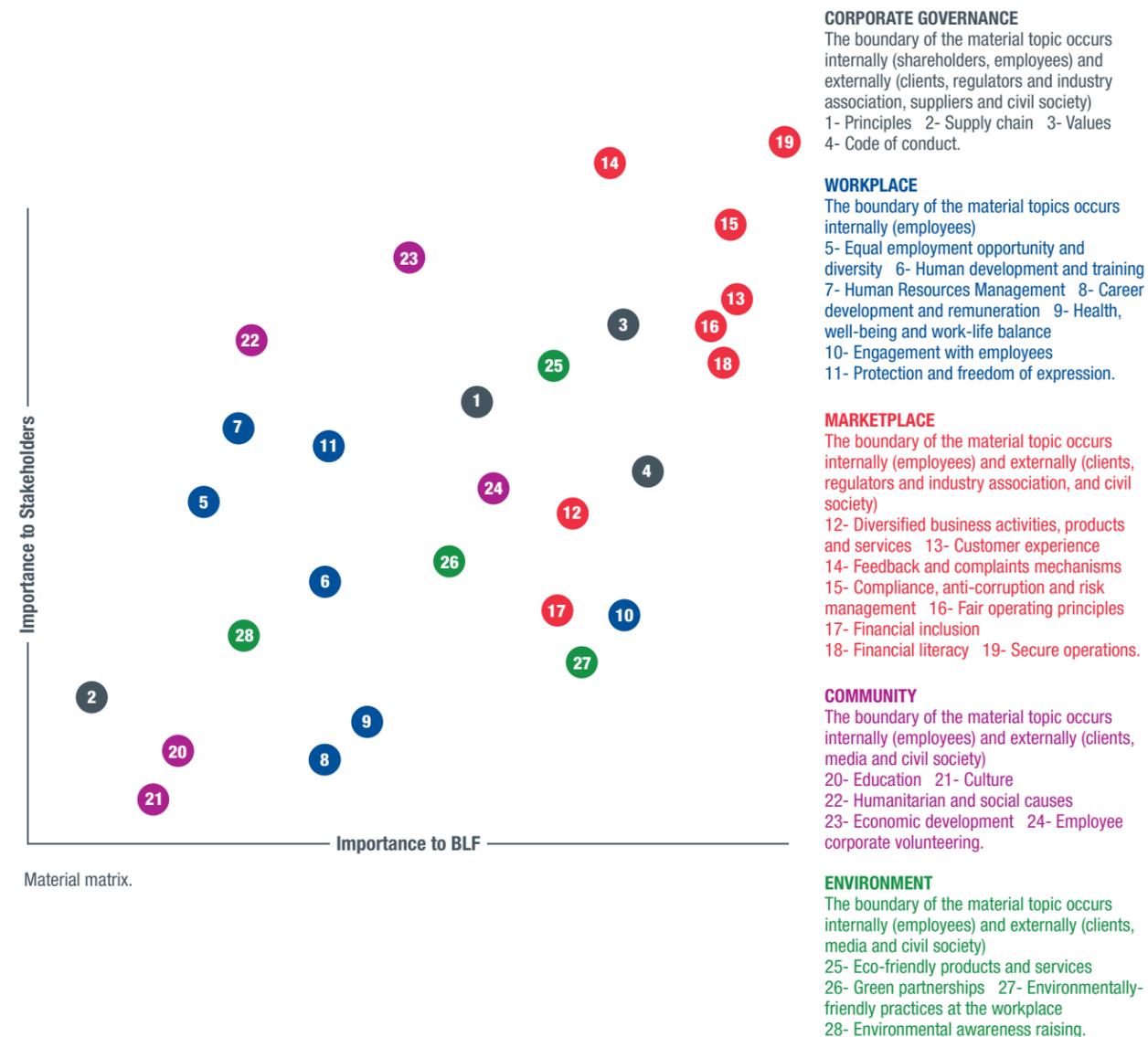


BLF contributed as a jury member in the "SDG Milestone Award" to spread awareness on CSR.

MATERIALITY ASSESSMENT

Back in 2013, BLF identified the themes which are relevant for its CSR Reporting. These material sustainability themes were selected on the basis of the Bank's economic, environmental and social impacts, and substantial influence on the decisions of stakeholders. The material topics are reviewed every year with internal stakeholders within the framework of the CSR Reporting process to determine what information should be made available considering the Bank's activities, impacts, and the substantive expectations and interests of its stakeholders. The Bank's materiality assessment also considered internal documents including media reviews, presentations, reports, benchmarks, website, Intranet, press releases, interviews and external factors such as relevant laws and regulations, international CSR trends, future challenges for the sector reported by expert bodies to define the topics for this current report.

Further information on how each material topic is managed, is provided in the Workplace, Marketplace, Community and Environment chapters of this report.



The identified issues reflect the Bank's significant economic, environmental and social impacts across its four CSR pillars and Corporate Governance.

BLF also identified the United Nations Sustainable Development Goals (SDGs) that are most relevant to its business as follows:



SDG 4: Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.



SDG 5: Achieving gender equality and empowering all women and girls.



SDG 8: Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



SDG 10: Reducing inequality within and among countries.



SDG 13: Taking action to combat climate change and its impacts.

MAIN RECOMMENDATIONS RESULTING FROM AN INTERNAL STAKEHOLDER ENGAGEMENT ON SDG 10

As part of its championing of SDG 10, the Communications, CSR and Customer Experience Division engaged in 2019 with internal stakeholders (managers across the Bank's divisions) through meetings to identify possible material business actions, map existing measures implemented at the Bank and assess how it could further enhance its performance in terms of reducing inequalities. BLF referred to the "Business Reporting on the SDGs: An Analysis of the Goals and Targets" which highlights possible relevant business actions to help achieve the SDG 10 targets, as well as to "GCNL SDG 10 Report" which underlines different needs to be addressed by businesses in Lebanon.



- Target 10.1 - Achieve and sustain income growth.
- Target 10.2 - Empower and promote the social, economic and political inclusion of all.
- Target 10.3 - Promote appropriate legislation, policies and action.
- Target 10.4 - Adopt and achieve fair policies (fiscal, wage and social protection).
- Target 10.5 - Improve and monitor financial markets regulations.
- Target 10.6 - Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions.
- Target 10.7 - Facilitate and implement people's migration and mobility.

WORKPLACE

- Write a grievance mechanism procedure and audit it
- Sensitize employees on the internal grievance mechanism while defining discrimination and inequality at work
- Train managers on non-discrimination, equal opportunity and reducing psychological stress for employees going through grief and loss such as death, divorce through the production of a “Kit for the Perfect Manager”
- Conduct a survey to measure the employees’ perceptions regarding inequalities of opportunities and treatment at the Bank
- Publicly disclose to the company’s stakeholders the total number of employees promoted by year, disaggregated by gender and the overall ratio and ratio by employee level of basic salary and remuneration of women to men
- Provide annual trainings on zero tolerance of all forms of violence to all employees, including sexual harassment
- Sensitize employees on unconscious bias
- Communicate a non-discrimination and equal opportunity policy to potential employees and in job applications at the time of hiring
- Forbid inquiring about the status or plans of marriage, pregnancy or care responsibilities in job applications or during interview processes
- Set up due diligence and remediation processes to identify and address violations of recruitment policies
- Ensure that diverse candidates are shortlisted for interviews
- Document and audit internally the implementation of the equal opportunity employment policies based on a Human Rights’ checklist signed by all managers
- Establish a paternity leave policy for men whose wives are not taking maternity leaves
- Grant employees a special schedule to care for themselves or their family members in case of a severe injury or illness
- Increase the number of disabled employees at the Bank to reach 3% of the Bank’s total workforce.

MARKETPLACE

- Track and report in the complaints mechanism the number of clients who perceive themselves to have been unequally treated
- Train employees to be empathic towards clients during life and family challenges
- Integrate in BLF policies the Bank’s commitment to proactively source from women-owned businesses
- Track the percentage spent with women-owned businesses
- Report publically on the percentage spent with women-owned businesses
- Use databases to identify women-owned businesses in the purchasing process
- Set procurement targets and goals for the amount and percentage spent with women-owned businesses
- Promote the successes of Lebanese women
- Take proactive steps to expand relationships with women-owned businesses in the value chain and when contracting vendors
- Communicate procurement opportunities to women-owned businesses through outreach initiatives
- Provide training to women to complete formal bid processes
- Participate in trade fairs that engage gender-diverse suppliers
- Organize capacity building workshops for rural SMEs working in fields such as agriculture, vineyard farming, beekeeping, fish farming to enhance their competitiveness
- Write procedures and set targets for the complete implementation of the Sustainable Procurement Policy
- Render all BLF branches accessible to the disabled
- Launch a “FinTech startup” project exclusively for female founders
- Attend to the needs of the unbanked
- Provide technical and advisory assistance to marginalized groups
- Review credit policies to encourage activities that promote employment in agriculture (provide low cost financing, insurance against nature’s hazards, technical assistance, improve technology for crops enhancement and ameliorate their access to the final consumer)
- Suggest products and services for people with disabilities
- Promote products and services for the disabled provided by BLF clients
- Lobby for the rights of mothers to open accounts for their children
- Lobby with the Central Bank of Lebanon to review the laws imposed on blind and illiterate clients wanting to open a bank account
- Encourage suppliers to set and measure targets and benchmarks on equality
- Work with suppliers to develop a corrective action plan if inequality risks or challenges arise.

COMMUNITY

- Engage with diverse stakeholders to identify possible business actions the Bank can undertake to further contribute to reducing inequalities within its sphere of influence
- Continue to increase awareness on SDG 10
- Review the donation process criteria to assess the long-term impact on the beneficiaries
- Track and report publically to company stakeholders the number of beneficiaries from community projects and initiatives, disaggregated by sex.

REPORTING PRACTICE

Date of the most recent previous Report: CSR Report - Our journey towards sustainable banking 2016-2017.

Reporting cycle: Biennial.

Reporting period: This publication is BLF’s fourth bi-annual CSR Report. It covers the years 2018-2019 unless otherwise stated in the Report, to highlight a particular evolution.

Reporting boundary: This Report covers the activities of Banque Libano-Française in Lebanon, and does not cover the activities of all entities included in the organization’s consolidated financial statements, unless otherwise stated in the Report.

Claims of reporting in accordance with the GRI Standard: This publication aims at updating BLF stakeholders on the Bank’s major achievements in this field. It has been prepared in accordance with the Global Reporting Initiative (GRI) Standards Core Option. It meets the requirements of the United Nations Global Compact Communication on Progress (COP) reporting and shows progress towards the advancement of the Sustainable Development Goals (SDGs). It also takes into account ISO 26000 core subjects.

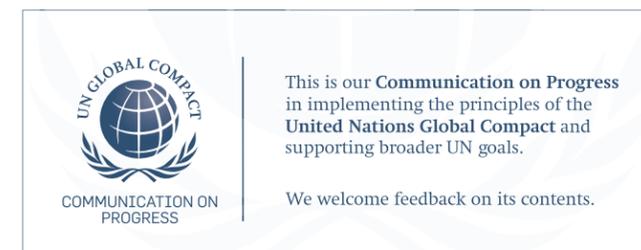
Data in this Report has been collected by the BLF CSR Department from several business and support Divisions at the Bank. BLF did not seek external assurance for this Report.

This Report contains a GRI Index table. Some data have been omitted as the necessary information is currently not being collected and thus could not be obtained.

The Bank’s previous CSR Reports, Annual Reports, Corporate Governance Guide and website can be used in conjunction with the CSR Report for additional information: www.eblf.com

Thank you for reading the BLF CSR Report. We would greatly appreciate it if you share your comments or suggestions with the Corporate Social Responsibility Department at the Communications, CSR and Customer Experience Division.

Address: 5, Rome Street, Beirut Liberty Plaza, Hamra, CSR@ebf.com or 009611791332 extension: 1271.





WORKPLACE

Banque Libano-Française is committed to creating an inclusive workplace where all employees feel proud, engaged and valued for their skills and contributions. BLF deeply cares for the well-being of its employees and is fully dedicated to upholding fair and ethical working conditions that motivate them to fulfill their potential.

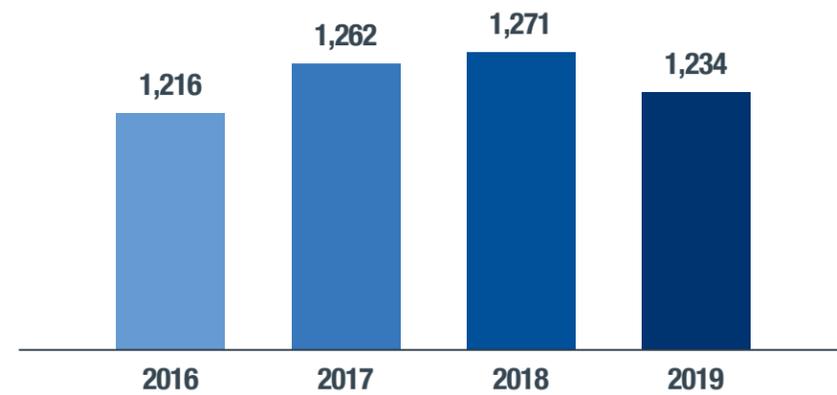
Women account for 58% of BLF's total workforce in 2019.



OUR PEOPLE

Employees are an inherent part of BLF's success and have always been the ultimate driver of its customer experience. The Bank offers a rewarding work experience where its staff can thrive and where their accomplishments are met with development opportunities, career advancements as well as performance-based remunerations.

In an economic slowdown, further exacerbated by the eruption of the Lebanon protests in October 2019 which led to high unemployment, emigration and company layoff rates in the Lebanese labor market, BLF maintained a steady workforce with 1,234 employees by end of December 2019.



Number of BLF employees in Lebanon.

	2016		2017		2018		2019	
	Number of employees	Percentage of employees in BLF Group	Number of employees	Percentage of employees in BLF Group	Number of employees	Percentage of employees in BLF Group	Number of employees	Percentage of employees in BLF Group
BLF	1,216	78.71%	1,262	87.21%	1,271	86.52%	1,234	85.99%
CLI	0	0.00%	1	0.07%	5	0.34%	8	0.56%
LFF	16	1.04%	14	0.97%	14	0.95%	13	0.91%
SBA France	48	3.11%	44	3.04%	42	2.86%	41	2.86%
SBA Cyprus	14	0.91%	13	0.90%	14	0.95%	14	0.98%
SBA Geneva	7	0.45%	8	0.55%	9	0.61%	10	0.70%
Baghdad	5	0.32%	6	0.41%	6	0.41%	6	0.42%
Abu Dhabi	2	0.13%	2	0.14%	2	0.14%	2	0.14%
CTM	45	2.91%	46	3.18%	49	3.34%	50	3.48%
Sodeco	5	0.32%	5	0.35%	5	0.34%	5	0.35%
Bancassurance	46	2.98%	46	3.18%	52	3.54%	52	3.62%
Total	1,545	100%	1,447	100%	1,469	100%	1,435	100%

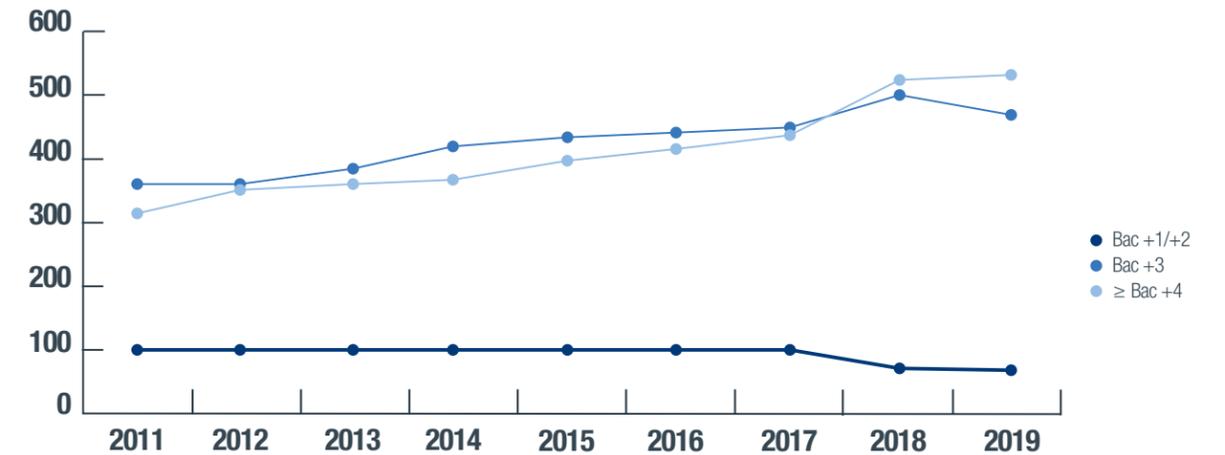
Geographic breakdown of BLF Group employees.

A HIGHLY EDUCATED WORKFORCE

BLF's success starts with its ability to attract the best people. For the Bank, that means finding people who do not only have the needed skills and expertise, but also share the same values and are committed to upholding the highest standards of ethics and integrity.



Celebrating newly recruited employees at BLF.



Educational level of BLF employees.

EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY

As an equal opportunity employer, BLF guarantees that its work practices - recruitment, remuneration, benefits, training, performance appraisal, career advancement and termination - are free from discrimination with respect to gender, age, religion, disability, marital status, pregnancy, wealth, and union membership, and are solely dependent on the employee's qualifications and performance.



“At BLF, we believe that a diverse workforce with different ages, genders, career experiences, educational and social backgrounds, personalities, tastes and mindsets offers an enriching experience and helps us meet the evolving needs of customers.”
Georges Behlock (Head of Human Resources Division)

GENDER EQUALITY

Over the past several years, BLF has ensured women employment at every level of the Bank and their progression into management positions.

	2016					2017					2018					2019				
	F*	%	M*	%	T*	F*	%	M*	%	T*	F*	%	M*	%	T*	F*	%	M*	%	T*
Board of Directors	1	11%	8	89%	9	1	11%	8	89%	9	1	11%	8	89%	9	1	11%	8	89%	9
Executive Committee	3	33%	6	67%	9	3	27%	8	73%	11	3	27%	8	73%	11	3	27%	8	73%	11
Upper Management	28	36%	49	64%	77	31	38%	51	62%	82	31	38%	50	62%	81	32	39%	51	61%	83
Middle Management	186	53%	163	47%	349	197	55%	163	45%	360	204	55%	165	45%	369	225	58%	164	42%	389
Branch Managers	30	53%	27	47%	57	32	55%	26	45%	58	33	55%	27	45%	60	34	57%	26	43%	60
Total	248	50%	253	50%	501	264	51%	256	49%	520	272	51%	258	49%	530	295	53%	257	47%	552

*Abbreviations : Female (F), Male (M), Total (T)

Number and percentage of female representation in managerial positions.

BLF figures demonstrate that there is no difference in pay between men and women. Gender data reveals for example that in 2019 female tellers aged below 40 earned 3% more than their male counterparts and that female branch managers below 40 earned only 3% less than their male counterparts.



On the occasion of International Women's Day, BLF posted a video on BLF social media channels featuring female and male employees confirming that women are in fact partners in the work environment.



On the occasion of Mother's Day, BLF honored the contribution of its working mothers.

Permanent	2016		2017		2018		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Female	691	56.82%	719	56.97%	740	58.22%	723	58.59%
Male	525	43.18%	543	43.03%	531	41.78%	511	41.41%
Total	1,216	100%	1,262	100%	1,271	100%	1,234	100%

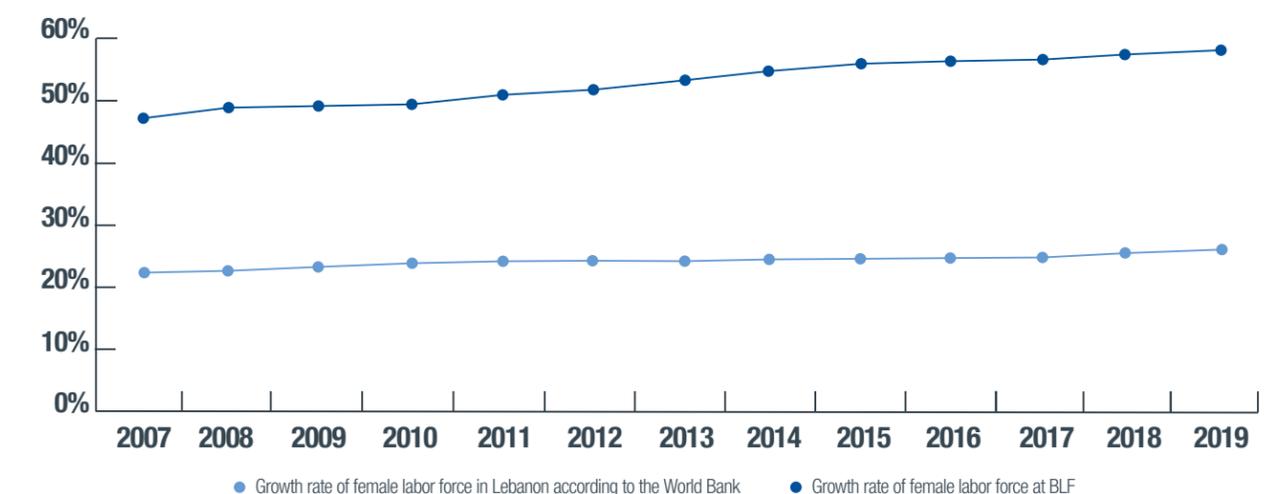
Number and percentage of BLF employees by gender.



Women Empowerment is key at BLF.

Executive roles are diversified at BLF with women leading major divisions.

At BLF, gender differences in job turnover are very negligible. The global turnover rate stands at 5.11% in 2019, reflecting the Bank's positive work culture, noting that the average annual worldwide employee turnover rate is 10.9% according to LinkedIn Talent Solutions Data Analysis published in 2018 in "LinkedIn reveals the latest talent turnover trends".



The growth rate of female labor forces at BLF has been much faster than the growth rate of the overall female labor force in Lebanon.

Region	2016		2017		2018		2019	
	Female	Male	Female	Male	Female	Male	Female	Male
Bekaa	29	13	27	14	30	14	29	14
Beirut	402	350	414	361	423	352	402	341
Mount Lebanon	182	96	185	100	190	98	195	89
North	52	41	63	44	64	42	65	41
South	26	25	30	24	33	25	32	26
Total	691	525	719	543	740	531	723	511

Total number of employees by region and gender.

Permanent	2016		2017		2018		2019	
	F	M	F	M	F	M	F	M
Turnover by gender	4.19%	3.13%	3.09%	2.93%	2.05%	2.91%	2.27%	2.84%
Total turnover	7.32%		6.02%		4.96%		5.11%	

Total turnover rate*.

*The total turnover rate refers to the percentage of employees who left the organization voluntarily, or due to dismissal, retirement or death.

	Number of women	Total number of employees	Percentage of women	Women variation
2007	362	766	47.26%	4.62%
2008	399	810	49.26%	10.22%
2009	432	871	49.60%	8.27%
2010	476	962	49.48%	10.19%
2011	532	1,044	50.96%	11.76%
2012	547	1,050	52.10%	2.82%
2013	584	1,085	53.82%	6.76%
2014	618	1,136	54.40%	5.82%
2015	668	1,186	56.32%	8.09%
2016	691	1,216	56.82%	3.44%
2017	719	1,262	56.97%	4.05%
2018	740	1,271	58.22%	2.92%
2019	723	1,234	58.58%	-2.30%

The percentage of women employed at the Bank rose from 47.26% in 2007 to 58.58% in 2019.

EQUAL PAY

BLF does not discriminate between men and women in terms of entry level minimum wage.

2019			
Employee educational level	Entry level minimum wage	Local minimum wage	Ratio
Bac + 3	LBP 1,000,000	LBP 675,000	1.48
Bac + 5	LBP 1,300,000	LBP 675,000	1.93

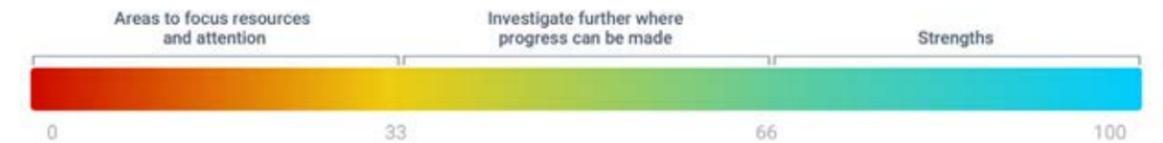
Ratio of the basic salary and employees' remuneration compared to local minimum wage in 2019.

WOMEN EMPOWERMENT PRINCIPLES

BLF signed in 2019 the Women Empowerment Principles (WEP), a set of principles launched by UNGC and UN Women offering guidance to companies on how to promote gender equality and women empowerment in the Workplace, Marketplace and Community. It also conducted the WEP Gender Gap Analysis in which it scored 77% in the Leader's category.



Your Score by Individual Questions



Leadership and Strategy	Workplace	Marketplace	Community
Q1. Leadership Commitment (100%)	Q5. Equal Compensation (94%)	Q15. Gender Responsible Marketing (90%)	Q18. CSR, Philanthropy, Advocacy, and Partnerships to Support Gender Equality (81%)
	Q7. Paternity Leave (94%)	Q14. Supplier Performance on Gender Equality (65%)	Q17. Applying a Gender Lens to Community Relations (N/A*)
	Q6. Maternity Leave (90%)	Q13. Women-Owned Businesses (0%)	
	Q10. Violence, Harassment, and Sexual Exploitation (86%)	Q16. Product/Service Development with a Gender Lens (N/A*)	
	Q4. Professional Development and Promotion (85%)		
	Q11. Health, Safety, and Hygiene (80%)		
	Q12. Access to Quality Health Services (80%)		
	Q8. Parental and Caregiver Support (79%)		
	Q3. Recruitment (72%)		
	Q9. Work/Life Balance (70%)		
	Q2. Non-discrimination and Equal Opportunity Policy (65%)		

Your Progress by Management Stages



BLF plans to continue to maximize its efforts towards gender equality and women empowerment.

AGE DIVERSITY

	2016				2017				2018				2019			
	F	%	M	%	F	%	M	%	F	%	M	%	F	%	M	%
< 30 years	306	44%	131	25%	309	43%	146	27%	295	40%	138	26%	245	34%	122	24%
30 - 50 years	272	39%	218	42%	294	41%	229	42%	327	44%	232	44%	361	50%	233	46%
> 50 years	113	16%	176	34%	116	16%	168	31%	118	16%	161	30%	117	16%	156	31%
Total	691	57%	525	43%	719	58%	543	43%	740	58%	531	42%	723	59%	511	41%

Distribution of employees by age and gender.



Age diversity is a key success factor for BLF business.



The average employee age from 2016 till 2019.

	2018											Grand Total
	Female					Male						
	< 30 years	%	30 - 50 years	%	Total	< 30 years	%	30 - 50 years	%	Total		
Beirut	20	56%	9	82%	29	14	61%	0	0%	14	43	
Mount Lebanon	12	33%	1	9%	13	8	35%	1	50%	9	22	
Bekaa	1	3%	0	0%	1	0	0%	1	50%	1	2	
North	1	3%	0	0%	1	0	0%	0	0%	0	1	
South	2	6%	1	9%	3	1	4%	0	0%	1	4	
Total	36	50%	11	15%	47	23	32%	2	3%	25	72	

Total number and rate of new employee hires by age group, gender, and region in 2018.

	2019											Grand Total
	Female					Male						
	< 30 years	%	30 - 50 years	%	Total	< 30 years	%	30 - 50 years	%	Total		
Beirut	3	38%	2	67%	5	8	57%	1	100%	9	14	
Mount Lebanon	3	37%	0	0%	3	3	21%	0	0%	3	6	
Bekaa	2	25%	0	0%	2	1	7%	0	0%	1	3	
North	0	0%	1	33%	1	0	0%	0	0%	0	1	
South	0	0%	0	0%	0	2	15%	0	0%	2	2	
Total	8	31%	3	12%	11	14	54%	1	3%	15	26	

Total number and rate of new employee hires by age group, gender, and region in 2019.

WORK EXPERIENCE DIVERSITY

With the huge unemployment rate of youth under 25 years standing at 37% in Lebanon, BLF works on empowering the youth by providing chances to fresh graduates and by exploring enthusiasm, different ways of thinking and fresh perspectives they bring to business.

	2016					2017					2018					2019				
	F	%	M	%	T	F	%	M	%	T	F	%	M	%	T	F	%	M	%	T
Without work experience	50	72%	19	28%	69	32	57%	24	43%	56	23	53%	20	47%	43	5	31%	11	69%	16
With work experience	24	48%	26	52%	50	35	53%	31	47%	66	24	83%	5	17%	29	6	60%	4	40%	10
Total	74	62%	45	38%	119	67	55%	55	45%	122	47	65%	25	35%	72	11	42%	15	58%	26

Number of new recruits based on work experience.

	2016	2017	2018	2019
Percentage of fresh graduates from overall recruits	58%	46%	60%	58%



BLF actively takes part in major job fairs to recruit talents.

	2016		2017		2018		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
< 5 years	401	33%	420	33%	378	30%	278	23%
5 - 10 years	357	29%	377	30%	407	32%	450	36%
> 10 years	458	38%	465	37%	486	38%	506	41%
Total	1,216	100%	1,262	100%	1,271	100%	1,234	100%

Employee tenure.

INCLUSION OF EMPLOYEES WITH DISABILITIES

BLF promotes a workplace where people with disabilities can excel and are viewed as a source of value creation. The Bank does its utmost to ensure an adapted environment and support their employability.

“BLF was there to help me grow my potential and opened doors when all other doors were closed. I was treated as a person just like the others and never as a disabled person.”
 Maya Khattar (Product Manager at the Cards Services Division)



BLF Senior Banker Marc Torbey-Helou was nominated by BLF and voted 2019 SDG Pioneer Lebanon by the United Nations Global Compact (UNGC) for his contributions to advance the SDGs. BLF offered him to attend the UNGC Leader's Week at the UN General Assembly in New York. He was also honored at the Making Global Goals Local Business Middle East at the Grand Serail in 2019.



Marc Torbey-Helou with UNGC CEO and Executive Director Lise Kingo (on the left) and members of BLF's CSR team Rana Haddad and Farah Ghannam.



BLF constantly raises awareness on how to interact with people who have disabilities. It launched an internal digital campaign offering guidance on disability etiquette by explaining dos and don'ts when dealing with colleagues or clients who have challenges.



Number of employees with disabilities.

BLF proactively sought to employ people with disabilities till 2019. It is planning to further increase the number as soon as the prevailing situation in the country allows for new recruitments.

CAREER DEVELOPMENT AND REMUNERATION

MANAGEMENT BY OBJECTIVES

BLF aligns the employees' objectives with the overall objectives of the Bank through a management by objectives policy. Managers set the annual plan of their Divisions involving their teams in the strategic planning. By doing so, the Bank does not only motivate the employees, but also makes sure that set goals are realistic and measurable.

PERFORMANCE MANAGEMENT

All employees undergo annual performance reviews with their managers to identify personal achievements, areas for improvement, training needs and set the objectives and expectations for the coming year. Under BLF's performance management software, employee performance is also appraised based on how employees live the Bank's values and socially responsible principles.

Since 2016, 100% of employees have been receiving an annual performance review.

In 2019, BLF added a CSR objective as a component in the annual performance appraisal review for all employees.

COMPENSATION

BLF provides fair and equitable compensation to its employees based on their performance and skills:

- Base pay (salary)
- Incentive pay
- Social security
- Welfare benefits: health care, parenthood benefits, banking services, pension plans, schooling benefits, subsidized loans.

The Bank follows a standardized salary scale where education, previous employment and experience are taken into consideration regardless of gender.

	2016	2017	2018	2019
Employee taxes	5,264,297	5,958,505	6,365,015	6,631,479
Employee salaries	55,533,215	59,199,577	61,858,544	63,086,045
Other employee benefits	318,311	346,433	370,178	389,801

Employee taxes, salaries (total payroll) and other employee benefits in countervalue in USD.

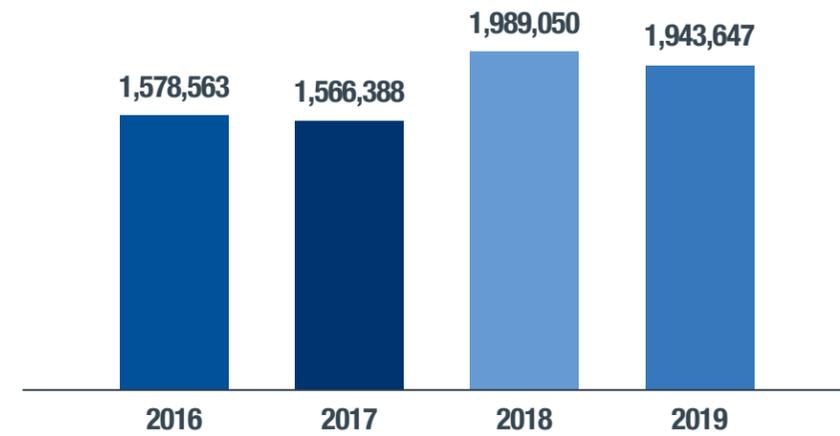
SOCIAL AND WELFARE BENEFITS

Depending on their profiles and fields of work, BLF staff members are entitled to the following benefits:

- Transport allowance
- Food allowance
- Family allowance
- Marriage allowance
- Childbirth allowance
- Cash allowance for specific positions
- Education allowance for employees' children
- Bonus
- Sales commission
- Driver allowance
- Night shift allowance
- Representation allowance
- Exceptional allowance
- Housing allowance
- Collective Labor Agreement allowance
- Mobile phone allowance
- Expatriation allowance
- Education subsidy
- Highly discounted travel and leisure activities provided by the Employees' Club.

Advantages:

- Marriage leave
- Maternity and paternity leave
- Death in family leave
- Insurance coverage and discounts at specific clinics, pharmacies and hospitals across the country
- Flexible work schedules for expecting mothers and mothers of children of less than 10 years old
- Flexible work arrangements for employees who are pursuing studies at university.



Spending in USD to support school and university fees of employees' children.

“Being a professional working mother and caring for a family of three children is very rewarding, yet challenging. There are days when balance seems impossible. However, BLF provides flexibility in working hours and a career development opportunity at the same time, which helped me take care of my kids while having a successful career. Thank you BLF for the continuous support and for focusing on the importance of family.”

Nadine Aoun (Customer Relationship Manager at the Middle-Market Banking Division)

REDUCED RATES ON BANKING SERVICES

Loyal to its corporate culture, BLF also strives to ensure that working has a positive impact on the lives of its employees. For that reason, staff members are granted special reduced rates on all bank services, transactions and loans.

	Total number of employees	Number of loans beneficiaries	Percentage of loans beneficiaries
2016	1,216	371	30%
2017	1,262	387	31%
2018	1,271	356	28%
2019	1,234	213	17%

Number and percentage of employees who benefited from BLF loans.

569 loans were granted to employees in 2018 and 2019.

HUMAN DEVELOPMENT AND TRAINING

INTERNAL MOBILITY AND RECRUITMENT

BLF employees have the possibility to move into new roles within and across entities. Whenever possible, vacancies are shared with employees on the Intranet before being advertised to external candidates. In 2018 and 2019, 47 open positions were filled internally. BLF believes that internal mobility does not only allow employees to find new roles within the organization but also leads to greater satisfaction and retention.

	Vacancies filled through internal recruitment	Total of external recruitment	Percentage of vacancies filled internally
2016	64	119	54%
2017	47	122	39%
2018	46	72	63%
2019	1	26	27%

Percentage of vacancies filled through internal recruitment.

CAPACITY BUILDING THROUGH INTERNSHIP OPPORTUNITIES

BLF's summer internship program allows undergraduate students to acquire working experience. In partnership with universities across the country, interns are selected based on education, interests and academic performance.

	2016					2017					2018					2019				
	M	%	F	%	T	M	%	F	%	T	M	%	F	%	T	M	%	F	%	T
Bekaa	3	2.8%	1	0.9%	4	2	1.9%	1	1%	3	2	2%	3	3.2%	5	0	0%	3	3.7%	3
Beirut	17	16%	22	20.8%	39	25	23.8%	26	24.8%	51	18	19%	22	23%	40	12	14.8%	14	17.2%	26
Mount Lebanon	10	9.4%	19	17.9%	29	9	8.6%	16	15.2%	25	14	15%	6	6.4%	20	9	11.1%	14	17.2%	23
North	10	9.4%	11	10.4%	21	9	8.6%	10	9.5%	19	8	8.7%	12.8	13%	20	9	11.1%	11	13.5%	20
South	4	3.8%	9	8.5%	13	4	3.8%	3	2.9%	7	2	2.1%	7.4	7.6%	9	4	4.9%	5	6.17%	9
Total	44	41.5%	62	58.5%	106	49	46.7%	56	53.3%	105	44	46.8%	50	53.2%	94	34	41.9%	47	57.7%	81

Number and percentage of internships offered by region and by gender.

175 students from all over Lebanon were offered internships across various BLF entities in 2018 and 2019.

INTEGRATION OF NEWCOMERS



BLF organizes team building activities for its new recruits.



Raya Raphaël Nahas (General Manager) moderates a session during the integration seminar.



BLF's Club launched a women's basketball team.



BLF's Club organized a Christmas concert featuring BLF talents.

"Welcome to Ambitions Land": The two-day integration seminar

- Introduction to BLF's values, strategy, history, business lines, risk management, customer experience
- Meeting colleagues and managers from different entities
- CSR awareness sessions

Welcome kit given to each new recruit:

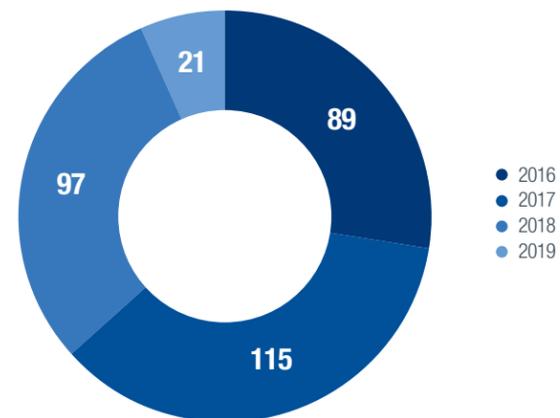
- Welcome letter
- Copy of contract
- Job description
- Business cards
- Name tags
- BLF values kit
- Booklet explaining operational terms
- Welcome gift
- Employee Handbook containing all necessary information concerning working at BLF, the Code of Conduct, key information about organizational directives, employee rights and duties, career-related information, etc.

"I really enjoyed the idea behind the lunch with BLF Managers during the integration seminar. It enhanced, in a smooth convenient way, our integration and engagement to the Bank. As this day ended, we all left with the idea that BLF is not only a workplace but also a family."

Ghiwa Saifi (Data Management and Business Intelligence Analyst at the IT Division)



New recruits take part in team building activities.



- 2016
- 2017
- 2018
- 2019

Since 2016, all BLF employees undergo trainings on CSR and on the Bank's values. To ensure that these are continuously embraced by employees, BLF integrated them too in its employee induction seminar. In 2018 and 2019, the CSR Department delivered awareness sessions to 118 new recruits.

All new employees were sensitized on CSR, including ISO 26000 guidelines, UNGC principles and SDGs.

BLF ensures guidance and counseling for its new recruits. The coaching system consists of assigning three contact persons from within the Bank to newcomers:

1. A coach whose main responsibility is to guide newcomers on the specific tasks and technical knowledge needed to successfully perform the job
2. A sponsor who has been at the Bank for more than two years, appointed by the Head of Division and the Human Resources Division, to facilitate the newcomers' integration in their environment
3. A Career Management Officer from the Human Resources Division who acts as a contact point.

A "Breakfast with the Human Resources" brainstorming session is organized bringing together new employees and career officers to discuss topics such as:

- BLF journey of newcomers
- Fostering a teamwork spirit
- Adhering to the Bank's values
- Engaging in CSR activities
- Participating in BLF's Club activities.

STAFF TRAINING

BLF's Training Academy founded in 2009 invests in the learning and development of its employees to maintain a strong talent pool. BLF's external and internal trainings are delivered by top notch professional trainers or highly qualified trained employees who provide the staff with technicals and soft skills.

BLF employees also benefit from two kinds of custom-made induction programs that consist of on-the-job-trainings and job rotations across various entities to enhance their knowledge on internal flows and processes.

In 2019, the Bank allocated USD 617,381 to provide over 24,167 hours of trainings to 96% of employees.



BLF employees attending the "Inhale Positive, Exhale Stress" yoga session in October 2019.

"Our branch team attended the 'Inhale Positive, Exhale Stress' yoga session. It was a great initiative taken by the Bank to help employees relieve their anger especially during this tough period of time. The session was very well organized and took place in a magical location. It helped us all on a personal and on a professional level."

Fouad Bartelmaos (Jal El Dib Branch Manager)



Employees develop their skills through various activities at the Training Academy.

	Total number of trained employees	Percentage of trained employees	Total number of trained employees by gender		Percentage of trained employees by gender	
			Male	Female	Male	Female
2016	1,190	99%	473	717	93%	100%
2017	1,159	93%	453	706	86%	98%
2018	1,164	92%	409	755	77%	100%
2019	1,201	96%	474	727	90%	100%

Number and percentage of employees who benefited from trainings by gender.

	Average hours of training			
	Gender		Employment category	
	Male	Female	Managers	Technicians
2016	31	36	31	35
2017	38	42	34	42
2018	30	29	33	29
2019	14	16	14	16

Average hours of training that BLF's employees have undertaken by gender and employment category.

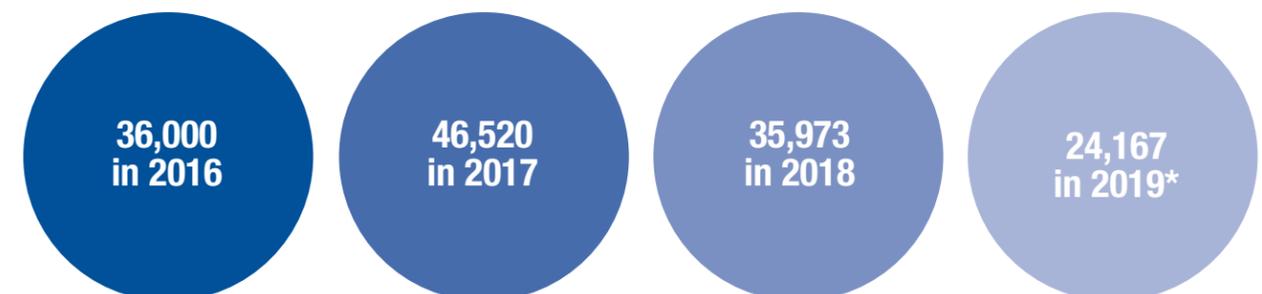
"The 'Leadership for Leaders' workshop explained the traits of a leader such as agility, transparency and authenticity. Constantly aiming to improve myself, I wrote few guidelines after the seminar on a small sticky note which I keep reading ever since: It helps me focus on my targets on a daily basis."

Jacky-Maria Khoury Kamel (Senior Relationship Manager at the Corporate Division)

Training sessions cover personal development, communication skills, sales and negotiation techniques, management, banking and financial techniques, information technology, language courses as well as other topics.



Total amount allocated to internal and external trainings.

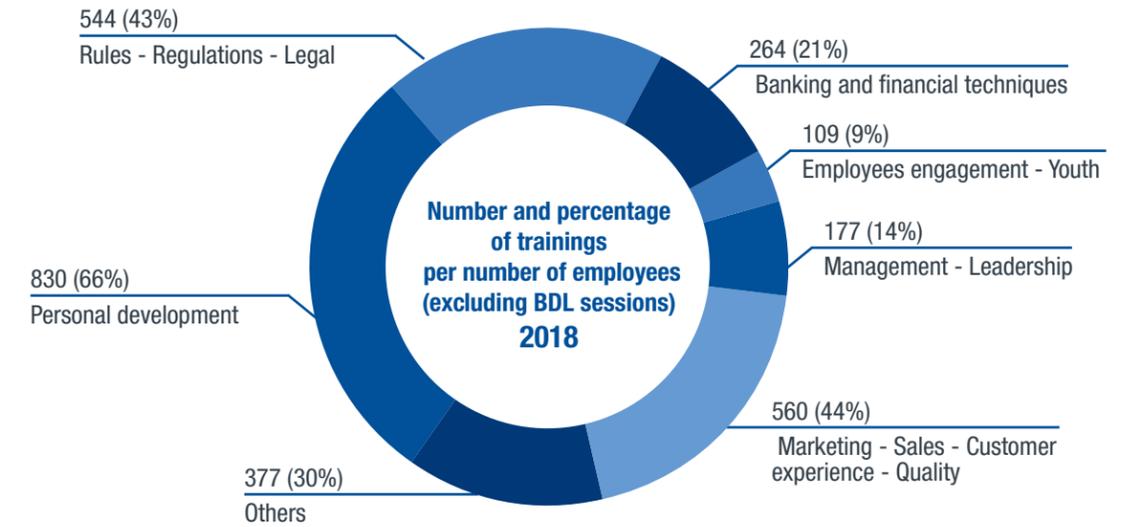
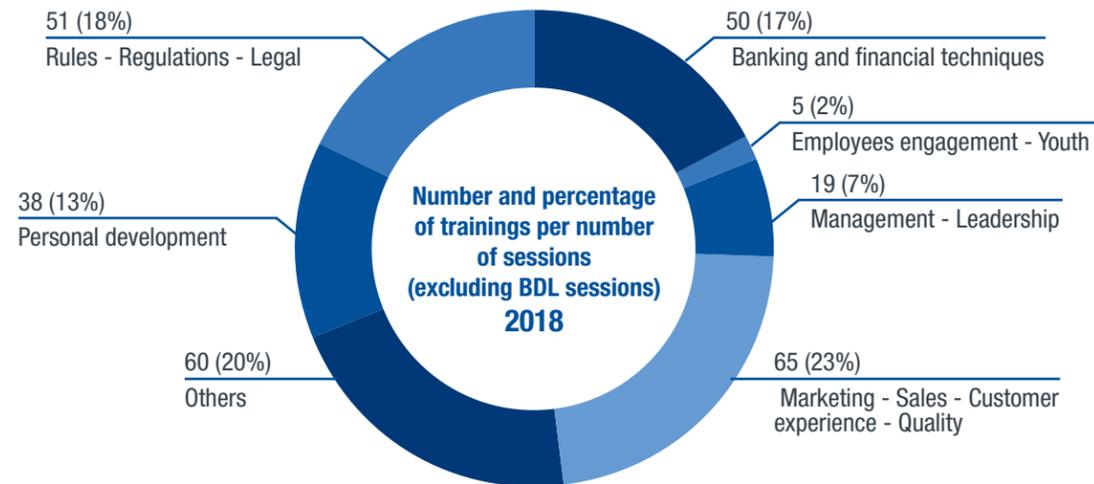


Number of internal and external training hours.

* Due to the prevailing situation in the country, BLF had to stop trainings during the last quarter of 2019.

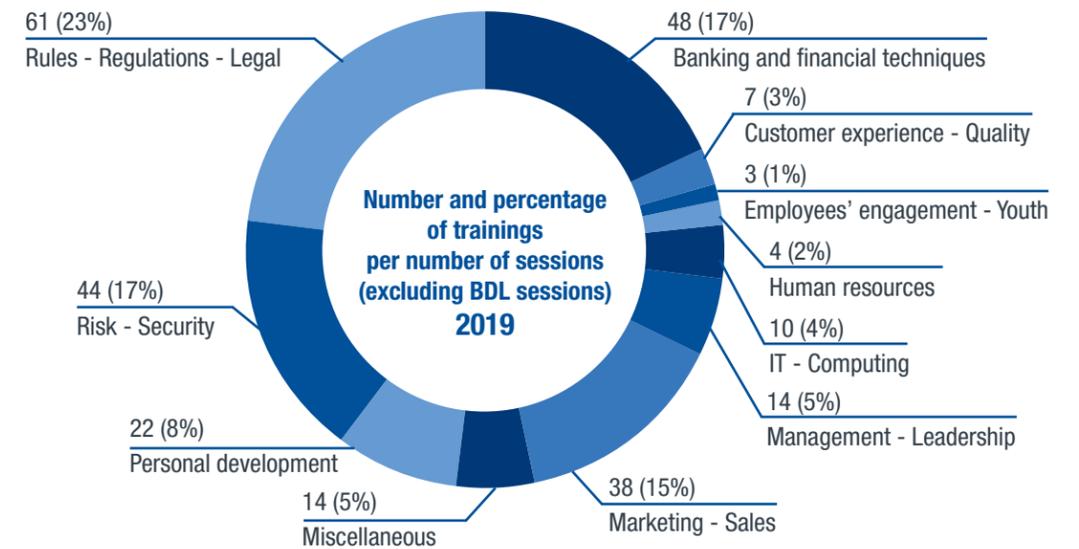
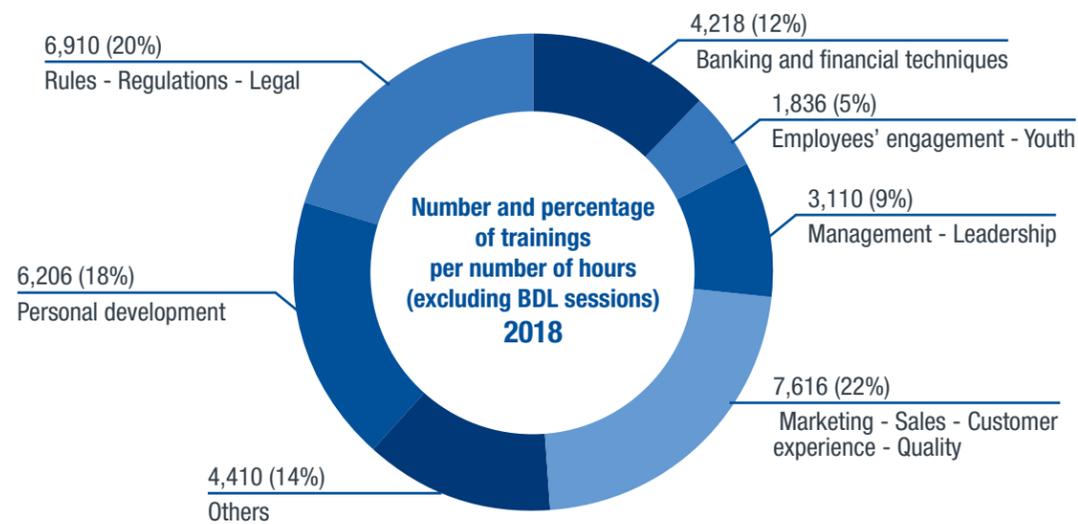
“The Operations Division took part in the ‘Operation Learning Fun Day’ which combined all the departments and units inside the Division. This team building training allowed all the team members to get to better know each other in a friendly atmosphere. I hope it will be repeated soon.”

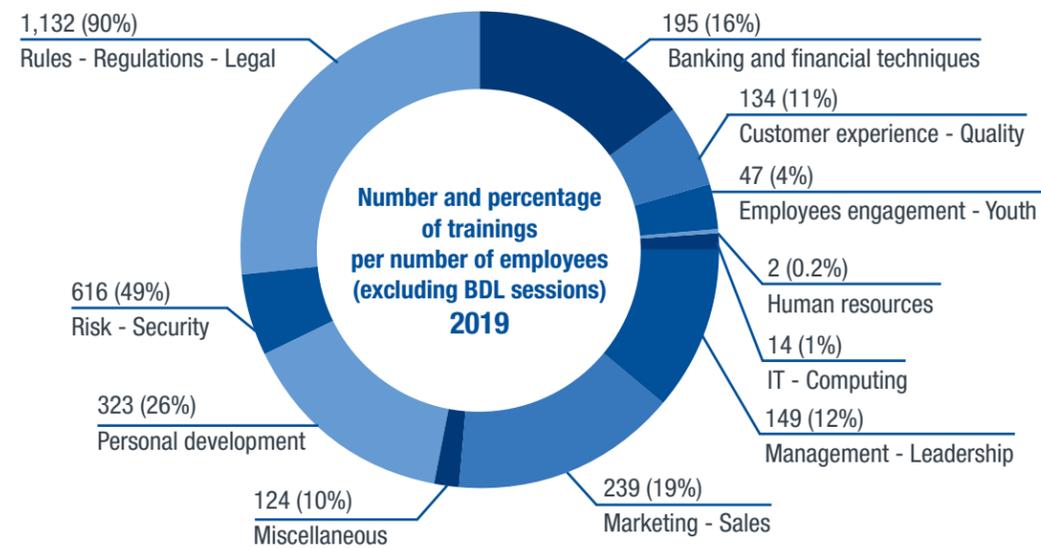
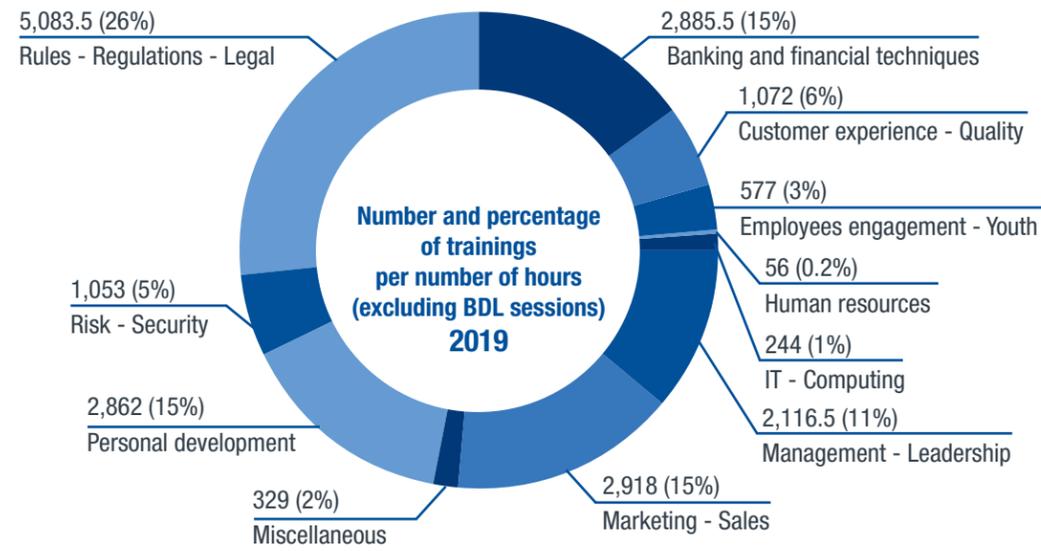
Nada Khayat (Head of Operations Division)



“After attending ‘The Effective Team Leader’ training, I learned that the main powerful characteristics of successful leaders are honesty, competency and inspiration. Based on these traits, I grew my leadership skills and I am now able to better assign tasks and delegate responsibilities to my team members who have natural strength in those areas.”

Wael Amhaz (Head of Corporate FX Sales at the Treasury and Capital Market Division)





“I attended ‘The Art of Body Language’ workshop in April 2019. Its objectives are to learn the main aspects of body language, to master the person’s gestures. I learned to better understand the behaviours of others and put it into my advantage on the professional level.”

Dory Maalouf (Head of Business Development at the Card Services Division)

BLF is committed to ensuring a healthy and safe workplace environment. It conducts regular health and safety trainings for its employees, including first-aid, use of defibrillators and evacuation exercises, and constantly provides them with tips, processes and guidelines for major disasters.

The Bank’s Training Academy increased the number of health and well-being workshops to 5% in 2019 compared to 0.5% in 2016.

	Number of health and well-being trainings	Percentage of health and well-being trainings	Number of hours of health and well-being trainings	Number of employees who attended health and well-being trainings
2016	1	0.50%	8	1
2017	1	0.50%	2,214	267
2018	6	3%	2,908	284
2019	7	5%	2,318	335

Numbers and figures of health and well-being related trainings.

2018	
Training	Goal
Boost your team-building spirit	Creating good morale in the workplace and team building spirit
Emotional intelligence at work	Giving participants better insights and control over their actions and emotions. Helping them experience a positive impact on their professional and personal lives
Happiness at work	Providing tips and information about happiness at work and about how happiness increases well-being, generates positive attitudes and yields results
HR seeking gold	Enhancing performance and building teams
Leading with emotional intelligence	Improving participants’ emotional intelligence to increase the effectiveness of their relationships at work in specific and in life at large. These training sessions included a large component about health, well-being and stress reduction
Prevailing in tough times	Fostering positivity in day-to-day work and team building
Who am I? Who are you? Who are we?	Enhancing performance through agility and team building

Health and well-being related trainings delivered in 2018.

“The seminar ‘Who am I? Who are you? Who are we?’ was very insightful and allowed us to work as a team and better understand the values we all share. It was organized, intellectually challenging but most importantly inclusive.”

Sarah Sader (Communications Officer at the Communications, CSR and Customer Experience Division)

2019	
Training	Goal
Emotional intelligence at work	Giving participants better insights and control over their actions and emotions. Helping them experience a positive impact on their professional and personal lives
Use of defibrillators	Training on saving a person's life from sudden cardiac arrest in the workplace in specific and in life in general.
HR builds the sunny side	Promoting happiness and having fun together
Inhale positive exhale stress	Managing stress and learning yoga
Nous Sommes la Forêt	Enhancing team spirit through teambuilding activities
Operation learning fun day	Improving communication and team spirit
The MindSurf	Training about positive attitude and happiness

Health and well-being related trainings delivered in 2019.

MANAGEMENT TRAINING PROGRAM

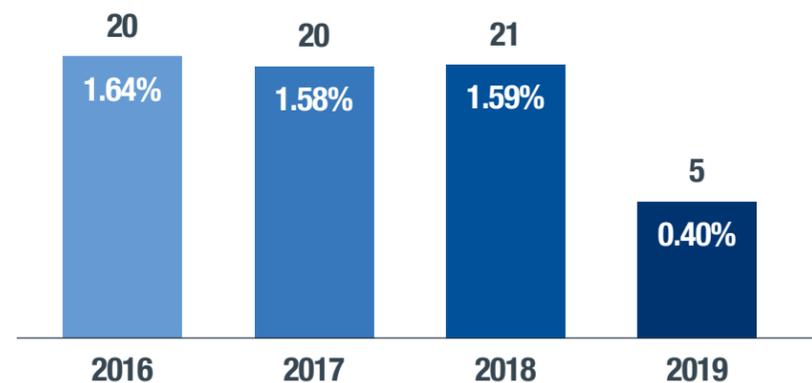
Highly qualified employees shifting into management position follow a specific two-year Management Training Program (MTP). The program provides them with trainings and tailor-made internships at various entities of the Bank.

	Female	Male	Total
2016	2	1	3
2017	3	3	6
2018	3	3	6
2019	4	2	6

Number and percentage of employees who enrolled in MTP.

EDUCATION

BLF offers educational loans with 0% interest to help employees who wish to pursue a higher education while working.

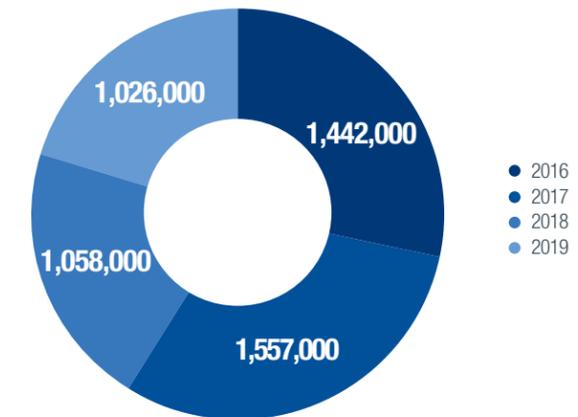


Number of employees who benefited from loans to study at 0% interest.

HEALTH, WELL-BEING AND WORK-LIFE BALANCE

HEALTHCARE PROGRAM

BLF offers a special healthcare program for its active employees and their eligible dependent family members. It also provides medical hospitalization to retirees.



Amount in USD spent on health-related issues.

BLF also motivates employees to exercise through the Employees' Club by offering them the possibility to subscribe to health centers and sports' activities free of charge or at reduced prices.

It repeatedly conducts internal awareness campaigns to sensitize employees on the importance of adopting healthy habits such as drinking water, eating healthy, taking the appropriate posture at work, exercising, and dealing with stress.

ABSENTEEISM RATE

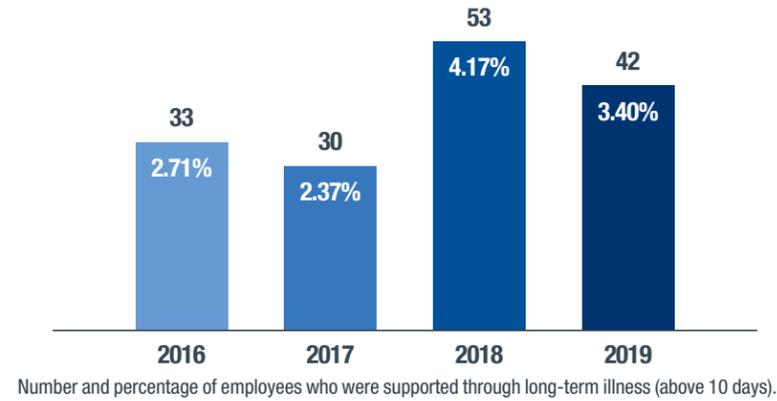
Standing at 0.64%, BLF's low absenteeism rate reflects job satisfaction, well-being and productivity thanks to healthy workplace conditions.

	2016		2017		2018		2019	
	F	M	F	M	F	M	F	M
Number of employees by gender	691	525	719	543	740	531	723	511
Number of absence days by gender	2,009	984	1,621	628	1,661	748	1,467	639
Number of working days	295		292		292		277	
Average of annual leave in days	18		18		18		18	
Number of days worked	277		274		274		259	
Percentage of unworked days by gender	1.05%	0.68%	0.82%	0.42%	0.82%	0.51%	0.78%	0.48%
Total percentage of unworked days	0.78%		0.65%		0.69%		0.64%	

Absenteeism rate score.

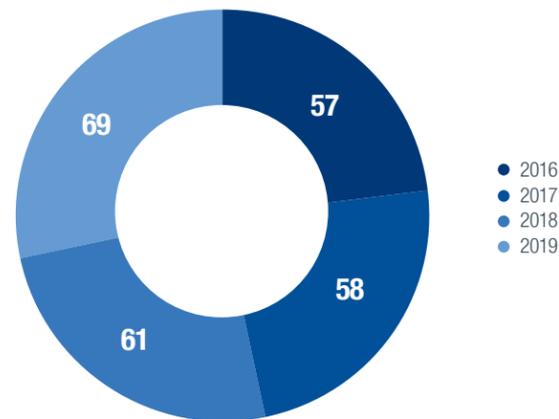
SUPPORTING EMPLOYEES WITH LONG-TERM ILLNESSES

In case of a long-term illness, the employee's job is protected for a period ranging from 8 months up to 32 months depending on his/her tenure.



FLEXIBLE SCHEDULE FOR MOTHERS OF CHILDREN UNDER 10 YEARS

With 58.59% of women in its workforce, the Bank acknowledged in 2009 the need to help working mothers achieve a proper work-life balance and launched a special schedule for working mothers of children under the age of 10. Mothers who opt for this flexibility work Mondays through Fridays from 8am to 3pm and on Saturdays from 8am to 1pm.



Number of mothers who benefit from BLF flexible mothers' schedule.

70.41% of mothers who are eligible to benefit from the flexible mothers' schedule opted for it in 2019.



BLF values the bonds between mothers and their kids and organizes activities for the family.

2018					
	Number of employees who took a parental leave	Number of employees who resumed work after a parental leave	Number of employees who remained at the Bank 12 months after their parental leave	Return to work rate	Retention rate
Female	51	51	51	100%	100%
Male	25	25	25	100%	100%
Total	76	76	76	100%	100%

2019					
	Number of employees who took a parental leave	Number of employees who resumed work after a parental leave	Number of employees who remained at the Bank 12 months after their parental leave	Return to work rate	Retention rate
Female	56	56	56	100%	100%
Male	17	17	17	100%	100%
Total	73	73	73	100%	100%

Number and percentage of employees who resumed work after a parental leave by gender in 2018 and 2019.

Pregnant women and mothers benefit from a special schedule and exhibit greater job satisfaction because they were able to balance work and family life.

PATERNITY DAY

According to the Lebanese Labor Law, BLF offers a one-day paternity leave to give fathers the opportunity to spend the first crucial moments with their wife and child.



BLF celebrates Father's Day.

FLEXIBLE SCHEDULE FOR STUDYING EMPLOYEES

The Bank likewise offers flexible arrangements for employees who are pursuing higher studies.

“The flexible schedule helped me to work and study with the best time and energy balance between my two full-time duties. It also allowed me to have a stress-free mind and body especially during my exam period. On another hand, it assured me that education and employees’ growth on academic and professional levels are highly supported and encouraged by the Bank.”

Nour Tannous (Career Development Officer at the Human Resources Division)

“While doing my Masters’ Degree, I was allowed to benefit from flexible working hours... Thanks to BLF, I was able to better manage my time, energy and productivity.”

Elissa Abi Khalil (Accounting Control and Reconciliation Officer at the Financial Division)

SMOKE-FREE WORKPLACE

Upon the instigation of some employees, the Bank banned indoor smoking as early as 2005 in all its premises. The ban was smoothly launched along with internal campaigns covering issues such as the dangers of smoking and second-hand smoking.



ERGONOMIC FURNITURE

To provide its employees with an overall well-being at the workplace, the Bank invests in ergonomic office furniture (chairs, tables and ergonomic computer work stations).



The General Services Division selects ergonomic furniture to ensure employees’ well-being.

HEALTHY EATING



A BLF Health Week was launched in 2019 to promote good health and well-being: BLF collaborated with Health Box and provided tips to employees on how to maintain healthy nutrition habits.



The corporate canteen offered daily healthy meal options, including a salad bar and a light meal.



BLF’s food catering company highlighted the healthiest daily meal option indicating its macronutrients content, as well as the number of calories and provided health tips.



Healthy bites offered at the Training Academy.

“It’s a great initiative! Since I recently started working out, the calories posted on the menu are helping me manage my daily calories intake and the macronutrients are encouraging me to maintain a healthier lifestyle.”

Nadine Daher Khaled (Product Officer at the Cards Services Division)

ENGAGEMENT WITH EMPLOYEES

Effective communication is a two-way traffic. Therefore, BLF constantly strives to create a culture where transparency and feedback are valued.

PROTECTION AND FREEDOM OF EXPRESSION

BLF's policies are based on the respect of human rights in order to provide a work atmosphere free from harassment, racism, religious discrimination, power abuse or insults.

Freedom of expression: BLF recognizes that everyone has the right to freedom of opinion and expression. At the same time, a completely unrestricted freedom of expression may lead to the infringement of the rights of others. Therefore, the Bank practices political and religious neutrality and prohibits discussion of political or religious matters at the workplace. Employees must maintain absolute neutrality towards such topics, issues and events, and refrain from displaying in their work and working space political or religious documents and symbols that may be perceived as implying institutional support for a particular affiliation. BLF promotes the freedom of expression amongst its staff by fostering a two-way communication between employees and management, actively encouraging employees to voice their concerns, opinions and problems via multiple communication channels.

Freedom of association: BLF recognizes and respects the right of employees to freedom of association. The Bank affirms that employees that have decided to join or to refrain from joining the Federation of Unions of Banks' Employees, as well as those who become syndicate representatives will not be subject to reprisal, dismissal or any sort of discrimination or power abuse. Employees who act as representatives are neither advantaged nor disadvantaged. The Bank assumes a strictly neutral position in this regard.

Violence, harassment and bullying-free workplace: BLF has a zero-tolerance policy towards workplace violence, power abuse, harassment and bullying. It does not permit nor tolerate any behavior that is violent, insulting, offensive, discriminatory, racist, humiliating, threatening, or degrading of anyone's dignity.

EMPLOYEES' BAROMETER

In 2018, an anonymous employee barometer was conducted in order to assess BLF employees' expectations versus their experience. It measured satisfaction levels asking employees questions related to:

- Overall feelings about the work experience
- BLF's leadership
- BLF's corporate culture and information
- Role at BLF
- Work environment and resources
- Relationship with immediate supervisor and colleagues
- Package and benefits
- Motivating factors
- What can BLF do better to increase satisfaction, engagement and productivity.

The response rate was 62% knowing that the average employee survey response rate varies between 30% and 40% as per Survey Gizmo's "What's a good survey response rate".

The results were positive, and the satisfaction level reached 86%.

The agreement level on the criteria "I recommend working at BLF to a friend" reached 90% while it reached 93% on the criteria "I am proud to work at BLF".

The main employees' suggestions were related to schedule and flexibility, package and benefits, growth and competences, objectives and resources, as well as authority and motivation.

The top 9 motivating factors were:

- "Having respectful supervisors/managers"
- "Having the opportunity to advance to more senior positions"
- "Working in accordance with my personal ethics and values"
- "Reaching my objectives"
- "Ensuring job security"
- "Feeling that my work is useful to the Bank"
- "Receiving appropriate recognition for my performance"
- "Receiving appropriate financial rewards or bonus and good salary"
- "Having a pleasant working environment".



"The employee barometer showed positive results with 93% of employees proud to work at BLF. Employee recommendation will be considered to address areas that can be further improved".
Tania Rizk (Head of Communications, CSR and Customer Experience Division)

COMPLAINTS AND GRIEVANCES MECHANISMS

On the subject of internal and external schemes for reporting concerns and looking for advice on ethical and lawful matters, BLF has established the following mechanisms:

Open-door policy: An open-door policy has been instated in the Human Resources Division to enable all employees to walk in and discuss any doubt or concern that might constitute a threat to the Bank or their career. During these confidential meetings, the Human Resources Division advises the employee on the course of action and guides them through the process taking into consideration the Bank's rules and regulations as well as its values and ethics.

Human Resources site visits: The HR Career Development team conducts periodic visits to all branches and divisions to discuss with employees their careers and aspirations. It seizes this opportunity to openly discuss any concern and works actively towards investigating and resolving it. This approach fosters a climate of trust, open communication and accountability.

Internal whistle-blowing policy: The internal whistle-blowing policy aims to facilitate the detection and prevention of illegal activities in accordance with guidelines of Circular N° 271 of the Banking Control Commission. Each employee is handed the detailed policy on the day of his/her recruitment and is asked to acknowledge that he/she has read, understood and will abide by the terms outlined in the policy. Similarly, he/she agrees to inform the Internal Audit Division if an employee intentionally or negligently violates the Bank's procedures. The employee is held accountable for any unreported breach.

Complaints and grievances module on the intranet: In order to ensure a proper and confidential pathway for sensitive and compromising information, the Bank has created a portal that allows employees to report grievances anonymously and directly to the Head of the Human Resources Division. The latter then acts as an ombudsman with the full authority to investigate and acts on claims without compromising the informer. Only one grievance was reported during 2018 and 2019 and was successfully handled and solved.

INTERNAL ENGAGEMENT CHANNELS

Its various internal communication channels offer the perfect venue for employees to voice their opinions.

Internal stakeholders' engagement uses the following channels:

- Intranet
- Emails
- Phone
- WhatsApp
- Meetings
- Committees
- Employees' Facebook Group
- Employees' Instagram account
- Suggestion box
- Employee activity Club
- Internal events
- Workshops
- Brand engagement think tank
- Internal campaigns
- Surveys, etc.

BLF believes that proactive engagement with all employees contributes to enhanced productivity, creativity and satisfaction.



Winners of the suggestion box award.



COMMUNICATION WITH EMPLOYEES IN TIMES OF CRISIS

During times of crisis, BLF makes sure to continuously communicate with its employees on its internal communication platforms.

Raya Raphael Nahas
November 11, 2019

A tous les membres de la famille BLF,
Nous venons de passer sans aucun doute une des semaines les plus difficiles de notre Histoire et chacun individuellement de sa Carrière. Et tout ce que j'aimerais vous dire se résume en deux mots, ceux qu'on apprend très tôt aux petits enfants parce qu'ils sont simples mais magiques: Bravo et Merci.

Bravo, parce que vous avez affronté cette pression avec courage, professionnalisme et responsabilité. J'ai une pensée particulière pour tous les commerciaux qui sont en première ligne et spécialement pour les agences qui ont subi des mouvements de masse devant leurs portes et même des menaces d'intimidation. Merci, parce que les marques de confiance que nous recevons de nos clients, même s'ils sont inquiets et soucieux, témoignent de l'attitude exemplaire et de l'engagement dont vous avez fait preuve.

J'aimerais vous assurer que Notre Banque reste solide et que les restrictions que nous avons malheureusement dû introduire nous sont imposées par la crise de confiance sans précédent que le Secteur Bancaire subit, maintenant qu'on l'erige en bouc-émissaire de choix!

Malgré tout, nous continuons à servir au mieux individuellement nos clients, de manière juste et équitable, tout en prenant soin de sauvegarder au niveau global les intérêts de notre Banque, et ce dans l'intérêt de l'ensemble de nos déposants, de nos employés, mais aussi de l'économie libanaise.

Je vous entends souvent dire que vous êtes fiers d'appartenir à la famille de la BLF....aujourd'hui c'est Nous qui sommes fiers, même très fiers, de vous avoir à nos côtés.

J'espère que ces 3 jours vous auront permis de vous reposer... Dans l'attente de lendemains meilleurs, le plus tôt je l'espère, nous devons rester calmes et sereins, pour rassurer nos clients et trouver autant que possible des solutions raisonnables à leurs besoins.

Très sincèrement,
Raya

“ ... We are very lucky to have such an amazing team in the network and a great spirit, this is very helpful. We are living very difficult and frustrating times, but we also hope this is the price to pay for a better tomorrow and for the Lebanon we have always dreamed of... ”

Raya Raphaël Nahas
06 décembre 2019

“ How can we lose hope when we are surrounded by such a simply wonderful BLF family? Together, we will rebuild. Together, we will carry on with our Vocation, armed with our principles and values. Ethics and Humanism cannot but prevail. Thank you for everything and above all for being the wonderful people you are! ”

Raya Raphaël Nahas
April 30, 2020

“ ...Tous à nos postes avec pour premier objectif, celui qui a toujours été le nôtre, dans les moments prospères ou les moments difficiles, à savoir d'assurer la Confiance... Ensemble nous bâtissons un Liban meilleur ! ”

Raya Raphaël Nahas
30 octobre 2019

BLF General Management constantly communicates with its staff, especially in times of crisis.

BLF shared tips prepared by the American University of Beirut Medical Center (AUBMC) with its employees to help them cope with the stress considering the political, social and economic situation in Lebanon in the last quarter of 2019.



BLF highlighted the efforts of its employees in branches, back offices and central divisions to thank them for offering clients a professional service and inspiring trust in times of crisis.

IN TIMES OF CRISIS, WE FOUND OPPORTUNITIES: RESPONSIVENESS

"Going through tough times, we had to be more responsive, while acting efficiently but quickly", highlights Ghassan Sawaya. "Our colleagues, whether in IT or at the Bank in general, handle this responsibility very well."



"Motivation is built-in at the Security team"



"Despite having to work in less than perfect circumstances, the team never gave up. On the contrary, they were always checking up on each other and keeping a positive attitude", expressed M. Aoun.



NOTRE MOT D'ORDRE: MOTIVATION

Les responsables de départements montrent l'exemple en étant positifs et motivés afin d'inspirer leurs équipes. Les employés sont motivés, ils apprécient encore plus de faire partie de la BLF durant cette période d'incertitude. Nous sommes reconnaissants à la DG pour être toujours proche de tous les collaborateurs de la Banque et de toujours veiller à leur assurer le meilleur.



CLOSER TOGETHER

"المرحلة قُوْنِي عِلَاقِي فِيهِن"



"This crisis reflected the team's integrity and feeling of belonging, proving that, when it comes to working under tough circumstances, مني كضمانات," says Sanas Kadil. "On a professional level we all see the results, but on a personal level... it brought us closer together."

QUALITY CIRCLES

All employees are entitled to be part of quality circles. Each circle gathers four to eight representatives from different entities, three or four times per year to reflect on a topic that concerns all employees such as working hours, text messaging and submit recommendations to the General Management.

"BLF Brand Engagement" Quality Circle

The first quality circle was launched by the Communications, CSR and Customer Experience Division to reinforce the engagement at the Bank. It started in 2015 with a group of 11 colleagues from different entities such as Human Resources, Communications, CSR and Customer Experience, International, Operations, Branch Network, Branch Managers and Employees' Club.

Main achievements:

1. Recruitment, greeting and integration
 - Systematic response to all job hunters
 - Recruitment overview guide
 - Complete overhaul of the Integration Seminar
 - Aptitude tests, welcome kit to all new comers
2. Foundation of engagement, culture and integrity
 - Integration of corporate values within the yearly assessment
 - Revision of the Employee Handbook
3. The Club's activities
 - Talent show
 - Annual sports tournament (Marathon, Beirut Corporate Games)
 - Field day with all employees and their families.



BLF employees take part in the Beirut Corporate Games.

"Customer versus Employee Engagement" Quality Circle

The second quality circle was initiated by the Communications, CSR and Customer Experience Division in 2017 to strengthen employees' engagement in order to provide a better customer experience. This Customer versus Employee Engagement group was composed of 26 managers and employees from different entities and branches such as Organizational and Strategic Planning, Communications, CSR and Customer Experience, Legal, Financial, Marketing, Human Resources, Corporate, SME, Branch Network, Operations and Capital Markets.

Main achievements:

1. Know the Bank and promote it
 - Create "Meet Your Banker" videos
2. Strengthen the synergy between employees
 - Set up team building activities for all branches and entities at the Bank
3. Improve the experience of Bank employees
 - Conduct a training for Middle Managers in collaboration with AUB
 - Incorporate the volunteering spirit and green practices at BLF
 - Spread a healthy lifestyle at the Bank by ensuring healthier meals in the canteen
4. Introduce more innovative practices at the Bank
 - Create a section on the website dedicated to Human Resources
 - Participate in E-learning webinars and trainings.



BLF launched the "Meet Your Banker" video series.

CELEBRATING SUCCESS AND STRENGTHENING TIES

BLF organizes regular company events to connect its entire staff members and reinforce their sense of belongingness, strengthen team bonds and highlight the Bank's core values and culture. In 2018, BLF hosted a gala dinner full of surprises which brought 1,123 employees from all entities, levels, regions closer together.

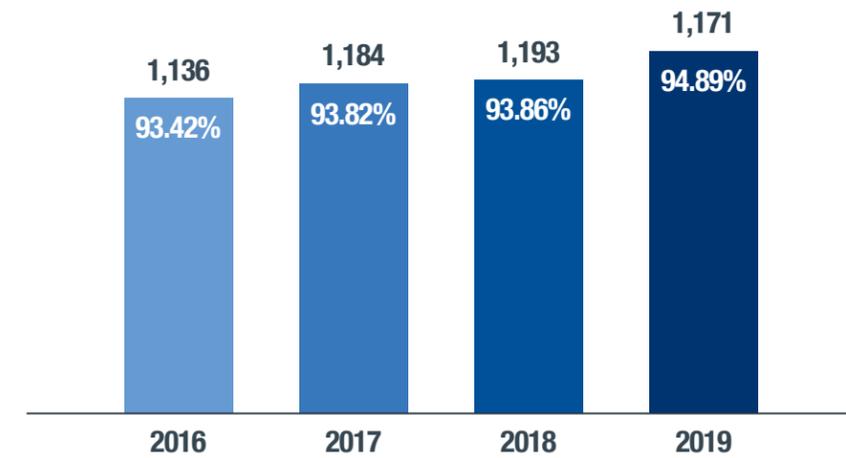


Organizing diners contributes to fostering employee engagement which is one of the key components of BLF's CSR strategy.

THE EMPLOYEES' CLUB

Since its foundation in 1972, "Le Club des Employés" has been working towards increasing employee engagement, motivation and interaction among colleagues from all Lebanese regions and entities. It arranges social, cultural, sports, recreational activities and trips. While some of the activities are free of charge, others are organized at reduced costs, mainly because they are subsidized by the Bank or financed thanks to the symbolic monthly membership fee paid by the members.

The Club also offers employees discounted subscriptions to sports clubs and a free of charge participation in the Beirut Marathon where they run for a cause. These fun events vary from year to year, but are regularly attended by the staff, their spouses and children.



Number and percentage of staff who are members of the Club.

"Le Club is an opportunity to meet new people at work, collaborate with colleagues from different departments and contribute to strengthening the bonds between all BLF family members. Whether by launching daytime activities, participating in corporate sports challenges, throwing a party or celebrating special occasions together, we are always working as one team, taking into account the slightest detail that contribute to a memorable event".

Diana Chahine (Brand Engagement Expert Officer at the Communications, CSR and Customer Experience Division and member of the Club's Committee)



BLF's Club team members.

Type of activity	2016		2017		2018		2019	
	Number of activities	Percentage of activities						
Community involvement	0	0%	0	0%	0	0%	2	7%
Sports	5	20%	5	20%	6	27%	4	15%
Socio-cultural	17	68%	15	60%	14	64%	17	63%
Children	3	12%	5	20%	2	9%	4	15%
Total	25	100%	25	100%	22	100%	27	100%

Employee participation in Club activities.



Surprises on Mother's Day.



Beirut Corporate Games in 2018.



Women Basketball team.



Men Basketball team.



Iftar at the Four Seasons hotel.



Evening at O by Michel Fadel night-club.



Weekend at the Cedars.



Hiking at the Balaa grotto.



Apple picking day to support Lebanese apple farmers.



Day at the Pineland Resort.



Day at Rikky'z.



BLF Dabkeh lessons.



Trip to Rome.



Trip to Positano.



Trip to Antalya.

HUMAN RESOURCES MANAGEMENT

In addition to complying with the internationally recognized Human Rights Declaration, the Lebanese Labor Law and the Collective Labor Agreement, BLF strives to observe and promote the respect of the following:

- ISO 26000 guidelines on social responsibility
- The United Nations Global Compact (UNGC) principles
- The International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
- The Arab Labor Organization (ALO) Conventions on Human Rights.

COLLECTIVE LABOR AGREEMENT

Since 2016, 100% of employees have been covered by the Collective Labor Agreement

HUMAN RIGHTS POLICY

BLF's Human Rights Policy highlights how the Bank respects human rights in the workplace and promotes them within its sphere of influence. It applies to the Bank's corporate actions and to the behavior of its employees.



The Human Rights Policy is published in three languages in the Employee Handbook, on Intranet, in the Corporate Governance Guide and on the BLF website.

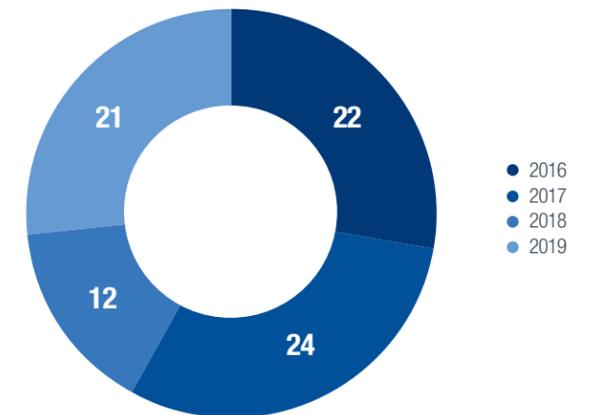
HUMAN RESOURCES COMMITTEE

The Human Resources Committee sets the recruitment policy, prepares career development plans and training programs, formulates employee benefits policies and supervises the annual employee evaluation process and the Bank's code of conduct.

It has eleven members and is headed by the Chairman and General Manager and meets periodically.

CAREER DEVELOPMENT COMMITTEE

- Discusses the employees' careers
- Establishes specific training programs for employees that show potential to reach managerial positions
- Helps employees with orientation problems in their careers
- Identifies highly qualified employees to be enrolled in the Management Training Program (MTP)
- Monitors the evolution of employees enrolled in the MTP
- Drafts a succession plan for its main line managers.



Number of employees who went through Career Development Committee.



BLF's first e-branch at Mar Mikhaël.



MARKETPLACE

Banque Libano-Française is one of the leading banks in Lebanon and a significant participant in the Lebanese economy. Serving more than 160,000 customers, loyal to its values and sustainability strategy, BLF conducts its business in a principled and transparent manner, while complying with local and international regulations.

BLF had 60 branches and a network of 181 ATMs covering all the regions in Lebanon as at end of 2019.



SERVING CLIENTS THROUGH DIVERSIFIED BUSINESS LINES

To meet the evolving needs of its varied customers, BLF has put in place the below diversified business activities. For full information on the Bank's business activities, kindly refer to BLF's website: <https://www.eblf.com>

Commercial Banking: Corporate Banking and Middle-Market Banking

- Working capital lines and overdrafts
- Medium-term and long-term loans
- Trade finance including documentary credits and guarantees
- Treasury services such as foreign exchange structure
- Financial consulting services
- Term deposit accounts
- Cash management services
- Cards services
- Programs financing such as Kafalat subsidized loans, BDL subsidized loans, ATPF facilities, IFC program facilities, EIB facilities, AFD and other international financial institutions programs.

Retail Banking

- Accounts packages
- Loans
- Term deposit accounts
- Multi-currency debit and credit cards (MasterCard and Visa)
- Digital banking services through the mobile app and e-banking platforms and ATMs
- Life and non-life insurance plans through its subsidiaries
- Personal Banking.

Investment Banking and Global Markets

- General investment banking services
- Investment products
- Hedging solutions
- Proprietary trading activity in Lebanese and International fixed income securities and foreign currencies.

International and Correspondent Banking

- Counterparty and sovereign risks analysis and follow-up
- Access to BLF's correspondent banking network, including risk participation activities, forfeiting, and pre and post-export finance
- Cash management services and foreign exchange
- Securities brokerage services, locally and internationally
- Syndicated loans of foreign banks and long-term borrowings from international and multilateral financial institutions such as AFD, EIB, OPIC and the Arab Investment Guarantee Company.

Private Banking and Wealth Management

- Personalized advice, professional guidance and tailor-made investment solutions.

OFFERING CLIENTS PRODUCTS AND SERVICES

Future newlyweds

- Wedding account package • Housing loan • Travel loan • Wedding loan • Home insurance plan • Travel insurance plan • My BLF app • Point Sms® • Call center Point Call® • E-banking Point Com®

Youth 0-25 years old

- LTBY account packages • LTBY deposit account (18+) • Car loan (18+) • Educational loan (18+) • iloan (18+) • Motorcycle loan (18+) • Bike loan (18+) • Educational savings plan • Retirement savings plan • My LTBY by BLF • Point Sms® • Call center Point Call® • E-banking Point Com®

Expatriates

- Expatriate account package • Term deposit account • Housing loan • Co-branded Air France KLM - Banque Libano-Française cards • Housing savings plan • Insurance plan of payment means • My BLF app • Point Sms® • Call center Point Call® • E-banking Point Com®

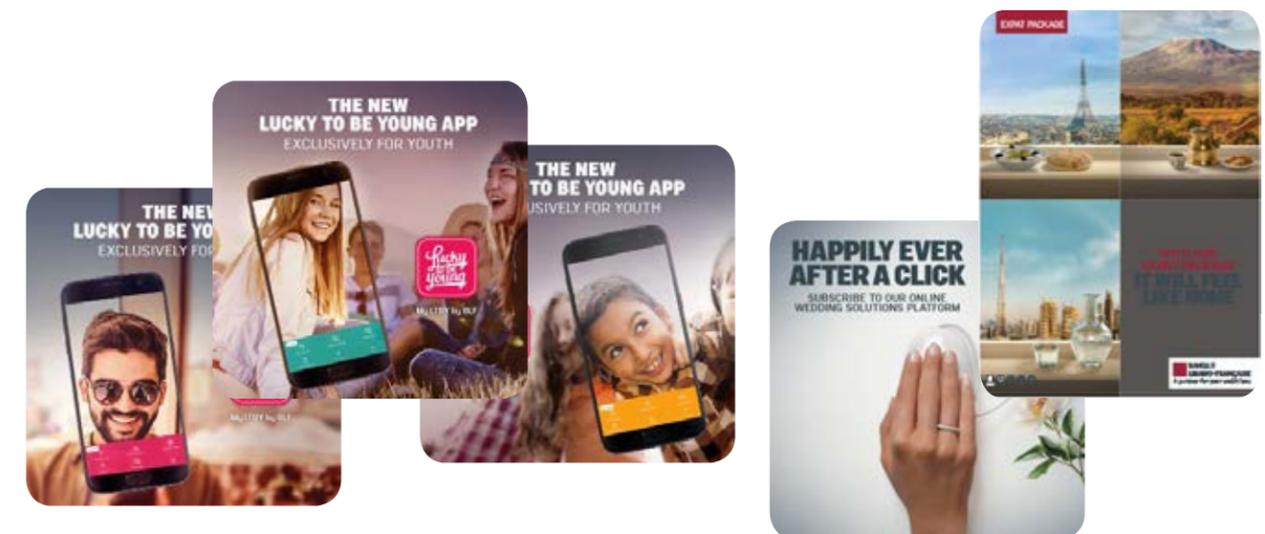
Businesspeople

- Pro account package • Pharmacist account package • BDL incentive loans • Kafalat loans • Overdraft facilities • Microcredits • Office and/or shop insurance plan • Group life insurance plan • Key person insurance plan • My BLF app • Point Sms® • Call center Point Call® • E-banking Point Com®

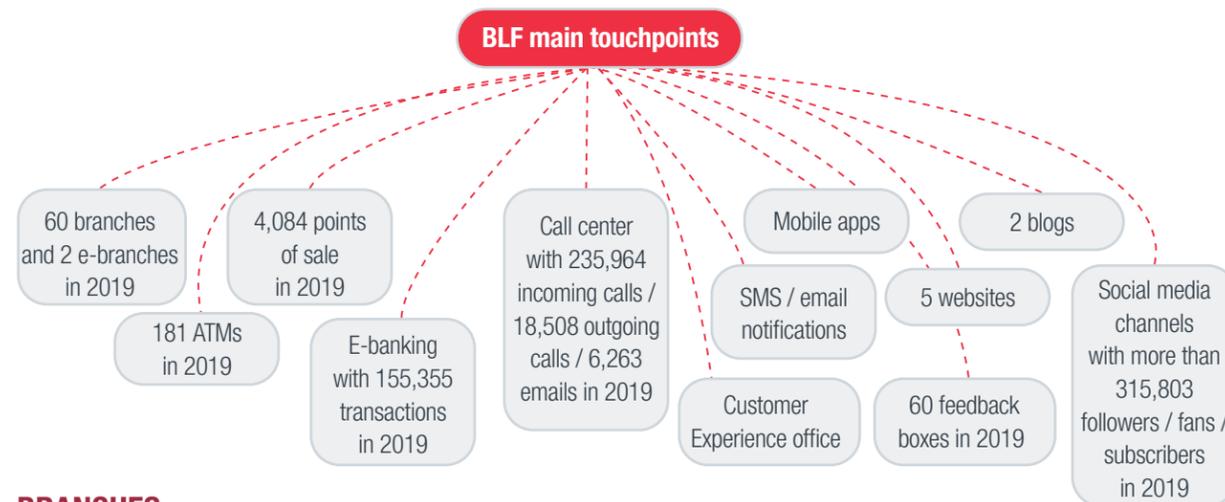
Individuals

- Multi package account • Term deposit account • Car loan • Housing loan • iloan • Motorcycle loan • Solar water heater loan • Retirement savings plan • Travel insurance plan • Educational savings plan • Home insurance plan • Housing savings plan • Life insurance plan with accidental coverage • Term life insurance plan • Income compensation plan • Educational savings plan • LF Total Return Bond Fund • LF Lebanon Income Fund • LF Global Opportunities Fund • Co-branded Air France KLM - Banque Libano-Française cards • Credit cards • Debit cards • Prepaid cards • My BLF app • Point Sms® • Call center Point Call® • E-banking Point Com®

As at end of 2019, the Bank had approximately **2,263** Corporate Banking clients and **8,217** Middle-Market Banking clients (3,483 debtors and 4,734 creditors). It also had more than **98,305** Retail Banking, **21,895** Personal Banking and **388** Private Banking active individual customers.



ENSURING FINANCIAL INCLUSION THROUGH DIVERSE DELIVERY CHANNELS



BRANCHES

Every year, BLF optimizes the distribution of its branch and ATM network aiming to constantly grow its market in all Lebanese regions. BLF ensures that its current and newly inaugurated offices and ATMs are in optimal locations to cater the needs of its clients.

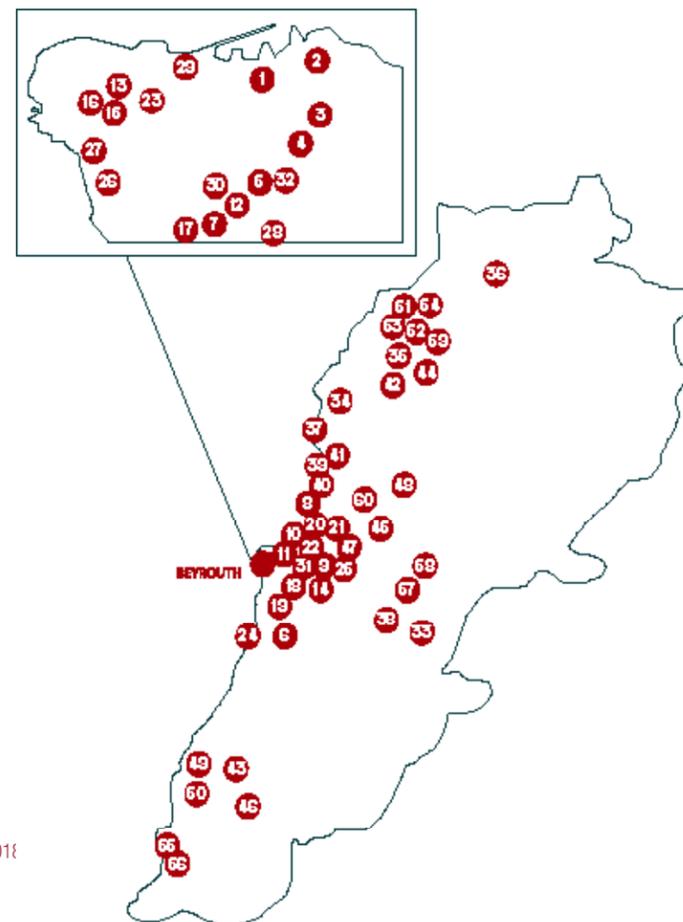
GREATER BEIRUT

1. Achrafieh - Accaoui
2. Achrafieh - Geitawi
3. Achrafieh - Sassine
4. Achrafieh - Sioufi
5. Bechara El-Khoury
6. Bir Hassan
7. Chyah
8. Dbayeh
9. Dekwaneh
10. Dora
11. Dora Bourj-Hammoud
12. Galaxy
13. Gefinor
14. Hadat
15. Hamra
16. Hamra Maamari
17. Haret-Hreik
18. Hazmieh
19. Hazmieh - Mar Takla
20. Jal El-Dib
21. Jal El-Dib Centre
22. Jdeideh
23. Kantari
24. Khaldeh
25. Mansourieh
26. Mar Elias
27. Mazraa
28. Mreijeh
29. Saifi
30. Sami El-Solh
31. Sin El-Fil
32. Sodeco

OUTSIDE GREATER BEIRUT

33. Bar Elias
34. Batroun
35. Dahr El-Ain
36. Halba
37. Jbeil
38. Jdita-Chtaura
39. Jounieh
40. Kaslik
41. Kfarhabab*
42. Kousba
43. Lebaa
44. Mizyara
45. Mazraat Yachouh
46. Nabatieh
47. Rabieh
48. Reyfoun
49. Saida
50. Saida Boulevard
51. Tripoli - El-Mina
52. Tripoli - Tebbaneh
53. Tripoli - Tell
54. Tripoli - Zehrieh
55. Tyre
56. Tyre-Hoche*
57. Zahleh
58. Zahleh Boulevard
59. Zghorta
60. Zouk Mosbeh

*New branches inaugurated in 2011



In line with its commitment towards SDG 10 and the Lebanese Central Bank's Intermediate Circular N° 458, 71% of BLF branches are wheelchair-accessible with ramps installed in seven branches.



Hazmieh branch equipped with a ramp.

E-BRANCHES

BLF opened its first e-branch concept in Mar Mikhaël, aiming at offering an optimized digital banking experience to its clients and the visitors of this area. Customers are able to withdraw, deposit cash and checks, and benefit from many other services, through two ATMs. They also have the possibility to access in a simple, confidential and secured way, their accounts through BLF's e-banking services and mobile apps.

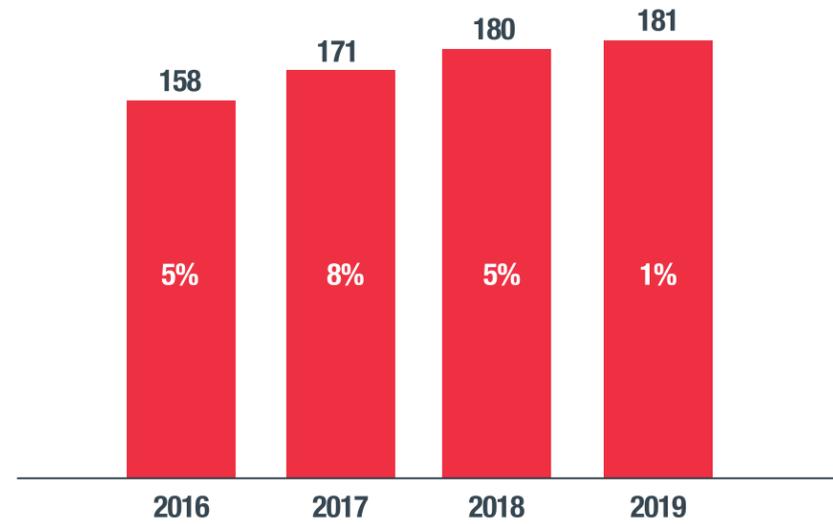
"We chose Mar Mikhaël area, notably because it is vibrant and attracts the public, and mainly millennials, into its restaurants and pubs. A new version of our kiosk with yet additional digital solutions will also be available soon."

Marwan Ramadan (Assistant General Manager and Head of Branch Network Division)



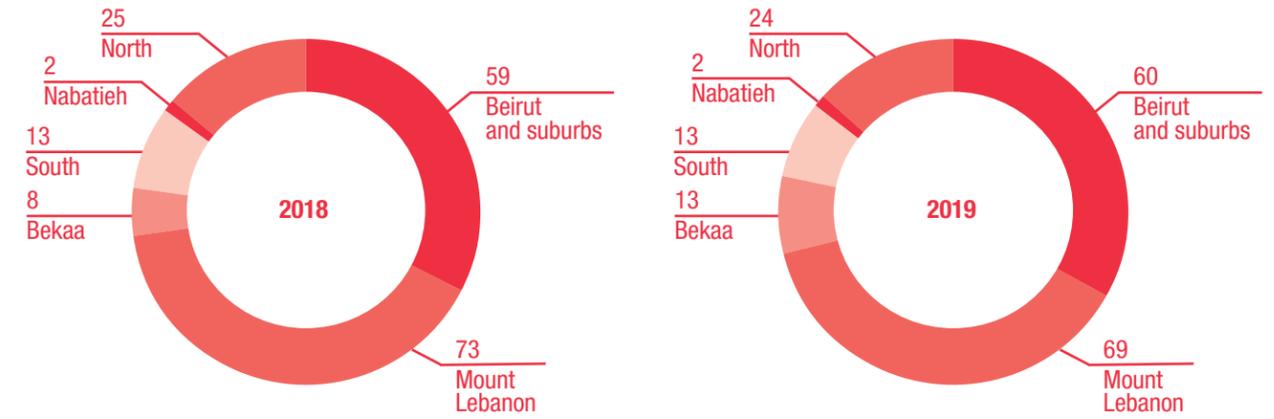
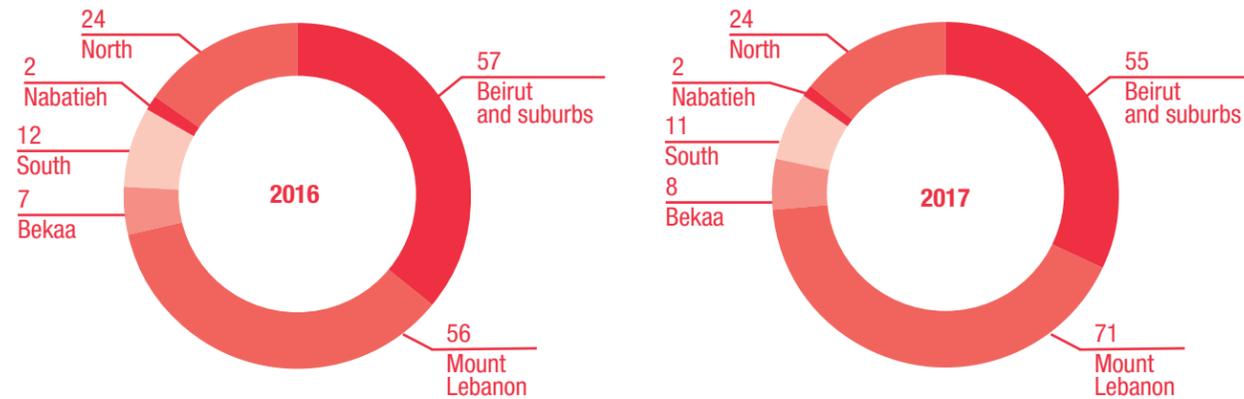
ATMS - POINT CASH®

Located at convenient places all around Lebanon, BLF's ATMs are installed on-site and off-site as well. They ensure 24/7 secured banking services which save clients' time without queuing at the branch nor worrying about its operating hours.



Number of BLF's ATMs has increased by 13% from 2016 till 2019.

BLF ranked third in Lebanon in the total number of ATMs in 2019 based on a comparative study done by BLF's Marketing Division.



Geographical distribution of ATMs across Lebanon.

	2018	2019
Wheelchair-accessible internal ATMs	40	40
Wheelchair-accessible external ATMs	42	42
Wheelchair-accessible off-premises ATMs	47	47
Wheelchair-accessible ATMs	129	129

Number of wheelchair-accessible ATMs.

	2016	2017	2018	2019
Total number of ATMs	158	171	180	181
Total number of ATMs in rural areas	10	13	15	16
Percentage of ATMs in rural areas	6%	7%	8%	8%

Number of ATMs in rural areas.

"Part of BLF's digitization has included transforming ATMs into multiple services teller machines that allowed customers to make deposits, payments for tuitions and wedding registry as well as donations to NGOs."

Myrna Wehbe (Head of Cards Services Division)

POINTS OF SALE AND E-COMMERCE

The upgrade of the Bank's POS terminals to enable contactless transactions was introduced in 2015 and is now available on the majority of BLF's devices, allowing cardholders to perform their transactions securely and swiftly. This technology lays down the foundation for future innovations.

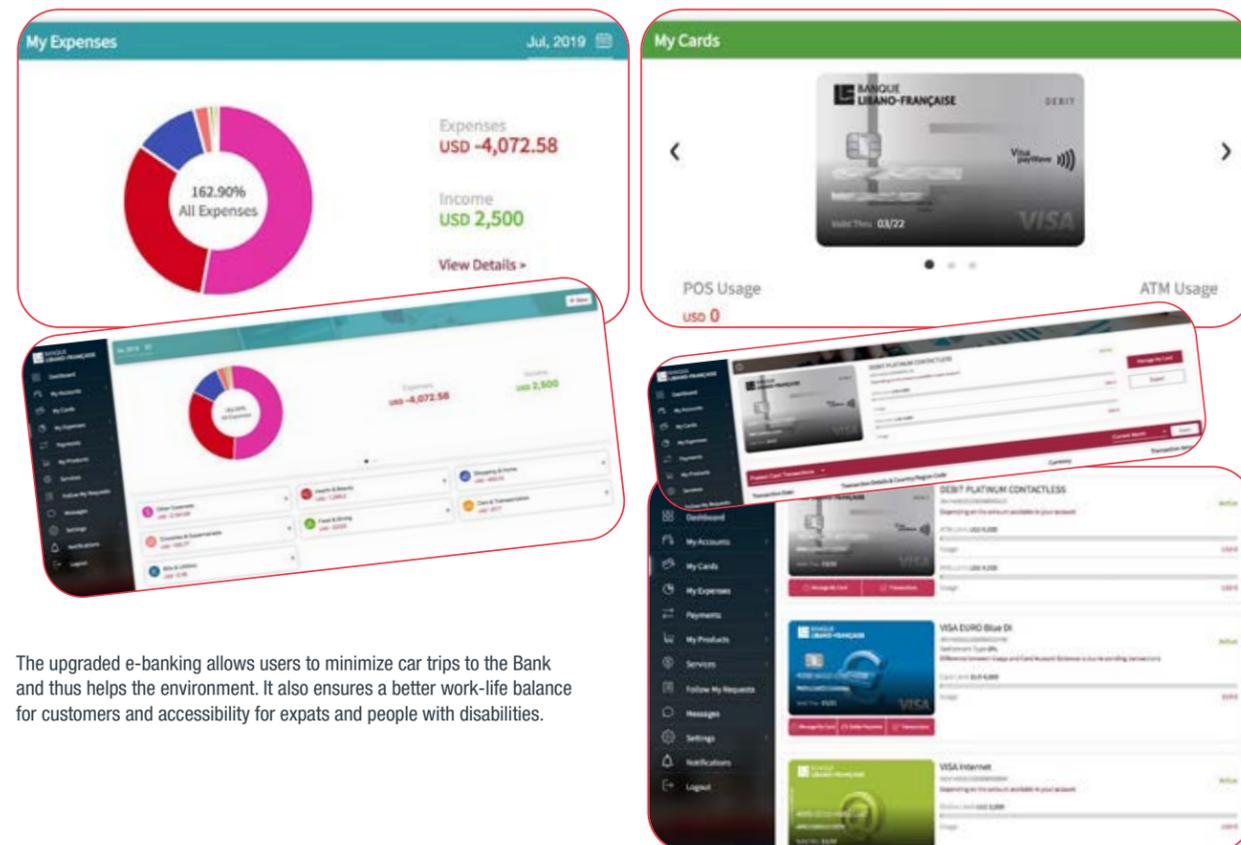
	2018	2019
POS	3,872	4,084
E-commerce merchants	55	70

The number of POS and e-commerce merchants showed respectively a 5.5% and 27% increase from 2018 to 2019.

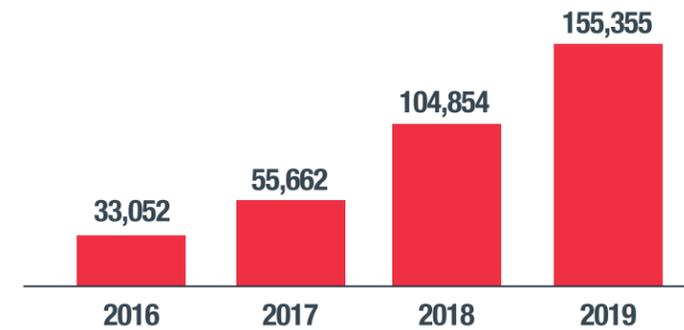
E-BANKING - POINT COM®

In 2019, Point Com® was enhanced with new features such as:

- **“Check your Check”**, allowing the user to view the image of paid or deposited checks.
- **“My Expenses”**, BLF's own Personal Financial Manager giving the user an extensive look of his/her income versus his/her expenses by category. This helped BLF clients better control and manage their money with the ability to set limits per category.
- **“My Cards”**, section allowing the user to check his/her approved, pending and rejected cards' transactions, settle due payments, as well as stop or re-activate a card instantly.



The upgraded e-banking allows users to minimize car trips to the Bank and thus helps the environment. It also ensures a better work-life balance for customers and accessibility for expats and people with disabilities.



Number of e-banking transactions.

“Most banks are accelerating their adoption of digital technology to offer the best digital banking services to their clients. What gives BLF a competitive edge is its tendency towards digitization and its ability to frequently add more features to its digital platforms. Furthermore, BLF is focusing on understanding the customers' full range of choices within the market by anticipating their needs with new digital banking platforms to enhance their customer experience.”

Ronald Zirka (Head of Marketing and Retail Divisions)

SMS AND EMAIL ALERT SERVICES - POINT INFO®

Thanks to BLF's SMS and email alert services, clients can keep track of their banking activities and account balances wherever they are.

CALL CENTER - POINT CALL®

It acts as an extended branch that offers reliable and quick access to information about the Bank and its range of products and services. It also allows for loan simulations as well as account balances and transactions' checking, credit cards manual settlements, checkbook requests and permanent sweep orders.

SMS NOTIFICATIONS - POINT SMS®

BLF's Point SMS® system sends clients an SMS notification every time their card is used. It is a secure practical service that helps clients control their spending, supervise all withdrawals and payment activities of their card and detect early on flawed transactions or fraud attempts.

MOBILE APP - MY BLF

Banque Libano-Française's mobile application, My BLF, offers clients an optimized user experience with competitive features. Users can access their accounts with their fingerprint and an OTP (one-time password), transfer money instantly and on the go between their accounts or to a beneficiary, deposit money on a wedding list, pay tuition fees to schools and/or universities, check the details of their Swift transfers, view their POS statements, manage their cards and expenses, have a personalized experience based on age-brackets and many more.

BLF facilitated e-commerce donations to the following associations:

- Arcenciel
- Codi Lebanon
- Just Help
- Himaya
- Blessing Foundation
- College Protestant
- Raseef 22.



BLF teamed up with the Children's Cancer Center of Lebanon allowing users to directly donate to the association through all BLF ATMs.

BANKING IN TIMES OF CRISIS

Thanks to BLF's conservative business model which is based on ethical behavior, solid corporate governance and prudent risk management, the Bank maintained its rock solid reputation and gained competitive advantage in 2019 during the economic crisis that shook consumer confidence in the Lebanese banking sector.

With the dollar shortage reverberating through the local economy, BLF continued to provide USD bank notes in 2019 and was the last bank to impose limits on withdrawals. Nevertheless to align with the challenging market, BLF had to set limits for cash withdrawals keeping the highest ceiling among the competition. Similarly, BLF also imposed the uppermost ceilings with regards to the international cards.

As a result of increased consumer confidence in BLF, there has been a:

- 60% increase in the number of new account openings in 2019 versus 2018
- 22% increase in the number of salary domiciliations (group offers) in 2019 versus 2018
- 7% increase in the number of new e-banking users
- 49% increase in the number of online transactions and 31% increase in the volume of online transactions between the clients' own accounts
- 37% increase in the number of online transactions and 30% increase in the volume of online transactions to the clients' beneficiaries
- 29% increase in the number of online wedding gift payments and 58% increase in volume of online wedding gift payments
- 66% increase in the number of term deposits accounts online mode renewals
- 7% increase in the MyBLF app rating on Google Play and 2% increase on the Apple Store.

Positive Customer Experience
Customers share their feedback about their experience with us!

"BLF has, by far, the best bank ATMs. Their conservative monetary policies paid off. Hats off BLF."

Twitter • December 7th, 2019

Positive Customer Experience
Customers share their feedback about their experience with us!

"I'm writing to thank you for all your services and support. We've always been extremely satisfied with BLF and during this turmoil period we were not let down. We are proud to be BLF clients as we heard from our friends the issues they are facing with their banks whereas with BLF, things are much smoother?"

Zahle Boulevard client • December 23rd, 2019

Positive Customer Experience
Customers share their feedback about their experience with us!

"You are the best Bank in Lebanon when it comes to 'client-bank' relation."

Zouk Mosbeh client • November 30th, 2019

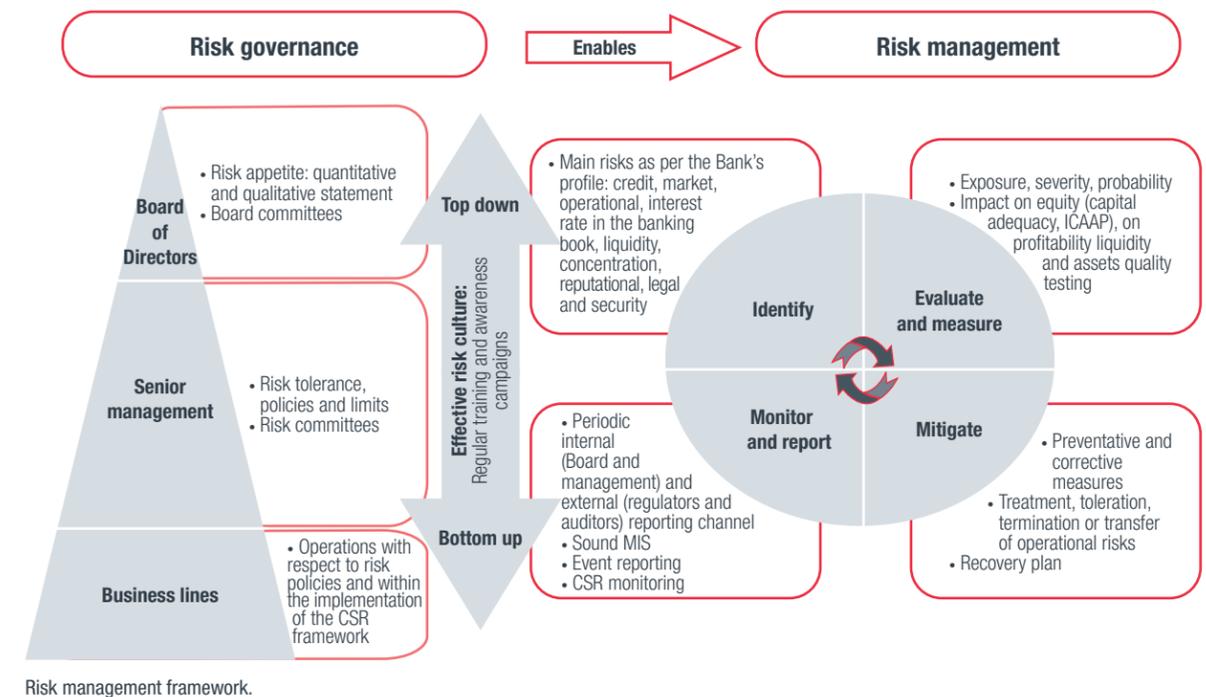
Customers share their positive experience with BLF during the banking crisis.

MANAGING RISKS

Banque Libano-Française is fully compliant with all prudential regulations and guidelines issued by the Central Bank of Lebanon, the Basel Committee and the host regulators of countries in which it operates.

BLF is also compliant with the International Accounting Standards and external auditor requirements by applying the IFRS9 standards pertaining assets classification and impairment starting 2018.

Committed to run its activities in the best interests of all its stakeholders, the Bank has furthermore established a sound risk management framework shared across all entities. It ensures the timely management and control of the risks identified within the Bank's profile and generated by its core activities of Commercial and Retail Lending, Treasury and Asset Management, Wealth Management as well as International and Correspondent Banking.

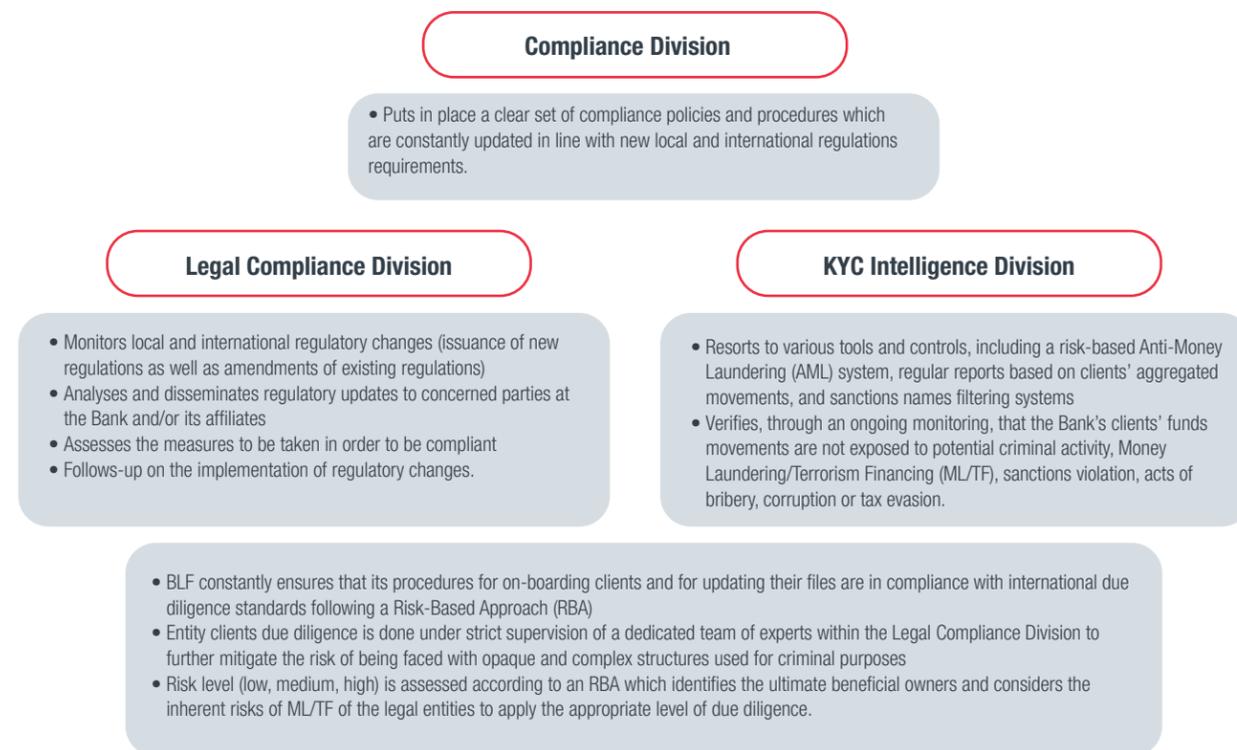


COMMITTING TO A CULTURE OF COMPLIANCE

BLF continuously invests in human and technological resources and adopts systems, policies and procedures to comply with all applicable local and international regulations, including:

- Standards for the prevention of money laundering, terrorism financing and other criminal activities by strictly implementing international sanctions and embargo programs
- Fighting of corruption in line with local laws, international best practices and the United Nations Convention Against Corruption.

The Bank's policies and procedures include specific measures for fighting corruption and bribery, such as a whistle blowing policy or measures forbidding its employees from accepting gifts above a certain value or other undue benefits from third parties.



COMPLIANCE TRAINING

Disseminating a strong compliance culture among all employees is considered by the Bank's Board of Directors and General Management as a top priority. Hence, and in order to prevent BLF products and services from being used for illegal purposes, all employees are constantly informed of compliance risks and trained to avoid or mitigate them. The Bank continuously and regularly provides in-house and external AML awareness training to all employees, covering all compliance-related matters, including local and international regulations, sanctions programs, Foreign Account Tax Compliance Act (FATCA), Common Reporting Standard (CRS) and combating financial crime.

Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) policies and procedures manual was circulated to all concerned employees, underlining the following points:

- Local laws and circulars regarding AML/CFT
- AML/CFT international standards and best practices
- Customer Due Diligence (CDD) and Know Your Customer (KYC) regular updates
- Ongoing monitoring of accounts
- AML/CFT red flags and indicators
- High risk and sanctioned countries
- Enhanced Due Diligence (EDD) on high risk clients
- Screening on sanctions lists
- Obligation to report suspicious transactions or doubtful clients
- Roles and responsibilities of all staff and compliance officers in branches and divisions.

An Anti-Bribery and Corruption Manual was launched in 2019.

Trainings

- The Compliance Division team attended several trainings organized by the Central Bank of Lebanon, the Association of Banks in Lebanon and the Union of Arab Banks covering AML/CFT topics and trends such as cybercrime, anti-bribery (challenges and remedies), Customer Reporting Standards, as well as the AML/CFT risks of the development of payment services.
- The KYC Intelligence Division launched a new AML/CFT/sanctions training program, which was addressed to 1,081 employees from different business lines and offered 22 workshops ranging from general awareness sessions for support divisions to technical cases for employees in touch with customers.
- It also completed all its in-house training sessions, which were previously launched and targeted all branches and several departments, focusing on practical cases and international AML/CFT trends.
- Furthermore, 227 employees were trained by the Legal Compliance Division on international tax reporting regimes (FATCA/CRS) as part of the ongoing awareness sessions.
- The Legal Compliance Division also launched the implementation of its compliance program with data protection regulations by providing awareness sessions to designated delegates from various entities.
- As part of the ongoing monitoring of the Group's activities, the Compliance Division carried on on-site missions at its subsidiaries abroad. The main objective of these missions is to ensure consistency and efficiency of the Compliance policies and procedures across the Group. During these missions, the Compliance Division also provided refresher trainings to employees on the Group's policies, procedures and best practices in terms of AML/CFT/Sanctions and compliance with international tax reporting regimes (FATCA/CRS).

ENSURING SECURE OPERATIONS

Hackers are getting increasingly resourceful day after day: they are developing more sophisticated attack methods leading to a significant rise in the number of cyber-attacks and breaches in all types of businesses. As a consequence, most of the regulatory bodies imposed stringent security controls on the financial sector, thus demanding a higher protection mechanism to enhance the security level of its IT infrastructure.

BLF Security Department has put in place security solutions to continuously enhance the Bank's defensive levels all while complying with local and international regulations imposed on the banking sector. It moreover embraces digital transformation by safeguarding data within all deployed digital technology.



BLF's prevention guide against cybercrime.

STAFF AWARENESS

The Bank enhanced the level of its staff security awareness by adopting the following:

- Increasing the email communications of security guidelines to all staff members
- Diffusing security publications on Intranet
- Diffusing security tips set as screen savers to constantly remind employees of the security controls they need to follow
- Delivering to new recruits awareness sessions to tackle cyber security threats
- Conducting trainings on cybercrime and fraud to increase employee vigilance
- Conducting social engineering tests to determine the level of awareness of the staff and to identify any weak points
- Conducting security quizzes that award prizes to assess the knowledge of employees and motivate them to abide by security policies.

"Our main concern is to continuously strengthen cyber security awareness among our staff members to further boost our deeply-rooted security culture. We do so by educating our employees on how to be alert, vigilant and secure."

Iskandar Aoun (Head of Security Department)

DEFENSIVE SECURITY TOPOLOGY

To counter the rise of sophisticated intrusion techniques and advanced malware attacks, BLF has put in place the latest defense technologies such as sandboxing and next generation firewalls and continuously monitors threats. Additionally, BLF conducted in 2019 a feasibility study to outsource some of its security practices to security professionals to ensure a continuous and advanced level of management for these practices. It also initiated the required controls to enroll for the ISO/IEC 27001 Information Security Management System Certification in 2020.

BUSINESS CONTINUITY PLANS

In 2018 and 2019, BLF has included in its current Disaster Recovery (DR) site, 12 additional systems to further enhance the operational level of the Bank in case of disaster.

The Security Department launched the transferring of the existing services from the current operational DR site to a new full-fledged DR site. This setup will raise BLF's level of business continuity from a cold to a hot site with advanced infrastructure technologies.

Moreover, the Security Department updated its business impact analysis and recovery procedures to respond effectively to any disaster that might occur.

ENHANCING CUSTOMER EXPERIENCE

Banque Libano-Française puts its customers at the center of its business, enhancing its customer experience through marketing research, customer feedback management and internal assessments.

FAIR OPERATING PRINCIPLES

BLF employees live by the Bank's values while carrying out their daily tasks. To incorporate these values in their daily behavior and relationship with customers, employees are guided by the below principles:

- Respect of clients and urgency of their interests
- Professional reception and availability to the client
- Respect of procedures and regulations
- Respect of banking and professional secrecy
- Speed and accuracy
- Discretion and confidentiality
- Efficiency, good advice and professionalism.

In 2018 and 2019, the Customer Experience Department continued to train all new employees on the requirements of the Lebanese Central Bank's Basic Circular N° 134 to create awareness about customer protection.

The Customer Experience Department within the Communications, CSR and Customer Experience Division works on advancing the objectives of the Central Bank of Lebanon Basic Circular N° 134 related to the principles of banking and financial operations with customers with the purpose to ensure:

- Clients' fair treatment
- Suitability of products and services to clients' situations and needs
- Good clients' understanding of commitments and risks related to products and services
- Effective handling of clients' claims.

The culture of a transparent and fair relationship with a customer-centric approach has always been a priority at BLF. A Clients' Rights and Duties list has been provided to all clients in three languages. It has been added to the "convention d'ouverture de compte" and has also been diffused on all BLF communication channels. In line with the Central Bank of Lebanon Basic Circular N° 134, related to the Principles of Banking and Financial Operations with Customers, 85.29% of clients had signed the Rights and Duties list by end of December 2019.

In compliance with the Circular N° 134, BLF also ensures the respect of the suitability principle by:

- Introducing the right products and services to the clients' situations
- Helping the clients make the right choices
- Getting sufficient information to assess the adequacy of the offered or requested products and services on:
 - The purpose and the need to obtain the product or service
 - The personal and financial situation of the clients, including their knowledge and experience with the products and services
 - The clients' abilities to meet the terms and conditions of the products and services and take risks
- Documenting the fact that the product or service was sold under the suitability principle.

MAINTAINING TRANSPARENCY

With reference to Central Bank of Lebanon Circular N° 124, BLF continuously commits to provide clear, comprehensive and accurate direct or indirect advertisement on all its credit services.

It also provides every client with accurate and clear information on the conditions, benefits and risks of products and services, and inform him/her of any change. Key Facts Statements are available for all types of cards, POS machines, Retail, SME and Corporate loans, life and non-life insurance products, packages, e-banking and Operations Trade Finance.

On another note, a global detailed brochure featuring the Bank's fees and charges is published in three languages on the Bank's website.

LOYALTY RESEARCH

The implementation of a continuous mystery shopping program assists the Bank in measuring the clients' genuine experience in BLF branches and monitors the employees' performance thus spotting possible areas for improvement. Nine mystery shopping waves comprising over 636 mystery shopping visits were conducted between 2018 and 2019 for the branch network with a score of 95.6/100, the Call Center with a score of 81.4/100, the SME Units with a score of 89.4/100 in December 2019.

BLF also conducted qualitative and quantitative satisfaction surveys to measure the clients' loyalty and assess their satisfaction with its services and its products.

A Corporate Customer Barometer was conducted in 2018 with a sample size of 29 large corporate clients, reaching an overall 8.38/10 satisfaction and a Net Promoter Score (NPS) of +31.

Moreover, a survey was performed to assess My BLF mobile application user experience with 921 respondents to the survey, reaching an overall 7.53/10 satisfaction and an NPS of +23.

FEEDBACK AND COMPLAINTS MECHANISMS

BLF received and handled 551 complaints and suggestions from its clients in 2018 and 2019 through the below main channels:

- Point Call®, BLF's Call Center
- Point Com®, BLF's e-banking platform
- The "Contact us" section on BLF's website
- The feedback box available in all branches
- An e-mail sent to the Customer Experience Department
- A letter sent to the Group Communications, CSR and Customer Experience Division
- A face to face meeting with a Customer Experience representative
- MyBLF mobile app
- E-branches.

In addition, clients were given the possibility to rate the performance of the following channels: Call Center, My BLF, ATM and e-branches.

Any claim addressed to the Bank is directly and exclusively submitted to the Customer Experience Department which will follow the below steps:

1. Acknowledge the receipt of the customer complaint via the communication channel that the client mentioned in his/her feedback, within three working days following the date of its submission.
2. Study the facts, express an opinion on the case and coordinate with other concerned entities at the Bank to offer the customer the best solution, and determine the time frame needed to implement it, knowing that it should not exceed 15 days following the date of his/her complaint's submission. If exceptionally needed, the Customer Experience Department can extend the review period for an additional 15 days, provided that it notifies the customer.
3. Regularly inform the customer about the progress of his/her complaint.
4. Send an official letter to the customer, to the primary address listed in the Bank's records, in case he/she did not receive the first acknowledgement of receipt within 15 days following the date of his/her complaint submission.
5. Close the file once the complaint is solved, after getting the client's approval.

In case the customer is not completely satisfied with the provided solution, he/she may reach the following persons:

- Head of Customer Experience Department
- Head of Group Communications, CSR and Customer Experience
- General Management.

The Customer Experience Department submits monthly and quarterly complaints registers to the Bank's Management, the Board of Directors and to the Central Bank.

"Offering effective feedback and complaints mechanisms is key to maintaining a positive customer experience. We systematically respond to all feedback and complaints in a timely and transparent manner."

Tania Rizk (Head of Communications, CSR and Customer Experience Division)

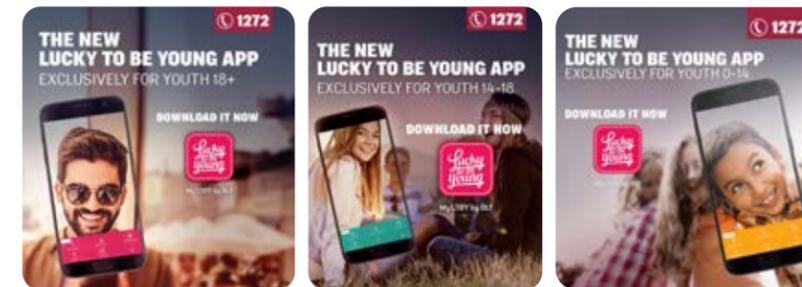


BLF's client feedback brochure.

EMPOWERING THE MARKETPLACE

EMPOWERING THE YOUTH WITH THE "LUCKY TO BE YOUNG" PLATFORM

BLF brings young people closer to the world of banking with its Lucky to be Young (LTBY) platform, organizing diversified activities all year long to boost the youth's personnel and professional development and invite them to leisure events. The LTBY Package is especially designed for three different age groups, 0 to 14 years, 14 to 18 years and 18 years+, giving them the opportunity to manage their money and gain financial independence since their early age while enjoying a wide range of discounts and services. Children and teenagers can open their first bank account, get advice from the Bank's commercial advisors, and manage their money and take advantages of offers and discounts from BLF partners.



"My LTBY by BLF" is a tailor-made mobile application designed to meet the needs of each of the three youth groups, familiarizing them with the world of digital banking.

LTBY impacted more than **125,000** students through various activities and events in 2018 and 2019. During these events, BLF aimed to strengthen the youth's financial literacy, environmental awareness and social responsibility.



Customers share their positive experience with BLF.

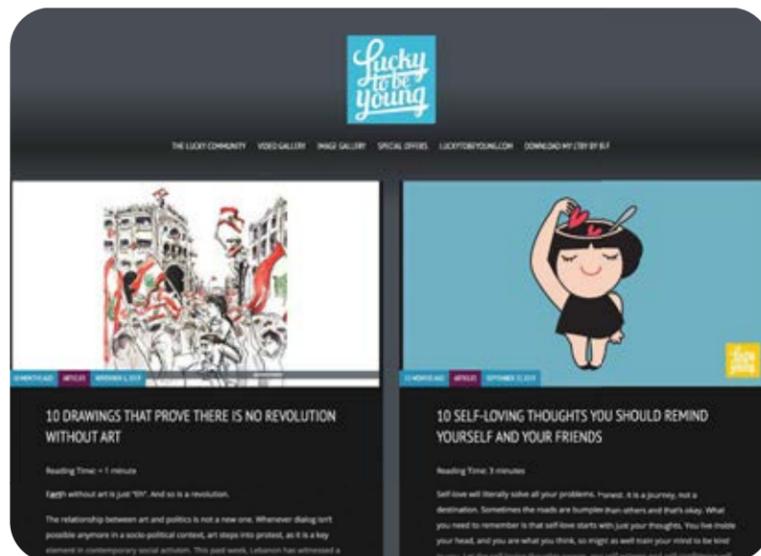




LTBY website showcased more than 50 tips on budgeting and wise money spending for the three age groups. These tips were also featured on Anghami, the largest digital music platform in the Arab world, through a series of audio ads running for a period of six months, reaching more than 350,000 listeners aged between 18 and 25.



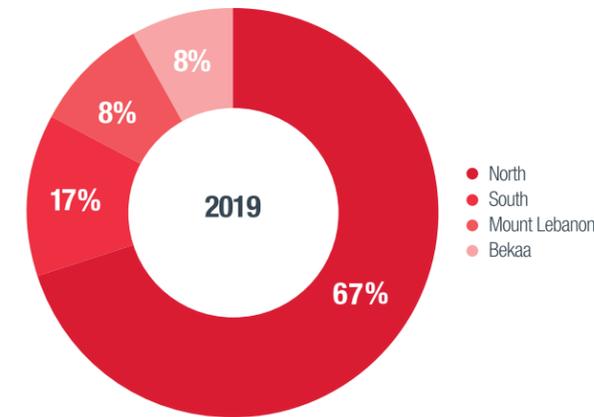
Lucky to be Young was also present all year long on Virgin Radio Lebanon (VRL) station and on VRL Instagram platform, reaching more than 700,000 listeners weekly and 11,000,000 followers on Instagram and offering prizes to the youngsters who participated in competitions.



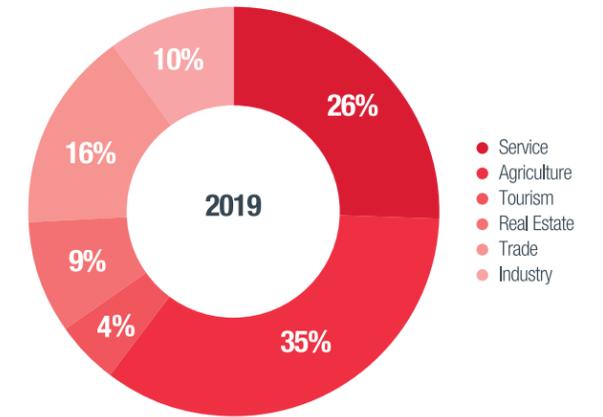
The Lucky to be Young blog was launched by the end of 2017. It is a space dedicated to the youth to share their experiences and write about different topics. In 2018 and 2019, the blog was read by more than 91,000 unique visitors.

SUPPORTING BUSINESS INCUBATORS AND ENTREPRENEURSHIP

To encourage new businesses and stimulate social and economic growth, BLF grants since 2013 facilities to the Lebanese Cooperative for Development (LCD), which promotes development in rural regions by granting microcredits. As at end of 2019, 330 beneficiaries profited from low interest microcredits granted via BLF, amounting to LBP 6.1 billion.



Distribution of LCD microcredits by percentage of beneficiaries per region as at end of 2019.



Distribution of LCD microcredits by percentage of beneficiaries per economic sector as at end of 2019.

CONTRIBUTING TO THE DEVELOPMENT OF A STARTUP ECOSYSTEM

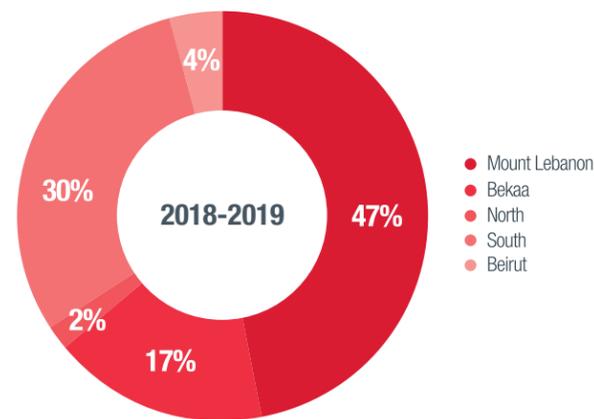
Banque Libano-Française actively participates in the economic development of the country and the financing of SMEs. Within the framework of the Central Bank of Lebanon Circular N° 331 which encourages banks to invest up to 3% of their equity in the capital of Lebanese companies operating in the knowledge economy, BLF invested USD 30 million in the following Investment Funds:

1. Berytech Fund II
2. Impact Fund
3. Leap Ventures Fund
4. Cedar Mundi Fund
5. Azure Fund
6. Division One Fund by B&Y Venture Partners.

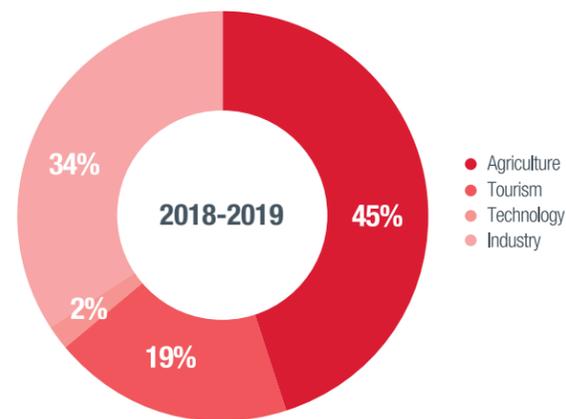
SUPPORTING SMES THROUGH KAFALAT LOANS

As a founding member of Kafalat SAL, a Lebanese financial company that assists SMEs to access commercial bank funding, and a member of its Board of Directors, BLF has been providing Kafalat loans to small and medium enterprises since 2000, contributing to the issuing of over 1,363 Letters of Guarantees worth LBP 197.3 billion.

BLF ranked third in terms of granted Kafalat loans with a market share reaching over 14% in 2019.



Distribution of Kafalat loans by percentage of beneficiaries per region in 2018 and 2019.

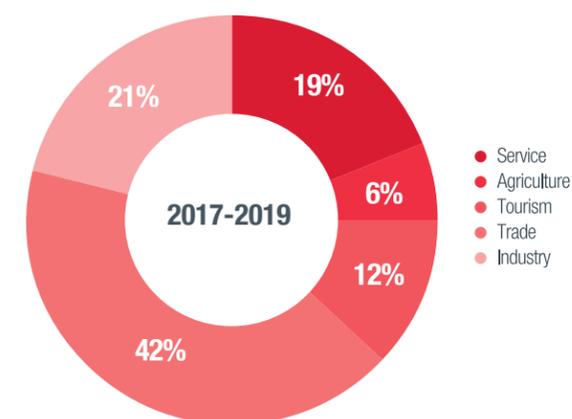


Distribution of Kafalat loans by percentage of beneficiaries per economic sector in 2018 and 2019.

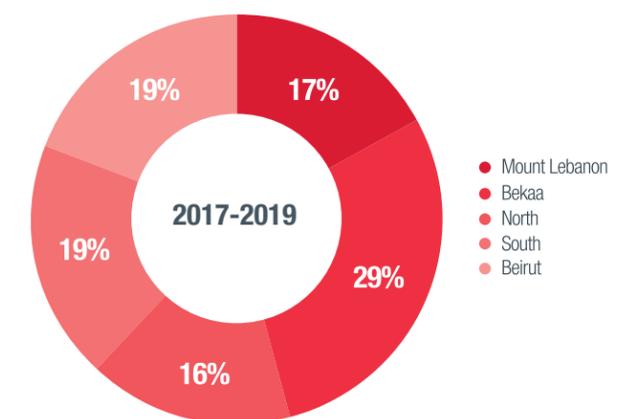
CREATING JOB OPPORTUNITIES WITH THE ECONOMIC AND SOCIAL FUND FOR DEVELOPMENT

In February 2017, BLF launched a new professional microloan in partnership with the Economic and Social Fund for Development (ESFD) which is part of the Euro-Med partnership established between the European Commission (EC) and Lebanon in November 2000. Within the framework of this partnership, BLF aims at contributing to the alleviation of poverty in Lebanon through the creation of new job opportunities and the improvement of beneficiaries living conditions.

BLF granted 97 ESFD microcredits contributing to the creation of more than 250 jobs.



Distribution of ESFD microcredits by percentage of beneficiaries per economic sector from 2017 to 2019.

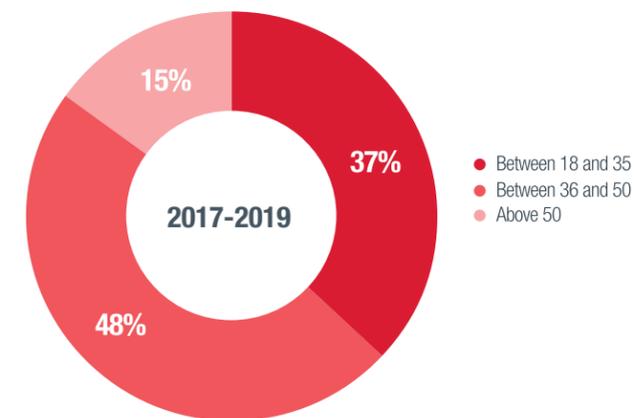


Distribution of ESFD microcredits by percentage of beneficiaries per region from 2017 to 2019.

“BLF supports SMEs since they play a crucial role in creating job opportunities, boosting the economy and decreasing the immigration of the youth. SME facilities comprise 13% of the Bank’s granted loans.”

Elie Aoun (Assistant General Manager and Head of Middle-Market Banking Division)

BLF financed 15% of all Kafalat touristic projects in Lebanon. The financing of these projects resulted in the creation of 100 jobs. Furthermore, BLF financed 20% of all Kafalat Trees projects in Lebanon since the launch of the program in 2013.



Distribution of ESFD microcredits by percentage of beneficiaries by age from 2017 to 2019.

SENSITIZING BLF RELATIONSHIP MANAGERS AND CLIENTS

Within the framework of the ISO 26,000, a questionnaire has been added to the credit files for the industrial sector (for loan amounts exceeding USD 250,000) and for other areas of activity (for loan amounts exceeding USD 500,000). A guide was prepared for SME Relationship Managers to help them sensitize BLF customers on socially responsible business practices.

PARTICIPATING IN A TRADE FINANCE CONFERENCE

Maurice Iskandar (Assistant General Manager and Head of International Division) participated in the roundtable organized by TXF Financing International Trade Zone and BNY Mellon in 2018, entitled: "Trade finance in Lebanon, key challenges and opportunities".

Discussions went about imports and exports, the trade wars, the Lebanese and Arab Association with China, trade digitalization, as well as correspondent banking and de-risking.

"In view of the Lebanese banks' proactive approach with their correspondent banks, we have been successful in managing this global de-risking wave, that has been sweeping through a lot of regions, not just the Middle East".

Maurice Iskandar (Assistant General Manager and Head of International Division)

DRIVING FINANCIAL INCLUSION AND REDUCING HUNGER

Among the widely recognized financial inclusion initiatives undertaken by BLF is a payment solution that supports the implementation of the UN agencies in Lebanon.

In 2013, BLF launched in collaboration with MasterCard, an electronic solution to digitize the traditional food voucher into an electronic card, easing access to food supply, improving security, reducing drastically the administrative burden of managing paper vouchers and contributing to financial inclusion of all refugees and POS merchants in rural areas.

BLF issued magnetic prepaid cards to predefined UN agencies' beneficiaries, while uploading monthly benefits to these e-cards, to be exclusively spent at participating retailers.

Attesting to the success, this program was embraced by several international and local organizations: In 2014, the Ministry of Social Affairs and the World Bank launched also with BLF the National Poverty Targeting Program (NPTP) to assist the most deprived Lebanese. The International Committee of the Red Cross (ICRC) later joined by funding the ICRC Cash program. In 2015, the Lebanese Cash Consortium (LCC) started supporting refugees with cash benefits under the same program, contributing to easing the refugee burden on the economy.

In 2016, the Bank was awarded a second term for this program with UNHCR and UNICEF being the funding partners.

The new program includes all types of assistance granted to refugees: electronic food vouchers and cash assistance for multiple ends such as winterization aids, children support, school allowance and residence allowance.

All benefits were provided through a new smart prepaid card (chip enabled), consisting of multiple wallets, each dedicated to handle funds for specific end users' needs such as wallets for POS, ATMs, selected types of retailers and gas stations or combo wallets for both POS and ATMs.

Thus, the new platform was enhanced from a security perspective and was upgraded to handle the requirements of different organizations and permit control over the funds' management and the reporting needs of each of the participants. It also enabled the agencies to launch multiple programs for dedicated purposes (water distribution, animal feed, etc.), driving their funding directly towards the needs of beneficiaries.

The program serves to date more than 300,000 families, equivalent to around 1.6 million refugees and Lebanese citizens across the country, delivering voucher benefits and cash assistance on 300,000 prepaid cards, through a network of around 600 POS terminals

deployed at selected retailers and all ATM terminals of operating banks in Lebanon.

Through its call center and onsite visits, BLF assisted beneficiaries and retailers in using the platform's services in their day to day operations at retailers' shops or at ATMs. BLF also contributed to the growth and development of local economies of rural areas where the selected retailers are concentrated. To better understand the living conditions and needs of the program beneficiaries, BLF visited a refugee camp and observed the work of UN organizations: managing the registration process of refugees, the delivery of cards issued by BLF and the training on card usage.

Thanks to this initiative, these previously unbanked Lebanese, became familiar with banking concepts and benefited from multiple products and services such as savings accounts, payment cards and services, insurance products and loans. This also led to decrease the dependency on cash and increase the reliance on banking operations.



This digital-humanitarian initiative earned BLF internationally acclaimed awards and recognitions:

Ranked fourth among the world's top ten innovations that have improved the world in 2013, by Mashable (the third most visited blog in the world)

Recognized for the issuance of 150,000 MasterCard UN agencies Prepaid Cards from MasterCard in 2014

Best Driving Financial Inclusion Program Award from MasterCard Innovation Forum in 2014

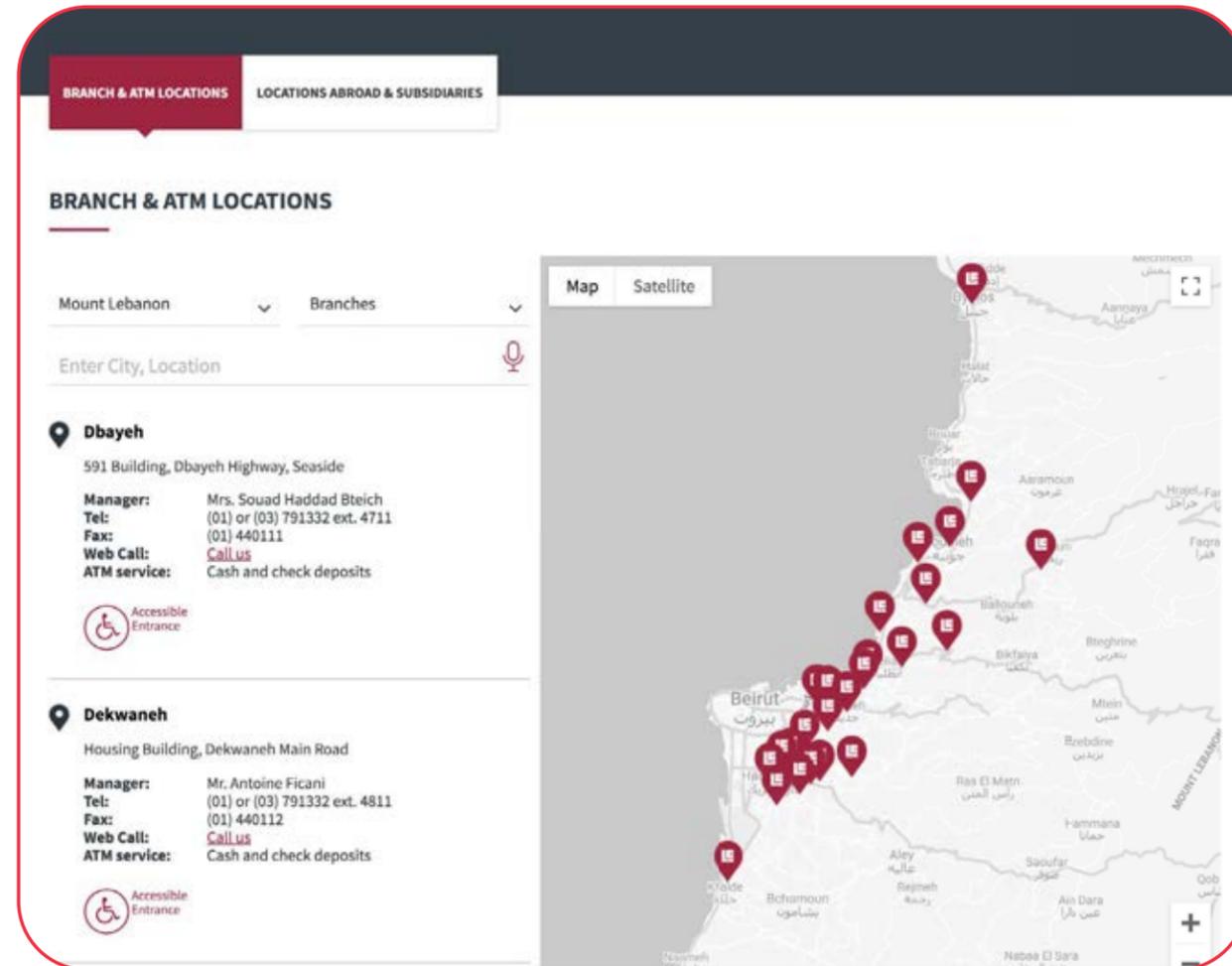
Cards International Financial Inclusion Award from VISA in 2015

Most Inclusive Program Award at the second edition of the Mastercard MENA Leadership in 2018.

ADDRESSING THE NEEDS OF CLIENTS WITH DISABILITIES

In line with the Central Bank of Lebanon Intermediate Circular N° 458, BLF set internal procedures to enable customers with special needs in general, to carry out their banking operations easily. Today, 71% of BLF branches are wheelchair-accessible and the Bank strives to make them all accessible.

BLF is also constantly educating its employees on disability etiquette, providing them with education on interacting with people with disabilities to be able to better include them financially.



BLF highlighted the wheelchair-accessible branches on its website.

DELIVERING FINANCIAL LITERACY PROGRAMS TO THE YOUTH AND MENTALLY CHALLENGED

Since 2017, BLF has been empowering the youth through financial literacy with INJAZ Lebanon. BLF employees have undergone trainings on how to deliver financial literacy programs to the unbanked youth. This has built the capacities of BLF's workforce, enabling them to better understand the needs of this population. 53 employees volunteered in 15 different public universities and schools across the country delivering 310 hours of financial literacy programs to more than 641 students in the last two years.

BLF financially supported the NGO Include, Université Pour Tous and Université Saint-Joseph to launch the first educational university program in Lebanon helping students with intellectual disabilities to transit into independent adulthood. In line with BLF's commitment towards the SDGs and mainly SDG 10 "Reduced Inequalities", BLF has developed with Include a three-session program, tailor-made to introduce banking and financial notions to these students.

"The program we launched allows differently-abled young people aged 15 and above, to experiment university life and develop skills to become autonomous and productive citizens. BLF has supported this program without any hesitation providing the opportunity for future employment and promoting inclusive societies."

Michèle Asmar (President of Include)



BLF's financial literacy sessions supported differently-abled youth to live more independently and to better transition to adult life.

"The presence of those kids with their big smiles, happiness and innocence assured me that the world still deserves to be lived in. Honestly, I couldn't get them out of my mind, they are simply adorable".

Carine Chiniara (Sodeco Branch Manager)



Young Lebanese students participated in the Fabriano drawing contest, supported by BLF, under the theme "Never too young to make a change", depicting their vision of a world where inequalities are reduced.



COMMUNITY

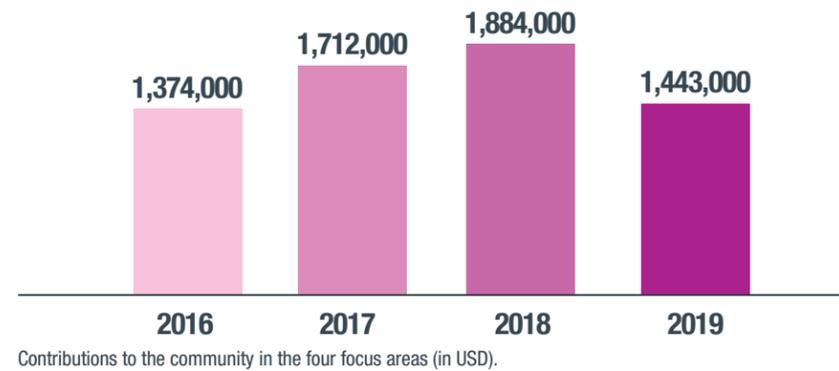
Investing in the community in which it operates to create a positive social impact and enhance the well-being of individuals and society at large has always been a key pillar of BLF's CSR strategy.

BLF has invested over USD 3,325,000 during the past two years to support 3,993,647 beneficiaries in the four focus areas of humanitarian and social causes, education, culture, and economic development.



SUPPORTING THE COMMUNITY PILLAR IN FOUR FOCUS AREAS

The community's spending in the four focus areas of humanitarian and social causes, education, culture and economic development has increased by 5% from 2016 to 2019 to contribute to alleviating the complex challenges the country is facing and reduce inequalities. The contributions to the community have however dropped by 23% from 2018 to 2019 due to the deterioration of the economic situation in Lebanon and the crisis which has immobilized the country during the last quarter of 2019.

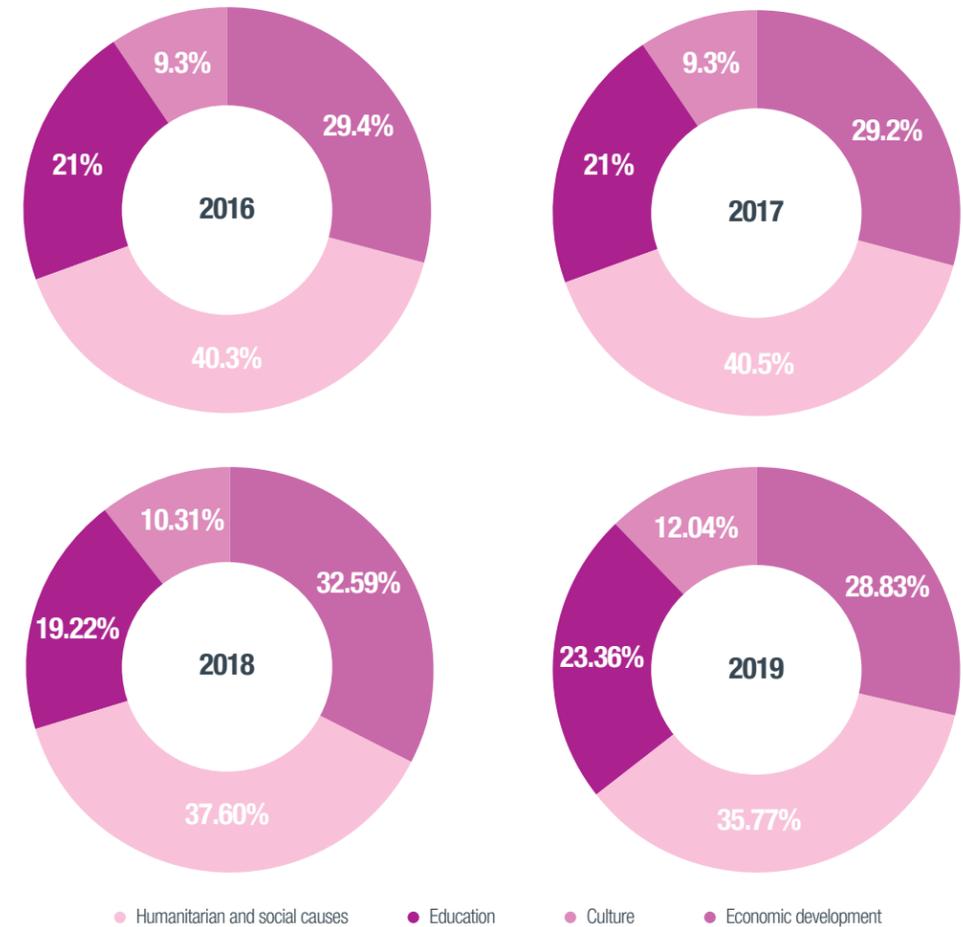


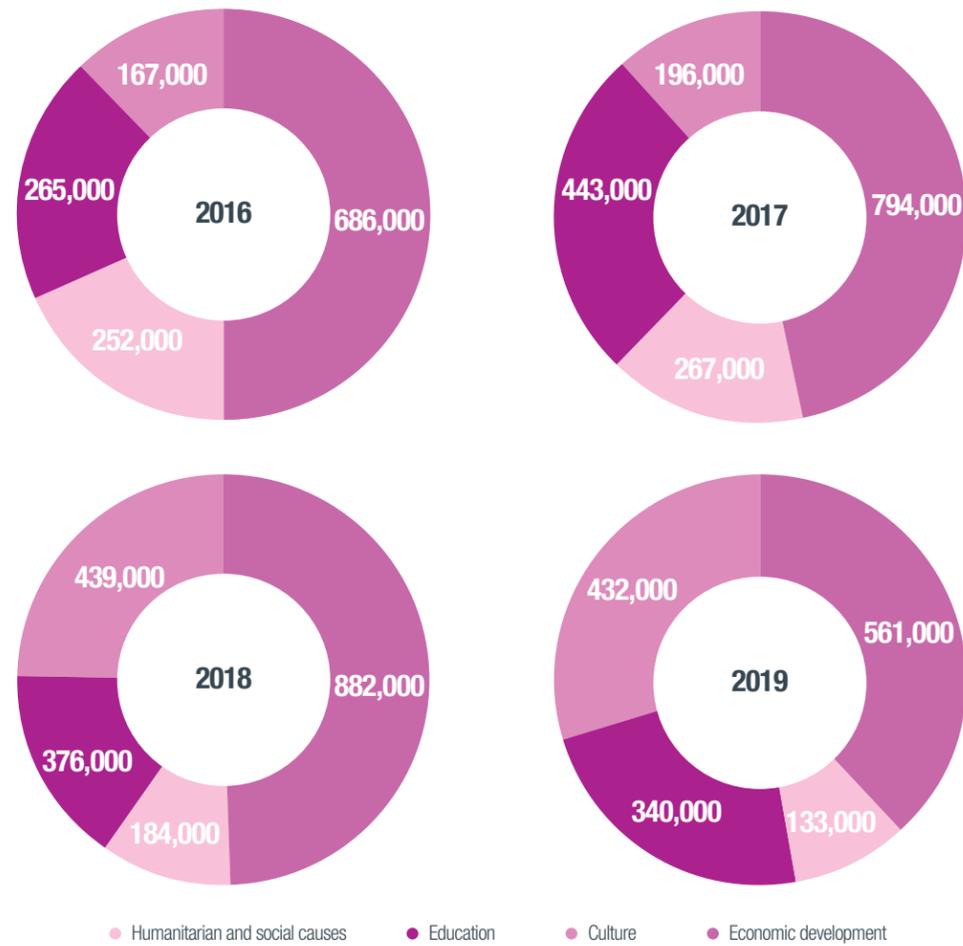
BLF's CSR expenditure as share of revenues ranged between 1% and 2% in the past four years, which is in line with the 1% of the pretax profits to charity that major businesses praise themselves for giving according to the findings from a Chronicle of Philanthropy survey.

	2016	2017	2018	2019
Contributions to the community in USD	1,374,000	1,712,000	1,884,000	1,443,000
Net financial profit in USD	112,000,000	120,000,000	121,000,000	(70,729,000)
Percentage of CSR expenditure as share of revenues	1.2%	1.4%	1.5%	2.04%

CSR expenditure as share of revenues.

BLF is known to respond to community needs across all regions in Lebanon; it has thus received over 1,503 solicitations from various organizations in 2018 and 2019. After comprehensively evaluating all requests against pressing community needs, business relevance, alignment with BLF's strategy and budget, as well as conducting due diligence, BLF approved the project financing of 51% of all received requests. BLF requires its partners to report back on the outcome of the community initiative and describe the impact the initiative had.

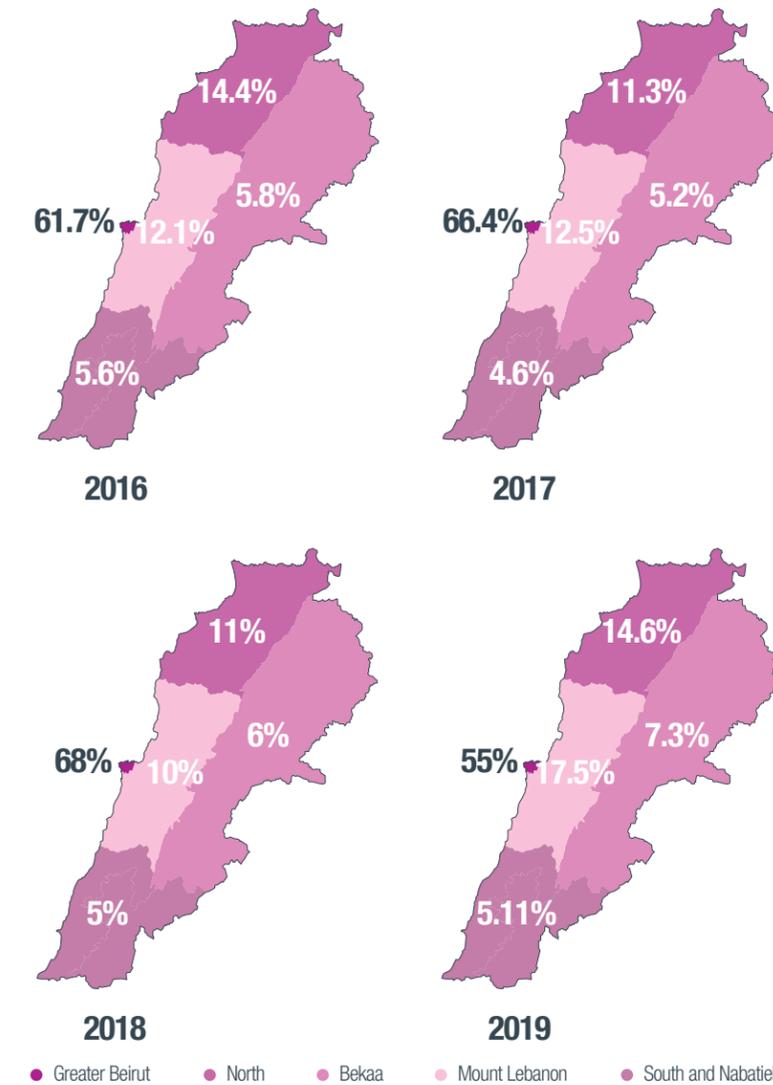




BLF community investments in USD by areas of focus.

2,183,270 beneficiaries were impacted by BLF's community involvement in 2018 and **1,810,337** in 2019.

BLF has increased its community support in the regions outside of Greater Beirut from 37.9% in 2016 to 44.5% in 2019, striving towards geographical equity.



Geographical distribution of BLF's community support in percentage.

Through its strategic partnerships, the Bank plays an active role in the community and meets a broad array of needs. Its partnerships bring together staff, clients and suppliers, thus creating opportunities for shared development and mutual enrichment.

“Deeply engrained in Banque Libano-Française’s values is a sense of commitment to give back to the community. Today, the Bank is dedicated to play a role in the 2030 Agenda and strives to contribute to the implementation of the Sustainable Development Goals (SDGs). Building stronger communities does not only contribute to attracting and retaining BLF employees but also ensures its customer loyalty and solid reputation.”

Tania Rizk (Head of Communications, CSR and Customer Experience Division)

ENGAGING IN LONG-TERM PARTNERSHIPS

Humanitarian and social causes (by alphabetical order)



Education (by alphabetical order)



Culture (by alphabetical order)



Economic Development (by alphabetical order)



GIVING BACK TO HUMANITARIAN AND SOCIAL CAUSES

BLF has been supporting a series of pressing humanitarian and social issues to reduce inequalities.

SUPPORTING THE RIGHTS OF PEOPLE WITH DISABILITIES

BLF does not only integrate people with disabilities within its workplace, but it also supports various associations active in this field:

- Al Younbouh
- Association Chrétienne pour les Aveugles
- Auxilia
- Equal
- Include
- Lebanese Autism Society
- Sesobel

Moreover, BLF supported 61 NGOs in 2019 that also cater to the needs of disadvantaged people including those with disabilities. The total contributions in 2018 and 2019 amounted to USD 218,000.

FEEDING PEOPLE IN NEED

In 2019, BLF organized a food drive “#BLFStandsAgainstHunger” in collaboration with the Lebanese Food Bank to help feed needy people throughout the country. All the Bank’s entities and branches participated in this campaign and were encouraged to buy Lebanese products to support the country’s economy.

More than **315 food boxes** were distributed to “SOS Children Village”, “Restos du Cœur”, “Beit Al Baraka”, “Basma”, “Kafa” and “Dar Al Amal” helping more than **1,200 citizens** across Lebanon.





An internal campaign was launched on BLF's intranet to encourage employees to take part in the food drive.



BLF employees and their families collecting and packing the food boxes.

"Lebanese Food Bank is grateful for Banque Libano Française's continuous support. Last year, 315 families from different NGOs benefited from the generous donations of BLF employees."

Patsy Jarrouje (Operations Manager at Lebanese Food Bank)

DONATING CLOTHES

In collaboration with the association FabricAid, BLF launched a clothes donation campaign called "#DonateClothesfromWork" in 2018 to allow employees to donate clothes, blankets or socks to the needy. Two collection bins were respectively installed in the Bank premises in Hamra and Fassouh.



BLF employees donated more than 1.5 tons of clothes to FabricAid to help the ones in need between November 2018 and December 2019.

This initiative helped more than **15,000 beneficiaries** across Lebanon.

"BLF is one of the most active and engaged partners we have. BLF's team is genuinely interested and invested in the collaborations which yield better results and motivate us to keep moving forward."

Omar Itani (Founder of FabricAid)

DONATING BLOOD

In 2019, more than 20 employees participated in the "Donner Sang Compteur" blood drive organized at BLF premises.



TEACHING THE YOUTH



BLF volunteering employees delivered for the third consecutive year with INJAZ the “Be a Leader”, “Be Entrepreneurial” and “Maharat Min Google” programs in different schools and universities.

“Banque Libano-Française has been one of the top volunteering partners of INJAZ Lebanon for several years! BLF employees have offered their time and expertise to deliver our educational programs inside the classrooms and showed a great commitment and professionalism. We’re very grateful for their support and belief in our mission to empower Lebanon’s youth and help them build a better future for themselves.”
Samar Dani (Executive Director of INJAZ Lebanon)

SPREADING JOY AROUND CHILDREN WITH CANCER

For children who suffer from severe illnesses, every moment is precious. This is why BLF contributes to spreading joy around children diagnosed with cancer.



BLF volunteering employees visited the Children Cancer Center Lebanon, surprising over 50 children with an animation, a magic show and gifts.

“It was an unforgettable experience, their eyes were smiling... I hope that I can always bring joy to their lives.”
Riham Khatib (Responsible at the Call Center)

“When children are diagnosed with cancer, their life changes completely. We wanted to make them feel that we are all here for them, that we love them and support them.”
Jamy Fares (Expert Officer at the Branch Network Organization Department)

BLF organized a Candy Cane operation in December 2018 to incite employees to purchase candy canes and donate the generated money to the Children Cancer Center Lebanon (CCCL). A total of USD 3,600 was collected and donated.



“BLF has been supporting the Children’s Cancer Center of Lebanon since 2008 through different campaigns and projects. In 2018, BLF employees decided to launch a new initiative whereby they generated within two weeks donations amounting to USD 3,600. Thanks to the generosity of big-hearted people like BLF and its employees, we were able to treat more than 2,040 kids, with a yearly need of USD 15 million, at no cost to their families and with an average cure rate of 80%.”
Lara Tamsah (Fundraising Executive of the CCCL)

BACKING-UP EDUCATION

BLF invests in promoting education and building the knowledge of the community as it believes access to information and education are the cornerstone of building peace and justice, ensuring decent work and economic growth, in addition to reducing inequalities.

NURTURING SCHOOLS AND UNIVERSITIES

BLF supported and engaged with the below schools and universities in 2018 and 2019.

Universities (by alphabetical order):

- American University of Beirut
- American University of Technology
- Arab Open University
- Arts Sciences and Technology University
- Lebanese International University
- Notre Dame University
- Université La Sagesse
- University of Balamand
- Université Saint-Joseph.

Schools (by alphabetical order):

- Beirut Modern School
- Collège de la Salle Kfaryachit
- Collège des Frères Deddeh
- Collège des Saints-Cœurs Ain Najem
- Collège des Saints-Cœurs Hadath
- Collège des Saints-Cœurs Kfarahbab
- Collège des Saints-Cœurs Sioufi
- Collège des Saints-Cœurs Zahlé
- Collège des Sœurs de la Charité Besançon Baabda
- Collège des Sœurs des Saints-Cœurs Zahle Rassieh
- Collège Mariste Champville
- Collège Notre-Dame de Jamhour
- Collège Notre-Dame de Nazareth
- Collège Notre-Dame du Perpétuel Secours
- Collège Notre-Dame Frères Furn el Chebbek
- Collège Protestant Français
- Collège Saint-Joseph Aintoura
- Collège Saint-Nicolas
- École de la Délivrance des Sœurs Salvatoriennes
- École des Sœurs de la Sainte-Famille Maronite
- École Notre-Dame du Perpétuel Secours
- École Saint-Georges Bsalim
- Filles de la Charité Achrafieh Sioufi
- Filles de la Charité Dar el Nour
- Filles de la Charité Saint-Vincent Clemenceau
- Grand Lycée Franco-Libanais
- Institut des Frères des Écoles Chrétiennes
- Institut Technique Akkar
- Institut Technique Franco Libanais
- Lebanese Montessori School
- Lycée Adonis
- Lycée Montaigne
- Sagesse High School.

BLF spent more than USD 312,200 on sponsoring education in all Lebanese areas, helping more than 226,575 beneficiaries in 2018 and 2019.



BLF visiting schools and meeting with the teachers.

DRIVING INNOVATION AMONG STUDENTS

In line with the Bank's new partnership with the Lebanese American University (LAU), BLF launched in 2019 a competition amongst LAU Marketing students to create a new version of BLF e-branch, as part of their Consumer Behavior course. During their meeting with the students at LAU Adnan Kassar School of Business, Charles Salem (Head of Private Banking) and Ronald Zirka (Head of Marketing and Retail) introduced the Bank and its digital identity to the young adults, then ended the briefing session with a Q&A. Around 50 students attended this session to get ready to work in teams of four, to produce a new concept for the BLF e-branch and get the chance to win an internship at BLF and a trip to Paris.



FOSTERING INTERSCIENCE COMPETITIONS

Banque Libano-Française supported the InterSciences competitions, organized worldwide by the Agency for French Education Abroad and the "Groupe de Recherche pour l'Enseignement des Mathématiques" (Group of Research on Science and Mathematics Education), to turn mental arithmetic into a practice and encourage all students at schools to improve their scientific knowledge.

- "Castors de l'Informatique" (IT Castors)
- "Course aux Nombres" (Numbers race)
- "Mathématiques sans Frontières" (Mathematics without borders)
- "Olympiades de Chimie" (Chemistry Olympiad)
- "Olympiades de Géosciences" (Earth Science Olympiad)
- "Olympiades de Mathématiques" (Mathematical Olympiad)
- "Olympiades de Physiques" (Physics Olympiad).

Each year, the InterSciences competitions reach more than 30,000 students, in over 30 schools in Lebanon. More than 137 students and 12 classes made it to the finals and were rewarded for their excellent results.



The winners of the InterSciences competitions were granted trophies and gifts including Lucky to be Young accounts from BLF during a ceremony held at the Grand Lycée Franco-Libanais.

ENCOURAGING ART CLASSES

With its commitment to "SDG10: Reduced Inequalities", BLF partnered up with Fabiano in 2019 for the biggest drawing competition in Lebanon, under the theme "Lucky to be Young but never too young to make a change", where young people between 7 and 18 years had to imagine and draw an equal world with no discrimination with respect to age, sex, disability, race, ethnicity, origin, religion or economic or other status. The Bank featured on its Lucky to be Young website links related to SDG10 to create more awareness on the subject and organized an online voting competition to choose the best drawing among 300 submitted ones.

In 2019, the Fabiano drawing contest reached more than 100,000 participants in 500 schools in Lebanon.



Youth imagined and drew a world about "SDG 10: Reduced Inequalities".

"Congratulations to this bank, which has been able to seize every opportunity to motivate young people through their artistic talents, to make our Lebanese society more beautiful and more attentive to the needs of others!"

Jean-Claude Nahas (Executive Director of Group Fabiano-Lebanon)

BUILDING HEALTHIER AND HAPPIER COMMUNITIES THROUGH SPORTS

BLF extended its support to various sport clubs such as (by alphabetical order):

- Club Atlas Ferzol
- Club de la Jeunesse Miziara
- Club des Sports Faraya Mzaar
- Club Fidar
- Club Jeunesse Bazoun
- Club La Marina
- Club Lebaa
- Club Rebound
- Club Tadamon
- Maan Loubnan
- Raed Kassis Sports Management
- Social Way Association - Bikeathon
- Sports Mania
- Union Jeunesse Chyah.

BLF sponsored, for the fourth consecutive year, the Tripoli International Half Marathon organized by Maan Loubnan, an association aiming to raise awareness on the importance of sports and its positive impact on kids and the youth. In addition, it encouraged more than 190 employees to participate in the Beirut Marathon in 2018 to run in support of Offre Joie and Said NGO.

BLF also extended its support to the Automobile and Touring Club of Lebanon men's international tournament in which over 50 participants from 23 countries competed against each other.



BLF supported the Tripoli International Half Marathon.



BLF employees participate yearly in the Beirut Marathon.



BLF sponsored the Automobile and Touring Club of Lebanon men's international tournament.

EXTENDING SUPPORT TO ARTS, CULTURE AND THE LEBANESE HERITAGE

Banque Libano-Française has been extending its unwavering support to arts, culture and Lebanese heritage since its foundation. Through its sponsoring of events such as festivals, play productions, dance and art performances, photography exhibitions amongst others, BLF helped ensure cultural equity, advance the society and enhance Lebanon's image.

Culture helps BLF meet SDG 11 which emphasizes on the protection and safeguarding of heritage, and SDG 8 which aims to promote sustainable tourism that creates jobs and promotes local culture and products.

SUPPORTING FESTIVALS ACROSS LEBANON

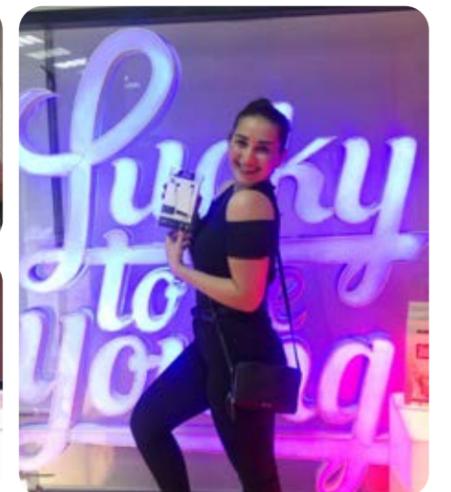
BLF supports a wide range of festivals, featuring Lebanese and International performers, which contribute to a vibrant life, promote Lebanon's image abroad, draw expatriates back to Lebanon, and revitalize internal tourism and invigorate regional economies. Festivals do not only help preserve heritage, but also contribute to ensuring economic equity between urban and rural areas by creating opportunities for local businesses in terms of provision of accommodation, food, beverages and other services. Festivals thus contribute to creating employment, increasing the standard of living, preserving regional traditions and values, reinforcing the development of the destination.

Festivals supported by BLF across Lebanon in 2019 (by alphabetical order):

- Al Karmé Festival - Zahlé Maalaka
- Baalbeck Festival
- Batroun Festival
- Beirut Holidays Festival
- Beiteddine Festival
- Bkassine Festival
- Bustan Festival
- Ehdeniyat Festival
- Ehmej Festival
- Faqa Kfardebian Festival
- Faraya Festival
- Ghalboun Festival
- Ghazir Festival
- Ghosta Festival
- Green Hill Maghdouché Festival
- Ibrine Festival
- Jabalna Festival
- Jezzine Festival
- Jounieh Festival
- Jounieh Summer Festival
- Miniara Festival
- Mzaar Festival
- Rahbeh Festival
- Rayfoun Festival
- Summer Misk Festival
- Tripoli Festival.

These festivals impacted more than 650,000 persons in 2019.

Within the framework of its partnership with Université Saint-Joseph, BLF supported the cultural festival "Daraj Al Yassouiyeh" (Université Saint-Joseph stairs) in 2018 and 2019. Thanks to this event, more than 150 students showed their talents on stage in front of a public of more than 2,000 friends and family members.





BLF was the exclusive sponsor of the sixth edition of the Batroun Beer, Wine and Seafood Festival at the Batroun Festival which attracted around 5,000 people. At their stand, BLF and its Lucky to be Young platform, offered activations and prizes.



Jounieh International Festival.



Beirut Holidays Festival.



Summer Misk Festival.

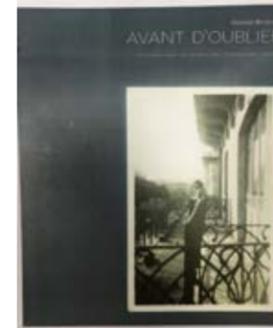


Mreijat Festival.

In line with BLF's commitment to support arts and culture, the Bank participated in different summer festivals.

PUBLISHING BOOKS

BLF underlines its constant commitment to the safeguarding of Lebanese cultural heritage by backing up the publishing industry. The books it finances are offered as end of year gifts to clients.



"Avant d'oublier" by Georges Boustany (in French).



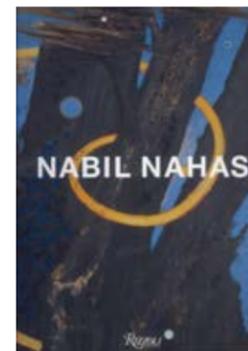
"BE public publication" by Rana Haddad (in English).



"Habitats abandonnés" by Gregory Buchakjian (in French).



"Le Journal du Docteur Cottard" by Gregory Buchakjian (in Arabic/French).



"Nabil Nahas" by Rizzoli Publisher (in English).



"Passing Time" by Fouad El Khoury (in Arabic/French and Arabic/English).



"The Lebanese Wine" by Universal Publisher and Distributor (in English/French).

BLF spent USD 16,360 on books publishing in 2018 and 2019.

PROMOTING PERFORMING ARTS

As a fervent believer that performing arts generate profound benefits on individuals and on society, BLF supported in 2018 and 2019 plays organized by Persona Productions, Yass Events, 62 events by Josyane Boulos, Betty Taoutel and Al Madina Theater Association for Art and Culture.

Persona Productions (by alphabetical order):

- "Adieu Monsieur Haffmann" at Al Bustan Theater
- "Brel" at Al Bustan Theater
- "En Attendant Bojangles" at Al Bustan Theater
- "Intra Muros" at Al Bustan Theater
- "La Dame de chez Maxime" at Al Bustan Theater
- "La Main de Leila" at Monot Theater
- "Monsieur Ibrahim et les Fleurs du Coran" at Al Bustan Theater.

62 events by Josyane Boulos (by alphabetical order):

- "Leocadia" at Tournesol Theater
- "Meilleurs Alliés" at Monot Theater.



Yass Events

- “Rire de Beyrouth” at Monot Theater.

Betty Taoutel

- “Couloir El Faraj” at Tournesol Theater.

Al Madina Theater Association for Art and Culture

- “European Community Theater Festival” at Al Madina Theater.

“Thanks to your generous contribution, the organization of our performance ‘Meilleurs Alliés’ took place successfully in June 2019. Your help played a big role in the accomplishment of this event and I would like to express my sincere gratitude for the generosity and unfailing support of BLF to cultural development, and specifically to theater, in Lebanon.”
 Josyane Boulos (62 events)

TEAMING UP WITH MUSEUMS AND CULTURAL CENTERS

Museums and cultural initiatives supported by BLF in 2018 and 2019 (by alphabetical order):

- Al Madina Theater
- Association for the Preservation of Tripoli’s Heritage
- Beirut Art Center
- Beirut Art Residency
- Beirut Museum of Art
- Fondation Liban Cinema
- Gaia Heritage
- House of Today
- National Museum
- Silk Museum
- Sursock Museum
- Terbol Museum.

SUPPORTING ART EXHIBITIONS

AT THE SURSOCK MUSEUM

“Painter of Clay by Samir Müller” - May-September 2018

This exhibition explored the work of this Lebanese artist renowned for his excellent craftsmanship in the line of domestic pottery. “Painter of Clay” brought together ceramic panels, forms, and drawings by the artist.



“Khalil Khoury by Bernard Khoury” - December 2018

Bernard Khoury celebrated, through his installations, his father Khalil Khoury, architect of the modern movement who was passionate of aeronautical engineering, painting, hunting, politics, industrial design, architecture, and above all, the female figure.



“Le Plein et le Vide by Oumaya Alieh Soubra” - December 2018-January 2019

Oumaya Alieh Soubra’s masterpieces reflected a vital energy filled with vivid colors showing daily life. Her paintings and drawings express vital energy in all its force; her art reflects shimmering, vibrant colors, portraying daily life through a search for light. Her creativity is perfectly orchestrated, with astonishing simplicity and modesty, alternating between space, light and void.



“Correspondances by Laure et Mazen” - January-August 2019

Laure Ghorayeb, a poet, artist, and art critic and her son Mazen Kerbaj, an artist, illustrator, and musician have developed a four-handed practice and unique style using technical pens, India ink, and paper where the minutiae of Laure’s strokes merge with Mazen’s big-nosed silhouettes.

AT THE MINA IMAGE CENTER

Curated by Matthieu Humery, the “Untroubled” exhibition showcased in April 2018 the works of Irving Penn from the Pinault collection revealing to the Lebanese public iconic images of high fashion and remarkable portraits of the artists, writers, and celebrities who defined the cultural landscapes of the 20th century.

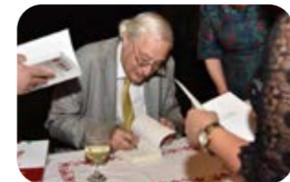


ORGANIZING CULTURAL CONFERENCES AT THE RESIDENCE OF THE FRENCH AMBASSADOR TO LEBANON

BLF has been contributing since 2011 to the enrichment of the community through “Les Rencontres de la Résidence des Pins”, in partnership with the French Embassy and the French Institute. This exclusive partnership comprises a series of conferences, inviting prominent French speakers to discuss with the Lebanese public a broad range of issues in the fields of culture, economy, politics and science.

In 2018 and 2019, the following speakers were hosted (by alphabetical order):

- Antoine de Talaré, former deputy and managing director of TF1 and Ouest France.



- Bertrand Badie, political scientist and international relations specialist, emeritus professor at Sciences Po., and one of the most renowned French specialists in international relations.

- Hala Wardé, founding architect of HW architecture, long-term partner of Jean Nouvel, leader of the Louvre Abu Dhabi project and the One New Change in London.



- Jean-Gabriel Ganascia, artificial intelligence researcher, professor at the Paris Université Pierre et Marie Curie, member of the Institut Universitaire de France, and chairman of the National Council for Scientific Research (CNRS) Ethics Committee.

- Laure Provost, french artist winner of the 2013 Turner Prize.



- Marc Augé, one of the biggest contemporary anthropologists and ethnologists, former president of l'Ecole des Hautes Études en Sciences Sociales and coiner of the concept of “non-places” (non-lieux).

SUPPORTING ECONOMIC DEVELOPMENT TO HELP COMMUNITIES PROSPER

BLF granted its support to various organizations, municipalities, professional orders, unions, traders associations, chambers of commerce, ministries, traders committees, embassies, publications, as well as sustainable development organizations to help the community grow and prosper.

SUPPORTING MUNICIPALITIES

In line with its strategy to strengthen its community engagement in different Lebanese regions, BLF supported the municipalities listed below, not only through the sponsoring of local festivals and summer events organized under their patronage, but also by contributing to the Christmas decoration organized by municipalities. Festivals and special events are catalysts for the development of Lebanese regions and foster a sense of community pride while contributing to sustainable development.

- | | | | |
|--------------------|-------------|--------------|-----------------|
| • Araya | • Ghazir | • Kousba | • Rabieh |
| • Ajaltoun | • Hammana | • Lebaa | • Rahbé |
| • Beirut | • Hazmieh | • Maknuniyeh | • Zahlé |
| • Bhamdoun | • Jezzine | • Mansourieh | • Zahlé Maalaka |
| • Cheikh Taba | • Jounieh | • Miniara | • Zouk Mikael |
| • Dbayeh | • Kfaraaka | • Miziara | • Zouk Mosbeh. |
| • Faqra Kfardebian | • Kfarhelda | • Mreijat | |

EMBELLISHING TRIPOLI MINA'S STREETS WITH HELP LEBANON

In 2019, BLF teamed up once again with Help Lebanon to revive the residential area of Mar Mikhaël and repaint the facades of nine buildings in the neighborhood. Since 2005, BLF and Help Lebanon have joined forces to support the rehabilitation of buildings in Beirut, its suburbs and regions in the North and the South of Lebanon. To date, this partnership has contributed to the rehabilitation of over 500 building facades in the areas of Nabaa-Bourj Hammoud, Mar Mikhaël, Hadath, Furn el Chebback, Tripoli Mina and Saida.



Mar Mikhaël before and after.



Saida before and after.

The rehabilitation works have contributed to embellishing the regions, fostering the welfare of its residents, contributing to the development of local businesses and raising community awareness about heritage preservation thanks to the partnership between BLF, Help Lebanon, the municipalities and the residents of the areas.

“I want to praise Banque Libano-Française, ‘A Partner for Your Ambitions’, for its valuable contribution to this project and its long-standing support to our action. We hope to pursue our projects in Beirut and other Lebanese regions whose municipalities are approaching us.”

Lilliane Tyan (President of Help Lebanon)

SPONSORING THE “IKTISSAD WAL AAMAL” CONFERENCE

BLF was one of the Gold Sponsors of “Al Iktissad Wal Aamal Lebanon Investment in Infrastructure Conference”, held in 2018 at the Four Seasons Hotel in Beirut. This conference aimed to provide public-private partnership opportunities and pave the way for economic recovery in the country. It mainly focused on the “Lebanese Capital Investment Program” objectives, the proposed projects for public-private partnership, including energy, water, transport, telecommunication, waste water and solid waste projects as well as the financing opportunities and modalities for the partnership with the private sector.



BLF sponsored the “Al Iktissad Wal Aamal Lebanon Investment in Infrastructure Conference”.



Public-Private Partnership Opportunities
6 March 2018
Four Seasons Hotel, Beirut

The Lebanon Investment in Infrastructure Conference is an important milestone for Lebanon's development and economic revival drive, as it will pave the way for economic recovery and will help Lebanon regain its economic and financial position in the region. The importance of the conference is based on the following points:

1. The Capital Investment Program, the biggest investment program Lebanon has ever witnessed (in the range of US\$ 16 billion over 10 years), is expected to be supported by the international community during the "Paris 4" conference that is planned to be held in April 2018.
2. More than 40% of the projects in the Capital Investment Program is expected to be funded through private investments, which is a major step towards bolstering partnership between the private and the public sectors, especially after enacting the Public-Private Partnership law.
3. The expected modernization of the infrastructure will be accompanied by the launch of the oil and gas exploration process in the Lebanese territorial waters, a development that will positively impact investment and economic growth in the coming years.
4. The planned large investments to develop the energy, water, transport, wastewater and solid waste sectors, coupled with reforms, will make the investment environment in Lebanon more efficient and transparent which will contribute to further investments.

The Capital Investment Program represents a great opportunity to improve the outlook of the Lebanese economy and mobilize private investments, as well as create job opportunities and raise growth levels. It will also enhance the economy's competitiveness and stimulate the trade and export routes between Lebanon and the neighboring markets.

PARTICIPATING PART IN EVENTS TO PROMOTE ENTREPRENEURSHIP AND FINANCIAL INCLUSION

On the occasion of the 10th year anniversary of the Lebanese International Finance Executives (LIFE), a roundtable event took place in March 2019 in Washington DC gathering a very distinguished audience of around 100 attendees, LIFE's most senior members, as well as accomplished individuals in the world of Finance, including Walid Raphaël (Chairman and General Manager) and Raya Raphaël Nahas (General Manager), along with the influential Washington community, notably Congressmen, Senators, Members of the current US Administration, Cabinet Secretaries, Diplomats, officials from the International Monetary Fund and the World Bank, most of them from Lebanese descents, that attended three panels discussing “The Lebanese Diaspora - A Long History of Enabling Trade and Investment”.

The objective of the event was to introduce LIFE to the Washington DC establishment and create avenues for exchange between the two communities with the firm intention to keep the dialogue ongoing.



Raya Raphaël Nahas took part in the “Lebanon: Economic Outlook” panel along with Richard Ashooh (Assistant Secretary of Commerce for Export Administration), Jihad Azour (Director of Middle East and Central Asia Department of IMF), David Hale (Under Secretary of State for Political Affairs), Omar Slim (Senior Vice President of PineBridge investments) and moderator Ronnie Hammad (Resident Advisor to the Saudi G20 Secretariat of the World Bank Group).

TAKING PART IN THE RDCL WORLD LUNCH-DEBATE

BLF representatives from the General Management, Corporate and Private Banking Divisions attended the event which was organized by the "Association of Lebanese Business People in the World" at the Four Seasons Hotel in Beirut. Discussions tackled the economic outcome of the year 2018, as well as the outlook, challenges and economic strategy for the year 2019.



Climate **change** change



ENVIRONMENT

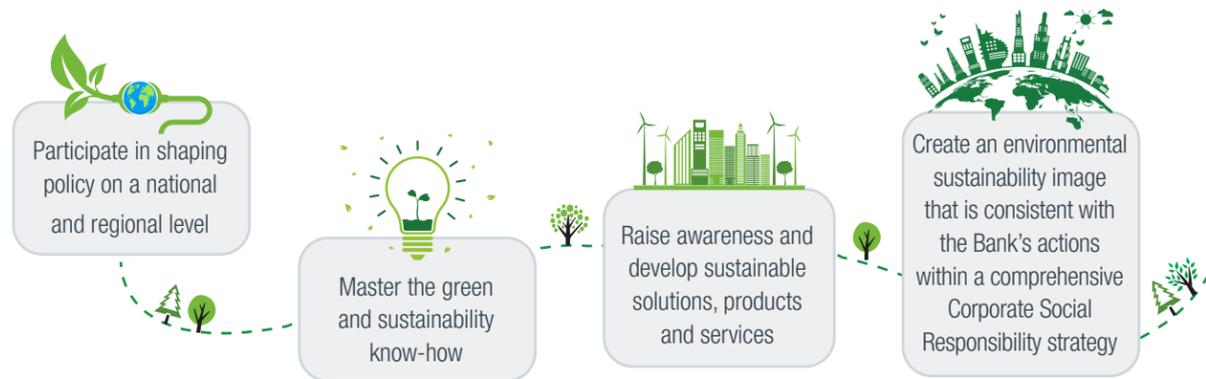
Given the depletion of natural resources at a faster pace than the earth can replenish, the degradation of ecosystems and the mounting pollution, Banque Libano-Française recognizes that businesses have a fundamental role in ensuring environmental sustainability. It thus progressively strives to minimize its impact on the environment, develop sustainable solutions and spread awareness within its sphere of influence.

The total value of the projects financed under BLF's Sustainable Finance Strategy in 2018 and 2019 amounts to USD 4,511,081.



ENVIRONMENTAL STRATEGY

Banque Libano-Française has adopted a multi-year and multi-platform strategy based on four pillars, with the aim of establishing environmental sustainability as a core component of the Bank's leadership and commitment to sustainable banking and shared values.



BLF's multi-year and multi-platform environmental strategy.

BLF engages with all its stakeholders in order to spearhead the development of sustainable solutions. It has undertaken many industry-leading initiatives, including being the first bank in Lebanon to declare all of its premises smoke-free, starting a paper recycling project, reducing plastic waste, conducting recycling and energy conservation awareness campaigns, developing Sustainable Energy Finance programs, loans and services, including putting at the disposal of its stakeholders an energy and carbon emissions calculator and extending pollution reduction loans to various economic sectors.

BLF's environmental strategy is a long-term commitment on which all the staff is mobilized.

ECO-FRIENDLY PRODUCTS AND SERVICES

Green loans for photovoltaic systems

Non-subsidized solar water heater loans

National Energy Efficiency and Renewable Energy Action (NEEREA) loans for renewable and efficiency energy projects

Lebanese Incentive Specialized Loans (Green Energy and Environment, R&D, Industrial)

Kafalat Energy loan guarantees for investments in Energy Efficiency and Renewable Energy.

Sustainable Energy Finance products and services offered to individuals and professionals in 2018.

Following the launch of the non-subsidized solar water heater loan in 2018, BLF partnered with eight suppliers to bare the interest rate of the first year on behalf of the customer.

ECO-FRIENDLY FINANCING PROGRAMS

Green loans

Help implement environmentally-friendly solutions such as photovoltaic panels, water treatments, municipal solid waste treatments, gasification, wood houses, LED lighting, eco villages, etc.

With its environmentally-friendly solutions, BLF encourages households to:

- Reduce energy consumption
- Decrease waste impact
- Lower CO₂ emissions

Research and Development (R&D) loans

BLF was the only local Bank granting R&D loans under the BDL Circular in 2018.

These loans help clients:

- Develop new technologies
- Increase productivity
- Reduce raw material consumption
- Eliminate waste

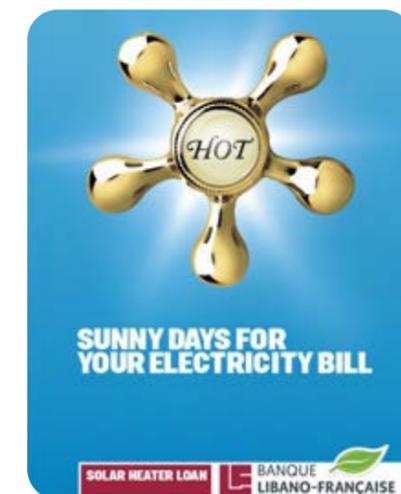
Subsidized loans

BLF is one of the main actors in financing productive sectors: Industry, hospitality and tourism, telecom, agriculture, higher technology.

These loans yield a positive impact for businesses:

- Foster economic growth
- Impact employment positively
- Improve production and services
- Impact foreign trade

BLF ranked second in solar water heater loans as per the Lebanese Center for Energy Conservation (LCEC) report in September 2018.

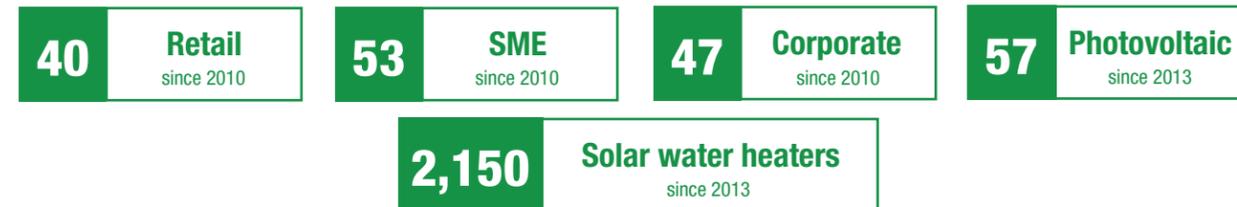


BLF was the first Bank to launch solar water heater loans. As at end of 2019, BLF had granted a total of 2,150 solar heater loans amounting to USD 4 million and 57 photovoltaic loans amounting to USD 1.1 million.

FINANCING GREEN PROJECTS

Year	Projects	Amount in USD
2018	7 Retail	1,875,891
	2 SME	
	1 Corporate	
2019	2 SME	45,006

- Sustainable Energy Finance (SEF) loans to various projects exceeded USD 1.9 million in 2018 and 2019.
- The total value of the projects financed under BLF's Sustainable Finance strategy exceeded USD 4.5 million in 2018 and 2019.
- SEF loans to various projects exceeded 98.8 million in 2016, 2017 and 2018.
- The total value of the projects financed under BLF's Sustainable Finance strategy exceeded USD 214.4 million in 2016, 2017, 2018 and 2019.
- The total value of financed projects under BLF's Sustainable Finance Strategy since 2010 exceeded USD 619 million.



DIGITAL CHANNELS SAVE ON THE ENVIRONMENT

As the world faces tremendous environmental challenges, BLF acknowledges its responsibility to embrace eco-friendly banking practices while offering an optimized customer experience. This is why it has launched several paperless banking practices (e-banking, ATMs, mobile banking) allowing customers to conduct in a simplified, fast and secure manner various operations such as paying bills, making transfers, checking their balances, thus helping eliminate paper bills, statements and checks which saves on trees and reduces carbon monoxide emissions.



ADOPTING ENVIRONMENTALLY-FRIENDLY PRACTICES AT THE WORKPLACE

BLF constantly seeks new ways to improve the sustainability of its business through its internal operations.

GREEN AUDIT

The International Finance Corporation (IFC) undertook a Green Building Audit (GBA) at four sites of the Bank's branches: Fassouh, Hazmieh, Mansourieh and Galaxy to assess BLF's environmental performance with respect to waste and water in 2012. Following an in-depth analysis of each of the above-mentioned premises, it submitted a detailed technical report, recommendations and an action plan, which helped in managing and reducing the direct environmental impacts of the premises and enhanced their overall quality through integrating sustainability considerations, noting that all recommendations can be replicated in all other BLF premises.

The four sites audits included:

- **Facilities energy balance and their benchmarking:** Electrical energy summary and carbon footprint, load inventory analysis, a benchmark of the four branches and environmental performance indicators
- **Indoor Environmental Quality Assessment (IEQ):** Indoor air quality, health, safety and comfort issues such as thermal comfort, air quality, odor quality, light quality, potable water hygiene, ergonomics acoustics and electromagnetic frequency levels
- **Energy Efficiency Measures (EEM):** Low cost/no cost efficiency measures, lighting efficiency measures, lighting control, adiabatic cooling, VRF retrofit, BMS upgrade and remote branch management.

IFC energy audit recommendations implemented at BLF

Area	IFC recommendations	Implementation	Benefits
Lighting retrofit	Led lighting	<ul style="list-style-type: none"> • Installing parking light timers • Turning off all staircase lighting when it is safe to do so • Retrofitting lighting fixtures with CFL 23W • Using par fixtures for Fassouh Headquarters' entrance and several branches • Energy-efficient led light bulbs in all branches 	<ul style="list-style-type: none"> • Consuming less electricity than conventional lightings • Providing excellent color rendering • Reducing maintenance cost, heat energy released and cooling costs
Lighting control	Motion sensors / detectors	<ul style="list-style-type: none"> • Installing motion sensors in all new and renovated branches 	<ul style="list-style-type: none"> • Saving 20% of energy
	Daylight control	<ul style="list-style-type: none"> • Installing outdoor lighting for all branches in the form of signboards • Setting up plants lighting in several branches • Installing decorative fixtures in Fassouh Headquarters 	<ul style="list-style-type: none"> • Saving 10% energy • Flexibility of programming the shutdown time or level of luminosity • Controlling all external fixtures of the facilities
Cooling EEMS	Adiabatic evaporative cooling (Precision AC)	<ul style="list-style-type: none"> • Upgrading the system in Fassouh Headquarters and in Ghazir BCP Headquarters to create the Cold-Aisle containment 	<ul style="list-style-type: none"> • Saving 25% of energy • Increasing up to 7% in cooling capacity • Reducing more than 5.5% in electrical load • Saving 24,922 kWh annually • Saving USD 2,741 annually
Low cost/no cost	Good housekeeping on HVAC, lighting, UPS. Metering and targeting	<ul style="list-style-type: none"> • Implemented in Fassouh Headquarters • Lighting distribution according to the office's requirement standards in Lux and in Lumen 	<ul style="list-style-type: none"> • Reducing electricity consumption • Increasing UPS efficiency
Building Management System (BMS)	Upgrade/ energy information/ remote branch management	<ul style="list-style-type: none"> • Implemented in Fassouh Headquarters 	<ul style="list-style-type: none"> • Controlling and managing HVAC and lighting in several floors • Saving electricity and energy • Launching "Fixit", a facility management system to handle maintenance requests more effectively and time-efficiently

Implemented sustainability measures based on the IFC green building audit

Area	Description
Paper	<ul style="list-style-type: none"> • Recycling paper waste in all branches and offices • Providing facilities to enable staff to reduce paper use • Quantifying annual paper supplies, disposal and recycling volumes at all premises and converting to an equivalent number of trees, electricity, water landfill space and oil barrels
Non-paper waste	<ul style="list-style-type: none"> • Quantifying annual non-paper waste arising • Reducing non-paper waste arising: Reducing use of plastic (replacing plastic items cups, cutleries, plates with reusable ones in all canteens, banning plastic straws) • Expanding recycling activities to include segregation of non-paper wastes for collection and recycling by specialist recycling contractors: Electronic waste, metal cans recycling and empty ink cartridges
Water	<ul style="list-style-type: none"> • Quantifying annual drinking water supplies at all premises from all sources • Encouraging staff to take actions to reduce water waste through internal campaigns • Installing water saving devices: Fitting tap flow restrictors on wash hand basins and dual flush WC cisterns in all the headquarters and branches • Installing time switches in Fassouh Headquarters and Hazmieh Branch restricting irrigation systems' operation to overnight
Health, safety and well-being	<ul style="list-style-type: none"> • Achieving more comfortable and safer places to work: Ergonomic furniture, health and safety campaigns • Introducing sustainable procurement policies and products (solar powered calculator, centralized multipurpose machines, non-toxic low emission paint: VOC free paint, elemental chlorine free paper from sustainable wood forests following an environment management system and quality management system, etc.
Transport	<ul style="list-style-type: none"> • Introducing measures to reduce travel emissions: Advanced CISCO video-conferencing techniques, encouraging carpooling among employees

Other green measures implemented by BLF:

- Facility management system
- Elimination of water heaters in 2005
- Automatic ventilation, which turns on when CO₂ emissions are high in parking basements.



All new branches follow energy standard guidelines:

- Building envelope (fenestration, walls and slabs)
- Variable Refrigerant Volume (VRV) air-conditioning systems
- LED lighting (space control, exterior lighting control, tandem wiring/exit signs)
- Premier efficiency motors
- New generation green elevators
- Star labeled appliances and electronics
- Energy efficient UPS.





MEASURING GREENHOUSE GAS EMISSIONS

BLF calculated the greenhouse gas emissions for the years 2016 till 2019 based on a model developed by the Lebanese Ministry of Environment and UNDP under the decision 99/1 of 11/04/2013, which automatically calculates direct and indirect emissions of greenhouse gases: CO₂ (carbon dioxide), CH₄ (methane) and N₂O (nitrous oxide) from specific categories as well as direct air pollutants emissions: NMVOC (non-methane volatile organic compounds), CO (carbon monoxide), NOx (nitrogen oxide) and SO₂ (sulphur dioxide).

Indirect CO₂ emissions from purchased electricity

	Consumption (kWh)	Emission factor (t CO ₂ /MWh)	CO ₂ emissions (t CO ₂)
EDL bill 2016	8,199,681	0.65	5,329.79
EDL bill 2017	8,639,853	0.65	5,615.90
EDL bill 2018	8,199,681	0.65	5,329.79
EDL bill 2019	8,549,072	0.65	5,556.90

Direct emissions from stationary fuel combustion

CO ₂ emissions						
		Consumption (l)	Consumption (t)	Conversion factor (TJ/1000t)	Carbon emission factor (t C/TJ)	CO ₂ emissions (t CO ₂)
2016	Gas/diesel oil for electricity	1,078,513.92	895.1665536	43.33	20.2	2,844.14
	Lubricants	7,140	6.2832	40.19	20	9.17
	Total	-	-	-	-	2,853.30
2017	Gas/diesel oil for electricity	837,716	695.30428	43.33	20.2	2,209.13
	Lubricants	7,260	6.3888	40.19	20	9.32
	Total	-	-	-	-	2,218.45
2018	Gas/diesel oil for electricity	887,920	736.9736	43.33	20.2	2,341.52
	Lubricants	7,500	6.6	40.19	20	9.63
	Total	-	-	-	-	2,351.15
2019	Gas/diesel oil for electricity	916,580	760.7614	43.33	20.2	2,417.10
	Lubricants	7,500	6.6	40.19	20	9.63
	Total	-	-	-	-	2,426.73

CH ₄ emissions				
		CH ₄ emission factor (t/TJ)	CH ₄ emissions (t CH ₄)	CO ₂ equivalent (t CO ₂)
2016	Gas/diesel oil for electricity	0.002	0.08	1.63
	Lubricants	0.002	0.00	0.01
	Total	-	0.08	1.64
2017	Gas/diesel oil for electricity	0.002	0.06	1.27
	Lubricants	0.002	0.00	0.01
	Total	-	0.06	1.28
2018	Gas/diesel oil for electricity	0.002	0.06	1.34
	Lubricants	0.002	0.00	0.01
	Total	-	0.06	1.35
2019	Gas/diesel oil for electricity	0.002	0.07	1.38
	Lubricants	0.002	0.00	0.01
	Total	-	0.07	1.40

N ₂ O emissions				
		N ₂ O emission factor (t/TJ)	N ₂ O emissions (t CH ₄)	N ₂ O equivalent (t CO ₂)
2016	Gas/diesel oil for electricity	0.0006	0.02	7.21
	Lubricants	0.0006	0.00	0.05
	Total	-	0.02	7.26
2017	Gas/diesel oil for electricity	0.0006	0.02	5.60
	Lubricants	0.0006	0.00	0.05
	Total	-	0.02	5.65
2018	Gas/diesel oil for electricity	0.0006	0.02	5.94
	Lubricants	0.0006	0.00	0.05
	Total	-	0.02	5.99
2019	Gas/diesel oil for electricity	0.0006	0.02	6.13
	Lubricants	0.0006	0.00	0.05
	Total	-	0.02	6.18

Business-related transport emissions

CO ₂ emissions						
		Consumption (l)	Consumption (t)	Conversion factor (TJ/1000t)	Carbon emission factor (t C/TJ)	CO ₂ emissions (t CO ₂)
2016	Gasoline	7,150	5.29077	44.8	18.9	16.26
	Total	-	-	-	-	16.26
2017	Gasoline	9,116	6.746067143	44.8	18.9	20.73
	Total	-	-	-	-	20.73
2018	Gasoline	9,394	6.951677082	44.8	18.9	21.37
	Total	-	-	-	-	21.37
2019	Gasoline	7,484	5.538437143	44.8	18.9	17.02
	Total	-	-	-	-	17.02

CH ₄ emissions				
		CH ₄ emission factor (t/TJ)	CH ₄ emissions (t CH ₄)	CO ₂ equivalent (t CO ₂)
2016	Gasoline	0.02	0.00	0.10
	Total	-	0.00	0.10
2017	Gasoline	0.02	0.01	0.13
	Total	-	0.01	0.13
2018	Gasoline	0.02	0.01	0.13
	Total	-	0.01	0.13
2019	Gasoline	0.02	0.00	0.10
	Total	-	0.00	0.10

N ₂ O emissions				
		N ₂ O emission factor (t/TJ)	N ₂ O emissions (t CH ₄)	N ₂ O equivalent (t CO ₂)
2016	Gasoline	0.0006	0.00	0.04
	Total	-	0.00	0.04
2017	Gasoline	0.0006	0.00	0.06
	Total	-	0.00	0.06
2018	Gasoline	0.0006	0.00	0.06
	Total	-	0.00	0.06
2019	Gasoline	0.0006	0.00	0.05
	Total	-	0.00	0.05

Direct greenhouse gas emissions in tons

	Total direct CO ₂ emissions	Total direct CH ₄ emissions	Total direct N ₂ O emissions	Total direct CO ₂ eq emissions (t)
2016	2,869.57	0.08	0.02	2,878.61
2017	2,239.19	0.07	0.02	2,246.30
2018	2,372.52	0.07	0.02	2,380.05
2019	2,443.75	0.07	0.02	2,451.48

Direct air pollutants emission in tons

	Total direct CO ₂ emissions	Total direct NMVOC emissions	Total direct NOx emissions	Total direct SO ₂ eq emissions (t)
2016	2.67	0.55	4.02	17.89
2017	3.02	0.60	3.19	13.90
2018	3.13	0.63	3.38	14.73
2019	2.64	0.54	3.45	15.21

“BLF has always been committed to environmentally-friendly behaviors. In 2019, we took the next logical step and started to measure our greenhouse gas emissions in order to better manage them.”

Gabriel Rizk (Head of General Services Division)

Energy consumption within BLF

	Electricity				Fuel for BLF generators		Fuel for BLF-owned vehicles			Oil for BLF generators (lubricants)
	Total m ²	kWh	Total kWh	Total energy price in LBP	Total fuel price	Total L	Total fuel price in USD	Total L	Total L for business (15%)	Total in L
2016	31,659	259	8,199,681	1,475,942,580	444,837.60	1,078,514	37,035.39	47,665	7,150	7,140
2017	32,359	267	8,639,853	1,555,173,540	415,769.40	837,716	47,222.47	60,775	9,116	7,260
2018	33,008	261	8,615,088	1,550,715,840	572,040	887,920	48,661.74	62,628	9,394	7,500
2019	33,008	259	8,549,072	1,538,832,960	528,281	916,580	38,769.06	49,896	7,484	7,500

ADOPTING A SUSTAINABLE PROCUREMENT POLICY

BLF's General Services Division implements the Sustainable Procurement Policy and purchases whenever possible from environmentally-friendly suppliers.



BLF purchases Herman Miller Aeron chairs, well known for their ergonomic, functional qualities and for their cradle to cradle design. They are comprised of up to 53% recycled materials, and up to 94% recyclable at the end of its useful life.



BLF purchases Sedus chairs which combine quality, design, ergonomics, and durability with a concern for the environment including environmentally friendly production, use of materials which are free of toxins and emissions, recycling of products and delivery of spare parts.



BLF purchases paper from responsible sources. The paper used is ISO 14001 certified which helps the paper company Pioneer improve resource efficiency, reduce waste and manage environmental obligations.



BLF uses Ledvance light bulbs which combat the greenhouse gas effect and lower the electricity bills. Ledvance uses their resources efficiently and avoids the production of waste when possible.



BLF uses Medium Density Fiberboard (MDF), which are known to be environmentally-friendly as they are made from a combination of wood and recyclable products.



BLF purchases toilet paper made of recycled items.



BLF uses Megaman energy saving and sustainable light bulbs who earned many international accreditations.



BLF uses paint with low Volatile Organic Compounds (VOCs).



BLF uses Tecsom carpet tiles that are respectful of the environment.

REDUCING, REUSING AND RECYCLING PAPER

Reducing:

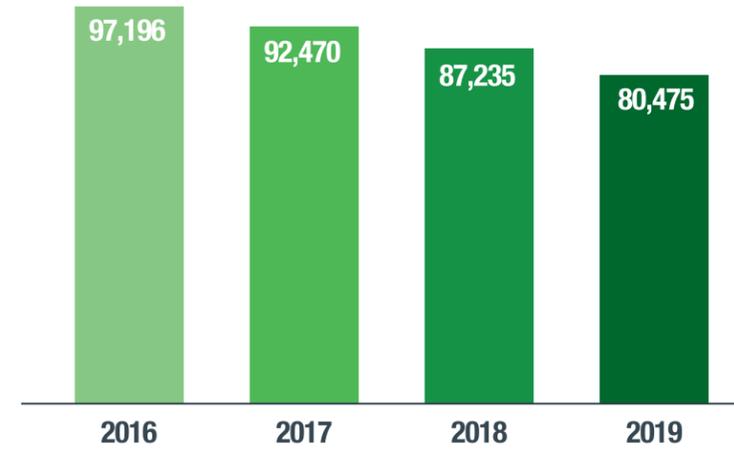
- Continuous awareness campaigns and tips on reducing paper usage
- Monitoring paper consumption

Reusing:

- Continuous awareness campaigns on reusing paper
- Trays for reusable paper
- Production of bloc notes from reused paper

Recycling:

- Paper is shredded, collected from the Bank's premises and donated to Association L'Ecoute for recycling
- Through the donation of paper for recycling, BLF helps the NGO auto-finance its projects to save impaired people



Purchased paper supply in USD.

Thanks to the environmental awareness spread among employees, BLF reduced its paper consumption from USD 97,196 in 2016 to USD 80,475 in 2019 with a 17% cut in paper cost.



The Bank's green recycle bins.



The Bank's trays where reusable paper is stacked.



From 2011 till 2019, we recycled 572,528 kg of paper

From 2011 till 2019, we recycled 3,889 electronic waste items

From 2017 till 2019, we recycled 3,333 kg of aluminum cans

Green guide provides employees with tips on how to reduce paper usage. The Bank has recycled 572.528 tons of paper since 2011.

GOING GREEN AND KEEPING IT ON THE SCREEN

Rooted in a sustainable development perspective, BLF added to its ATMs an additional statement to make clients think twice before requesting printed receipts: "Please consider the environment before printing".



SETTING A PAPERLESS COMMUNICATION BETWEEN STAFF AND THE HUMAN RESOURCES DIVISION

BLF eliminated the need for traditionally based paper forms due its online Oracle Human Resources Self Service System.

RECYCLING ELECTRONIC WASTE AND METAL CANS



BLF also donated to Association L'Ecoute and Ecoserv over 3,889 e-waste items from 2011 till 2019, including obsolete monitors, printers, PCs, projectors, routers, phones, laptops, fax machines and other electronic devices.

BLF donated 3,333 cans collected in its three employees' canteens to Association L'Ecoute from October 2017 to December 2019.



Metal cans recycling initiative launching in 2017.

BLF donates since 2011 its e-waste to L'Ecoute and Ecoserv.

	 Number of electronic waste items	 Paper volume in tons	 Metal cans in kg
From 2011 till 2013	704	247.140	-
2014	711	53.932	-
2015	419	62.804	-
2016	423	48.863	-
2017	457	48.778	455
2018	218	55.914	1,855
2019	957	55.098	1,023
Total since 2011	3,889	572.528	3,333

Totals of recycled wastes.

	 Trees	 Water (L)	 Electricity (kWh)	 Landfill space (m³)	 Oil barrels
From 2011 till 2013	4,201.59	6,548,716	988,560	567.43	494.246
2014	916.84	1,429,090	215,728	123.67	107.864
2015	1,067.67	1,664,180	251,216	144.01	125.608
2016	830.67	1,294,772	195,452	112.04	97.726
2017	829.23	1,292,519	195,112	111.85	97.556
2018	950.52	1,481,582	223,652	128.24	111.826
2019	936.66	1,459,986	220,392	126.37	110.196
Total since 2011	9,733	15,170,845	1,846,068	1,059	1,145

Total trees, electricity, water, landfill and oil barrels' savings realized thanks to BLF's paper recycling initiative.

ELIMINATING PLASTIC

Since 2015, BLF eliminated single use plastic (cutlery, dishes, cups...) in its three canteens, replacing them with paper cups and reusable plates and cutlery. In 2018, BLF requested from its catering service to eliminate plastic straws from all canteens as well.

COMMITTING TO GREEN IT

The Information Technology Division also makes every effort to reduce the Bank's environmental impact and operating costs.

The green IT initiatives included the below practices during the reporting period:

- Ensured a more energy-efficient Fassouh Data Center through the implementation of Cold-Aisle containment which resulted in roughly 25% energy savings
- Improved the installation under the raised floor to improve the cooling airflow and optimized the placement of the perforated tiles in the Data Center which resulted in an additional 5% energy savings
- Implemented a Data Center Infrastructure Management Platform (DCIM) and a Building Management System (BMS) for energy and environmental monitoring of the Data Center which resulted in improving the efficiency of the cooling system by increasing the cooling temperature from 18° C to 20.5° C and a 1% additional energy savings
- Migrated more than 750 workstations in BLF branches to thin clients VDI desktops which resulted in over 75% PC energy savings
- Conserved energy through campaigns encouraging employees to turn off their PC before leaving their office
- Decommissioned old equipment and replaced them with smaller and more energy-efficient ones
- Reduced paper consumption by adopting electronic document management technologies across the Bank's divisions instead of printing paper-based reports
- Worked with local IT partners on advanced technologies whenever the opportunity permits doing so.

BUILDING NEW SUSTAINABLE GENERAL HEADQUARTERS

BLF signed with the Sustainable Energy and Environmental Design Solutions (SEEDS), the WELL Certification consultancy as a performance-based system for measuring, certifying and monitoring features of the built environment, that impact human health and well-being, through air, water, nourishment, light, fitness, comfort, and mind.



The ten concepts of the WELL Building Standard.

“BLF will be the first in Lebanon and the surrounding region to target this internationally renowned certification, now being more and more sought-after worldwide for its highly positive contribution to the well-being of people.”

Gabriel Rizk (Head of General Services Division)

“BLF's new headquarters will have a coherent ecological approach and will be green-labeled.”

Raya Raphaël Nahas (General Manager)

This approach comes in line with BLF's vision for its future headquarters (under construction) to be a powerful landmark, that will make a positive impact on its occupants, with a coherent ecological and social approach, dialoguing with its employees, and offering them an enjoyable and comfortable place to work and strive.



BLF's new headquarters LEED status.

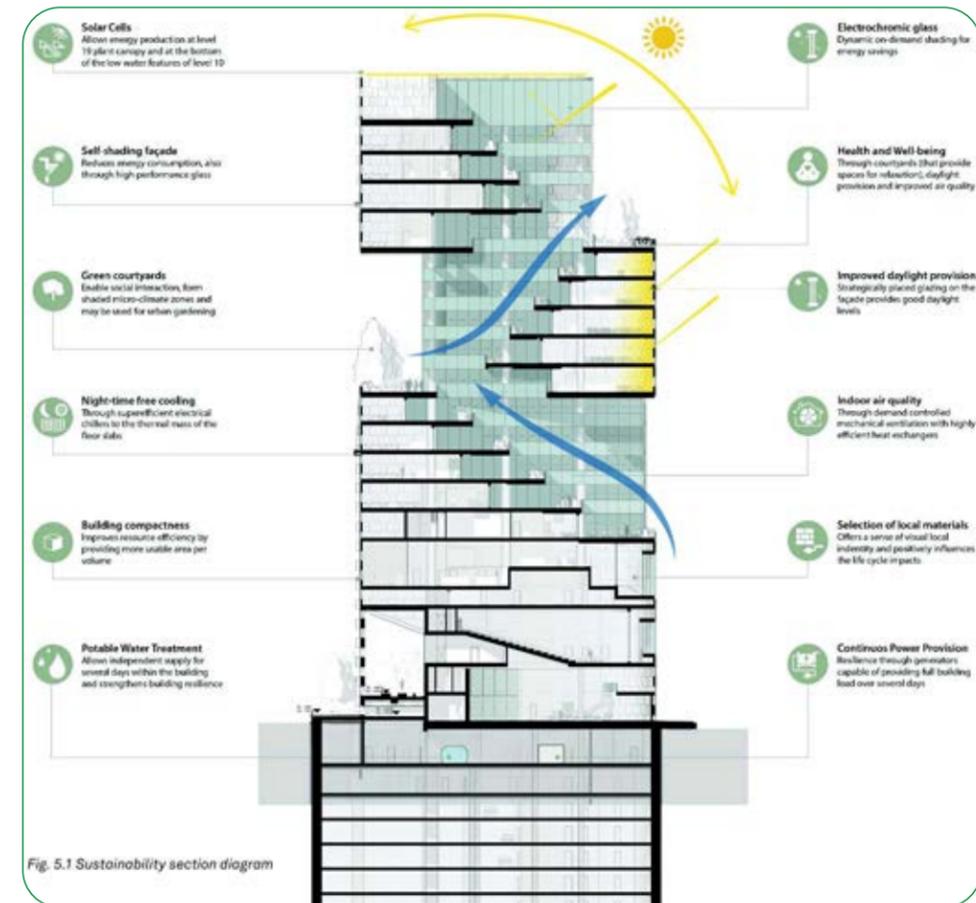
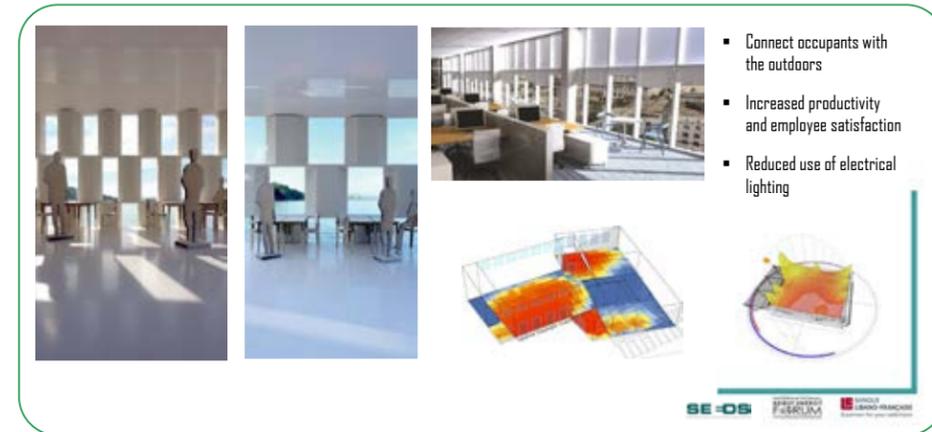


Fig. 5.1 Sustainability section diagram

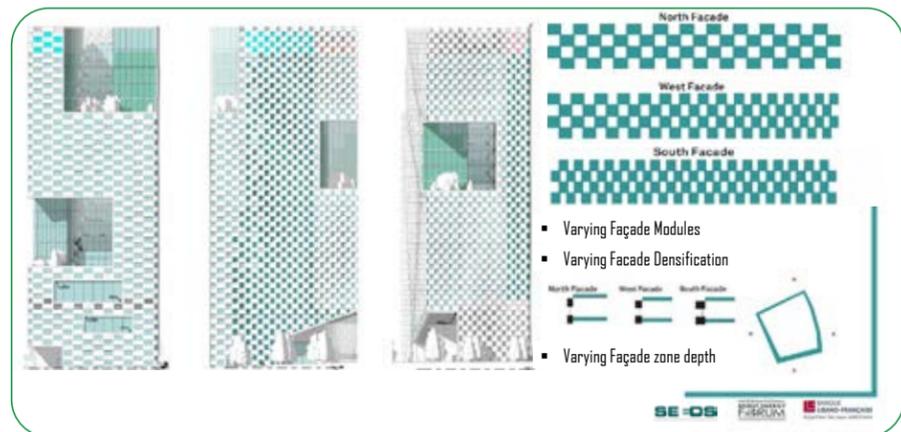
Sustainable elements of BLF's new headquarters.



BLF's new headquarters renewable energy production.



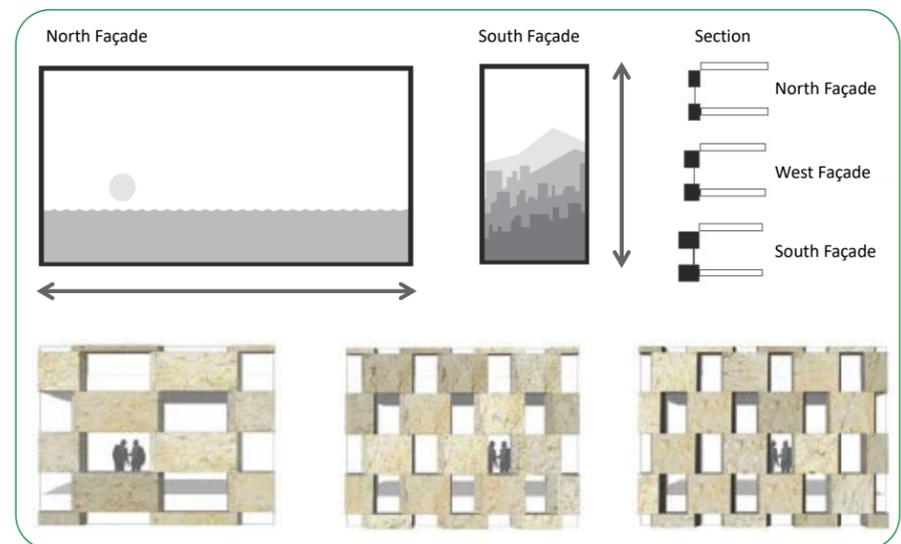
BLF's new headquarters daylighting.



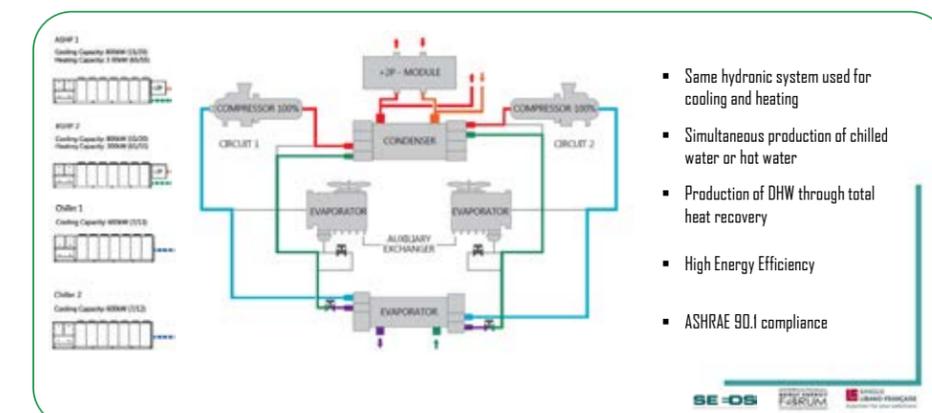
BLF's new headquarters self shading facades.



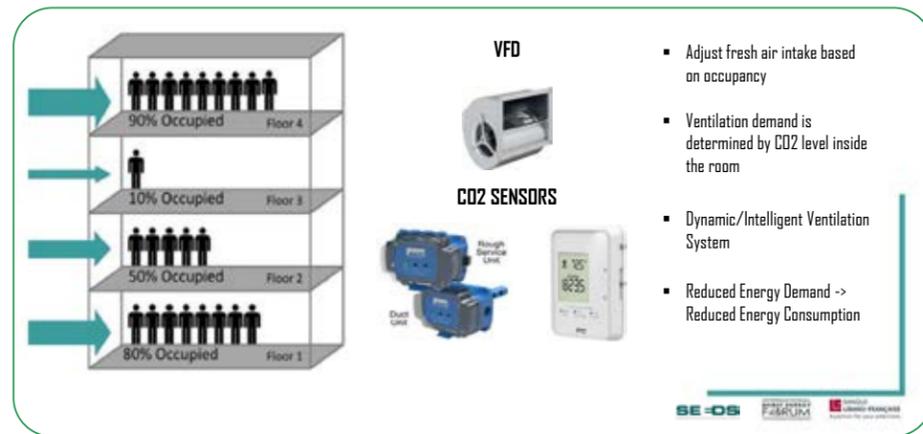
BLF's new headquarters electronic glazing.



BLF's new headquarters self shading facades.



BLF's new headquarters pipe heat pump chillers.



BLF's new headquarters demand controlled ventilation.

RAISING ENVIRONMENTAL AWARENESS AMONGST EMPLOYEES

BEATING PLASTIC POLLUTION

In 2018, BLF employees shared their personal initiatives to reduce plastic use in the workplace through short videos posted on BLF Staff Instagram.



BLF employees shared with their colleagues how they contribute to reduce plastic.

CONNECTING WITH NATURE

In 2019, the Bank launched a green internal competition on the occasion of the World Environment Day. The employees spread the word about World Environment Day among clients, wore green clothes at work and participated in an eco-friendly action with their colleagues. They were encouraged to post pictures of some of their environmentally-friendly initiatives for a chance to win USD 250 for the first prize and USD 150 for the second prize. The winners of this competition decided to donate their prize to Association l'Ecoute.



Employees celebrating the World Environment Day on June 5.

INTEGRATING THE ENVIRONMENT IN TEAM BUILDING SEMINARS

The Risk Management Division held a team building seminar named "We are the forest" in order to connect with and learn from nature to overcome the differences and collaborate together outside the employees' comfort zones.



Team building seminar at Hotel Al Bustan.

RAISING AWARENESS IN THE COMMUNITY

LAUNCHING ENVIRONMENTAL AWARENESS AUDIO ADS

Keen on preserving the environment and encouraging the young people to take more socially responsible actions, Lucky To Be Young (LTBY), BLF's youth platform launched a series of audio ads related to energy consumption reduction, paper consumption reduction, solid waste management, plastic recycling, clean water saving on Anghami, the largest digital music platform in the Arab world.

1. You're Lucky To Be Young with Banque Libano-Française!

With the 2.04 million tons of municipal solid waste that are produced in Lebanon every year, it's time to reduce your waste consumption and start a reaction chain to fight this issue right at the source!

**What are you waiting for?
Be the change!**

2. You're Lucky To Be Young with Banque Libano-Française!

With the 5,670,000 hectares of forests that are cut down or burned every year, be mindful of your paper consumption. Make sure to reuse paper and recycle it, as much as possible.

**What are you waiting for?
Be the change!**

3. You're Lucky To Be Young with Banque Libano-Française!

By 2030, the demand for water will exceed its supply by 56%, so always make sure to turn off the tap of water while you're brushing your teeth, shaving and taking a bath.

**What are you waiting for?
Be the change!**

4. You're Lucky To Be Young with Banque Libano-Française!

Did you know that by 2050, 99% of all sea bird species would have ingested plastic, and that there will be more plastic in the ocean than fish? Make a difference and avoid using plastic straws, cutlery and bags, and carry your own reusable grocery bag when shopping.

**What are you waiting for?
Be the change!**

5. You're Lucky To Be Young with Banque Libano-Française!

Did you know that air conditioners are partly responsible for the greenhouse effect and for global warming? Don't forget to switch off the A/C every time you leave a room.

**What are you waiting for?
Be the change!**

6. You're Lucky To Be Young with Banque Libano-Française!

Who doesn't love fashion? But manufacturing new clothes requires hundreds of gallons of water, and makes up for 10% of all carbon emissions on the planet! So, instead of throwing your clothes away, donate them to the needy.

**What are you waiting for?
Be the change!**

7. You're Lucky To Be Young with Banque Libano-Française!

Privilege the use of LED bulbs over regular light bulbs to reduce greenhouse emissions from power plants, as one LED bulb will minimize greenhouse gas emissions by almost half a ton.

**What are you waiting for?
Be the change!**

8. You're Lucky To Be Young with Banque Libano-Française!

Many gadgets, electronic devices and appliances draw energy just by being plugged in, even if they're switched off or not in use. So make sure to unplug them to save energy.

**What are you waiting for?
Be the change!**

9. You're Lucky To Be Young with Banque Libano-Française!

Try to shorten your time under the shower by a minute or two, to save up to 150 gallons of water per month, since showers can use between 6 to 45 liters of water per minute.

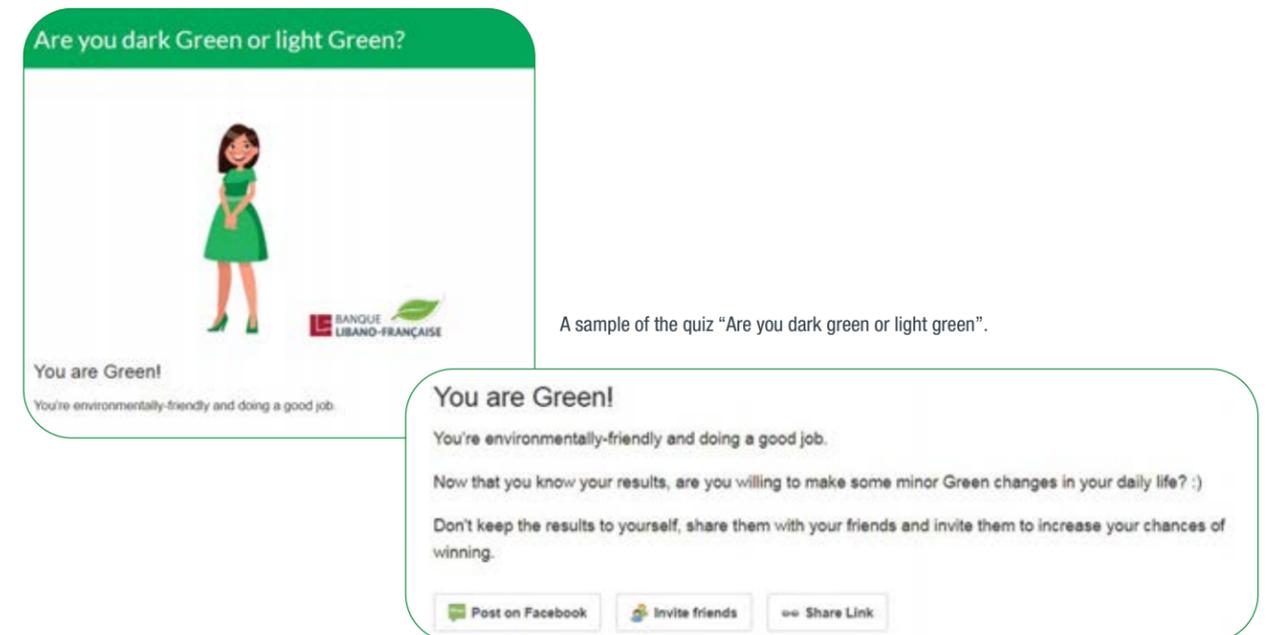
**What are you waiting for?
Be the change!**

CELEBRATING WORLD ENVIRONMENT DAY AT MAR MIKHAËL E-BRANCH

BLF raised awareness on eco-friendly behaviors on the World Environment Day at its new Mar Mikhaël e-branch. Passersby took the Bank's green personality quiz entitled "Are you dark green or light green?" aimed at educating participants on reducing water consumption, electricity usage and waste management in their daily habits. They also went home with a green plant.



Celebrating World Environment Day at BLF's e-branch in Mar Mikhaël.



A sample of the quiz "Are you dark green or light green".

PROMOTING ENVIRONMENTAL SUSTAINABILITY AT THE INTERNATIONAL BEIRUT ENERGY FORUM (IBEF)

BLF sponsored the 9th edition of IBEF that took place at Le Royal Hotel Beirut in 2018. The event gathered “energypreneurs” from all over the globe and discussed the integration of digital technologies in sustainable energy. It also assessed how digitalization of the sustainable energy sector could lead to the expansion of the investment frontiers, across the Arab World and the Mediterranean.

During the 10th edition of the IBEF in 2019, Mirna Bouchédid (Architect at Banque Libano-Française) gave a presentation on the BLF new headquarters architecture competition launched in 2016, and the structure of the “Magic Box”, that the Norwegian-American architecture studio, Snøhetta, is building in Mar Mikhaël in collaboration with the Lebanese bureau Nabil Gholam Architects (ng^a).

Edward Keyrouz (Sustainability Manager at Seeds and BLF’s Consultant on LEED Certification detailed the sustainability features of the Bank’s future headquarters.



BLF at the International Beirut Energy Forum (IBEF) in 2018.



Mirna Bouchédid (Architect at Banque Libano-Française) and Edward Keyrouz (Sustainability Manager at Seeds and BLF’s Consultant presenting the sustainability feature of the future headquarters at IBEF in 2019.

GREEN PARTNERSHIPS

BLF worked closely with different partners to contribute to environmental protection and raise green awareness in Lebanon.

TEAMING UP WITH THE ISSAM FARES INSTITUTE FOR PUBLIC POLICY AND INTERNATIONAL AFFAIRS (IFI) AT THE AMERICAN UNIVERSITY OF BEIRUT (AUB)

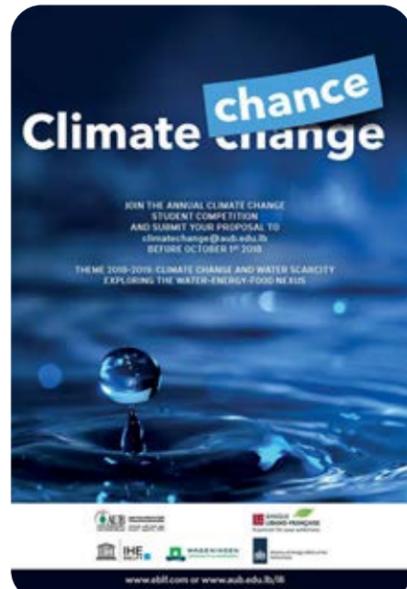
Building on the success of the first annual students competition in 2017, BLF and IFI at AUB teamed up with the Hydraulic and Environmental Engineering (IHE) Delft Institute for Water Education and Wageningen University and Research (WUR) in the Netherlands and the Ministry of Foreign Affairs in the Netherlands to launch the second edition of the competition under the theme “Climate Change and Water Scarcity, Exploring the Water - Energy - Food Nexus”. This competition was open to graduate students from universities in Arab countries such as Iraq, Jordan and Palestine, as well as from Delft and WUR in the Netherlands.



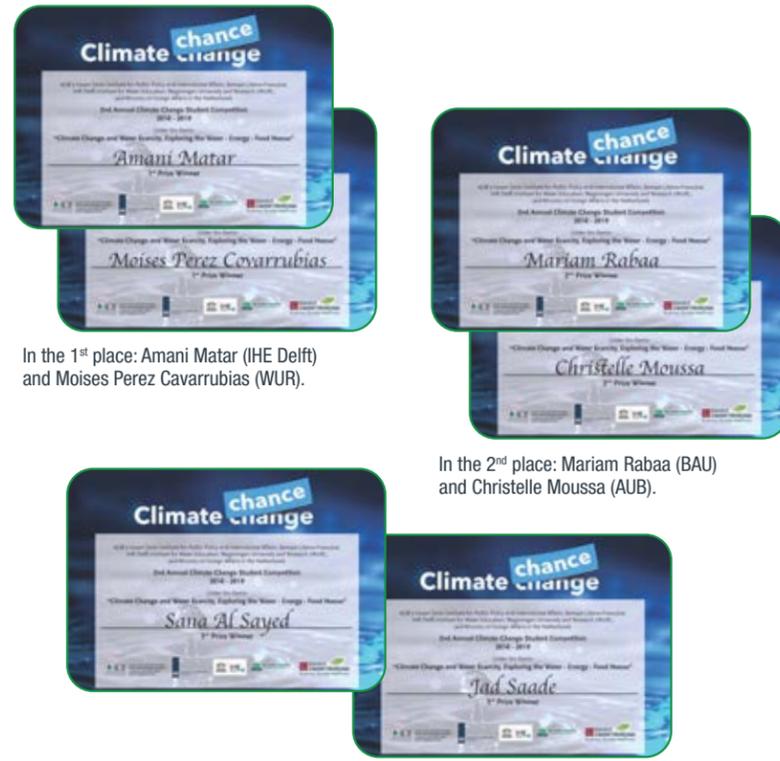
Raya Raphaël Nahas (General Manager) and Tarek Mitri (Former Minister and Director of the IFI) with the winners of the 2018 competition.

“Our competition theme this year, ‘Climate Change and Water Scarcity, exploring the water-energy-food nexus’, tackles the importance of finding solutions for the sustainable development of our country and the region. We are hoping to find oil in our soil to solve our budget deficit, but God is sending us water for free and we are wasting it. If we don’t solve these issues today, we will leave a dangerous living to our children. This competition falls under our responsibility to invest in the youth’s education and research in supporting knowledge, skills and technology needed to fight water scarcity in the future.”

Raya Raphaël Nahas (General Manager)



Congratulations to all 18 participants for their proposals and involvement, and especially the six winners from Beirut Arab University (BAU), Notre Dame University (NDU), American University of Beirut (AUB), Muta'a University of Jordan, IHE Delft Institute for Water Education, Wageningen University and Research (WUR).



In the 1st place: Amani Matar (IHE Delft) and Moises Perez Cavarrubias (WUR).

In the 2nd place: Mariam Rabaa (BAU) and Christelle Moussa (AUB).

In the 3rd place: Sana Al Sayed (Muta'a University of Jordan) and Jad Saade (NDU).

JOINING THE ARAB FORUM FOR ENVIRONMENT AND DEVELOPMENT (AFED)

BLF subscribed to a corporate membership with AFED, a not-for-profit regional organization aiming to promote prudent environmental policies and programs across the Arab region.

PRESERVING A NATURAL AND CULTURAL HERITAGE WITH THE ASSOCIATION FOR THE PROTECTION OF JABAL MOUSSA (APJM)

BLF has been supporting APJM since 2011 in their mission to conserve the unique natural and cultural heritage of Jabal Moussa Biosphere Reserve and empower local communities to achieve collectively their own sustainable socio-economic development.



GRI CONTENT INDEX

GRI Standards	United Nations		ISO 26000	CSR Report Page Number
	Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	

UNIVERSAL STANDARDS

GRI 102: General Disclosures

Organizational Profile				
GRI 102-1	Name of the organization			4
GRI 102-2	Activities, brands, products, and services			74-75, 130
GRI 102-3	Location of headquarters			4
GRI 102-4	Location of operations			5, 76
GRI 102-5	Ownership and legal form			4
GRI 102-6	Markets served			4-5, 74-75, 91-99, 130-132
GRI 102-7	Scale of the organization	SDG 8		4
GRI 102-8	Information on employees and other workers	SDG 5 SDG 8 SDG 10		29-40
GRI 102-9	Supply chain	SDG 8		11
GRI 102-10	Significant changes to the organization and its supply chain			76, 82, 144-148, 152
GRI 102-11	Precautionary principle or approach	SDG 16		11, 83-85
GRI 102-12	External initiatives	SDG 8 SDG 16		3, 11, 13-15, 20-22, 70, 96-97, 102-126, 152-154
GRI 102-13	Membership of associations	SDG 8 SDG 16	P 3	13
Strategy				
102-14	Statement from senior decision-maker		Statement of continued support for UNGC	6.2 Organizational governance 7.4.2 Setting the direction of an organization for social responsibility 3, 6, 14-15
Ethics and Integrity				
102-16	Values, principles, standards, and norms of behavior	SDG 8 SDG 16	P 10	4.4 Ethical behavior 6.6.3 Anti-corruption 6-9, 83-85
Governance				
102-18	Governance structure			6.2 Organizational governance 7.4.3 Building social responsibility into an organization's governance, systems and procedures 7.7.5 Improving performance 7-9, 14-15

GRI Standards		United Nations		ISO 26000	
GRI Disclosures	Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	CSR Report Page Number	

Stakeholder Engagement

102-40	List of stakeholder groups			5.3 Stakeholder identification and engagement	22-23
102-41	Collective bargaining agreements	SDG 8 SDG 10 SDG 16	P 3	6.3.10 Fundamental principles and rights at work 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protections 6.4.5 Social dialogue	71
102-42	Identifying and selecting stakeholders			5.3 Stakeholder identification and engagement 6.2 Organizational governance	22-24
102-43	Approach to stakeholder engagement				20, 23
102-44	Key topics and concerns raised				20, 23-27

Reporting Practices

102-45	Entities included in the consolidated financial statements			7.5.3 Types of communication on social responsibility 7.6.2 Enhancing credibility of reports and claims about social responsibility	27
102-46	Defining report content and topic boundaries				22-25
102-47	List of material topics				24-25
102-48	Restatements of information				11
102-49	Changes in reporting				14-17, 24
102-50	Reporting period				27
102-51	Date of most recent report				27
102-52	Reporting cycle				27
102-53	Contact point for questions regarding the report				27
102-54	Claims of reporting in accordance with the GRI Standards				27
102-55	GRI content index				155-160
102-56	External assurance				The Report has not been submitted for external assurance by BLF

GRI 103: Management Approach

103-1	Explanation of the material topic and its boundary			6 Guidance on social responsibility core subjects 7.3.1 Due diligence	24-27
103-2	The management approach and its components			7.4.3 Building social responsibility into an organization's governance, systems and procedures 7.7.3 Reviewing an organization's progress and performance on social responsibility	24-27
103-3	Evaluation of the management approach			7.7.5 Improving performance	24-27

GRI Standards		United Nations		ISO 26000	
GRI Disclosures	Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	CSR Report Page Number	

TOPIC SPECIFIC STANDARDS

GRI 200: Economic Standards

Economic Performance

201-1	Direct economic value generated and distributed	SDG 2 SDG 4 SDG 5 SDG 7 SDG 8 SDG 9 SDG 13		6.8.1-6.8.2 Community involvement and development 6.8.3 Community involvement 6.8.7 Wealth and income creation 6.8.9 Social investment	4, 11, 18-19, 43-44, 93-97, 102, 112, 119
-------	---	--	--	---	---

Market Presence

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	SDG 1 SDG 5 SDG 8		6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protection 6.8.1-6.8.2 Community involvement and development	36
-------	--	-------------------------	--	--	----

Indirect Economic

203-1	Infrastructure investments and services supported	SDG 5 SDG 9		6.3.9 Economic, social and cultural rights 6.8.1-6.8.2 Community involvement and development 6.8.4 Education and culture 6.8.5 Employment creation and skills development 6.8.6 Technology development and access 6.8.7 Wealth and income creation 6.8.9 Social investment	4, 11, 18-19, 43-44, 47, 49, 74-75, 91-99, 101-126, 129-132
-------	---	----------------	--	--	---

Procurement Practices

204-1	Proportion of spending on local suppliers	SDG 1 SDG 8		6.4.3 Employment and employment relationships 6.6.6 Promoting social responsibility in the value chain 6.8 Community involvement and development 6.8.5 Employment creation and skills development 6.8.7 Wealth and income creation	11
-------	---	----------------	--	--	----

Anti-Corruption

205-2	Communication and training about anti-corruption policies and procedures	SDG 16	P 10	6.6.1-6.6.2 Fair operating practices 6.6.3 Anti-corruption 6.6.6 Promoting social responsibility in the value chain	7-9, 18, 20, 83-86
-------	--	--------	------	---	--------------------

GRI 300: Environmental Standards

Energy

302-1	Energy consumption within the organization	SDG 7 SDG 8 SDG 12 SDG 13	P 7 P 8 P 9	6.5.4 Sustainable resource use	131-141
302-4	Reduction of energy consumption	SDG 7 SDG 8 SDG 12 SDG 13	P 7 P 8 P 9	6.5.4 Sustainable resource use 6.6.6 Climate change mitigation and adaptation	131-150, 153-154

GRI Standards		United Nations		ISO 26000	
GRI Disclosures		Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	CSR Report Page Number
Enfluent and Waste					
306-4	Waste by type and disposal method	SDG 6 SDG 12 SDG 13	P 7 P 8 P 9	6.5 The environment 6.5.3 Prevention of pollution	134-143
GRI 400: Social Standards					
Employment					
401-1	New employee hires and employee turnover	SDG 5 SDG 8 SDG 10	P 6	6.4.3 Employment and employment relationships	38-40
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SDG 3 SDG 5 SDG 8	P 4 P 6	6.4.4 Conditions of work and social protection 6.8.7 Wealth and income creation	43-44
401-3	Parental leave	SDG 5 SDG 8	P 6	6.4.4 Conditions of work and social protection	56-58
Occupational Health and Safety					
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SDG 3 SDG 8	P 1	6.4.6 Health and safety at work 6.8.8 Health	55-57
403-4	Health and safety topics covered in formal agreements with trade unions	SDG 3 SDG 8	P 1	6.4.6 Health and safety at work	43-44, 55-59
Training and Education					
404-1	Average hours of training per year per employee	SDG 4 SDG 5 SDG 8 SDG 10	P 1 P 6	6.4.7 Human development and training in the workplace	47-54
404-2	Programs for upgrading employee skills and transition assistance programs	SDG 4 SDG 8	P 1 P 6	6.4.7 Human development and training in the workplace 6.8.5 Employment creation and skills development	41-43, 46-54
404-3	Percentage of employees receiving regular performance and career development reviews	SDG 5 SDG 8 SDG 10	P 1 P 6	6.4.7 Human development and training in the workplace	42-43
Diversity and Equal Opportunity					
405-1	Diversity of governance bodies and employees	SDG 5 SDG 8 SDG 10	P 6	6.2.3 Decision-making processes and structures 6.3 Human rights 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4 Labor practices 6.4.3 Employment and employment relationships	32-42
405-2	Ratio of basic salary and remuneration of women to men	SDG 5 SDG 8 SDG 10	P 6	6.3 Human rights 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4 Labor practices 6.4.3 Employment and employment relationships 6.4.4 Conditions of work and social protection	36

GRI Standards		United Nations		ISO 26000	
GRI Disclosures		Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	CSR Report Page Number
Non-Discrimination					
406-1	Incidents of discrimination and corrective actions taken	SDG 5 SDG 8 SDG 10 SDG 16	P 6	6.3 Human rights 6.3.6 Resolving grievances 6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and rights at work 6.4 Labor practices 6.4.3 Employment and employment relationships	60-61, 70-71
Human Rights Assessment					
412-2	Employee training on human rights policies or procedures	SDG 10 SDG 16	P 1 P 2 P 4 P 5 P 6	6.3 Human rights 6.3.3 Due diligence 6.3.5 Avoidance of complicity 6.6 Fair operating practices 6.6.6 Promoting social responsibility in the value chain	46-54, 70-71
Local Communities					
413-1	Operations with local community engagement, impact assessments, and development programs	SDG 1 SDG 2 SDG 3 SDG 4 SDG 5 SDG 10 SDG 13 SDG 16 SDG 17		6.3.9 Economic, social and cultural rights 6.5 The environment 6.8 Community involvement and development	96-99, 100-126, 131-141, 144-156
Marketing and Labeling					
417-1	Requirements for product and service information and labeling	SDG 16		6.7 Consumer issues 6.7.3 Fair marketing, factual and unbiased information and fair contractual practices 6.7.4 Protecting consumers' health and safety 6.7.5 Sustainable consumption 6.7.6 Consumer service, support, and complaint and dispute resolution 6.7.9 Education and awareness	74-75, 88-90
Customer Privacy					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SDG 16	P 10	6.7 Consumer issues 6.7.7 Consumer data protection and privacy	88-90
Socioeconomic Compliance					
419-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SDG 17	P 10	4.6 Respect for the rule of law 6.7 Consumer issues 6.7.6 Consumer service, support, and complaint and dispute resolution	83-90

GRI Standards		United Nations		ISO 26000	
GRI Disclosures		Sustainable Development Goals (SDGs)	Global Compact Principles (P)	Sub-clauses in Core Subjects and Issues	CSR Report Page Number
Specific Standards Disclosures for the Sector					
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	SDG 4 SDG 5 SDG 8 SDG 9 SDG 10 SDG 13			18, 74-75, 91-99, 101-104
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	SDG 8 SDG 9 SDG 10 SDG 13	P 7 P 8		129-134, 152-154
FS13	Access points in low-populated or economically disadvantaged areas by type	SDG 8 SDG 10 SDG 16			99, 107-110, 123-124
FS14	Initiatives to improve access to financial services for disadvantaged people	SDG 8 SDG 9 SDG 10			76-81
FS16	Initiatives to enhance financial literacy by type of beneficiary	SDG 4 SDG 8 SDG 10			91-92, 96-97, 99, 110

