CSR LEBANON
Corporate Social Responsibility

THE GLOBAL COMPACT
WE SUPPORT

UN Global Compact Communication On Progress 2013

Aug 2012 - Dec 2013

The 10 principles of the United Nations Global Compact

HUMA

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

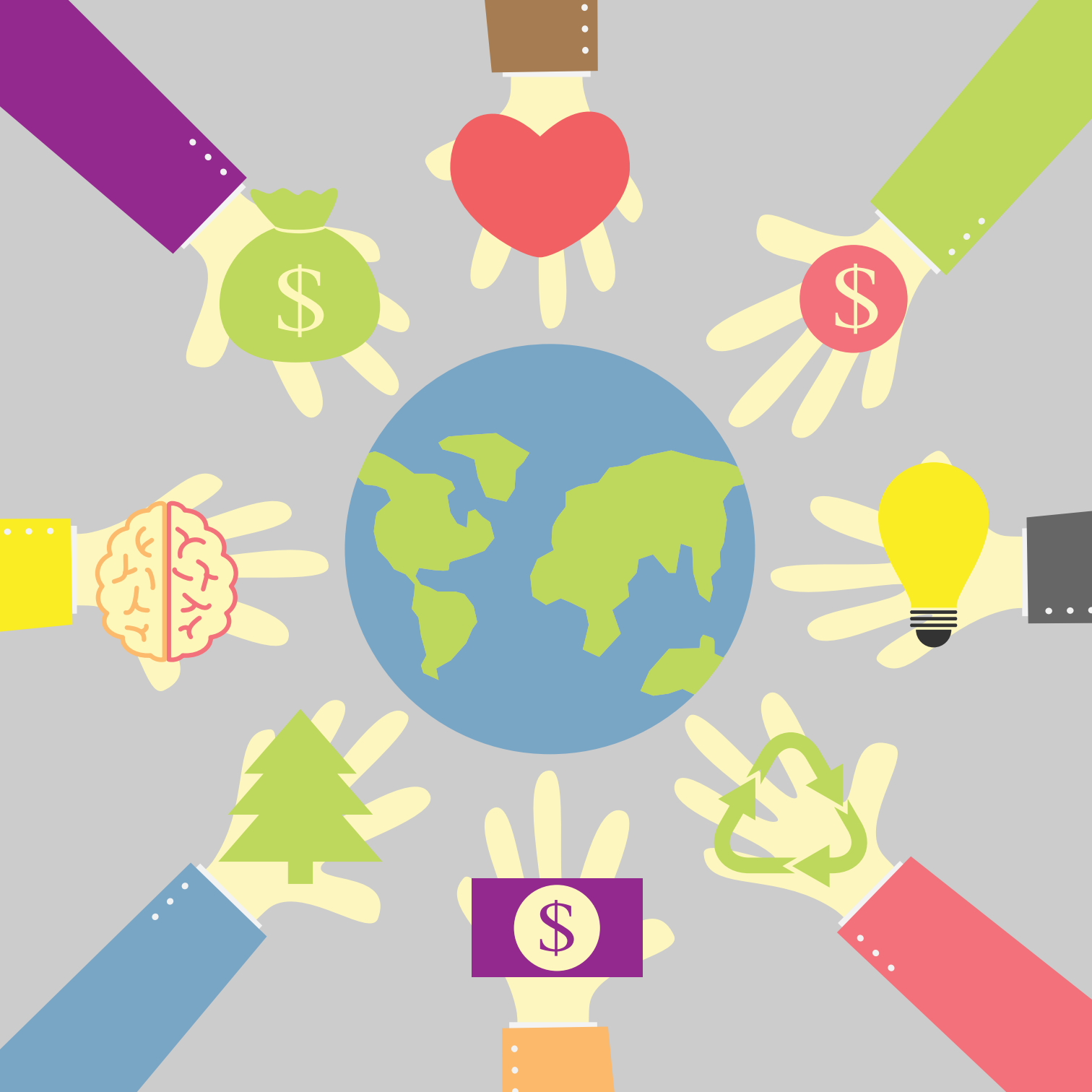
Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

ANTI CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



STATEMENT OF CONTINUED SUPPORT

I am delighted to extend our commitment to the United Nations Global Compact Principles for the third year in a row. This year has been another milestone for CSR LEBANON as we continue to fulfill our mission in raising awareness about Corporate Social Responsibility (CSR) and sustainability.

Lebanon and the Middle East have some of the most pressing socio-economic and environmental problems in the world, and companies are still lagging behind their global counterparts in responding to these issues. Uncertainty has almost become the byword for businesses in Lebanon. However, it is in such circumstances that embedding CSR is particularly important. Whether this is in taking initiative in efficient management of resources, engaging with stakeholders, creating partnerships, collaborating with governments, or backing investments in social causes; all are indispensible ingredients for alleviating the risks generated by uncertainty and stimulating transformative social and environmental impacts. The private sector is not only expected to be the main active players, but also a powerful force for social progress.

One of CSR LEBANON's most impressive achievements in 2013 is gaining the trust of the UN Global Compact for the initiatives we have taken to advance corporate responsibility and the UNGC principles in our country leading us to become the Global initiative's focal point in Lebanon. We have also been active participants at the XI Annual Local Network Forum that took place in Geneva in April 2013 during which we contributed to the consultations for developing the Business for Peace Guidance (B4P) Principles that were officially launched during the Leaders Summit in New York in September 2013. We were also active promoters of the B4P guidance in Lebanon where corporations play a significant role as a main catalyst towards establishing a culture of tolerance, cohesion and inclusion through backing the government's efforts in ensuring equitable wealth management across regions and communities.

CSR LEBANON is a small social enterprise whose main outputs are intellectual. The social, environmental and economic risks from CSR LEBANON's operational activities are minimal and the necessary actions to limit our risk are therefore very few.

Our continued commitment to promoting and implementing the 10 Principles of the UN Global Compact is based on three main reasons:

First, proving our **support** for the Global Compact. The UNGC continues to represent the most widely accepted set of international business standards in relation to CSR and human rights.

Second, demonstrating the **positive impact** of the ten principles that we have achieved, despite our small size, mainly through our awareness-raising activities. In 2013, we held our Third CSR Forum titled 'CSR in Times of Uncertainty' (March 18-19, 2013) that was strongly supported by the UN Global compact and attended by the UNGC Executive Director Mr. Georg Kell. The Forum attracted key leaders from the Lebanese private sector and corporations and hosted a number of prestigious international speakers who introduced CSR and sustainability concepts and know-how to participants. We also facilitated a large scale training course and workshop which introduced common CSR frameworks in the world for companies to follow and commit to among which the UN Global Compact. The two-day event was attended by more than 500 participants mainly from Lebanon and the Arab business communities.

We also continued to publish our Responsible Business Quarterly Review despite knowing that the road ahead will be filled with detours, diversions and stumbling blocks.

Third, ensuring that as our business grows, it does so in a **socially responsible way**. Using the Global Compact self-assessment procedure has enabled us to identify areas where further improvements are needed to ensure that the business grows sustainably and continues to have a positive impact in society. We will continue to use it as a tool for evaluation and improvement.

Finally, as our region still suffers from a prevalent lack of real committed business leadership dealing with limited and deficient CSR agendas as a fashionable PR tool, compromising on their credibility and reputation in an era where disclosure has become the norm, we will continue to provide the proper and highest standard knowledge on CSR in order to help businesses meet the genuine CSR values: materiality, stakeholder engagement, and social impact.

Khaled Kassar
Founder & CEO
CSR LEBANON

IT'S OUR BUSINESS

CORPORATE SOCIAL RESPONSIBILITY

Established in 2009, CSR LEBANON LLC. is an independent consulting firm, a social enterprise, aiming to raise awareness about Corporate Social Responsibility and to enhance CSR dialogue in Lebanon and the region. Through our consultancy, from strategy to reporting, we provide a better understanding of the CSR concept among the public and private sectors, and in the community.

CSR LEBANON™ Corporate Social Responsibility | From Strategy to Reporting

www.csrlebanon.com

ABOUT
CSR LEBANON

CSR is Our Business

CSR LEBANON is a social enterprise aiming to raise awareness about Corporate Social Responsibility and to enhance CSR dialogue in Lebanon and the Middle East region. Through our consultancy, research, communication strategies, events, and regional media platform, we pave the way to a better understanding of the CSR concept among the public and private sectors, and Civil Society Organizations (CSOs), striving towards a National CSR Strategy.

CSR LEBANON is devoted to improving relationships between corporations and the society, with the support of leading business figures, business associations, governmental institutions, academics, media, CSOs, and international organizations.

CSR LEBANON provides CSR strategies and report development, policies, training, and CSR reports evaluation, quality assurance, and endorsement based on accredited international guidelines.

Our Vision

To make CSR an essential part of our national culture; towards a National CSR Strategy.

Our Mission

To provide an informative platform to companies and support them in embodying CSR in their core business strategies and operations, aiming to align profitability with sustainability and human development.

Our Values

At CSR LEBANON, we strongly believe that business with no ethics is no business at all. Ethical values are deeply entrenched in our daily operations, with an unrelenting sense of responsibility towards our stakeholders and society at large.

Since our work is CSR, transparency, openness, communication, collaboration, and engagement are of the

top values at our company. We vigorously strive towards creating a two-way dialogue with our stakeholders, engaging them continuously in our initiatives and providing a dynamic work environment where everyone is knowledgeable and engaged in the business.

Our Sources of Income

CSR LEBANON continues to succeed as a result of its professional team's efforts, transparency in its relationships and partnerships, and commitment to quality and high level of expertise. But such an approach can also generate high expenditures which means that the company engages heavy efforts to maintain its sustainability and continuity.

Our sources of income are as follows:

- Strategic Partnerships with the private sector
- Advertising spaces in Responsible Business Magazine, exclusively relevant to CSR initiatives and programs
- Sponsorships
- Training fees
- Direct funding by the founder of CSR LEBANON

Profits generated from CSR LEBANON's initiatives are completely reinvested in the social enterprises' mission.

Why CSR LEBANON

Lebanon is a country with extensive human capital as well as a strong and continuously growing private sector. Despite substantial initiatives by the public, private, and non-profit sectors, there is still a genuine need for a sustainable group effort to address the socio-economic issues facing the country.

There is a significant lack of awareness about CSR in Lebanese corporations and their role in the development of the country. Contrary to the fast-growing CSR trend across the global business world, the implementation of CSR strategies in Lebanon and the region is still very limited, and is only undertaken by a few corporations in specific fields. This fact negatively affects companies' competitiveness, profitability, and sustainable growth.

CSR LEBANON plays an essential role in tackling these challenges through the following strategic goals:

- Spreading the culture of Corporate Social Responsibility (CSR) in Lebanon and the region.
- Empowering the Lebanese private sector to implement CSR.
- Helping banks and other corporations meet universal CSR and sustainability standards.
- Presenting new CSR programs adapted to the Lebanese communities' needs.
- Developing CSR ties between businesses, civil society, governmental entities, and the media.
- Establishing a regional CSR media platform based in Lebanon.

Our Challenges

1. Lack of funding because of the inexistence of an adequate legal status in Lebanon for operating as a social enterprise, rather than a for-profit company. This resulted in CSR LEBANON's inability to approach local and international institutional donors.

2. Operating within an economy that is based on family-owned businesses where integrating a new culture inside the organization remains challenging and difficult.

3. Time constraints: Expenditures growing at a faster rate than income is generated. This prevents quick reinvestment into new initiatives and risks losing some of the positive momentum created.

4. Security and economic constraints as well as weak infrastructure and local and regional political instability.

5. The weak back-up from the public sector which keeps the sphere of collaboration small and hinders the proper adoption of CSR since the corporate sector remains free in the way it approaches CSR (although CSR is voluntary in nature) and has the capacity to manipulate public expectations because of the absence of relevant regulations and supervision.

6. As a new trend in the region, many parties, mainly event organizers and some consultants, deal with CSR as a commercial opportunity rather than a business approach. CSR LEBANON is then expected to invest further efforts to adjust the misconceptions created by similar unprofessional practices.

7. Lack of local and regional expertise which obligates CSR LEBANON to partner with international experts thus increasing its costs.

COMMUNICATING THE CSR MESSAGE

COMMUNICATING THE CSR MESSAGE

CSR LEBANON was established in 2009 with the aim of raising awareness about Corporate Social Responsibility and Sustainability in Lebanon and the region. The company follows a multi-year strategic program towards enhancing corporate engagement in surrounding communities by integrating responsible practices in their workplaces, marketplaces, environment, and society.

With many impressive achievements so far ranging from hosting high caliber events, three international level CSR Forums with global reach, banking workshops, CSR strategies, project consultancies, media campaigns, a specialized magazine, and publications, **CSR LEBANON** has already succeeded in creating a great momentum and raising the bar in the strategic perception of the concept among corporations and stakeholders. The social enterprise uses a communications mix aimed at reaching all of our stakeholders.

CSR LEBANON Website

Our website (www.csrlebanon.com) educates businesses, corporations and the public on CSR and provides expert opinions and analysis on the subject. The website also includes a news portal highlighting selective local, regional, and international CSR news and updates.

CSR LEBANON Events

In 2013, CSR LEBANON organized its Third CSR Forum on March 18-19 under the patronage of the President of Lebanon General Michel Suleiman and the leading support of the UN Global Compact and the Banque Du Liban. The Forum was held under the title 'CSR in Times of Uncertainty'.

Although the MENA (Middle East and North Africa) region is one of the fastest growing economies globally, it still finds itself in a perpetual state of uncertainty. The last two years have been a particular strain on its environment, its economies and its people. Middle Eastern entrepreneurs however have not only shown resilience, creativity and innovation throughout this period of transition, but they have proven that, with dedication and forward looking policies, it is possible to not only survive but to create shared value that looks far into the future. Lebanon, in spite of its chronic political and economic instability, is stepping forwards in the Middle East by actively promoting and engaging in Corporate Social Responsibility (CSR). In times of uncertainty, businesses must focus on a wider concept of profit. The private sector has an immensely important role to play in contributing to stability and development in post-conflict areas such as Lebanon. Creating job opportunities, generating revenue, investing in sustainable infrastructure, designing inclusive business strategies and promoting responsible business practices can all contribute to rebuilding the Middle East we aspire.

The Forum featured a panel of 30 high-profile international, regional and local corporate sustainability experts, along with chief representatives from the United Nations Global Compact (UNGC) and the Global Reporting Initiative (GRI). Speakers and international representatives provided strong business cases for building responsible business practices and promoting transparent sustainability reporting in the region. During the event, UN Global Compact Executive Director Georg Kell urged Lebanon's business leaders and officials to collaborate with entrepreneurs to build the pillars of the Global Compact Local Network.

> **I believe the time has come for Lebanon's entrepreneurs to reinvest in their own identity and to start building a collective undertaking, to show that business and society not only go hand in hand but supports each other.**
>
> ***Mr. Georg Kell,*** *Executive Director, UN Global Compact*

Another advancement in the field was also revealed by Ghassan Moukheiber, member of parliament, who took the opportunity at the Forum to announce the submission of a draft bill to create a Charitable Trusts Foundation that sets policies and frameworks for NGO's and includes tax incentives to support the private sector's engagement with CSR.

The Forum was followed by a training course and workshop on common CSR and reporting frameworks in the world among which the UN Global Compact, for corporations to follow, commit to, and implement. Both events were attended by more than 500 leaders from the business community from a wide variety of sectors and business industries, associations, civil society organizations, government entities, international organizations, academia, and the media.

A special French day was also held during the Forum and endorsed by the French Ambassador in Lebanon, Mr. Patrice Paoli. The event engaged a number of key French experts in the field who provided an extensive review of the CSR movement in France on the public and private sectors levels as well as in academia. Featured speakers included the Bioethics and CSR Ambassador at the French Ministry of Foreign Affairs, Mr. Michel Doucin, the Director of the Agence Française de Développement (AFD) in Beirut, Mr. Denis Cassat, the General Manager of the Observatoire sur la Responsabilité Sociétale des Entreprises, Mr. François Fatoux, and the Business Development Manager, Msc Programs, at HEC Paris, Ms. Nancy Piacentini.

COMMUNICATING THE CSR MESSAGE

CSR LEBANON
What's Good
For the
Community

A new dawn
Media Partners
...The world
is yours

What's Good
For the

Focal Point of the UNGC in Lebanon

As a result of the dedication in raising awareness on Corporate Social Responsibility (CSR) across Lebanon and promoting responsible business over the last 5 years, Mr. Khaled Kassar, Founder & CEO of CSR LEBANON, was officially appointed in early 2013 by the UN Global Compact (UNGC) as the focal point-of-contact in Lebanon to launch the Global Compact Local Network.

The Global Compact Local Network (GCLN) is a group of UN Global Compact participants within the same country who come together to advance these universal principles at the local level by rooting the GC within different national, cultural and language contexts.

The GCLN Lebanon will engage in various activities in the form of outreach efforts, policy dialogues, partnership projects, and/or knowledge sharing workshops to address issue areas including human rights, labor, environment, anti-corruption, business, financial markets, partnerships and peace. CSR LEBANON will seek to establish a robust governance structure for the Lebanese Local Network by 2014.

Following his appointment as the focal point-of-contact of the UN Global Compact, Mr. Khaled Kassar, Founder of CSR LEBANON, has represented Lebanon at the XI Annual Local Network Forum that was held in Geneva in April 2013. The Forum has gathered representatives and local network leaders from over 70 countries debating strategies, responsibilities, and opportunities for advancing corporate commitment to CSR in general and the UNGC principles in particular.

Mr. Kassar had an active role as a member of the UNGC committee assigned to develop the Business for Peace (B4P) guiding principles that aim to engage the private sector in actions that contribute to peace in a wide range of environments, including periods of strife and situations which may turn into conflict and post-conflict reconciliation. The platform was formally launched by the UN Secretary-General at the triennial UN Global Compact Leaders Summit in New York in September 2013.

The Green Cafe: Private Sector - Civil Society Dialogue

The Green Café, organized in March 2013, encouraged participants to explore CSR on their own, provided they take into account the sustainability stories presented by the private sector and selected NGOs. The Green Café aimed to ask questions around the skills, knowledge, and personal qualities required in the more collaborative and networked organizations of the future. It helped to address what emerging leadership capabilities are needed and can help strengthen future leaders' capacities to learn, adapt, and create long term business and social value. Presentations were provided by some of the participating companies and NGOs touching on the four CSR elements of Environment, Community, Marketplace and Workplace and centered on five themes: CSR standards and best practices; incentives supporting the implementation of CSR; verification and assurance of CSR performance and the formulation of a dispute resolution process; and building a national governance of resources.

The Green Café culminated with a discussion of potential areas of interest and exposed a need for research and case studies to evaluate the successes, failures, achievements and challenges of applying sustainable strategies, and learn from the outcome. While there are few who question the importance of CSR for sustainable development, there is still a need to explore how businesses, together with civil society organizations and the community, can cooperate, especially in emerging markets and developing countries. Today, business plays a vital role in policy formation and implementation. Research and innovation have been important sources for finding new solutions to the sustainability challenge and the CSR formula. Sustainable solutions that unleash the power of cross-sector partnership through synergy between business, government and civil society must in fact, be found.

The feedback we have heard from this conference was extremely positive. Thank you not only for sharing your expertise with Lebanon's NGOs, but for collecting such an educated group of speakers to teach us more about CSR in our organization. We know that this took extra care and skill to adapt a forum like this in a high risk market such as Lebanon. Once again, thank you for sharing your topic knowledge and helping to support CSR in Lebanon.

Nicole Eid Abuhaydar, *Acting Director, Unite Lebanon Youth (U.L.Y.P.)*

Supporting Students and Universities

In 2013, more than 260 students and professors from more than 10 leading universities in Lebanon were invited by CSR LEBANON to attend and participate at the CSR LEBANON forums, training courses and workshops. Students were mainly introduced to the concept of CSR, the role of the academic sector in the field, as well as to social entrepreneurship and offered opportunities.

CSR LEBANON is also continuously and voluntarily assisting senior education students from various universities in successfully completing their MBA thesis tackling the topic of CSR, dedicating time and providing advice, contacts, resources, and mentorship.

Under the High Patronage of His Excellency
The President of the Republic of Lebanon
General Michel SLEIMAN
العماد ميشال سليمان
The Third CSR LEBANON FORUM:
Corporate Social Responsibility in Times of Uncertainty
المؤتمر الثالث للمسؤولية الاجتماعية للشركات:
"مسؤولية الأعمال البيئية والاجتماعية في ظل الأزمات"

NGO Exhibition: Connecting with Potential Funders

Civil society organizations, or non-governmental organizations (NGOs), have a critical role to play in the advancement of universal values around human rights, the environment, labour standards and anti-corruption. As global market integration has advanced, their role has gained particular importance in aligning economic activities with social and environmental priorities. NGOs participate vitally in the international system. They contribute valuable information and ideas, advocate effectively for positive change, provide essential operational capacity in emergencies and development efforts, and generally increase the accountability and legitimacy of the global governance process.

CSR LEBANON organized a large scale not-for-profit exhibition that brought together NGOs, foundations and social enterprises from across Lebanon to share learning and best practices and engage with the private sector notably banks and funders. The exhibition provided great outreach for CSOs and a platform to present innovative initiatives as well as social and environmental models.

The exhibition aimed to initiate efficient connections among stakeholders towards making a real difference, and has been translated into several partnerships with and support to many participating NGOs.

ROADS FOR LIFE
The Talal Kassem Fund for Post Accident Care
ATLS
AUBMC

ADR
Reaching & Empowering

Responsible Business™ Magazine

Responsible Business™ Quarterly Review is a unique media platform covering the latest CSR and sustainability trends, initiatives, stories, case studies, reports and expert viewpoints. The magazine aims to broaden and deepen the understanding of CSR and provide road maps for improved adoption and implementation of the concept within a local and regional cultural context.

Responsible Business™ magazine is now in its tenth edition and has received positive stakeholder feedback locally and internationally from the CSR, media and corporate sectors. The quarterly magazine provides readers with an overview of CSR developments in the region and internationally as well as in-depth features.

It is the first and only publication in the Middle East specialized in Corporate Social Responsibility (CSR) and has fast become one of the top 3 business magazines in Lebanon.

Responsible Business™ is an authoritative reference on CSR and builds the business case for corporations committed to improving their practices by offering accurate information and guidelines. Its CSR credentials are further boosted by the production process which uses 100% recycled paper.

Key Facts

Distribution
15,000 copies in Lebanon and the Middle East (market and free distribution)

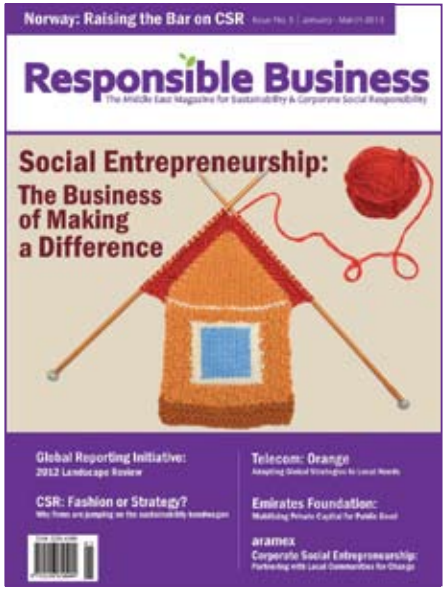
Readership
More than 50,000

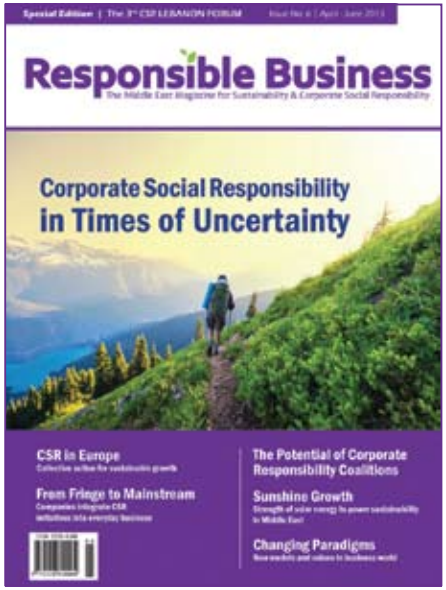
Areas of coverage
Mainly Lebanon, the UAE, Qatar, KSA, Jordan and the United Kingdom

Mixed Sources
Product Group from well-managed forests, controlled sources
and recycled wood or fiber.
Cer number C015523
© 1996 Forest Stewardship Council

Ecological Features
Printed on Oikos, recycled paper obtained with %50 of recycled FSC certified fibers and %50 pure FSC certified pulp for high quality recycled, finely mottled papers and boards.

Second Year of Responsible Business





Your Ultimate Source for Corporate Social Responsibility Knowledge

CSR LEBANON Consulting Services

CSR LEBANON provides leading consultancy services in the CSR field, helping corporations do business in a responsible and sustainable way.

Our consultancy services include:

- Setting CSR frameworks, policies and strategies.
- Developing innovative CSR projects closely related to the company's core business
- In-house training
- Establishing CSR departments and providing the necessary education and training
- CSR preliminary assessment
- Encouraging stakeholder engagement, including stakeholder mapping and dialogue planning
- Developing and communicating CSr reports and providing quality assurance

Consultancy services are still at a very early stage due to the weak market readiness to integrate strategic CSR by businesses especially in Lebanon.

Due to the instability of the political and economic environment in the country, businesses mostly operate within a short term spectrum and restrain from investing in long term strategies and programs.

CSR LEBANON expects to be more active in the consultancy area within the next five years. This will be mainly due to the fulfillment of our National Program for raising awareness about CSR which includes intensive conferences and educational workshops in collaboration with business schools and aimed at eliminating misconceptions heavily existing in this field. Philanthropic and marketing perceptions of CSR as well as the disengagement of senior leadership are among the main challenges encountered in driving integrated CSR forward.

COMMITTING TO THE 10 PRINCIPLES OF THE UNGC

COMMITTING TO THE 10 PRINCIPLES

The following section outlines our approach to the UNGC and summarizes how we are seeking to support the ten principles.

Method

CSR LEBANON undertook a self-assessment at the end of the reporting period using the UNGC Self-Assessment Tool to evaluate our progress to date. This was undertaken with input from the editorial and management team. Included in our evaluation was an analysis of our supply chain which is described below. Follow-up actions were identified which will be implemented in 2014 and are listed at the end of this section.

Our Supply Chain

In assessing our supply chain, we identified the magazine as the main product we produce therefore having the most significant impact. Where other suppliers opt for single purchases such as stationery items, we have long-term extensive relationships with the companies procuring them. Our utility requirements (water, electricity and sewage) are met by the government and/or the management of our building and are largely outside of our control.

Production of the magazine is undertaken by Salim Dabbous Printing Company Sarl, a Lebanese printing press. The paper used in the magazine is 100% recycled Oikos (FSC certified) and is sourced by CSR LEBANON directly from Nahhal Paper Co. in Lebanon. Such paper quality is unfortunately not available locally or through regional suppliers. Following production, distribution is undertaken by Messageries du Moyen-Orient de la Presse et du Livre S.A.L. The magazine is also distributed in other Middle Eastern countries, especially in the United Arab Emirates, again using a distribution agent (Abu Dhabi Media Company – Tawzea, in the UAE). Using distribution agents allows the magazine to be distributed alongside other publications to the same vendors, which reduces the carbon footprint of the magazine as well as the cost. Courier delivery is used for smaller magazine distributions, for example to particular companies, and is undertaken by Aramex (www.aramex.com), a large distribution company in the Middle East with an established track record in CSR and sustainability.

THE 10 PRINCIPLES

a) Human Rights Principles

Principle 1: Business should support and respect the protection of internationally proclaimed human rights

Principle 2: Business should ensure that they are not complicit in human rights abuses

Assessment, Policy and Goals

- CSR LEBANON supports the Universal Declaration of Human Rights and seeks to ensure that its principles are embedded in its organizational practices.
- CSR LEBANON seeks to provide a safe and healthy workplace environment for its employees.
- CSR LEBANON seeks to ensure that wages, hours and leave allowances meet international and national standards.
- CSR LEBANON seeks to provide fair treatment for all staff in handling grievances.
- An assessment of the company's environmental and social impact on the local community in terms of negative impacts has concluded that they are negligible. The company has a small office which has not displaced any local inhabitants and it has limited interaction with the local community.
- The company does not manufacture any products which may have human rights impacts.
- The company remains engaged in human rights issues related to the business community in Lebanon as part of its awareness-raising activities but does not consider the business itself to be at risk of involvement in human rights abuses.
- The company's supply chain is very limited. It includes office stationery equipment providers and the publisher of the magazine. No formal contractual arrangements currently exist with these suppliers to facilitate a contractual agreement to promote international human rights standards. However, CSR LEBANON makes sure that its suppliers have the minimum requirements of accountability and ethical business practices, like having at least a basic knowledge of sustainability issues and have plans or working towards enhancing their business processes and supply chains.
- CSR LEBANON actively and consistently promotes international human rights standards in its interactions with partners.

Implementation

• CSR LEBANON uses its media products to portray social concerns and human rights malpractices. Through its publication, Responsible Business, aims to promote support and respect for human rights in Lebanon and the Middle East.

• CSR LEBANON hosts regular events and meetings to bring together individuals from Lebanon's business community to discuss CSR and sustainability issues, including human rights.

• CSR LEBANON has adopted an Ethics Code which supports international human rights frameworks.

• CSR LEBANON is in an advanced stage of developing a Health & Safety Policy and Grievance Policy in support of its implementation of the UN Global Compact..

Measurement of Outcomes

• CSR LEBANON assures that no human rights abuses are taking place within its company, or amongst suppliers and business partners.

• CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2013. The publication seeks to educate Lebanese and Middle Eastern businesses about CSR and sustainability, including human rights issues.

• During the year, CSR LEBANON hosted the third CSR LEBANON FORUM on Risks and Uncertainty, attended by leading figures in the Lebanese business world and supported by the UN Global Compact and Banque Du Liban (Central Bank of Lebanon). Issues related to the workplace and employee rights were discussed by more than 500 participants who attended the Forum.

• CSR LEBANON delivered a training course and workshop on CSR strategies and reporting, which included information promoting the UN Global Compact as a strategic and reporting framework, in which human rights issues feature.

b) Labor Principles

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Business should support the elimination of all forms of forced or compulsory labor.

Principle 5: Business should support the effective abolition of child labor.

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals	• The company recognizes the rights of its workers to freedom of association and collective bargaining. • Child labor and forced labor are not considered risks for the company due to the nature of our work and our workforce. • CSR LEBANON ensures that employment decisions are based on objective criteria. This is enforced by the aim of promoting CSR in a multicultural and multi-religious country like Lebanon through promoting social collaboration and inclusion.
Implementation	• CSR LEBANON actively campaigns against all forms of forced or compulsory labor and child labor. • CSR LEBANON commits to and respects its Ethics Code. This includes reference to the right of employees to form associations and undertake collective bargaining. • The Ethics Code of the company includes a commitment to avoid discriminatory behavior, including recruitment, based on religion, race, ethnicity, or gender. • CSR LEBANON continues to undertake awareness-raising activities to promote greater understanding of labor issues within Lebanon and the Middle East. • CSR LEBANON promotes an open policy inside the organization where employees are free to express their opinions, needs, share their problems, and seek advice.

Measurement of Outcomes

- Employees of CSR LEBANON have not engaged in any trade union or collective bargaining activities during 2013 but have not suffered any restrictions in doing so.
- There are no children under the age of 19 who have worked or are working for the company or its main suppliers.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2013. The publication seeks to educate Lebanese and Middle Eastern businesses about CSR and sustainability, including labor issues.
- During the year, CSR LEBANON hosted the third CSR LEBANON FORUM on Risks and Uncertainty, attended by leading figures in the Lebanese business world and supported by the UN Global Compact and Banque Du Liban (Central Bank of Lebanon). This included discussion about investment decision-making and CSR in relation to the workplace and labor rights.
- CSR LEBANON undertook a training course and workshop on CSR strategies and reporting, which included information promoting the UN Global Compact as a strategic and reporting framework.

c) Environmental Principles

Principle 7: Business should support a precautionary approach to environmental challenges.

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

- CSR LEBANON seeks to lead by example in taking actions to be an environmentally sustainable business.
- CSR LEBANON continues to undertake awareness-raising activities to promote greater understanding of environmental responsibility and uptake of new technologies in the Middle East.

Implementation

- Responsible Business™ is the only magazine of its kind in the Middle East printed on 100% eco-friendly Oikos recycled paper obtained with %50 of recycled FSC certified fibers and %50 pure FSC certified pulp for high quality recycled, finely mottled papers and boards. The whole company stationery (letterheads, brochures, business cards, folders, envelopes, notebooks, etc.) is printed on high quality FSC certified paper, the Oikos paper. We always mention paper specifications on our print-puts to encourage our partners to shift to the same.
- The company has taken measures to reduce its energy use by turning off all electrical equipment overnight and using printers which turn off automatically when not in use. Natural light is also used whenever possible within the office.
- CSR LEBANON is in continuous communication with its suppliers to discuss environmental issues.
- The company has implemented a recycling initiative to recycle paper but this has to be better enforced and monitored. Printing is also being minimized and double sided. It is worth noting, that CSR LEBANON, as a small company, does not generate a large amount of waste. Thus, segregated waste cannot be collected by local agents because of cost inefficiency of waste collectors. Accordingly, CSR LEBANON is working on promoting this practice among their neighboring companies and partners to gather waste in one area for more efficient collection.

Measurement of Outcomes

- 100% of magazines and stationery is printed on recycled paper, using environmentally sound ink.
- No environmental incidents or complaints were made against CSR LEBANON during 2013.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2013. The publication included features on environmental issues such as alternative/renewable energy, case studies on businesses engagement in environmental sustainability, environmental paradigms in the Middle East, and an in-depth review about the Telecom industry among others.
- During the year, CSR LEBANON hosted the third CSR LEBANON FORUM on Risks and Uncertainty, attended by leading figures in the Lebanese business world and supported by the UN Global Compact and Banque Du Liban (Central Bank of Lebanon). This included discussion about sustainable supply chains and green initiatives and CSR in relation to the environment.
- CSR LEBANON undertook a training course and workshop on CSR strategies and reporting, which included information promoting the UN Global Compact as a strategic and reporting framework.

d) Anti-Corruption Principles

Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals	• CSR Lebanon takes an active stance against corruption in all its forms both within its own business and the business community at large. It is committed to ethical behavior, accuracy and transparency. • CSR LEBANON's employment agreement states that unethical business practice is a reason for terminating the employment contract. • The company considers that the risk of corruption within its own business relationships is very low.
Implementation	• CSR LEBANON Ethics Code incorporates anti-corruption commitments. • The company is in an advanced stage of developing a grievance procedure to ensure that employees are able to raise concerns and report non-compliance with the Ethics Code without fearing personal consequences. • CSR LEBANON continues to conduct awareness-raising activities on the subject of corruption.
Measurement of Outcomes	• There have not been any reports of corruption within CSR LEBANON's business during the reporting period. • CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2013 including articles that promote ethics and best practice. • CSR LEBANON undertook a training course and workshop on CSR strategies and reporting, which included information promoting the UN Global Compact as a strategic and reporting framework.

Comment:

Although this means an opportunity cost in terms of funding, CSR LEBANON's commitment to transparency led the company to be established as a for-profit company rather than an NGO for two reasons:

1. The generally poor reputation of many national NGOs in the country.

2. Inexistence of a relevant legal status in the Lebanese laws for social enterprises.

Follow-Up

The action points identified to improve our compliance with the Global Compact for 2014 are as follows:

1. Activate a Health and Safety policy for the workplace

2. Activate a Grievance policy for the workplace

3. Activate a policy on Freedom of Association and Collective Bargaining

4. Ensure pregnancy and adoption/childcare leave is included in standard employment contract

5. Activate an environmental policy including a strategy to monitor recycling performance in the workplace and advance lobbying among neighboring corporations

6. Develop an arrangement, contractual or otherwise, with major suppliers which will support our compliance with the UNGC ten principles (if applicable in Lebanon)

7. Assess feasibility of monitoring indirect outcomes of awareness-raising activities such as relevant external events and press coverage of CSR /sustainability issues in other news publications

8. Actively promote the adoption of the ten principles of the UN Global Compact and the Business for Peace Guidance among Lebanese corporations and work closely with public and private sector authorities in line with our mandate to establish a Local Network.

WE BELIEVE IN

CORPORATE SOCIAL RESPONSIBILITY

OUR MISSION... AND NOTHING ELSE

Established in 2009, CSR LEBANON LLC. is an independent consulting firm, a social enterprise aiming to raise awareness about Corporate Social Responsibility and to enhance CSR dialogue in Lebanon and the region. Through our consultancy, from strategy to reporting, we provide a better understanding of the CSR concept among the public and private sectors, and in the community.

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