



CORPORATE SOCIAL RESPONSIBILITY REPORT 2012 - 2013

TABLE OF CONTENTS

I. A MESSAGE FROM OUR CHAIRMAN	4
LOOKING BEYOND THE BOTTOM LINE	
II. ABOUT BANQUE LIBANO-FRANÇAISE	6
1. OUR MISSION STATEMENT	8
2. OUR VALUES	9
3. OUR CSR STRATEGY	10
4. LATEST MILESTONES IN OUR COMMITMENT TO CSR	12
III. WORKPLACE	14
1. EFFECTIVE HUMAN RESOURCES MANAGEMENT	16
A. OUR PEOPLE	17
B. EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY	19
C. INTEGRATION OF NEWCOMERS	21
D. PEOPLE MANAGEMENT	22
E. DEVELOPMENT AND TRAINING	25
F. REWARDS AND REMUNERATION	28
G. SOCIAL AND WELFARE BENEFITS	29
H. WELL-BEING AND WORK-LIFE BALANCE	30
2. EFFECTIVE INTERNAL COMMUNICATIONS	33
A. INFORMING OUR EMPLOYEES	34
B. ENCOURAGING INTERACTION AND FEEDBACK	35
C. REINFORCING BELONGINGNESS	36
IV. COMMUNITY	40
1. FOSTERING ARTS AND CULTURE	44
2. SAFEGUARDING PUBLIC HEALTH	47
3. NURTURING HUMAN RIGHTS	48
4. EMBELLISHING LEBANON'S STREETS WITH HELP LEBANON	49
5. PROMOTING SAFE DRIVING WITH KUNHADI	50
6. ACTING AS A TRUE FINANCIAL AND ECONOMIC PARTNER	51
7. BLF: A PARTNER FOR EVERYBODY'S AMBITIONS	52
8. ENGAGING OUR STAFF IN OUR CSR	53

V. ENVIRONMENT	54
1. LAUNCHING GREEN PRODUCTS AND SERVICES	56
2. SIGNING GREEN PARTNERSHIPS	57
3. SUPPORTING GREEN INITIATIVES	59
4. PROMOTING GREEN BEHAVIOR AT THE WORKPLACE	62
VI. MARKETPLACE	66
1. SERVICING CLIENTS THROUGH DIVERSIFIED BUSINESS LINES	68
2. DEVELOPING OUR DELIVERY CHANNELS TO REACH TO ALL	72
3. ENHANCING CUSTOMER EXPERIENCE	74
4. MAINTAINING A TRANSPARENT COMMUNICATION	76
5. ENSURING SECURITY AND BUSINESS CONTINUITY	78
6. EMPOWERING THE MARKETPLACE	79
VII. CORPORATE GOVERNANCE	84
1. PRINCIPLES	86
2. COMPOSITION AND MEETINGS OF THE BOARD OF DIRECTORS	87
3. MEMBERS OF THE BOARD OF DIRECTORS	90
4. BIOGRAPHIES OF BOARD MEMBERS	91
5. COMMITTEES	94
6. SENIOR MANAGEMENT	97
VIII. OUR CONTACTS	98



LOOKING BEYOND THE BOTTOM LINE

A MESSAGE FROM OUR CHAIRMAN

Dear all,

Since its establishment in 1930, and even before the term "Corporate Social Responsibility" became a fashionable trend, Banque Libano-Française has been seeking to look beyond the bottom line by fostering economic growth and contributing to a better society.

Over 80 years of presence on the market attest that we have always been doing our business by embracing our 5 founding values: Responsibility, Integrity, Competences, Humanism and Commitment. Throughout the years, we have established a solid Corporate Governance framework, helped the Lebanese economy prosper and grow, conducted our relations with our clients with accountability, transparency and respect, valued our employees, given back to the community through our support to numerous cultural and social issues, and contributed to a sustainable environment; in addition to continuously developing the Bank and ensuring a durable return on investment to our shareholders.

In current troubled days where our country and region, similar to the rest of the world, are governed by uncertainty and confusion, we know more than ever that the purpose of our business is to serve society, and that political or economic conditions should not be a pretext for us to neglect sustainability.

We also recognize that in the lack of government intervention, the private sector, and particularly the banking sector which is the main pillar of the local economy, has a crucial role to play to cater to the needs of the community.

We, at Banque Libano-Française, are taking up this challenge! In addition to allocating an increased budget for CSR activities, we have established as early as in 2010 a proficient CSR Unit and allocated resources to prepare a CSR plan based on the 4 recognized pillars: Workplace, Marketplace, Community and Environment. We have also set an environmental policy, signed strategic "green" partnerships and launched several reporting channels. To avoid the "green wash" trap, we have also unequivocally disconnected Public Relations activities from CSR ones.

We believe that CSR will help us increase efficiency through innovation, improve risk management, cut costs, increase brand equity, recruit talents, increase staff commitment, and create growth opportunities for all. We are determined to keep on developing our business model to cater to the needs of our community and stakeholders. Therefore we are today working on adopting the ISO 26000 guidelines, setting key performance indicators, and further integrating social responsibility in our behaviors, business operations and interactions with all parties.

By doing so, we will be modestly answering today's aspirations as 94% of customers expect companies to analyze and evolve their business practices to make their impact as positive as possible*, and 81% say companies have a responsibility to address key social and environmental issues*.

I am happy to present to you our CSR strategy and some of its 2012-2013 related activities in our first CSR report. While I trust you will enjoy reading it, I seize the opportunity to thank each and every one amongst BLF partners, and above all our clients and staff, for their loyalty and trust. It is only with the combined efforts of all our stakeholders that we will be able to pursue our commitment and mission at the service of a better society.

Farid Raphaël
Chairman General Manager

* Source: A local approach to global CSR, Dan Soulas and Warc Exclusive, December 2011, based on opinions of more than 10,000 consumers in 10 key markets



ABOUT BANQUE LIBANO- FRANÇAISE

Banque Libano-Française was established in 1967. As at June 30, 2014, it had USD 11 billion in total assets and USD 907 million in consolidated shareholders' equity. BLF operates in Lebanon through a network of 52 branches in addition to 137 ATMs. The international footprint of BLF Group includes subsidiaries in France and Cyprus (Banque SBA), Switzerland (LF Finance Suisse), Syria (Bank Al-Sharq), Representative Offices in United Arab Emirates (Abu Dhabi) and Nigeria (Lagos), and a branch in Iraq (Baghdad).

1. OUR MISSION STATEMENT



Banque Libano-Française is a Lebanese, highly performing universal bank, renowned for its professionalism and financial strength.

We aim at being a leading player and a reference in the banking sector in Lebanon.

We are committed to constantly developing our skills to ensure expertise and quality of service, and to maintain and strengthen our 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.

2. OUR VALUES



In 2005, we established a set of core values that govern the relationship between the Bank and its employees. Inspired from the Bank's legacy, and personality of its founder and management, these values are permanent, unifying and non-negotiable beliefs.

In addition, our values:

- Are part of our vision, and form the basis of our policies and actions.
- Provide a code of conduct for our employees.
- Are essential for the present and vital for the future. They are a logical extension of our legacy.
- Are permanent, though their interpretation may vary over time.
- Set an example, as they are espoused at the highest levels of management.
- Are shared, communicated and embraced by all employees.

When promoted openly, instinctively, and continuously, these values contribute to the unity, quality, competitiveness and success of the Bank.

Responsibility
Integrity
Competences
Humanism
Commitment

3. OUR CSR STRATEGY



We believe that companies should look beyond just the bottom line, assume their responsibility vis-à-vis the society in which they operate, and address the expectations of their shareholders and stakeholders. Our economic, social, and environmental responsibilities are therefore an integral part of our business ethics and are rooted in the values of our Bank.

Our Corporate Social Responsibility strategy is founded on 4 pillars: valuing our employee at the Workplace, supporting our Community, preserving the Environment, and empowering our clients while contributing to a better Marketplace.

This strategy goes hand-in-hand with our founding values of Responsibility, Integrity, Competences, Humanism and Commitment.

In addition to allocating a budget to CSR activities, we have created in 2010 a CSR Unit, set a CSR plan and unequivocally disconnected Public Relations activities from CSR activities.

Since we also recognize the importance of raising awareness on CSR, we are continuously reporting on our CSR activities internally via the Intranet site, newsletters, meetings, and externally through our website, our social media channels, and "Lookout on our CSR activities" newsletter. We are also issuing today our first CSR report covering the years 2012 and 2013.

CSR being an emerging field in Lebanon, we acknowledge that there is yet a huge potential to exploit and perceive CSR as an opportunity for innovation and continuous improvement.

In 2013, BLF was selected by LIBNOR, the Lebanese Standards Institution attached to the Lebanese Ministry of Industry, to participate as a pilot organization in the uptake and use of ISO 26000 guidelines, an International Standard providing organizations with guidance concerning Social Responsibility. Within the framework of this project, a CSR project team was set up to conduct a Gap Analysis, identify all stakeholders and engage them through surveys, and prepare an Action Plan with recommendations.

4. LATEST MILESTONES IN OUR COMMITMENT TO CSR

2005

- Reaffirming our engagement to our stakeholders in the Mission Statement
- Reaffirming of our Corporate Values: Responsibility, Integrity, Competences, Humanism and Commitment

2007

- Moving from "philanthropy" and "sponsorings" to "partnerships"

2010

- Creating the CSR Unit under the Communications Division
- Splitting PR and CSR strategies, budgets and plans
- Identifying 4 pillars for BLF CSR framework (Workplace, Community, Environment, Marketplace)
- Launching "LookOut on our CSR activities" newsletter

2011

- Launching a Sustainable Energy Finance Initiative with the International Finance Corporation (IFC)
- Launching a green strategy including products development and external and internal awareness

2012

- Launching a green building audit
- Preparing an extensive research on CSR along with benchmarks and recommendations

2013

- Selection by LIBNOR of BLF as a pilot initiative for the uptake of ISO 26000 guidelines
- Creating a CSR project team
- Conducting a Gap Analysis on the ISO 26000 7 Core Subjects

2014

- Launching of a stakeholders engagement survey
- Integration of a sustainability component in the Mission Statement
- Launching of a new CSR strategy
- Drafting a long-term action plan
- Signing the United Nations Global Compact
- Issuing the first CSR Report

NEXT STEPS

- **CREATION OF A CSR COMMITTEE**
- **IMPLEMENTATION OF A LONG-TERM ACTION PLAN BASED ON A NEW STRATEGY**
- **PROMOTION OF THE UNGC PRINCIPLES...**

DETAILS WILL BE DISCUSSED IN THE NEXT EDITION OF OUR CSR REPORT.



WORKPLACE

OUR MISSION STATEMENT (EXTRACT)

"WE ARE COMMITTED TO CONSTANTLY MAINTAINING AND STRENGTHENING THE TRUST RELATIONSHIP WITH OUR STAFF, TO WHOM WE OFFER OPPORTUNITIES FOR SELF-ACCOMPLISHMENT AND A PROMISING FUTURE."

At Banque Libano-Française, our employees are an inherent part of our success and have always been at the heart of how we conduct our business.

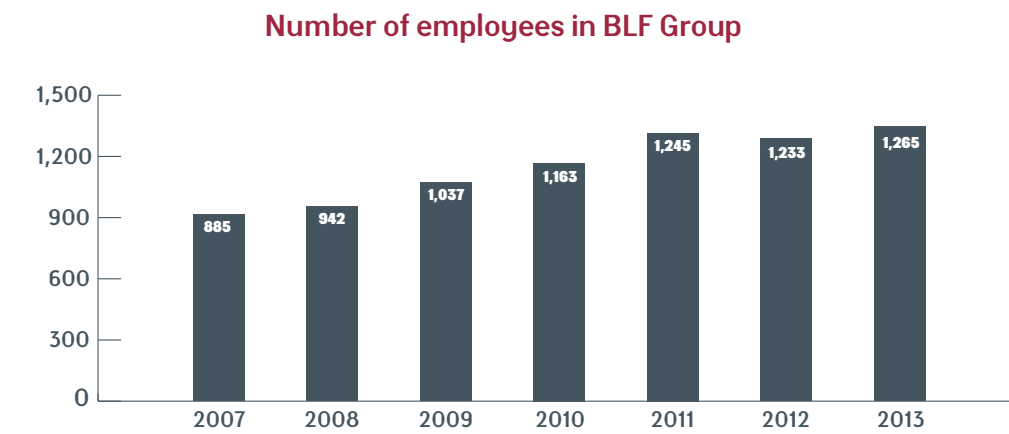
We constantly strive to attract, motivate and retain a talented workforce. That is why, we foster a performance-driven culture, where accomplishments are recognized and rewarded with development opportunities, career advancements as well as attractive remuneration through effective human resources management. In addition to developing the careers of our employees, we are renowned for our strongly established internal communication structure.

1. EFFECTIVE HUMAN RESOURCES MANAGEMENT

A. OUR PEOPLE

Employment at Banque Libano-Française has been on a significant upward trend over the last six years. Due to the Bank's expansion strategy in Lebanon, the number of employees in Lebanon reached 1,085 by the end of December 2013, and 1,265 within the overall Group.

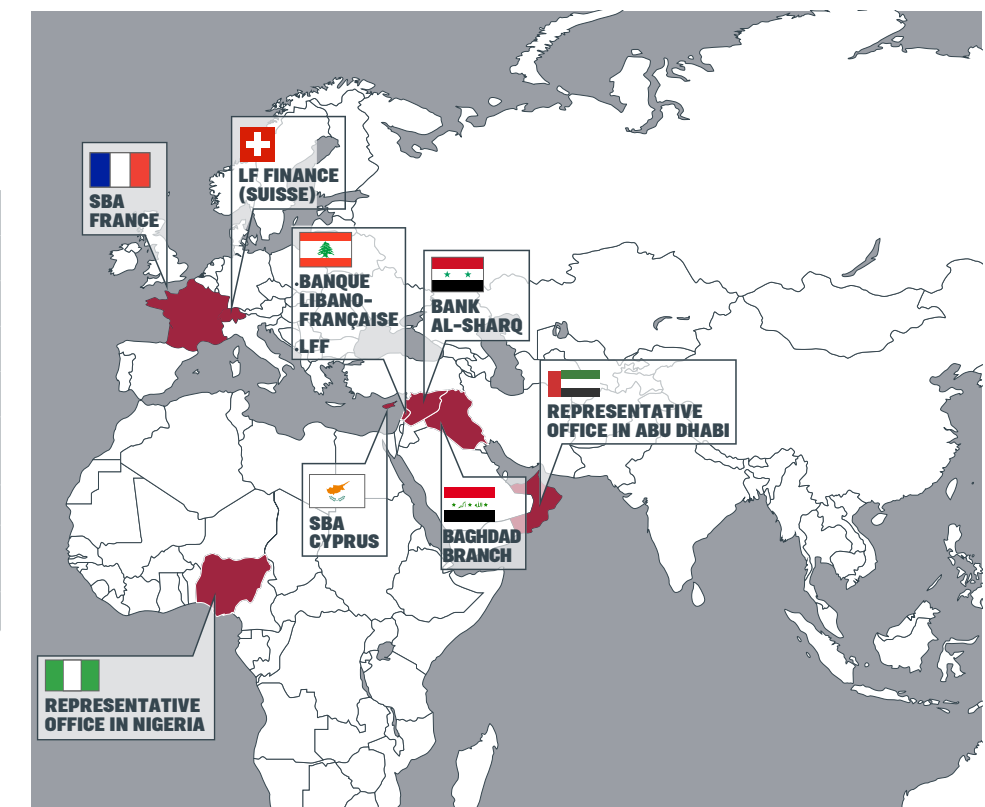
A 2013 STUDY SHOWED THAT MORE THAN 41% OF OUR EMPLOYEES HAVE BEEN AT BLF FOR MORE THAN 10 YEARS.



By the end of 2013, staff members in BLF central divisions reached 583, while 502 employees worked in the branches.

Breakdown	Number of Employees
Banque Libano-Française	1,084
Libano-Française Finance (LFF)	16
Banque SBA - France and Cyprus	62
Bank Al-Sharq - Syria	88
LF Finance (Suisse) - Switzerland	7
Abu Dhabi Representative Office - UAE	2
Baghdad Branch - Iraq	5
Lagos Representative Office - Nigeria	1
Total	1,265

Geographic breakdown of employees in Banque Libano-Française Group in 2013.



A. OUR PEOPLE

Longevity at the Bank	Total number of employees	Percentage of employees
≤ 5 years	480	46
> 5 years	111	11
≥ 10 years	459	43
Total	1,050	100

Longevity of BLF's employees in Lebanon as at end of 2012.

Longevity at the Bank	Total number of employees	Percentage of employees
≤ 5 years	478	44
> 5 years	150	14
≥ 10 years	457	42
Total	1,085	100

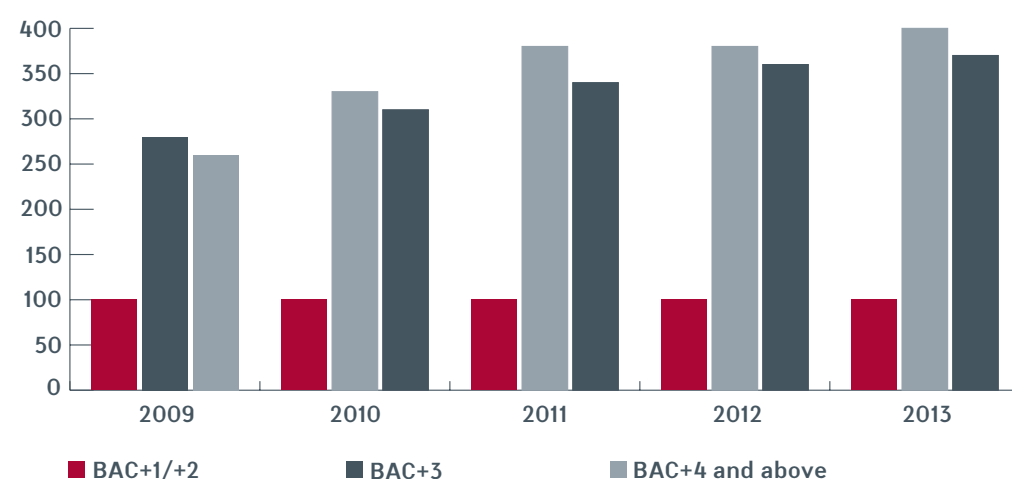
Longevity of BLF's employees in Lebanon as at end of 2013.

A HIGHLY EDUCATED STAFF

Latest figures of the educational level at Banque Libano-Française show an increase in the recruitment of highly educated staff.

Figures published in 2013 revealed that 71% of our employees were bachelor's degree holders and above.

Educational level



29% OF OUR EMPLOYEES HOLD A MASTER'S DEGREE OR A HIGHER DIPLOMA.

B. EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY

WE ARE NOT ONLY COMMITTED TO THE FAIR AND EQUITABLE TREATMENT OF OUR EMPLOYEES, IRRESPECTIVE OF THEIR AGE, GENDER, RELIGION OR MARITAL STATUS, BUT ALSO TO THE PRINCIPLE OF EQUAL EMPLOYMENT OPPORTUNITY, BASED ON THE SUITABILITY FOR THE JOB. BY VALUING DIVERSITY, OUR EMPLOYEES' SKILLS WILL BE LEVERAGED FOR INDIVIDUAL, TEAM AND ORGANIZATIONAL SUCCESS.

GENDER EQUALITY

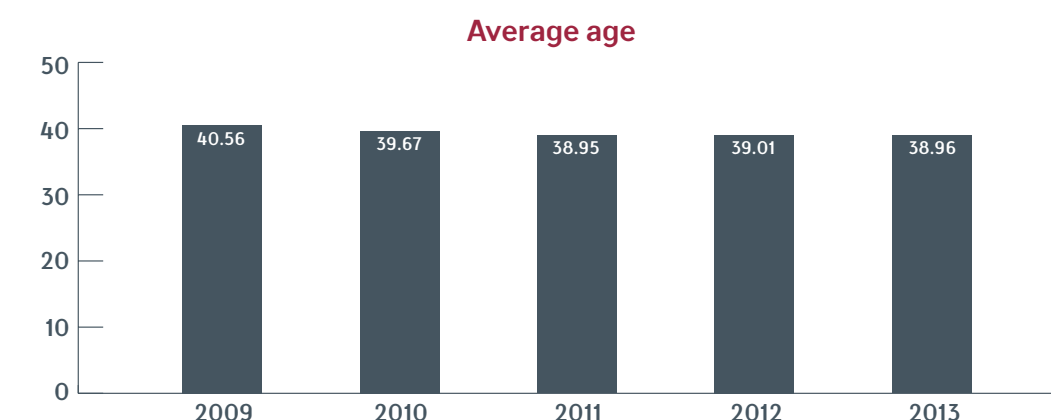
Our policy focuses on offering equal employment opportunities and this is expressed through recruiting competent women at every level of the Bank, and in particular in increasing the number of women who access managerial positions. The evolution of the number of women has been clearly noticeable during the last years. Currently, women constitute 54% of our workforce. Women occupy 54% of the middle management positions, and 24% of upper management positions. Among the upper management, in addition to a Deputy General Manager, six women are heading key divisions, namely Corporate Banking, Operations, Risk Management, Cards Services, Communications and Legal Compliance.



Percentage of women employed at the Bank rose from 45.36% in 2009 to 54% in 2013.

AGE DIVERSITY

We are dedicated to promoting age diversity at the workplace. Figures show that the average age dropped from 2009 to 2013 due to the recruitment of younger employees.



AVERAGE AGE DROPPED FROM 40.56 YEARS IN 2009 TO 38.9 YEARS IN 2013.

B. EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY



BLF actively takes part in the major job fairs of the country to offer students and impending graduates internships and job opportunities.

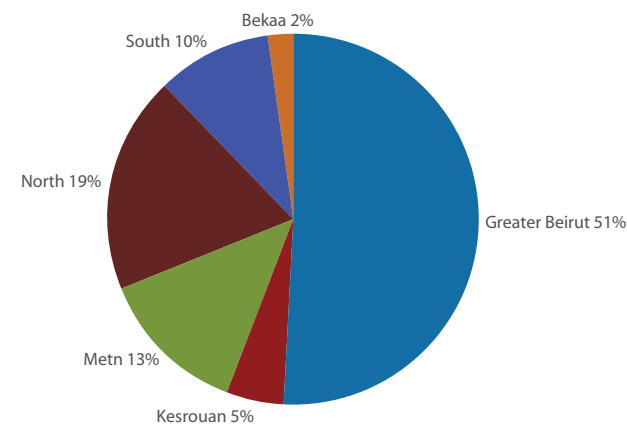
Age Category	2007	2008	2009	2010	2011	2012	2013
< 25 years	6.74%	7.79%	8.62%	11.76%	1%	10%	10%
25 to 34 years	25.52%	28.43%	30.69%	32.47%	36%	38%	39%
35 to 44 years	24.74%	21.76%	20.11%	16.75%	16%	16%	16%
44 to 54 years	29.53%	26.21%	24.25%	22.37%	20%	18%	17%
55 to 64 years	12.82%	15.08%	15.63%	15.50%	16%	17%	17%
> 64 years	0.65%	0.74%	0.69%	1.14%	1%	1%	1%

Percentage of employees per age category for the years 2007, 2008, 2009, 2010, 2011, 2012 and 2013.

EMPLOYMENT OPPORTUNITIES FOR FRESH GRADUATES

In addition to empowering women, we open several job opportunities to young graduates. In 2012 and 2013, we took part in the job fairs of the American University of Beirut (AUB), the Lebanese American University (LAU) of Jbeil and Beirut, Saint-Joseph University (USJ), Notre-Dame University (NDU), the University of Balamand, Sagesse University and L'Ecole Supérieure des Affaires (ESA) in order to offer jobs to ambitious graduates. In 2012, we recruited around 48 fresh graduates, who accounted for 52% of the overall recruits. In 2013, we recruited another 58 fresh graduates, namely 49% of the total recruits.

In addition, we offer internship opportunities to students each summer thus facilitating the transition from university to the workplace. In 2013, 118 students were offered internships that allowed them to acquire practical professional experience, compared to 101 students in 2012.



Regional distribution of trainees.

C. INTEGRATION OF NEWCOMERS



INTEGRATION SEMINAR

A two-day integration seminar gives new employees the opportunity to get familiar with the Bank and its many businesses. Sessions help create a sense of corporate identity, offering shared terms of reference with regard to values, business principles, working methods, products and services. During the seminar, members of the General Management and key Heads of Divisions explain their respective roles and meet with new employees. Several sessions are held each year so that newcomers can benefit from it within the first three months of their arrival. Participants are then asked to fill a questionnaire evaluating the sessions.

COACHING

Aware of the potential integration difficulties faced by each new recruit, we developed a coaching system in order to provide new recruits with guidance and counseling, and help them in their integration process. The coaching system consists of teaming each newcomer with a coach named by the Head of Division and the Human Resources Division. The coach is a fellow from the same division, who has been at the Bank for at least two years.

The "Welcome to Ambitions land" integration seminar for new recruits includes team building sessions.

**BETWEEN 2012 AND 2013,
81 EMPLOYEES ATTENDED
THE INTEGRATION SEMINAR.**

D. PEOPLE MANAGEMENT

HUMAN RESOURCES COMMITTEE

The Human Resources Committee is in charge of proposing to the Executive Committee a recruitment policy, a career development policy, and policies for additional employee benefits. It is also responsible for validating the format of the annual staff appraisals, the training programs and the employees' code of conduct. The HR Committee is headed by the Chairman and the General Manager and its members are managers of the Bank. Meetings are held quarterly.

CAREER DEVELOPMENT COMMITTEE

In 2008, a career development committee was created to draw a career development plan for employees to match their potential with the Bank's needs, help employees who have career orientation problems, identify employees who have potential for team and project management positions and enroll them in the Management Training Program (MTP), and draft a succession plan for the Bank's main line managers.

MANAGEMENT TRAINING PROGRAM

The Management Training Program (MTP) is intended to prepare future managers for their responsibilities by providing them with tailor-made internships at various entities within the Bank and by enrolling them in various seminars. The candidates temporarily leave their current responsibilities to experience different functions through various assignments.

MANAGEMENT BY OBJECTIVES

Banque Libano-Française has implemented a management by objectives policy in order to align the individuals' objectives with the overall objectives of the Bank.

At the end of each year, the Chairman issues an orientation letter in which he summarizes the Bank's achievements during the current year and sets the objectives for the coming year. Based on this letter, every Manager sets the annual plan of his/her Division by involving his/her team in the preparation process. By involving our employees in this strategic planning process, we do not only motivate them, but we also make sure that set goals are realistic and measurable.

BETWEEN 2012 AND 2013, 13 EMPLOYEES ENROLLED IN THE MANAGEMENT TRAINING PROGRAM.



THE HUMAN RESOURCES DIVISION HAS FILLED AN AVERAGE OF AROUND 41% OF VACANCIES IN 2013 THROUGH INTERNAL RECRUITMENT.

PERFORMANCE MANAGEMENT

We are committed to ensuring the career development of our employees. A standardized annual performance review takes place between employees and their managers in order to assess the work and mutually set the objectives for the coming year.

The annual performance review is an effective communication tool that allows for a two-way communication between the employee and his/her direct manager, and provides clarity on mutual expectations. During this meeting, employees' performances are acknowledged and training needs identified.

INTERNAL MOBILITY AND INTERNAL RECRUITMENT

Internal mobility allows employees to acquire skills in various areas or perform the same job in a different environment (division or branch).

In line with a policy of internal promotion, we provide employees, through the Intranet, with open access to the available vacancies before initiating an external recruitment process.

Internal mobility results in varied experiences and increases know-how. It encourages occupational as well as regional mobility by giving employees access to all vacancies in the country. We believe that, in addition to allowing the filling of positions more quickly, internal mobility leads to greater staff satisfaction and retention.

D. PEOPLE MANAGEMENT



EMPLOYEE HANDBOOK

In 2008, we launched the first issue of the Employee Handbook, which contains all the information and regulations relevant to BLF's day-to-day operations, in addition to providing newcomers with an extensive and comprehensive reference to internal issues. The Handbook aims to create cohesion between the employees' behavior, and highlights the Bank's objectives and values to foster a stronger sense of belonging. In order to introduce the Handbook to all employees, the Communications and Human Resources Heads conduct regular visits to all divisions and branches.

The Handbook is updated on a yearly basis.

GRADING SYSTEM

In 2009, we replaced the traditional banking grading system with a new function-based system that rewards staff members based on their performance, instead of the number of years spent at the Bank.

The Communications Division involves and informs employees through internal campaigns.

E. DEVELOPMENT AND TRAINING



**IN 2013,
WE ALLOCATED
USD 369,557
AND
29,465 HOURS
TO STAFF TRAINING.**

View of the Training Academy.

TRAINING ACADEMY

Aware of the fact that quality training is key for the quality of service, as well as the development of our staff, we set up in 2009 an innovative and ambitious Training Academy dedicated to improving the skills of BLF Group staff.

Number of employees that were trained in 2012 and 2013



CONTINUOUS TRAINING

We are continuously striving to provide learning and development opportunities to employees in order to enhance their capabilities and help them fulfill their career ambitions.

In 2012:

- We provided 53 different internal trainings to a total number of 3,453 beneficiaries. We allocated USD 136,396.97 and 25,334.5 hours to training opportunities.
- We provided 94 external training and workshops in Lebanon and abroad to a total number of 302 beneficiaries. We allocated USD 175,865.32 and 3,966.25 hours to training opportunities.
- We provided 34 conferences in Lebanon and abroad to a total number of 51 beneficiaries. We allocated USD 33,833.57 and 543 hours to training opportunities.

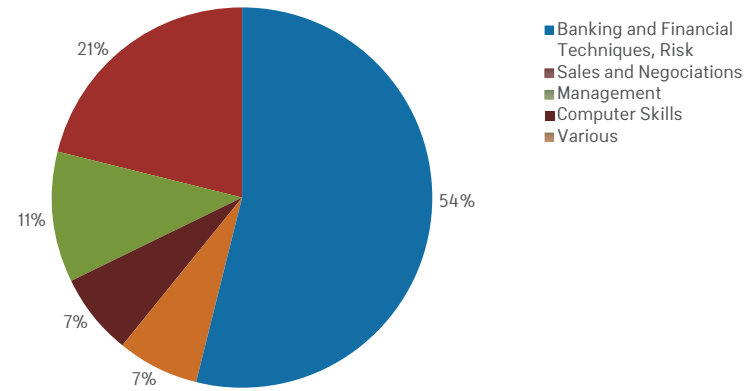
In 2013:

- We provided 33 different internal trainings to a total number of 3,003 beneficiaries. We allocated USD 66,038.81 and 22,794 hours to training opportunities.
- We provided 103 external training and workshops in Lebanon and abroad to a total number of 738 beneficiaries. We allocated USD 253,347.84 and 6,159.75 hours to training opportunities.
- We provided 30 conferences in Lebanon and abroad to a total number of 57 beneficiaries. We allocated USD 50,169.87 and 511.50 hours to training opportunities.

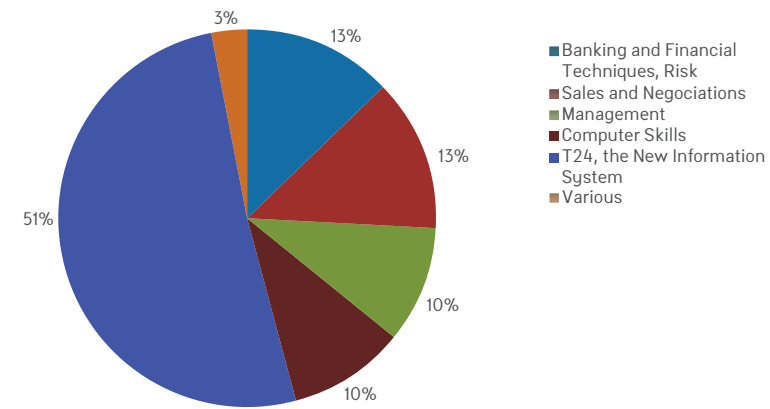
Training sessions include topics such as development of personal and communication skills, sales and negotiation techniques, management, banking and financial techniques, risk, information technology, and language courses.

E. DEVELOPMENT AND TRAINING

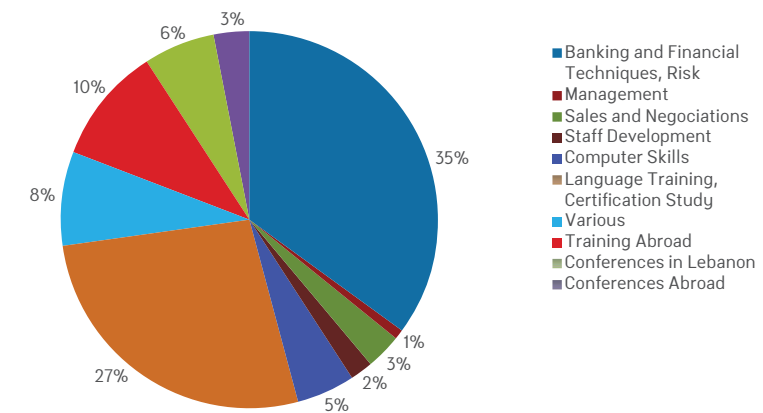
Distribution of internal trainings per categories in 2012



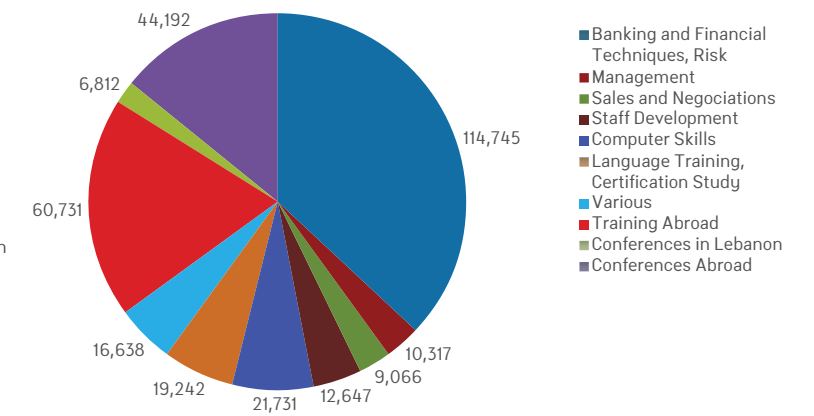
Distribution of internal trainings per categories in 2013



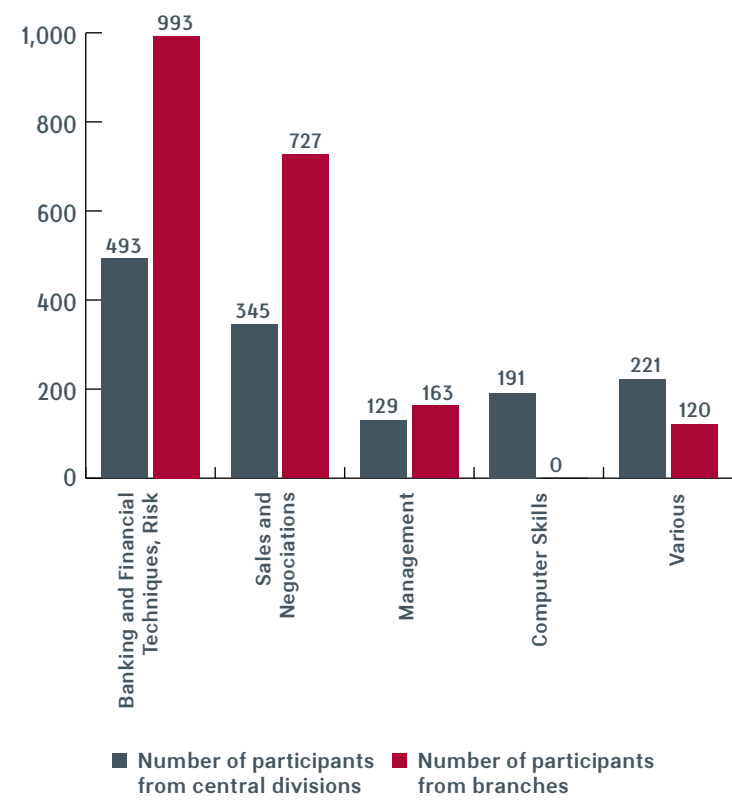
Percentage of trainings and conferences per categories in Lebanon and abroad in 2012



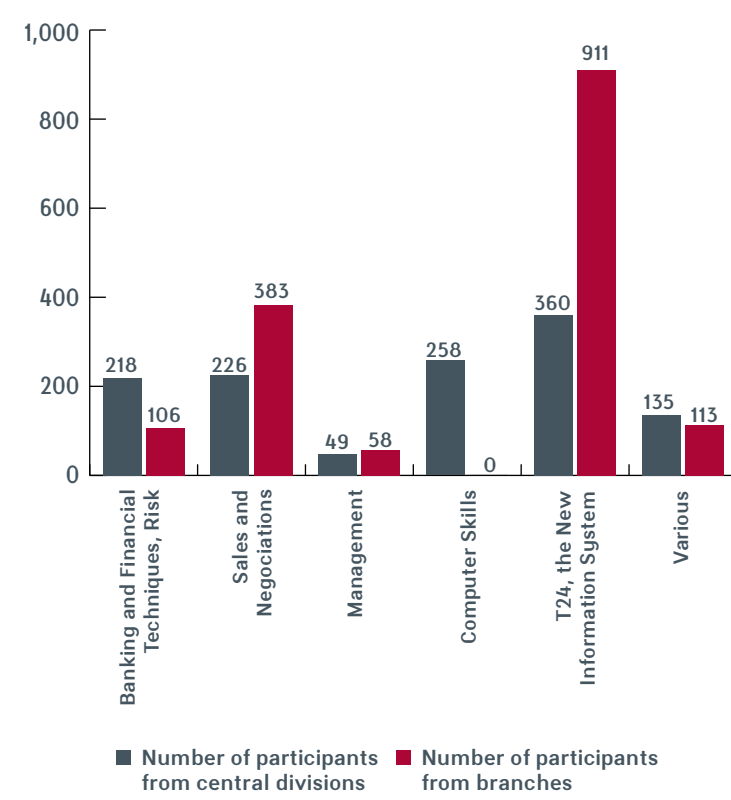
Trainings and conferences per categories in Lebanon and abroad in LBP Millions in 2012



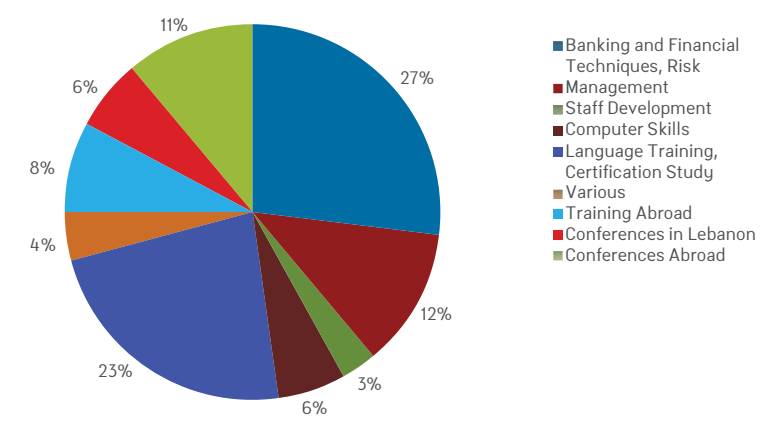
Distribution of employees participation in internal trainings per categories in 2012



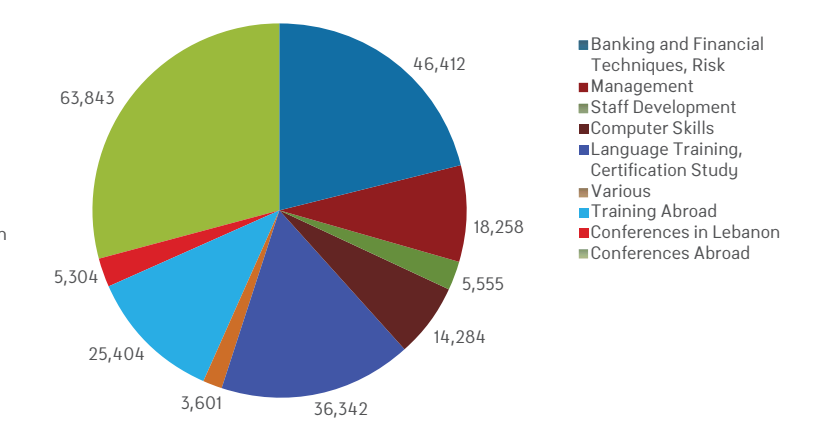
Distribution of employees participation in internal trainings per categories in 2013



Percentage of trainings and conferences per categories in Lebanon and abroad in 2013



Trainings and conferences per categories in Lebanon and abroad in LBP Millions in 2013



F. REWARDS AND REMUNERATION



ATTRACTIVE COMPENSATION

Banque Libano-Française is committed to providing competitive packages, which include the basic wage, incentive pay, social security and welfare benefits (health care, parenthood benefits, banking services, and pension plans).

All staff members are treated fairly and rewarded on the basis of their performance and skills, which are measured based on predefined yearly objectives, annual plans and appraisals.

We have also developed an equitable framework to reward outstanding employees who add value to the business.

The payment of a variable compensation to the employee is suggested to the General Management following the recommendations of the Heads of Divisions and the Head of the Human Resources Division.

**IN 2012, BLF SPENT
USD 1,422,995
TO SUPPORT SCHOOL AND
UNIVERSITY TUITION FEES
OF EMPLOYEES' CHILDREN.**

**IN 2013, BLF SPENT
USD 1,760,477
TO SUPPORT SCHOOL AND
UNIVERSITY TUITION FEES
OF EMPLOYEES' CHILDREN.**

G. SOCIAL AND WELFARE BENEFITS



FEES AND ALLOWANCES

We provide employees with partial coverage of scholarship fees, coverage of transportation fees, coverage of parking fees, coverage of lunch fees and free access to the Bank's cafeteria, family allowances, maternity benefits, as well as marriage and baby bonuses.

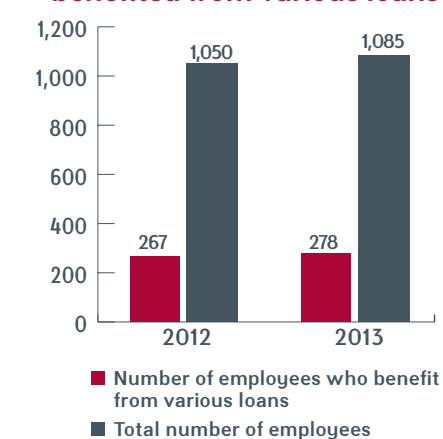
REDUCED RATES ON BANKING SERVICES

Loyal to our corporate culture, we also strive to ensure that working at BLF has a positive impact on the lives of our employees. For that reason, we offer our staff specific services, Bank transactions, as well as various loans at reduced and attractive rates.

SPECIAL HEALTHCARE PROGRAM

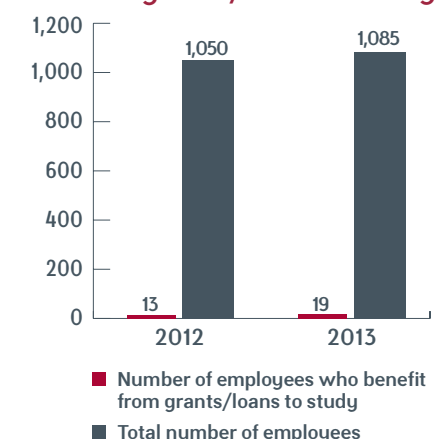
In addition to providing comprehensive benefits for active employees, BLF is one of the few banks in Lebanon to provide retirees and their spouses with healthcare benefits such as hospitalization. In 2012, we provided these benefits to 140 people, compared to 148 in 2013.

Number of employees who benefited from various loans



**25%
OF EMPLOYEES TOOK LOANS
IN 2012
26%
OF EMPLOYEES TOOK LOANS
IN 2013.**

Number of employees who benefited from grants/loans to study



**1.2%
OF EMPLOYEES TOOK LOANS
TO STUDY IN 2012
1.8%
OF EMPLOYEES TOOK LOANS
TO STUDY IN 2013.**

H. WELL-BEING AND WORK-LIFE BALANCE



VOTRE BANQUIER PREND AUSSI VOTRE SANTÉ EN COMPTE.

Afin d'offrir un environnement de travail sain, agréable et tonifiant aussi bien à ses collaborateurs qu'à ses clients et visiteurs, la Banque Libano-Française a converti tous ses locaux en des espaces non-fumeurs.

Vous pourrez ainsi, lors de votre prochain passage dans une des agences ou un des bureaux de la BLF, profiter des conseils avisés et du suivi attentif de votre banquier et vérifier qu'il prend aussi votre santé et votre confort en compte.

À la BLF, respirer c'est possible.

ESPACE NON-FUMEUR

BANQUE LIBANO-FRANÇAISE
Partenaire de vos ambitions

Banners and screensavers were diffused over the Intranet as part of the internal campaign to promote the smoke-free workplace.

PROTECTION AND FREEDOM OF EMPLOYEES

Our policies are based on the respect of human rights in order to provide a work atmosphere that is free of harassment, racism, religious discrimination, power abuse or insults. Employees are free to adhere to the Syndicate of Bank Employees in Lebanon.

FLEXIBLE SCHEDULE FOR MOTHERS OF CHILDREN UNDER 10 YEARS

Acknowledging the fact that working mothers are specifically in need of balancing work and life, we offer working mothers of children under the age of 10 the opportunity to work from Monday to Friday from 8am to 3pm and all Saturdays from 8am to 1pm instead of working from Monday to Friday from 8am to 5pm and one Saturday per month from 8am to 1pm. The decision came following requests from working mothers.

PATERNITY DAY OFF

In 2009, we introduced a one-day paternity leave for fathers to give them the opportunity to witness the birth of their child.

SMOKE-FREE WORKPLACE

In an attempt to protect our staff members from the harmful effects of passive smoking, we have been a smoke-free workplace since June 2005. Realizing that many of our employees and clients were suffering in silence while exposing their health to major risks, we developed a policy banning indoor smoking, in all premises. The ban was smoothly introduced and accompanied by an internal campaign covering issues such as the dangers of second-hand smoking.



ERGONOMIC FURNITURE

We invest in ergonomic office furniture in order to provide employees with an overall well-being in the workplace, which results in a better performance.

COSTUMES

Each season, we provide employees with free of charge costumes to help them dress according to the Bank's dress code.

SUPPORTING EMPLOYEES' ENGAGEMENT

We make financial contributions to the associations or causes supported by our employees in order to encourage them to pursue their community work or social engagement for noble causes.

H. WELL-BEING AND WORK-LIFE BALANCE



SUPPORTING EMPLOYEES WITH LONG-TERM ILLNESSES

In case of a long-term illness, the employee's job is protected depending on the number of years spent at BLF, as illustrated in the below table:

Number of years spent at BLF	Full salary paid	Half salary paid	Sick leave without pay
3 months to 3 years	2 months	2 months	4 months
3 to 5 years	2 months	2 months	8 months
5 to 10 years	3 months	3 months	12 months
10 to 15 years	6 months	6 months	16 months
> 15 years	6 months	6 months	20 months

2. EFFECTIVE INTERNAL COMMUNICATIONS

Effective internal communication tools enable us to optimize our performance and ensure that we all work at the same pace and towards the same goals. We have developed internal communication strategies in order to keep our staff informed, ensure transparency, build an organizational culture, reinforce the sense of belonging, keep communication lines open between management and employees,

convey management policies to employees and encourage them to voice their opinions. Led by the Communications Division, the internal communication strategy is implemented through a variety of means.

CORPORATE VALUES

**OUR CORE VALUES BIND OUR EMPLOYEES AND CREATE A UNIFIED BEHAVIOR. THEY ARE:
RESPONSIBILITY, INTEGRITY, COMPETENCES, HUMANISM AND COMMITMENT.**

A. INFORMING OUR EMPLOYEES



We aim to empower our staff with constant information through our various internal communication vehicles.

Official circulars are drafted by the Chairman and General Manager. Notes are issued by the General Management or by the Divisions. They are posted on the Intranet.

Regular Managers or staff meetings and one-on-one meetings are organized within the various divisions and branches of the Bank in order to share information and encourage discussions.

ENCOURAGING A SENSE OF BELONGING DIRECTLY IMPACTS THE EFFORTS AND EFFICIENCY OF EACH EMPLOYEE.

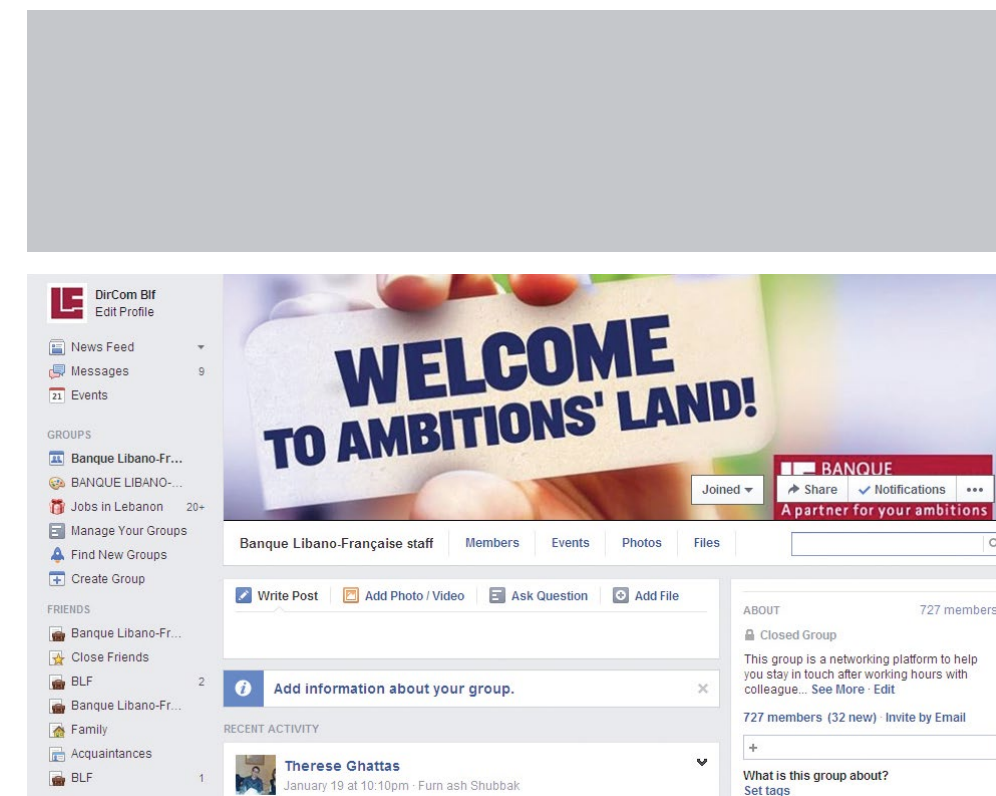
INTRANET

The Communications Division daily updates the Bank's Intranet, which has been up and running since 2002. One of the Intranet's primary purposes is to help employees do their jobs better and more efficiently by facilitating and speeding up their access to the required information. The Intranet has been designed in a user-friendly way, offering access to key data, circulars, rules and regulations, internal directory, national holidays, classified ads, press clippings, templates, vacancy announcements, information on medical insurance procedures, products and services, and other relevant information.

EMPLOYEE NEWSLETTER

Launched in 2004, Trait d'Union, the employee trilingual newsletter, provides recognition, boosts morale, improves employee relations and educates employees so that they can work together towards the implementation of the Bank's common goals.

B. ENCOURAGING INTERACTION AND FEEDBACK



SUGGESTION BOX

In order to ensure a two-way communication, the Intranet allows employees to voice their opinions, raise concerns, and recommend new ideas through the Suggestion Box. Suggestions are taken into consideration by the General Management and implemented when considered valid.

SOCIAL MEDIA NETWORK

To strengthen bonds between employees, we launched in 2007 a Facebook staff group for our employees as a way to encourage them to share common interests and exchange information on several topics outside the Bank.

CLASSIFIED ADVERTISING SECTION

In order to facilitate interactions between employees, a special section was created on the Intranet to allow them to post announcements about different products, including cars, real estate, electronics, domestic animals, sports goods, clothes and furniture.

C. REINFORCING BELONGINGNESS



INTERNAL CAMPAIGNS

The Communications Division launches regular internal campaigns to consolidate strong corporate messages. Internal campaigns include posters, welcome pages, screensavers, banners, stickers, and newsletters. They address change management in order to help employees adapt to major changes, such as the launch of a new information system or the introduction of a new functions system, in addition to other motivational topics. We involve our own staff in the campaigns by asking for their testimonials or featuring them in the visuals.

- 1** Walid Gebrane (Achrafieh Branch Manager)
Winner of "LF D'OR" 2009.
- 2** Chaza Zahr (Bir Hassan Branch Manager)
Winner of "LF D'OR" 2010.



CELEBRATING SUCCESS AND STRENGTHENING TIES

In 2010, Banque Libano-Française employees and representatives from its subsidiaries gathered to celebrate the Bank's 80th anniversary at a gala dinner in BIEL. The Bank rewarded employees who had been at BLF for more than 25 years. During the successful evening, which saw the distribution of several valuable gifts, the history of the Bank was traced through a slide show. The event strengthened ties between staff members, who were happy to mingle together and celebrate the Bank's anniversary.

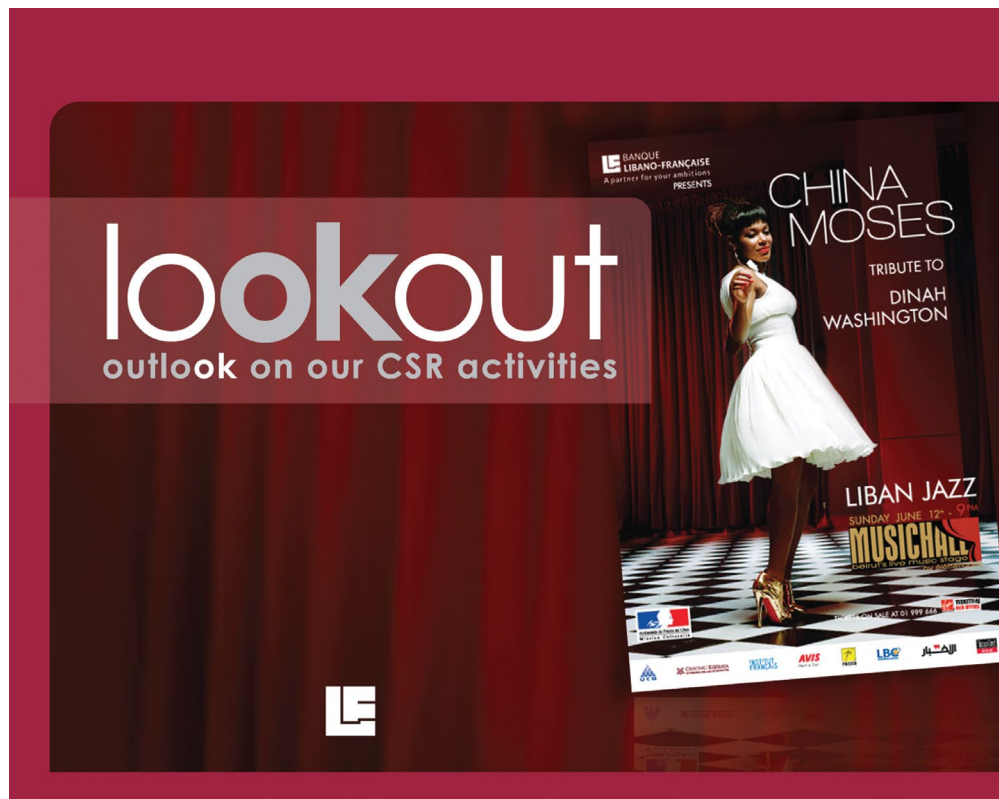
CELEBRATING WITH EMPLOYEES

To reinforce our employees' sense of belonging, we send them special greeting cards to mark the number of years they have spent in our institution (1st year, 5th year, 10th year, 20th year, 30th year and 40th year).



Work anniversary e-cards.

C. REINFORCING BELONGINGNESS



CSR NEWSLETTER

To involve our employees in our Corporate Social Responsibility initiatives, we issue a quarterly internal e-newsletter called Lookout, which informs them and our other stakeholders of all our related activities.

CREATING TEAM BUILDING THROUGH THE EMPLOYEES CLUB

In 1972, BLF founded "Le Club des Employés". By 2012, 93 % of the staff, i.e. 982 employees, were members of the Club. By 2013, 93% of the staff, i.e. 1016 employees, had joined the Club.

To finance its activities, the Club receives an annual donation from the Bank and collects a symbolic monthly membership fee from its members. The Club is responsible for planning social and cultural activities throughout the year in order to increase the employees' sense of belonging, create an opportunity for networking among colleagues and preserve a pleasant working environment. The activities vary from year to year, but are regularly attended by the staff, their spouses and children. Some of the Club's activities include the organization of either free-of-charge or discounted outdoor activities, Christmas events for children, Iftars during the Holy month of Ramadan, trips and concerts... In addition, the Club offers consumer products such as laptops, school bags, iPods or subscriptions to health clubs at reduced costs to its members. The Club Committee announces and reports on its activities via a dedicated section on the Intranet.



Employees Club's activities.



Type of activities	Number of activities		Number of participants	
	2012	2013	2012	2013
Sports	2	4	294	205
Trips	4	3	351	143
Nightlife	6	7	763	792
Week-ends	5	4	419	203
Concerts and shows	8	29	1,043	1,909
Beaches	1	1	173	152
Health clubs	1	1	84	113
Children activities	4	4	686	864
Gifts on Mother's Day	0	0	0	0
Gifts on Father's Day	0	0	0	0
Total	31	53	3,813	4,381

In 2013, the Club organized 50 activities involving a total of 4,381 participants.

93% OF THE STAFF WERE MEMBERS OF THE CLUB IN 2013.



COMMUNITY

OUR MISSION STATEMENT (EXTRACT)
"WE AIM AT CREATING SHARED VALUE WHILE SUPPORTING COMMUNITY NEEDS AND PROTECTING THE ENVIRONMENT..."

Aware that at BLF, we do not operate in a vacuum, but are tightly linked to the society in which we operate, we have been committed to supporting the Lebanese community since our establishment. Our support is very diverse and ranges from in-kind and cash charitable donations to sponsorships, employee volunteerism, and the establishment of sustainable partnerships.

Our long history of philanthropic actions covers supporting social and cultural initiatives, as well as NGOs and educational institutions.

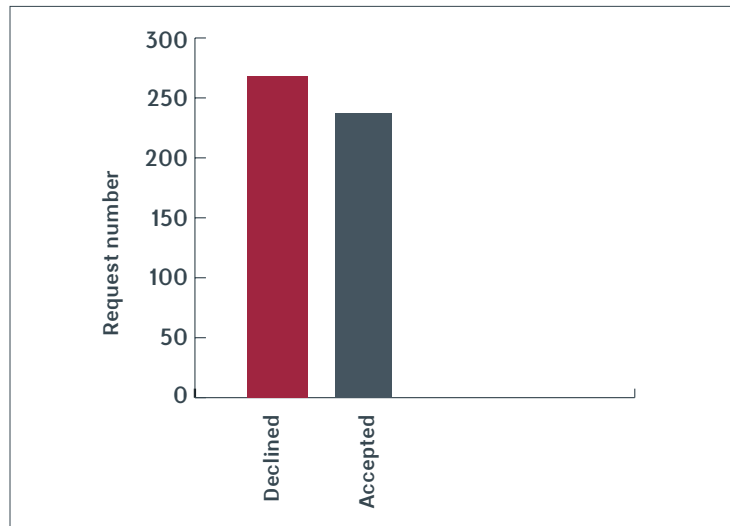
IN 2012 AND 2013, WE RESPECTIVELY ALLOCATED A BUDGET AMOUNTING TO USD 921,000 AND USD 1,132,000 TO SUPPORT A RANGE OF INITIATIVES AS PART OF OUR CORPORATE SOCIAL RESPONSIBILITY PROGRAM.

Because we are known for our commitment, we were solicited in 2012 by more than 500 associations, and in 2013 by more than 900 associations who sought our support for various community projects. We provided support to more than 200 requests in 2012, and more than 300 requests in 2013.

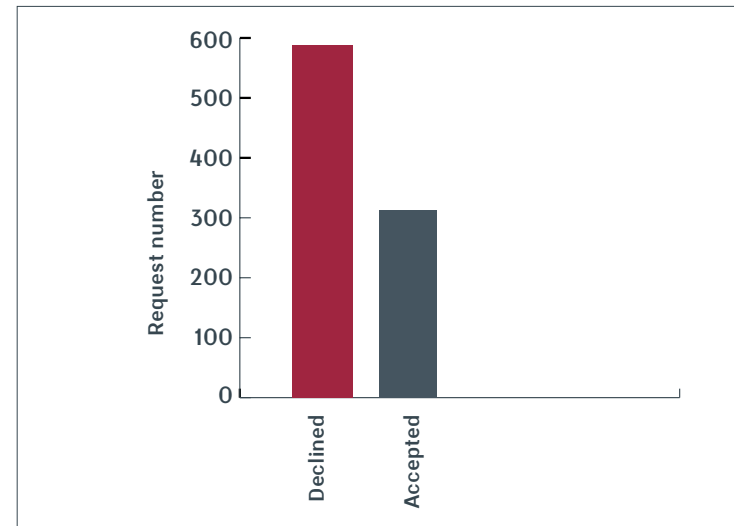
We always make sure to answer the people who turn to us for support, even if we have to decline their requests due to budget restrictions or because the project is not in line with our CSR strategy.

Through our strategic partnerships, we play an active role in the community and meet a variety of needs. Our partnerships bring together our staff, clients and providers, thus creating opportunities for shared discoveries and mutual enrichment.

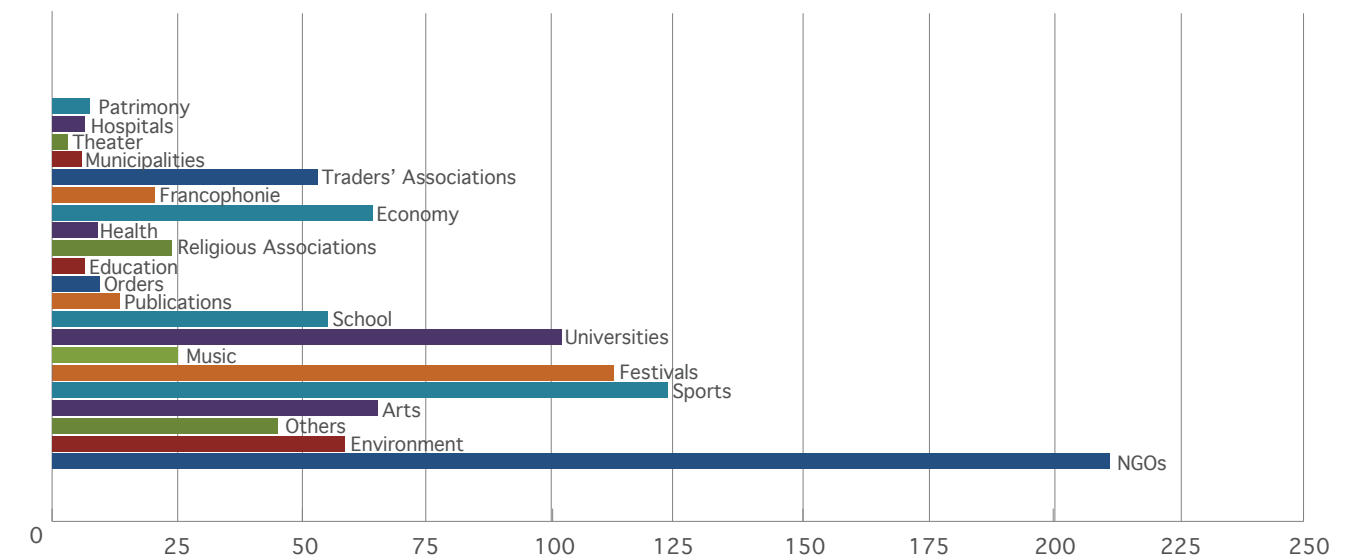
Outcome of sponsorship requests in 2012



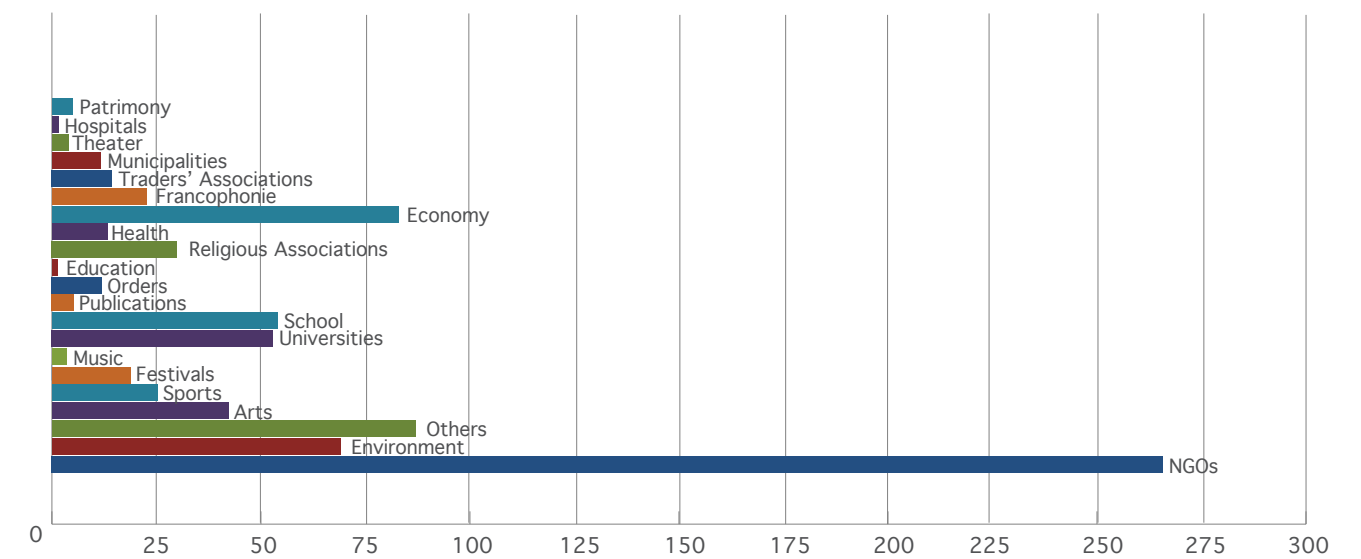
Outcome of sponsorship requests in 2013



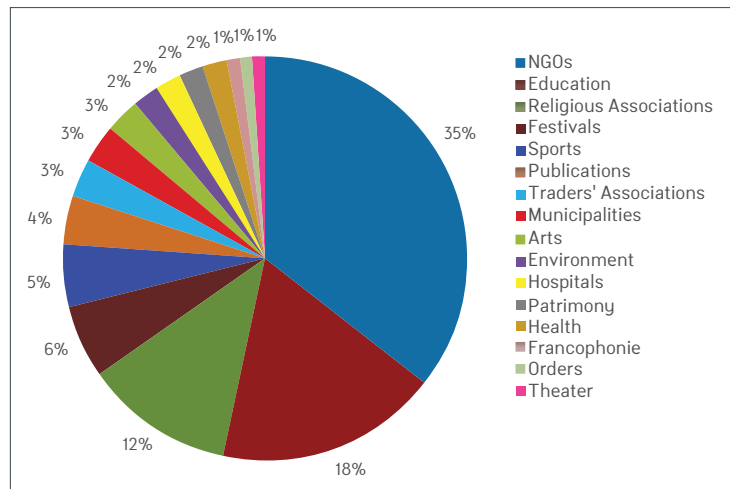
Spending in KUSD by nature of activity in 2012



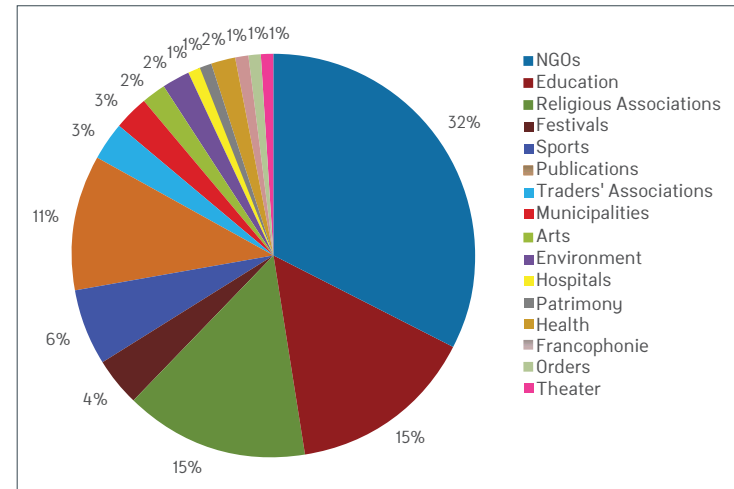
Spending in KUSD by nature of activity in 2013



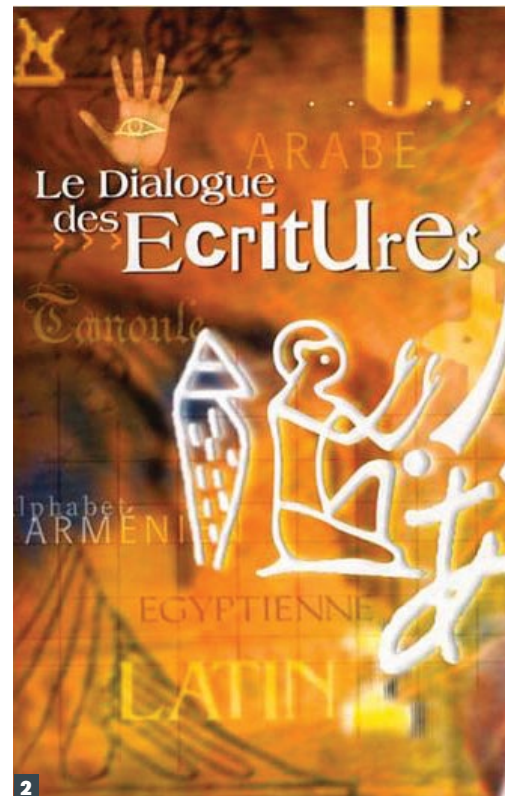
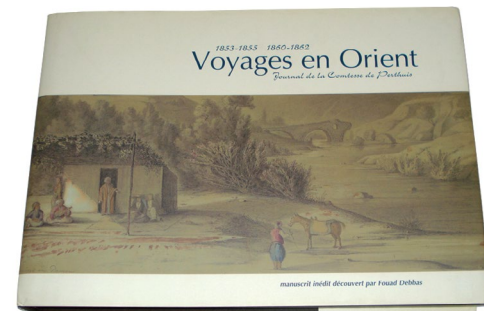
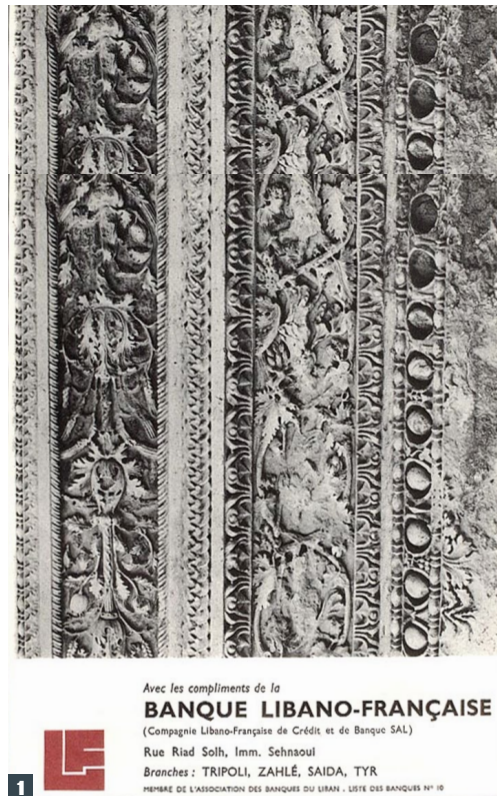
Nature of community-related activities in 2012



Nature of community-related activities in 2013



1. FOSTERING ARTS AND CULTURE



SUPPORTING FESTIVALS

As a founding member of the Lebanese Association for the Development of Private Funding for Culture, it is only natural that we are concerned with promoting the image of our country by regularly supporting various local festivals such as the Baalbeck International Festival, Al Bustan Festival, the Byblos International Festival, the Tyre and Sidon Festival, the Beiteddine International Festival, the Deir El Qamar Festival, the Zouk Festival, the Samir Kassir Festival, the Jounieh International Festival, to name but a few.

PUBLISHING BOOKS

In addition to sponsoring festivals, we offer our support to the publication of books as a way of safeguarding the Lebanese heritage, cultural diversity and wealth.

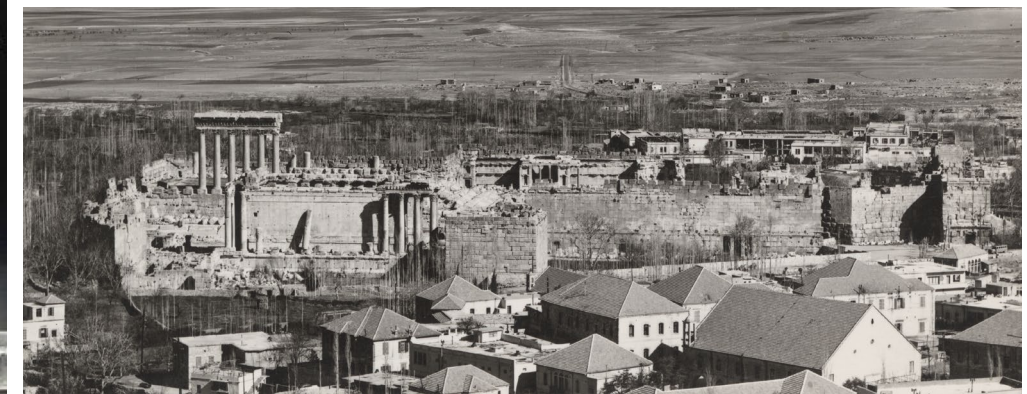
Some examples of books that we published and which have since then become collector's items are: Voyage de la Syrie, Les Planches Libanaises by Léon de Laborde, Lebanon: A photographer's Log Book by Varoujian and J. Tarrab, La Soirée des Proverbes by Georges Schéhadé, Lebanon, a Mosaic of Cultures by Nina Jidéjian, Croquis by Jacques Liger-Belair, Staging the Orient by Wolf-Dieter Lemke and Gibran by Alexandre Najjar. The Bank also published a series of twelve prints with the theme, Dialogue of Scripts, describing the evolution of the alphabet of twelve civilizations with exceptional calligraphic art.

- 1 BLF has been supporting the Baalbeck International Festival since 1969.
- 2 "Dialogue of Scripts" prints (2002).



SUPPORTING THEATER

We have been sponsoring Alain Plisson's theater productions since 1997, as well as other plays and producers.



PROMOTING CONTEMPORARY ART

We have been supporting the Beirut Art Center as a patron since its inception in 2008. The Beirut Art Center aims to produce, present and promote local and international contemporary artists and exhibitions in Beirut. The Center's rich and periodic program includes exhibitions, conferences, screenings, concerts, educational activities, and workshops.

TEAMING UP WITH THE ARAB IMAGE FOUNDATION

In 2011, we teamed up with the Arab Image Foundation, a non-profit organization whose mission is to collect, preserve and study photographs from the Middle East, North Africa and the Arab Diaspora. The Foundation's expanding collection is generated through artists and scholar-led projects.

The ongoing research and acquisition of photographs include so far Lebanon, Syria, Palestine, Jordan, Egypt, Morocco, Iraq, Iran, Mexico, Argentina and Senegal. To date, the collection holds more than 300,000 photographs.

General view of Baalbek, Lebanon, 1960 - 1969
Copyright © Arab Image Foundation.

1. FOSTERING ARTS AND CULTURE



TEAMING UP WITH THE ROBERT MOUAWAD MUSEUM IN SUPPORT OF A CULTURAL LEGACY

We have been the main partner of the Robert Mouawad Museum since 2005. Located in Beirut's Central District, the Museum, which is an artistic amalgam of oriental and occidental cultures, hosts precious objects such as unique collections of books, ceramics, historic columns, pottery, ancient weapons, unique carpets, art objects, as well as rare precious stones and jewelry pieces. Built in 1911 by Henri Pharaon, near the Grand Serail, the palace was acquired by Robert Mouawad and rehabilitated and restored to host his precious collections of fine arts, jewelry, and antique pieces.

By partnering with the Mouawad Museum, we are not only helping preserve a cultural legacy, but also sustaining the various art exhibitions, series of lectures, and courses provided by the Museum, including music, painting, carpentry, Islamic art, history, oenology, study of icons, charcoal and drawing.

SUPPORTING GATHERINGS AT THE RESIDENCE DES PINS

Committed to promoting francophone projects, we have been supporting since 2011 a series of events that were held at the French Embassy – Résidence des Pins, featuring prominent speakers.



- 1 External view of the Mouawad Museum.
- 2 French Ambassador during a gathering held at the Residence des Pins.

2. SAFEGUARDING PUBLIC HEALTH



SAFEGUARDING PUBLIC HEALTH BY PROMOTING SMOKE-FREE ACTIVITIES WITH TFI

As one of the first and few institutions in the country to adopt a smoke-free policy, we partnered in 2005 with the Tobacco Free Initiative (TFI), the only Lebanese non-governmental organization specialized in the fight against tobacco.

Within the framework of our partnership, we contributed to the improvement of public health by sponsoring and supporting the implementation of various awareness activities such as prevention campaigns in schools or organizing a competition among students for the best anti-tobacco awareness project. Our social involvement stands out in an unstable country like Lebanon, where the fight against tobacco consumption is not a priority in people's lives.

In 2011, TFI finally succeeded in having the Parliament endorse the anti-tobacco law, banning smoking in indoor public spaces as well as tobacco advertisements.



FIGHTING DRUG ADDICTION

We are helping treat and prevent drug addiction by supporting various NGO's such as SKOUN, Cenacle de la Lumière and Oum El-Nour in their fundraising activities.

3. NURTURING HUMAN RIGHTS



CHILDREN'S RIGHTS

With 1 out of 7 children in Lebanon being victims of sexual abuse*, we have been taking part since 2011 in the fight against child abuse by participating in the fundraising dinner organized by Himaya, an NGO that protects children who are victims of sexual and physical abuse.

EMPOWERING PEOPLE WITH LOW INCOME

We've been supporting the Association pour la Promotion Feminine and its Institut Technique Franco Libanais (ITFL) since 1997. The Association aims to provide young girls from the hospitality and hotel management school with professional trainings endowing them with the necessary means to start practicing their profession.

WALKING WITH AL YOUNBOUH

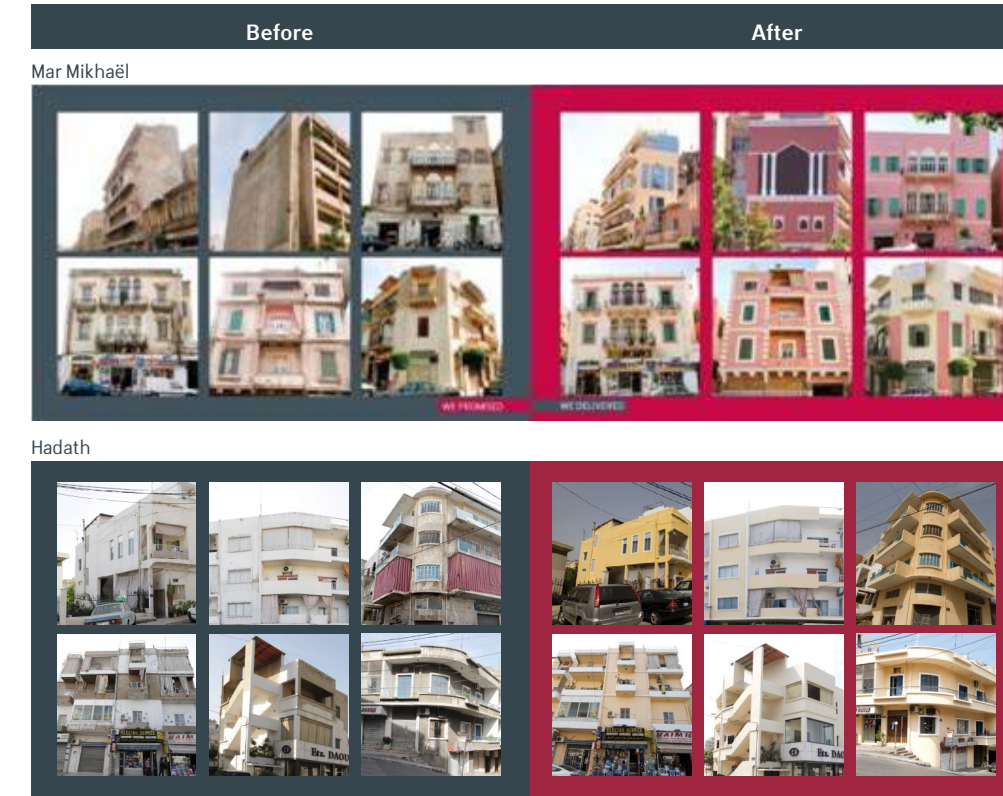
We sponsored the event Walk with Al Younbouh, which was organized by the Al Younbouh Rehabilitation Center for people with mental disabilities and special needs in Lebanon. The Center works on improving the quality of life of its members and ensuring their dignified integration into the community.



RUWWAD AL TANMEYA

In line with its commitment to support community empowerment initiatives, BLF provided free-of charge premises in Tebanneh (above its branch) to Ruwwad, an NGO that helps disadvantaged communities overcome marginalization through youth activism, civic engagement and education. "Ruwwad Al Tanmeya-Lebanon" operates through a network of partnerships between the private sector, civil society organizations, government and target communities. The organization works in Jabal Mohsen and Tebbaneh regions, "the poorest in the country and the Mediterranean, where local clashes erupt due to sectarian and political backgrounds" as they state.

4. EMBELLISHING LEBANON'S STREETS WITH HELP LEBANON



We teamed up with Help Lebanon, a non-governmental organization that has been embellishing Lebanon's streets since 1997 through the rehabilitation of facades of old buildings.

Since 2005, BLF has overall rehabilitated in partnership with Help Lebanon 470 building facades in Nabaa-Bourj Hammoud, Mar Mikhaël, Hadath and Furn El Chebbak areas enhancing the lives of 1,100 residents and positively impacting 75 businesses.

"The embellishment of the areas has allowed inhabitants to resume their social, cultural and economic activities and made the area's residents proud of their environment," said Lilliane Tyan, Help Lebanon's President.

IN 2014, BLF LAUNCHED A THREE-YEAR PROJECT TO REHABILITATE 60 BUILDING FACADES IN TRIPOLI MINA, IN AL CHIRAA SQUARE.

*Source: Himaya NGO website

5. PROMOTING SAFE DRIVING WITH KUNHADI

BANQUE LIBANO-FRANÇAISE
A partner for your ambitions

kunhadi

Drive safely to your Ambitions

PLEDGE OF SAFE AND RESPONSIBLE DRIVING ON THE ROADS

Did you know that **88%** of car accidents result from driver's error? It is very important to respect road safety rules as they help decrease the number of car accidents and save human lives. Therefore, I pledge for Kunhadi and Banque Libano-Française to do the following once I get my driver's license:

- Not to speed on the roads and respect speed limits
- Not to drink and drive
- Not to drive when I am tired and sleepy
- Not to use my mobile phone while driving
- To fasten my seat belt when I am in a car and wear a helmet when I am on a motorcycle

Date _____ Signature _____

Full name _____ Date of birth _____

Email _____

Mobile number _____



Given the fact that in 2013, the Internal Security Forces reported 3,305 crashes, 4,423 injuries and 564 deaths in Lebanon, BLF has chosen to be the Humanitarian Partner of Kunhadi, an association aiming to be a pioneer in youth awareness for road safety in Lebanon and in the region. Within the framework of this partnership, BLF sponsored the 11th edition of Taxi Night to campaign against drunk driving and supported more than 40 road safety conferences, organized in various private and public schools across the country. During these conferences students signed a pledge that was specifically produced by BLF for the awareness session to commit to respect road safety rules. BLF moreover distributed "Drive safely to your ambitions" car stickers asking teenagers to become safe driving advocates.

BLF also launched an internal awareness campaign, followed by a volunteering and donation campaign to involve its employees in helping Kunhadi in its mission to help reduce the number of alarming road casualties in the country.

"BLF SHOWED KUNHADI A GREAT SUPPORT WHEN IT SPONSORED OUR TAXI NIGHT AND ROAD SAFETY CONFERENCES IN 2013 AND PRINTED OUR ROAD SAFETY COLORING BOOKLETS FOR KIDS IN 2014.

YOUR SUPPORT IS SAVING LIVES!"

**LENA GEBRANE
(KUNHADI VICE PRESIDENT)**

6. ACTING AS A TRUE FINANCIAL AND ECONOMIC PARTNER



Nicolas Chammas (President of BTA),
Riad Salamé (Governor of Lebanon's Central Bank)
and Walid Raphaël (General Manager of BLF).



BLF TEAMS UP WITH THE ECONOMIC RESEARCH CENTER OF BALAMAND UNIVERSITY

In 2007, we inaugurated, in partnership with the University of Balamand, the Economics and Capital Markets Research Center (ECMRC). Within the framework of this partnership, daily international market reports, weekly economic calendars and monthly reviews of economic and market trends are published on our Intranet and website.

PROMOTING LEBANON AND NURTURING THE NEXT GENERATION THROUGH LIFE

Lebanese International Finance Executives (LIFE) NGO was founded in 2009 by senior Lebanese finance executives around the world in order to accomplish three strategic goals:

- CONNECT:** Establish stronger bonds among Lebanese finance executives worldwide.
- NURTURE:** Help the next generations succeed in the field of finance.
- PROMOTE:** Promote Lebanon and act as an international policy partner for its government and institutions.

Headquartered in London, LIFE is sponsored by BLF along with a number of individuals and institutions, including the Central Bank of Lebanon and other top banks in Lebanon. BLF's Deputy General Manager is a LIFE Board Member and the Chair of its Beirut Committee.

PARTNERING WITH THE BEIRUT TRADERS ASSOCIATION

The Beirut Traders Association (BTA) inaugurated its Conference and Training Center, in partnership with BLF, in 2011. Located at the BTA's headquarters in Sanayeh, the Conference and Training Center offers an ambitious program to empower participants with the skills and knowledge to advance in their careers.

WE CONSTANTLY EXPAND THE SCOPE OF OUR PARTNERSHIPS BY INVOLVING OUR VARIOUS STAKEHOLDERS IN THE EVENTS WE ORGANIZE.

7. BLF: A PARTNER FOR EVERYBODY'S AMBITIONS



BLF CAPTURES THE AMBITIONS OF PEOPLE

Loyal to our motto "A partner for your ambitions", we produced small movies to relay the ambitions of Lebanese people from different environments. Produced by Philippe Aractingi's production house Fantascope, these one-minute films document the cultural, sports, culinary, economic and social dreams of people from diverse backgrounds.

BLF received the Social Economic Award (SEA) for the Individual Initiative category in recognition of its series of films "Eish Toumouhatak" that promote the personal ambitions of Lebanese people. First Protocol, a global communications agency, presented the award to BLF during a gala dinner held at Casino du Liban under the patronage of the Central Bank of Lebanon.

BLF RECEIVED A SEA AWARD FOR ITS "EISH TOUMOUHATAK" SERIES OF FILMS.

8. ENGAGING OUR STAFF IN OUR CSR



RAISING AWARENESS ABOUT SOCIAL CAUSES

Because we firmly believe that Corporate Social Responsibility is everybody's business, particularly that of our employees, we designed special banners to highlight the importance of dates celebrated worldwide such as the World Environment Day, Children's Day, International Women's Day, World No Tobacco Day, World Health Day and International Volunteer Day.

SUPPORTING COMMUNITY WORK

We support all employees who volunteer in their community or who are members of a certain civil society organization. In addition to promoting our employees' social engagement in our newsletter, we support their requests for contributions to the associations of which they are members.

BLF supports the Beirut Marathon by engaging its employees to run for a humanitarian cause. In 2013, more than 200 BLF employees ran at the Beirut Marathon in support for Kunhadi and BraveHeart NGOs. Thanks to the participation of BLF members and many other runners, Kunhadi was able to purchase 2,000 fluorescent jackets for pedestrians while Braveheart was able to raise funds to cover expenses of open heart surgeries disparately needed by under-privileges children born with congenital heart disease.

As we strive to create synergy between the Bank's social engagement and our employees, we always offer our staff events invitations we receive as part of our social engagement. These include invitations to charity dinners, concerts, plays, movie premieres, and seminars we sponsor or support.



ENVIRONMENT

MISSION STATEMENT (EXTRACT)
"WE AIM AT CREATING SHARED VALUE WHILE SUPPORTING COMMUNITY NEEDS AND PROTECTING THE ENVIRONMENT."

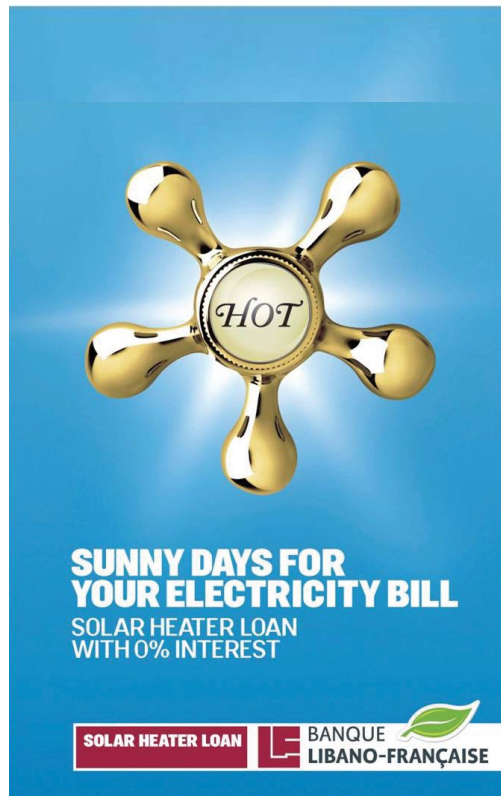
We recognize that we have a vital role to play in maintaining a sustainable environment for future generations.

We do not only protect the environment through our various strategic partnerships and sponsorships, but also acknowledge that efficient energy is a paradigm for economic growth and sustainable development.

In this context, we drafted a green strategy based on four pillars:

- Working hand in hand with all stakeholders to build solid and sustainable partnerships, and actively participate in the policy making process on the national and regional levels.
- Mastering the green know-how to be able to better advise our clients across all sectors and segments on efficiency and sustainability.
- Offering value-added financial solutions to help reduce energy costs and energy consumption.
- Staying true to our CSR policy, which is an integral part of our global strategy, and long-standing commitment to serving the Lebanese economy.

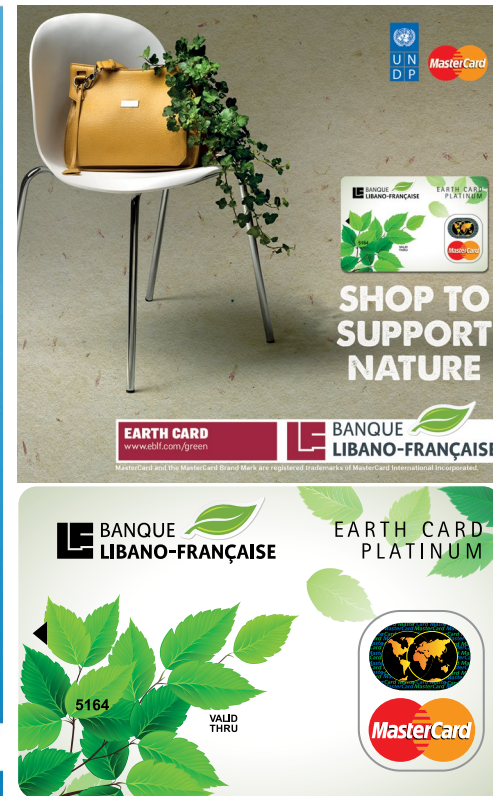
1. LAUNCHING GREEN PRODUCTS AND SERVICES



ENCOURAGING THE USE OF SOLAR HEATERS

In 2011, BLF launched a new consumer loan with 0% interest rate to encourage households to acquire and install solar heaters in order to lower electricity bills, increase energy efficiency, reduce carbon emissions and decrease energy consumption. As at January 2014, BLF, which was the first bank in Lebanon to launch the product, has granted 2,600 solar heaters loans.

BLF has proven to be a leader on the Lebanese market according to the Lebanese Center for Energy Conservation (LCEC), BLF grabs the highest market share in solar heater loans at 30% in 2013.



ECO-FRIENDLY EARTH CARD AND PARTNERSHIP WITH UNDP

We launched the Earth Card, the first green card in Lebanon, made from biodegradable plastic. Unique in its kind, the Earth Card makes it possible for card transactions to become a means to preserve nature. By using it for their daily transactions, clients contribute to funding environmental projects under the supervision of the UNDP, as BLF will be transferring a percentage of the card's revenues to the organization.

IN 2013, THE EARTH CARD INITIATIVE EARNED BANQUE LIBANO-FRANÇAISE A NATIONAL GREEN AWARD BY THE MINISTRY OF ENVIRONMENT.

2. SIGNING GREEN PARTNERSHIPS



On June 26, 2011, we signed a five-year memorandum of Understanding (MOU) with the United Nations Development Programme (UNDP) to work towards the fulfillment of two of the eight Millennium Developmental Goals, namely Environmental Sustainability (Goal 7) and Developing a Global Partnership for Development (Goal 8).

Accordingly, BLF and the UNDP in collaboration with MasterCard®, launched a process to finance eco-friendly projects in Lebanon. Each year a specific theme is selected and eligible participants (youth groups, local communities, national and local NGOs, academic institutions including schools and charities) can submit their application to the Earth Card Competition.

The first round of winners of the "Towards Sustainable Energy Competition" was announced in April 2012:

- Green Roofs at the Lebanese Canadian Modern School located in Rashaya Alwadi by NGO G
- LED project at Saints-Coeurs Batroun by Center for Development, Democracy and Governance
- Intelligent Street Lighting by Assia Municipality

In 2013, the following winners of the Earth Card Competition "Promoting water conservation" were awarded:

- Water heroes by Arcenciel
- Water Conservation and Sustainable Development by Collège Saint-Joseph Aintoura.

In 2014, the theme of the competition revolves around "Greening Your Neighborhood".

In order to promote the Earth Card, BLF participated in the Hydrochlorofluorocarbons (HCFCS) technical workshop on energy and environment organized by the UNDP.

FINANCING THE HEALTH SECTOR AND PRESERVING THE ENVIRONMENT

In 2011, we signed an EUR 18 million funding contract with Agence Française de Développement (AFD) in order to finance or re-finance loans to private hospitals, reduce regional imbalances in Lebanon in terms of access to healthcare and preserve the environment, particularly through the elimination of industrial waste.

2. SIGNING GREEN PARTNERSHIPS



BLF PARTNERS WITH IFC TO PROMOTE SUSTAINABLE ENERGY FINANCE

BLF and the International Finance Corporation (IFC) launched on June 3, 2011 a sustainable energy finance initiative aimed at developing financial products to help Lebanese companies use resources more efficiently, enhance the competitiveness of their products and services, improve profitability, and help protect the environment.

BLF is the first bank in the MENA region to partner with IFC on a sustainable energy finance project, aimed at expanding access to finance for projects that will save energy and other resources.

The project supports strategic product development and provides sustainable energy finance trainings and tools, allowing BLF to offer clients energy and resource efficiency opportunities and rapidly scale up sustainability-related lending to meet the energy needs of the Lebanese market, particularly with small and medium businesses looking to increase their resource efficiency. In March 2012, IFC experts provided training sessions on sustainable energy to all Corporate and SME Relationship Managers. During these full day sessions, participants learned about the concepts of renewable energy and energy efficiency, the business opportunities in the

sustainability field, and the Sustainable Energy Calculator that is the main tool for energy savings and environmental calculations.

Interactive exercises, including case studies and role plays, were also held to highlight how bankers can advise clients on energy saving. These training sessions were followed by visits to various industries to raise awareness on sustainable energy.

CARBON DISCLOSURE PROJECT

BLF was the first Bank in the MENA region to become a signatory of three initiatives of the Carbon Disclosure Project (CDP), namely the CDP Investor, CDP Water Disclosure and Carbon Action. As a CDP signatory, BLF is entitled to access valuable data that provides a global system to measure, disclose, manage and share climate change and water information.

BLF signs a sustainable energy finance agreement with IFC.

3. SUPPORTING GREEN INITIATIVES



SUPPORTING GREEN INITIATIVES

We have contributed to the safeguarding of the country's natural environment by supporting the cleanup of the Nahr Ibrahim Valley, lending our financial support to films tackling environmental topics, and encouraging the embellishment of the urban environment through our support of Joudraniyat since 1998.

BLF has been supporting the Cénacle Libanais pour la Protection de l'Environnement since 1996, by advertising in the organization's annual publication, which is issued on the occasion of the World Environment Day on June 5.

SUPPORTING THE LEBANESE DUTCH BUSINESS ASSOCIATION AND ASSOCIATION FOR FORESTS DEVELOPMENT AND CONSERVATION

In 2009, we participated in a reforestation project in collaboration with the Lebanese Dutch Business Association (LDBA), the Embassy of the Netherlands and the Association for Forests, Development and Conservation (AFDC).

Thanks to the support of several partners, including BLF, AFDC was able to reforest 10,000 m² of land in Qaytouli and Bkessine, the two largest pine forests in Lebanon (South Lebanon). In order to celebrate the conclusion of the reforestation, a field visit was organized to the site.

TEAMING UP WITH JOUZOUR LOUBNAN

In line with its social responsibility and concern for the environment, we made in 2008 a five-year commitment to support Jouzour loubnan, an association that aims to create reforestation campaigns around Lebanon, financing a laboratory for seed germination and conservation, and conducting awareness campaigns. Thanks to BLF and other partners' donations, Jouzour Loubnan was able to plant more than 165,873 trees (cedars, poplars and junipers) since 2008 in more than 10 Lebanese regions such as Kfarzebian, Chabrouh, Ehmej, Tarchich, etc.

BLF HAS CONTRIBUTED TO THE PLANTING OF OVER 5,000 TREES IN PARTNERSHIP WITH JOUZOUR LOUBNAN.

3. SUPPORTING GREEN INITIATIVES



FINANCING THE PURCHASE OF FIRE-EXTINGUISHING HELICOPTERS

In 2009, we contributed \$162,000 to purchase three fire-extinguishing helicopters and 50 four-wheel drive vehicles to help fight forest fires during summertime, as part of the Lebanese Interior Ministry's "Forever Green" campaign.



SUPPORTING THE BEIRUT ENERGY FORUM

BLF has been sponsoring the Beirut Energy Forum since 2011.

The Beirut Energy Forum provides a platform for professionals, policy makers, practitioners, donors, academics and other stakeholders to meet and exchange information, views, ideas and knowledge related to the energy status and the development of renewable energy in Lebanon, the Mediterranean region and the Arab World.

The Beirut Energy Forum also included a large exhibition area dedicated to energy products and services.

BLUE GOLD

BLF is one of the supporters of the Blue Gold project, a five-year plan for the management of the water sector in Lebanon, initiated in 2013 by the Civic Influence Hub - a lobbying group of leading business people - with the support of more than 40 water experts. Once signed by 1 million Lebanese citizens living in Lebanon or abroad, the petition will be presented to the Lebanese government and parliament to establish a national council free from any political influence and implement this project.



PROMOTING A GREEN ATTITUDE AMONG UNIVERSITY STUDENTS

BLF sponsored the fourth annual Civic and Volunteering Fair organized in April 2012 by AUB. The event focused on the themes of green initiatives and attracted various NGOs and students. We encouraged on-site recycling by providing 3 recycling bins (paper, plastic and electronic devices).

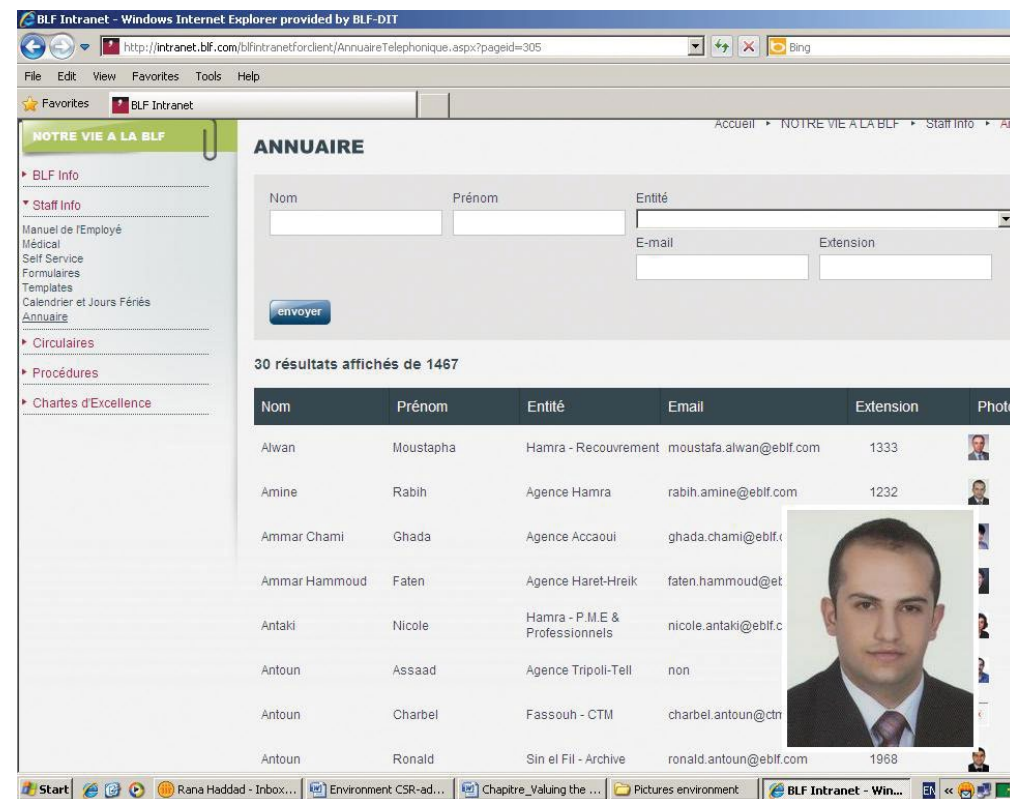
SUPPORTING THE JABAL MOUSSA BIOSPHERE RESERVE

In 2012, we partnered with the Association for the Protection of Jabal Moussa (APJM), an NGO focusing on the conservation of biodiversity and preservation of the cultural heritage in Jabal Moussa and the surrounding villages located in Keserwan between Nahr Ibrahim and Nahr Al Dahab. It covers an area of 6,500ha at an altitude ranging between 350m and 1,700m.

BLF financed the rehabilitation of Roman stairs, a historic trail, spanning over 334 meters of vertical drop, which connects Keserwan and the Bekaa, as well as the installation of two kiosks in Mchati and Yahchouch.

BLF stakeholders discover Jabal Moussa.

4. PROMOTING GREEN BEHAVIOR AT THE WORKPLACE



Electronic phone-directory.

In addition to launching green products and supporting green initiatives, we are pursuing the transformation of our premises into green buildings.

We've already initiated the following measures:

- Using energy efficient fluorescent light bulbs instead of the incandescent light bulbs.
- Replacing the central air conditioning system by a split AC system designed to save power.
- Installing a facility management system to better manage the use of energy.
- Eliminating water heaters to save useless energy consumption.
- Installing water-efficient dual flush toilets to save water.
- Purchasing biodegradable soap, which decomposes naturally over time.
- Installing automatic ventilation, which turns on when there is a high level of CO2 emissions.
- Installing tiles and false wood flooring instead of carpets to enhance the indoor air quality and reduce the need for maintenance.
- Using non-toxic low emission paint instead of traditional paint to minimize indoor pollution and its harmful effects on the environment.
- Donating old computers to non-governmental associations.

- Collecting empty ink cartridges for recycling purposes.
- Using advanced video-conferencing techniques to reduce unnecessary travel and CO2 emissions.
- Encouraging car-pooling among employees to reduce the use of personal cars and reduce CO2 emissions.
- Purchasing solar powered calculators to eliminate the use of batteries, which are harmful for the environment.
- Launching an initiative to reduce, reuse and recycle paper.
- Limiting the printing of required communication material to the necessary quantities.
- Purchasing centralized multipurpose machines (printing, photocopying and scanning) in order to reduce paper consumption.
- Encouraging employees to read news online on the Intranet to reduce the number of subscriptions to newsletters and magazines.
- Designing a standard email signature template asking recipients to print the mail only if necessary.
- Launching in 2012 an energy audit in 4 of our premises.



CAMPAGNING FOR GREEN ATTITUDES AT WORK

In 2010, we launched an internal campaign to encourage our employees to opt for green attitudes for a healthier and a more sustainable environment at work.

GOING PAPERLESS

BLF's online banking has continued to grow since 2008. Having the information accessible online does not only reduce the cost of printing and distribution, but it also has an environmentally friendly component. Information can be easily updated on the Intranet without having to be reprinted. The Intranet site allows the Bank to "go paperless" in many areas, making the Bank's documents and forms available online. Moreover, the Oracle Human Resources Self Service is an online system that allows managers and employees to access and manage information and transactions in a paperless environment.



REDUCING, REUSING AND RECYCLING PAPER

In 2011, we launched an initiative to reduce, reuse and recycle paper in all our premises.

A "green guide" was launched to raise awareness among the employees and provide them with tips on how to reduce their use of paper. They were also provided with trays for reusable scratch paper, and special bins for paper that is to be recycled. The initiative was launched in all our premises in Lebanon. Thanks to our paper recycling initiative 225 tons of paper were recycled as at December 31st, 2013, saving a equivalent of 3,825 trees, 5,962,050 liters of water, 900,000 kilowatt hours of energy, 516,0825 cubic meters of landfill space and 450 barrels of oil. Furthermore the bank has been donating since November 2012 the shredded papers to support financing the social and humanitarian projects of the Lebanese NGO Association L'Ecoute.

225 TONS OF PAPER WERE RECYCLED AS AT DECEMBER 31ST, 2013, SAVING AN EQUIVALENT OF 3,825 TREES.

4. PROMOTING GREEN BEHAVIOR AT THE WORKPLACE



GREEN TECHNOLOGY

Banque Libano-Française was one of the first banks in Lebanon to implement in 2009 in all its branches the Sun Ray desktop infrastructure, which is based on Sun Microsystems. The Sun Ray Thin Clients interface allows users to connect to the network through a smart card, on which all work-related data is stored.

We opted for this type of green energy because, in addition to the high level of security and mobility it provides, it reduces 90% of the time the IT Division spends on the maintenance of computers, curtails costs and saves energy.

GREEN TRAINING SESSIONS

In 2011, and as part of our eco-projects to preserve the environment, we organized a series of training sessions on the environment for our employees. During the sessions, representatives from the Central Bank and the Lebanese Center for Energy Conservation (LCEC) presented the multiple actions and financial solutions they were working on. BLF also presented the Green Action Plan to its staff.

Within the framework of its partnership with the IFC, BLF organized a seminar for its upper management to raise awareness on renewable energy and energy efficiency issues that are at stake on the Lebanese market. Joint meetings were also organized between IFC representatives and the Heads of the Corporate, Small and Medium Enterprises, Retail and Marketing Divisions at BLF to analyze BLF's portfolio in light of the emerging products designed to suit the needs of clients and the objectives of the green strategy.

BLF and IFC expert make advisory visits to SMEs.



BLF LAUNCHES A GREEN BUILDING ASSESSMENT IN FOUR OF ITS PREMISES

In line with our Corporate Social Responsibility and within the framework of our Sustainable Energy Finance partnership with the International Finance Corporation (IFC), we launched a Green Building Assessment in four of our branches, namely the Fassouh technical headquarters and the three branches of Mansourieh, Galaxy and Hazmieh.

This action demonstrates that BLF is working actively towards the realization of a sustainable environment by recognizing its operational environmental impacts.

A team of independent international and local consultants, together with IFC and BLF's General Services staff, conducted the preliminary assessment in 2012. Following an in-depth analysis of each one of these buildings, the team will be submitting a detailed technical report, recommendations and an action plan.

The Green Building Assessment criteria are the indoor environmental quality, energy efficiency, water efficiency and other environmental conservation features, as well as staff environmental awareness.

The assessment report and recommendations will facilitate the improvement in managing and reducing the direct environmental impacts of our real estate portfolio and will enhance our overall quality by integrating sustainability as a factor in the planning process.



MARKETPLACE

MISSION STATEMENT (EXTRACT)

"WE ARE COMMITTED TO CONSTANTLY DEVELOPING OUR SKILLS TO ENSURE EXPERTISE AND QUALITY OF SERVICE."

We at BLF are committed to meeting our customers' needs by providing them, wherever they are, with a variety of high-quality products, services and personalized advice, and help them fulfill their ambitions.

We conduct our business in an ethical and transparent manner and comply with international norms.

In order to better serve our clients, we've created a series of channels to take their feedback into consideration, and launched a Customer Experience program to always monitor our service levels.

1. SERVICING CLIENTS THROUGH DIVERSIFIED BUSINESS LINES

VOUS L'AVEZ PARFAITEMENT ÉQUIPÉE POUR UNE JOURNÉE À L'ÉCOLE, MAIS AVEZ-VOUS PENSÉ À SON AVENIR ?

ASSUREZ, DÈS À PRÉSENT, LE FUTUR LOGEMENT DE VOS ENFANTS.

PLAN ÉPARGNE LOGEMENT

Banque Libano-Française

ALL SMART PHONES DESERVE A SMART BANK.
Everyone can use it. All smartphones can download it.

Lebanon's smartest mobile banking application on your smartphone.

MOBILE BANKING APP

BANQUE LIBANO-FRANÇAISE
Apurtez / for your ambitions

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LAGOS EL FAW'A
STRAIGHT AHEAD

ZOUK MONTREBAL

LIVING BETWEEN LEBANON AND ABROAD? CHECK OUT OUR EXPAT PACKAGE

Lebanon, France, Switzerland, Cyprus, Syria, UAE, Nigeria, Iraq

EXPAT PACKAGE

BANQUE LIBANO-FRANÇAISE
Apurtez / for your ambitions

JOSEPH KHOURY MARINA
The major tourism project under construction in Lebanon, financed by Banque Libano-Française...
The Marina will provide mooring for over...

As one of the leading banks in Lebanon, Banque Libano-Française has always been an important player in the Lebanese economy.

While we have historically been a commercial bank, we have diversified our activities and currently provide banking services in the below areas:

COMMERCIAL AND CORPORATE BANKING

Banque Libano-Française has historically been one of Lebanon's leading commercial banks, offering services to large- and medium-sized private sector businesses and maintaining one of the largest loan portfolios among banks in Lebanon. Commercial banking products and services offered by the Bank include working capital lines and overdrafts, medium- and long-term installment loans, trade finance, documentary credits and guarantees and other off-balance sheet facilities and financial consulting services, as well as all traditional savings accounts and cash management services such as transfers, check issuances and collections and foreign exchange.

Commercial banking activities are carried out through two main commercial divisions: the Corporate Banking Division and the Middle-Market Banking Division.

The Corporate Banking Division was created in 2001 in order to cater to the Bank's largest

clients in terms of sales turnover or facilities extended. Corporate clients are currently defined as those with a sales turnover exceeding USD 10 million or whose banking facilities at the Bank exceed USD 1.5 million. As at June 30, 2014, the Corporate Banking Division had around 500 clients.

Corporate client files are distributed among specialized units within the Corporate Banking Division, consisting of Relationship Managers and Junior Officers and headed by a Senior Relationship Manager who works closely with the Branch Manager where the corporate account is held. These specialized teams are divided into five different units focusing on various economic sectors: the General Trading and Food Retail Unit, the General Contracting and Real Estate Unit, the International Trading, Services and Insurance Unit, the Industries Unit, and the Syndicated, Subsidized and Special Loans Unit.

The Middle-Market Banking Division covers small- or medium-size businesses with a credit exposure at the Bank of up to USD 1.5 million and an annual turnover of less than USD 10 million. As at June 30, 2014, the Middle-Market Banking Division had approximately 2,400 clients spread across the Bank's 52 branches. The Middle-Market Banking Division is run by a specialized, fully dedicated team. In addition to the primary products and services outlined above, the Middle-Market Banking Division provides advisory services to its clients.

Advisory services include, among others, the promotion and structuring of a wide array of financing programs such as Kafalat subsidized loans, Banque du Liban subsidized loans, Arab Trade Financing Program facilities, IFC Program facilities, as well as European Investment Bank and other international financial institutions loan packages. Through these services, the Bank aims to reduce the financing costs to its customers and offer them various financing options and an easier access to export markets, thereby developing sustained customer relationships.

INVESTMENT BANKING

The Bank provides general investment banking services, including as arranger or participant in loan syndications (generally when the Bank acts as lead lender and agent bank), and placement agent in connection with the issuance of fixed and floating-rate bonds as well as structuring and managing shares and rights issues for corporate clients.

The Bank also structures sophisticated investment products that are offered to both retail and private clients. It advises its corporate and private banking clients offering them various hedging solutions to help them manage their exposures. The Bank has a proprietary trading activity in Lebanese and international fixed income securities, equities and foreign currencies.

Since 1996, the Bank has managed and arranged transactions with an aggregate value of around USD 2 billion.

RETAIL BANKING

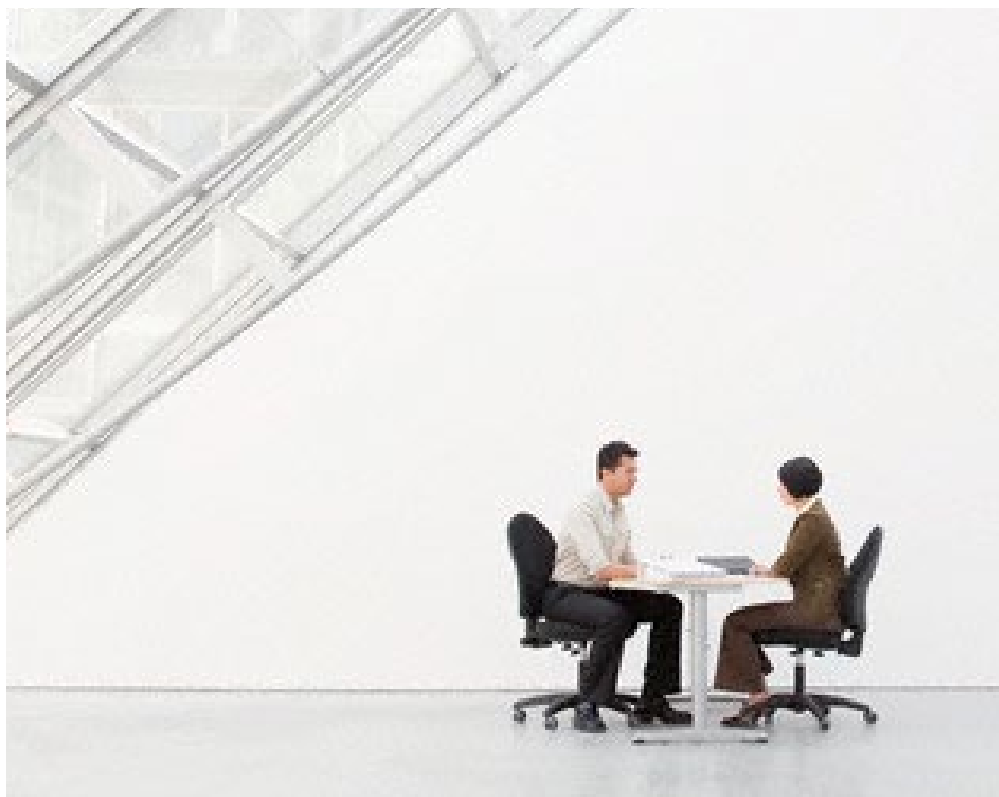
As at June 30, 2014, the Bank had 52 branches covering all the regions in Lebanon, a network of 137 ATMs more than 150,000 active customers.

Network Management Department

The Network Management Department is responsible for the coordination between the Branch Network and the Divisions of the Bank, in order to assist each branch in achieving its objectives, improving its performance and increasing its operational efficiency, while developing the sales skills of branch personnel. The Network Management Department carries out its responsibilities by:

- communicating and implementing the Bank's policy among all branches,
- ensuring the transfer of information from the Branch Network to the Management in an appropriate and timely manner,
- continuously monitoring the sales results and other relevant indicators of each branch,
- assisting each branch manager in preparing and implementing the annual plan of the Bank,
- ensuring that branch personnel are properly trained on all branch operations and new products,
- rewarding competent and promising employees in the Branch Network.

1. SERVICING CLIENTS THROUGH DIVERSIFIED BUSINESS LINES



Retail Loans Department

The Retail Loans Department is in charge of the development, sales and administration of retail credit products, including the Bank's housing loans, Public Corporation for Housing (PCH) loans, housing loans to military personnel or other specialized programs, as well as personal loans and car loans. The Retail Loans Department has created a dedicated Call Center for payment irregularities and has implemented a standardized and efficient retail loans distribution process.

Retail Banking Products and Services

Retail Banking offers a full range of products and services, including traditional products and services, a unique term deposit account featuring significant flexibility, a complete range of debit and credit cards (MasterCard and Visa) in USD, EUR and LBP, a wide network of merchants affiliated to the Bank's cards payment circuit, and electronic banking services (e-banking, phone banking, sms banking, call center). The Bank's phone and internet distribution channels, Point Phone® and Point Com® and its Call Center Point Call®, allow customers to check account balances and movements, and get answers to their inquiries over the phone or internet.

In addition, through the Bank's subsidiary, Bancassurance S.A.L., Retail Banking offers life-insurance, retirement plans and educational plans. In 2013, the Bank's customers participating in Bancassurance

S.A.L. savings insurance plans benefited from better-than-market returns on their USD investments. The Bank's Retail Network also offers capital guaranteed investment products structured by the Bank's subsidiary Libano-Française Finance (LFF).

Recently, the Retail Banking Division has concentrated its efforts on quality of service and client satisfaction, the development of new product offerings, the renovation of the Bank's branches, the expansion of the Bank's ATM network (Point Cash®) and the training of branch staff and managers.

PRIVATE BANKING

The Private Banking activities were first launched by the Bank in 2000. In 2008, following a complete reorganization of the activities of Treasury, Capital Markets and Private Banking, the Wealth Management Department was created. It is composed of a team of Relationship Managers whose mission is to explore, identify and attract high networth individuals in order to offer them personalized advice, professional guidance and tailor-made investment solutions backed by product specialists. The priority of Relationship Managers priority is to offer an integrated and solid approach based on a relationship built on the highest levels of trust, security, confidentiality and integrity.



INTERNATIONAL AND CORRESPONDENT BANKING

The International Division serves the various divisions and entities of the Bank in terms of analyzing and following up counterparty and sovereign risks. It also generates business through the Bank's correspondent banking network, including risk participation activities, forfeiting, and pre-and post-export finance, and coordinates with the Bank's other entities to provide cash management services and foreign exchange and securities brokerage services, locally and internationally.

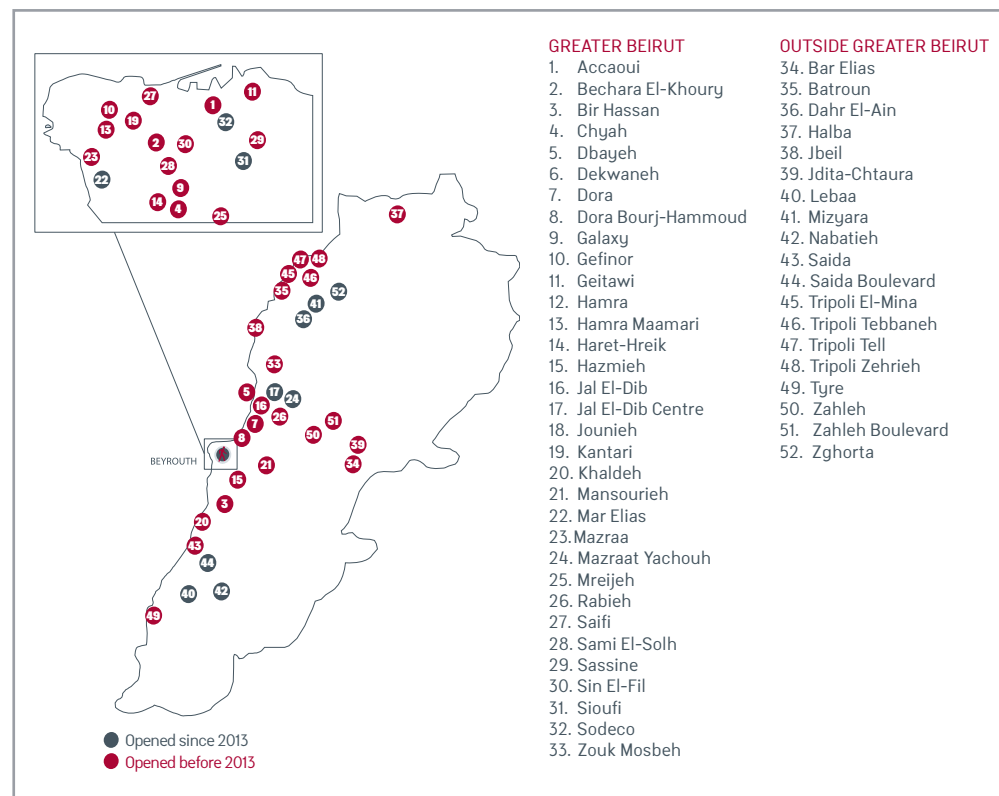
The Bank maintains relationships and credit lines with a large number of international banks. Such a wide correspondent banking network allows the Bank to adequately cover its various activities and the needs of its clients efficiently and at highly competitive conditions. The Bank's trade finance confirmation lines were strengthened in 2005 when the Bank joined the Global Trade Finance Program (GTFP) of the International Finance Corporation by becoming first an Issuing Bank and later a Confirming Bank in the Program. The Bank was the second bank in the region and the first bank in Lebanon to join the Program. GTFP gives the Bank a competitive advantage in international trade finance transactions, enhances the Correspondent Banking network and improves the conditions and transparency of trade

finance activities. In addition, the Bank's International Division participates in various syndicated loans of foreign banks, and has structured several cross-border transactions and long-term borrowings from international and multilateral financial institutions such as AFD, BEI, AITF, OPIC, TAIGC and others.

The International Division is in charge of the Group's International expansion plan, and supervises the activities of the Bank's Representative Offices in Abu Dhabi (UAE), and in Lagos (Nigeria), and its Baghdad Branch (Iraq).

2. DEVELOPING OUR DELIVERY CHANNELS TO REACH TO ALL

WE STRIVE TO ENHANCE THE QUALITY OF OUR SERVICES AND IMPROVE OUR DELIVERY CHANNELS IN ORDER TO BE ABLE TO RESPOND TO OUR CLIENTS' REQUESTS IN A TIMELY AND EFFICIENT MANNER.



AN EXPANDING LOCAL NETWORK OF BRANCHES

In order to better serve all our clients wherever they are, we are constantly growing our local network to include more branches outside the capital, Beirut. As at June 2014, our network included 52 branches distributed across the country.

A GROWING INTERNATIONAL NETWORK

To meet our clients' needs abroad, we are also working on widening our international network, which now includes:

- Banque SBA SA - Paris - France
- Banque SBA SA - Limassol Branch - Cyprus
- Bank Al-Sharq SAS - Damascus - Shaalan Branch - Syria
- Bank Al-Sharq SAS - Damascus - Malki Branch - Syria
- Bank Al-Sharq SAS - Damascus - Harika Branch - Syria
- Bank Al-Sharq SAS - Lattakia Branch - Syria
- Bank Al-Sharq SAS - Homs Branch - Syria
- Bank Al-Sharq SAS - Aleppo Branch - Syria
- LF Finance (SUISSE) SA - Geneva - Switzerland
- Banque Libano-Française Representative Office - Abu Dhabi - UAE
- Banque Libano-Française - Baghdad Branch - Iraq
- Banque Libano-Française Representative Office - Lagos - Nigeria

ATMS

Our broad Point Cash® network, including 137 ATMs at June 30, 2014, allows our clients to perform basic banking transactions, including withdraw money in Lebanese pounds and US dollars, monitor their card expenditures, process account-to-account transactions, change their pin code and even recharge their prepaid mobile phone line at any time, and without having to queue for their turn. According to the Retail Banking Monitor (RBM) issued in January 2014, BLF ranks second in terms of total number of ATMs in Lebanon and third in terms of total number of off-premises ATMs.

POINTS OF SALE

Our clients have access to a wide network of points of sale affiliated to our banking card payment circuit, enabling them to pay for their purchases in an easy manner.

INTERNET BANKING

As part of our multi-channel distribution strategy and to keep pace with the growing e-trend, we deployed Point Com®, a competitive and secure Internet banking service that allows clients to access and monitor their accounts 24/7. It also allows them to renew their term deposit conditions, and view all the checks issued or submitted for collection in their account.

PHONE BANKING

Our phone banking service, Point Phone®, provides our clients with quick and easy access to their accounts and bank cards through the dedicated assistance of our advisers.

SMS NOTIFICATIONS

Thanks to our Point SMS® system, our clients can regularly monitor their bank card transactions through SMS notifications sent every time their card is used. This feature has the added advantage of helping clients keep track of their spending and detect early on erroneous transactions or attempts of fraud.



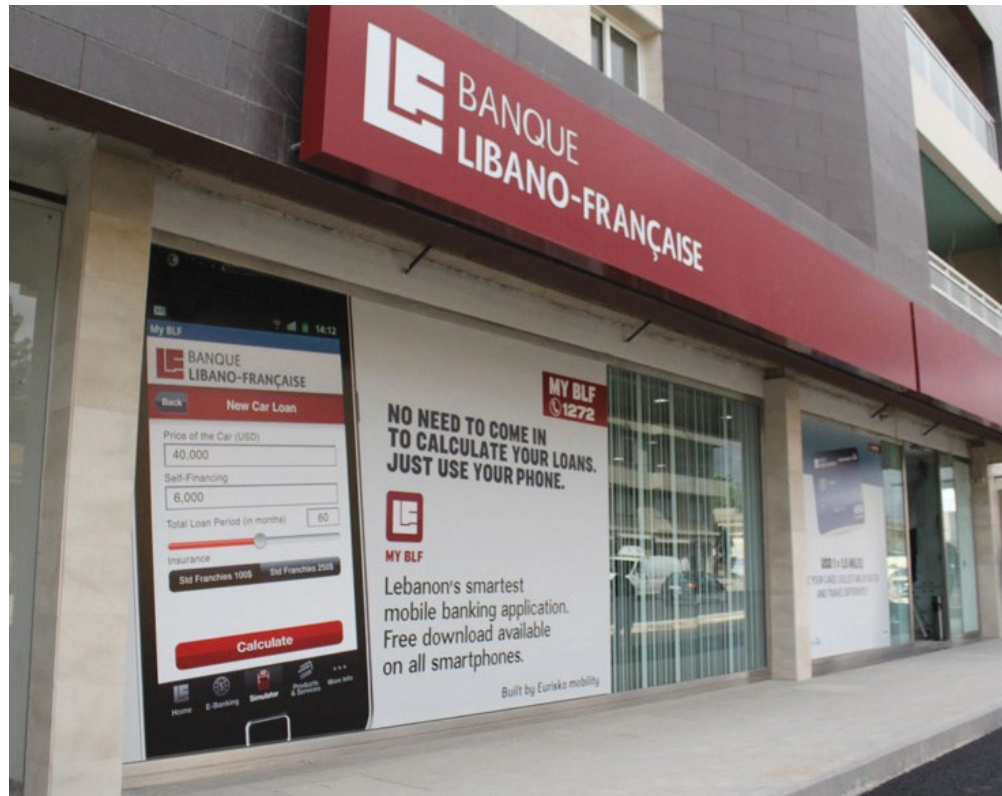
CALL CENTER

Our professional Call Center Point Call® is at our clients' service from 8am to 5pm, 6 days a week. It acts as an extended branch that offers reliable and quick access to information about the Bank's range of products and services, branch addresses, exchange rates, account and term deposit rates, as well as account balances. Account holders are also able to perform transactions within the same account.

MOBILE BANKING AND SMARTPHONE APP

As most websites are not suitable to be viewed on mobile phones, we released a mobile version of our website, as well as a smartphone app known as My BLF, which is available on all platforms, to allow our clients to perform their e-banking transactions. These two services give clients access to the information they need on the go.

3. ENHANCING CUSTOMER EXPERIENCE



LIVING BY OUR PRINCIPLES

All our employees are required to live by the Bank's values while carrying out their daily tasks.

To incorporate these values in their daily behavior and relationship with our clients, our employees are guided by the below principles:

- Respect of our 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.

LOYALTY RESEARCH

The implementation of a continuous mystery shopping program helps us measure the client's real experience in our branches and monitor employees' performance over time, thus identifying possible weaknesses and implementing the required trainings to improve our customer service.

The mystery shopping program is also used as an incentive to improve our performance. Only by reevaluating ourselves can we optimize our efforts and better serve our clients. Over 298 mystery visits were carried out in branches between 2012 and 2013, with each branch receiving around 6 visits per year.

In our pursuit of quality service, our qualitative and quantitative customer satisfaction surveys are the complementary tools used to measure the clients' loyalty and relationship with BLF and assess their satisfaction with the customer service and the different banking products and services offered.

A CUSTOMER SATISFACTION STUDY CONDUCTED IN 2010-2011 BY IPSOS REVEALED THAT 94% OF OUR RETAIL CLIENTS ARE SATISFIED WITH THEIR RELATIONSHIP WITH BLF. THIS SURVEY WAS CARRIED OUT ON A REPRESENTATIVE SAMPLE OF 1,500 CLIENTS.



CUSTOMERS COMPLAINTS RESOLUTION

As a responsible organization, a clear and effective complaint resolution process is essential to our financial success. Our clients have several channels to voice their complaints and/or suggestions: Our Call Center on 1272, our website, our branch network, our business lines, as well as each BLF employee. BLF requires all its employees to report customer complaints in order to resolve them in a timely manner. Once our Call Center staff receives a complaint, they call the client to confirm receipt of and inquire about the complaint. The complaint is then channeled to the concerned party, who will call the client within 48 hours to offer a solution or provide an explanation about the complaint in question.

To encourage our clients to submit ideas and suggestions that might help us better serve them, we launched a campaign called: Relax! We're just a phone call away.

NORMS FOR FILE CLASSIFICATION AND ARCHIVING

We have established rigorous norms for file classification and archiving to be applied by all branches for increased neatness, organization, security and professionalism. We grant a certification of compliance to all branches that conform to the required norm and make sure that the highest standards are maintained through regular visits by the Audit Division.

4. MAINTAINING A TRANSPARENT COMMUNICATION



In addition to being in full compliance with the Lebanese Banking secrecy law, BLF fully abides by the Circular Number 124 issued by the Central Bank of Lebanon in 2010 on the Credit Transparency, Terms and Conditions. We've been committed to providing clear, comprehensive and accurate direct or indirect advertisement with respect to credit conditions long before the launch of the above mentioned circular.

FREE MAIL SERVICE

Our Free Mail Service delivers all BLF's correspondences free of charge by mail to the client's address of choice. The ultimate aim of this service is to keep our customers well informed of matters related to their finances, and verify the accuracy of the various debit and credit movements on their account.

WEBSITE

We strongly believe in the importance of transparent communication. That's why we've working hard on making all our information available online. The main objective of revamping our website in 2010 was to provide our online visitors with easy access to the relevant information. The website includes updated information on all our products and services. These efforts garnered BLF the 2012 prize for the best banking website in the Arab world.

STANDARD RATES

BLF publishes a brochure containing information on all its standard rates to allow clients to make informed decisions. Our well trained employees across all business lines empower our clients with the necessary information to help them find the right product or service. They offer them the right financial solution and communicate all the details in a transparent manner.



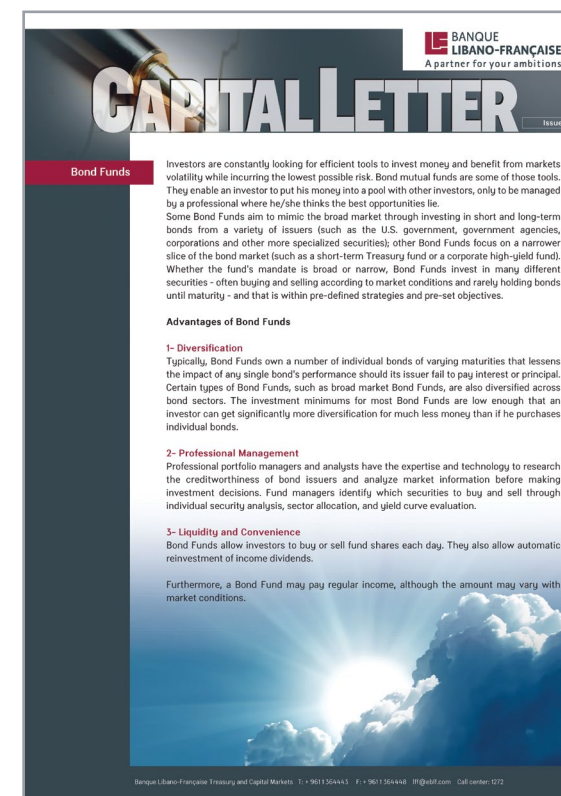
NEWSLETTERS

In order to improve the financial literacy of our clients, we issue a bi-monthly newsletter called Capital Letter, featuring information on financial markets. The newsletter is distributed in all branches. We also publish Points Forts, a bi-monthly newsletter to inform its clients of the latest developments in retail products.

SOCIAL MEDIA

We are present on Facebook, Twitter, Instagram, Youtube, LinkedIn and Google+ to connect and interact with our clients, prospects and community. Our social media channels were conceived to create brand awareness, engagement and advocates. These online platforms help us generate interesting contents to keep our audience informed and provide us with the possibility to listen to them 24/7.

Social media revolutionized the way we communicate.



5. ENSURING SECURITY AND BUSINESS CONTINUITY



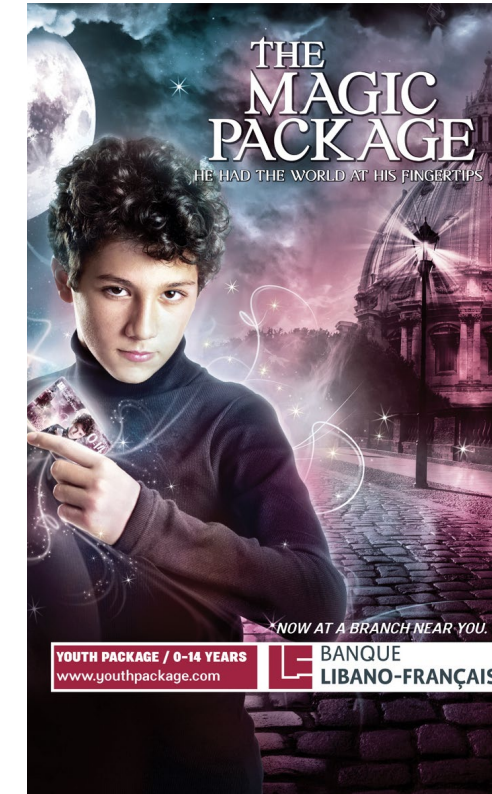
Thanks to our advanced security system, we succeeded in protecting our clients from becoming victims of fraud during waves of card skimming that occurred throughout Turkey and Eastern Europe in 2010. BLF was the first bank to stop the fraud and check all transactions emanating from Turkey. To protect the security of our clients, we have an effective monitoring system and real-time SMS alert.

Adequate security measures are constantly initiated to ensure optimum conditions for the safety of individuals and the Bank's assets. The integrity of the data and systems is maintained thanks to a state-of-the-art back-up equipment, the existence of a "mirror" server that is placed in a different location than the central server, and duplicates in real time the Bank's entire database. Also, an IT audit of the security of information systems is periodically conducted.

A business continuity plan has been developed to keep the Bank up and running even in times of crisis. Its purpose is to enable critical operations to be resumed as quickly as possible after disruptive incidents in order to reduce the resulting financial and non-financial impacts, and promote a crisis management culture in the Bank.

BLF's Security Department developed a corporate policy paper, including the logical and physical security in addition to a documented and approved security strategy. This strategy was derived from a risk-based approach and is currently being implemented to cover all critical areas at the Bank. We aim to continuously improve our security practices and provide our staff with the required competences to handle existing and foreseeable security requirements in order to identify and report suspicious activities. In 2012, we launched an awareness campaign on logical security and business continuity.

6. EMPOWERING THE MARKETPLACE



EMPOWERING YOUTH

Aware that the youth have specific banking needs, we launched a Youth Package especially designed for three different age groups, 0 to 14 years, 14 to 18 years and 18 to 25 years. The Youth Package gives young clients the opportunity to manage their money and gain financial independence from an early age, while enjoying a wide range of offers and services. Children and teenagers can now open their first bank account, get advice from the Bank's commercial advisors, manage their finances and benefit from offers and discounts with BLF partners.

To support this product, we launched a dedicated micro-site, featuring the benefits of the package, a youth banking lab, fun games, and many other banking trivia.

As part of its commitment to cater to the needs of the young Lebanese generation, BLF plans a series of activities with the youth. In this context, BLF organizes conferences at various universities to build students' capacities by providing them with guidance on business start-ups, writing of business plans, as well as information on financial solutions. In addition to taking part in various job fairs to introduce students to job and training opportunities at the Bank, BLF also welcomes school and university students at the Bank premises to give them insight into the banking sector and help them discover the working realities.



PROVIDING FACILITIES TO EXPATRIATES

BLF developed the Expat Package that provides Lebanese expatriates with a full range of banking services specifically designed to meet their needs, and make them feel at home wherever they are.

6. EMPOWERING THE MARKETPLACE



SUPPORTING BUSINESS INCUBATORS AND ENTREPRENEURSHIP

We strengthened our support for SMEs in Southern Lebanon by signing in 2008 a protocol of cooperation with the business incubator, South Bic, in order to facilitate and accelerate the use of loans granted by the Bank to these companies.

Within the framework of our partnership with the Business Incubation Association in Tripoli (BIAT), we sponsored the second edition of Access to Finance at the Chamber of Commerce and Industry in Tripoli in March 2012.

In 2013, we sponsored "Success stories in North Lebanon: Shedding light on successful stories coming from North Lebanon". We advised young entrepreneurs on their professional projects and introduced to them our range of business solutions, which can help them better finance and develop their businesses.

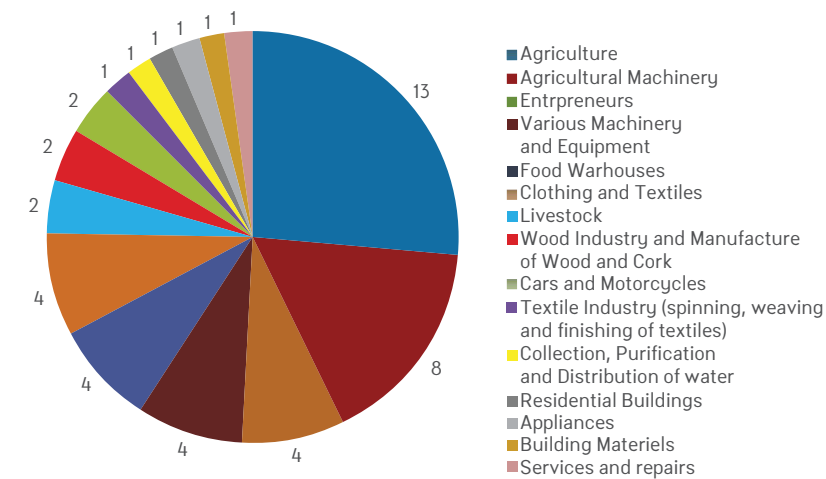
In 2010, Banque Libano-Française was the only Lebanese bank taking part in the Bader Young Entrepreneurs Program's new initiative: The Bader Entrepreneurs' Clinic, which provides free expert advice to entrepreneurs. Very often, entrepreneurs do not know who to turn to for technical, administrative and financial support. The Bader Entrepreneurs' Clinic provides a platform where entrepreneurs meet with experts from a wide range of fields.

To encourage new businesses and stimulate socio economic growth, BLF started granting in March 2013 facilities to the Lebanese Cooperative for Development (LCD) to support small entrepreneurs over the Lebanese territory.

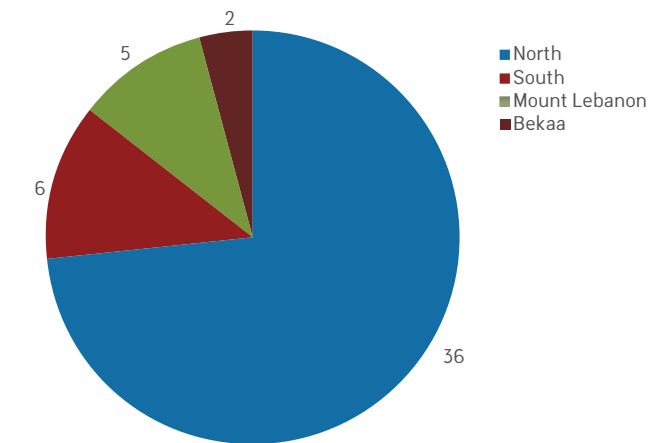
Founded in 1992, LCD promotes development in rural regions by granting microcredits to viable projects. Since its inception it has granted over 883 microcredits worth USD 11,524,000. As at October 2014, 49 entrepreneurs have so far benefited from microcredits granted via BLF amounting up to LBP 796,000,000 at a low interest rate.

To continuously empower small entrepreneurs to pursue their ambitions, BLF renewed its commitment to further support LCD.

Distribution of LCD microcredits beneficiaries per economic sector



Distribution of LCD microcredits beneficiaries per caza



PARTNERING WITH INTERNATIONAL AGENCIES AND ASSOCIATIONS TO BACK UP LEBANESE BUSINESSES

We signed in June 2007 an agreement with L'Agence Française de Développement (AFD) providing for a EUR 15 million long-term credit facility with a 10-year repayment period to help finance Lebanese businesses, mainly BLF clients affected by the 2006 war. The granted facility aimed to support the reconstruction of affected areas and ensure employment. This line of credit was used to back businesses that needed to rebuild their infrastructure and working capital, or to reconstitute their stocks.

In January 2007, BLF ratified, along with OPIC and Citibank, a 15-year term loan facility worth USD 20 million to support BLF's lending to companies, mortgage lending and consumer finance.

That same year, we renewed our \$20 million loan agreement with the Arab Trade Financing Program to help finance foreign trade deals. Through these agreements, we confirmed once again our crucial commitment to the national economy, in order to reestablish a climate of confidence and safety.

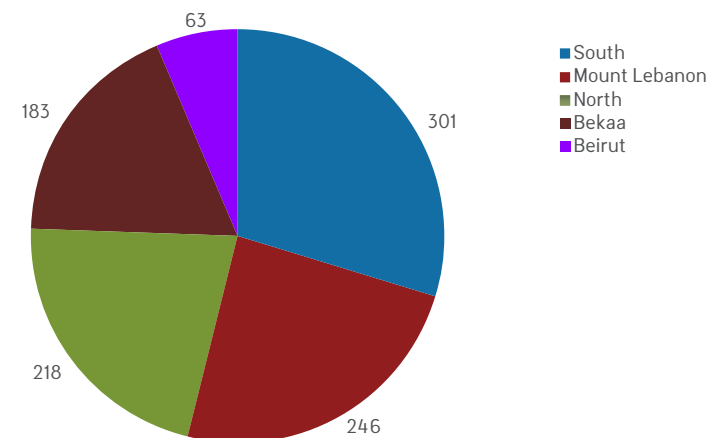
In 2011, BLF, the Association d'Entraide Professionnelle (AEP), a French institution founded in 1989 and specialized in micro credits, and the Supreme Council of the Greek Catholic Community signed a Memorandum of Understanding to develop microcredits that ensure the financing of small businesses and promote their integration in the local economy. BLF's collaboration in this project aimed to encourage small farmers, artisans and industrials to implement their projects.

6. EMPOWERING THE MARKETPLACE

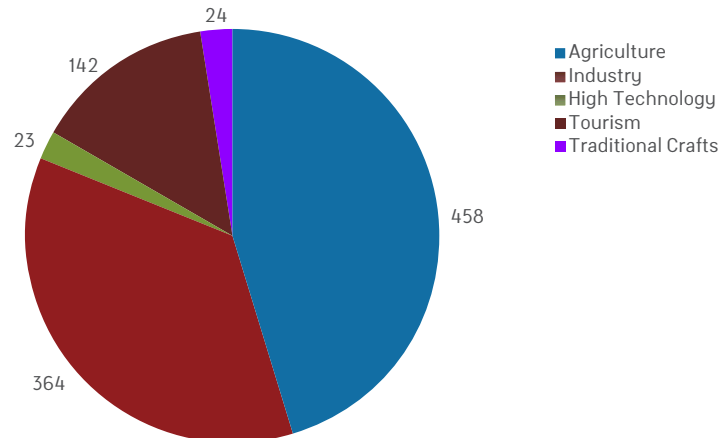
HELPING SMEs THROUGH KAFALAT LOANS

Since 2000 BLF has been providing Kafalat loans to small and medium enterprises (SMEs).

Distribution of Kafalat loans by number of beneficiaries per caza



Distribution of Kafalat loans by number of beneficiaries per sector



AS AT END OF SEPTEMBER 2014, BLF HAS GRANTED A TOTAL OF LBP 149,550,702,050 TO 1011 BENEFICIARIES, REACHING A MARKET SHARE OF 9%.

RESPONSIBLE LENDING IS PART OF BLF'S ETHICAL BEHAVIOR VIS-À-VIS ITS CLIENTS. THAT'S WHY OUR TEAM OF COUNSELORS STUDIES THE NEEDS, THE MEANS AND CAPACITIES OF INDIVIDUALS TO PAY BACK THEIR DEBT BEFORE OFFERING THEM A TAILOR-MADE SOLUTION.



BLFTRADE

In 2009, BLF launched BLFTrade, a website dedicated to promoting international trade with more than 10,000 pages providing various information and services, assistance and advice, opportunities, negotiations, shipping details and payments in the fields of international trade, as well as the fact sheets of 185 countries. Thanks to the website, clients can obtain a list of prospects, quote a transport of merchandise to a defined country, translate a document, simulate a foreign trade operation to a specific country, and be informed of the export flow towards a certain country. With this initiative, we aim to reinforce our role as a privileged partner of businesses who wish to go international.

ACQUIRING A STATE-OF-THE-ART INFORMATION SYSTEM

We acquired a new cutting-edge information system known as Temenos T24, which brings significant improvements to transaction handling, security and client servicing.



"IN CURRENT TROUBLED DAYS WHERE OUR COUNTRY AND REGION, SIMILAR TO THE REST OF THE WORLD, ARE GOVERNED BY UNCERTAINTY AND CONFUSION, WE KNOW MORE THAN EVER THAT THE PURPOSE OF OUR BUSINESS IS TO SERVE SOCIETY."

**FARID RAPHAËL
CHAIRMAN GENERAL MANAGER**



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE GUIDE (EXTRACT)

**"BLF HAS DEFINED ITS OWN MODEL OF GOVERNANCE,
INSPIRED BY HISTORICAL VALUES AND BANKING
REGULATIONS."**

1. PRINCIPLES

Banque Libano-Française has defined its own model of governance, inspired by historical values and banking regulations.

The governance of Banque Libano-Française rests on the values of transparency, responsibility and efficiency. This is translated in the organization and the work of the Board of Directors through:

- Active involvement of the Board members in the social life of the company, as well as in its management and strategy.
- Willingness to pursue openness and balance in the distribution of powers and the composition of the governing bodies.
- Constant concern for the ability of each individual to efficiently exercise his responsibilities with the necessary objectivity and independence, particularly through the quality of dialogue and the transparency of information.
- The 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. It also aims to conform to worldwide best

practices in corporate governance.

- Adherence to governing principles is discussed in several Bank documents. The Bank's statutes and those of its subsidiaries define the roles of the Board of Directors and stakeholders in terms of management. The Group has regulations and codes of conduct that aim to ensure transparency and the assumption of responsibility.
- 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 has established ways for the Group to respond to and prepare for new regulations. The Audit Committee and Risk Committee are focused on these changes.

2. COMPOSITION AND MEETINGS OF THE BOARD OF DIRECTORS

A. COMPOSITION

- 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 such 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 a total renewal takes place at the end of every three years.
- Each member must assign 250 shares as a collective guarantee of management. These shares are inalienable during the term of the member and the granting of discharge by the Annual General Assembly called to rule on the financial statements of the Bank.
- A member of the Board is considered to have resigned if he takes a position of employment or becomes a member of the Board of Directors of another company in Lebanon with the same activities as the Bank, unless he has been given special permission to do so by the General Assembly.
- Should one of the positions of Board member become vacant, the regular 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 a Special 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 term.
- The Board of Directors elects a President and Vice-President from among its members, to serve as such for the duration of their mandate.
- On the basis of a proposal by the President, the Board may nominate a General Manager from among the members or from outside the Board. The General Manager will fulfill his duties under the President'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 the Central Bank of Lebanon.
- 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 with 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 now or within the last two years before being named at the Board.
 - Not a family member of the 4th degree 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.

B. MEETINGS

- The Board's meetings are called by the President as often as is in the Bank's interest and a minimum of four times a year. A minimum of two meetings must take place in Lebanon.
- If the President is for any reason incapable of setting a meeting, the Vice-President may call for the meeting. If the Vice-President is hindered, two members may call for the meeting. The invitation can be written or oral, and must be given at least 2 days in advance, unless it is an emergency. The call for a meeting must include the meeting agenda.
- A minimum of half of the members must be represented or present for the meeting deliberations to be valid. None of the members are allowed to represent another member. The power of representation is given for one session only, by letter or by a telegram confirmed with a letter.
- In the event of a tie, the President, or the Vice-President in the President's absence, will have the deciding vote.
- The deliberations of the Board are noted in minutes kept in a register at the head office and signed by the President, or by a member fulfilling his duties and in the presence of another member.
- The justification of the number of members in office and of the number of members participating in the deliberations results, vis-à-vis third parties, from the specification during the deliberations of both the present members and those who are absent or excused.
- Members receive attendance fees as determined by the General Assembly.

2. COMPOSITION AND MEETINGS OF THE BOARD OF DIRECTORS

Board Meetings in 2012

Date	27-03-2012	25-04-2012	11-06-2012	25-09-2012	12-12-2012
Place	Paris	Beirut	Beirut	Paris	Beirut
Presence Rate	100%	100%	90%	100%	90%

Board Meetings in 2013

Date	11-04-2013	16-07-2013	07-10-2013	10-12-2013
Place	Paris	Beirut	Beirut	Paris
Presence Rate	89%	89%	89%	89%

C. ROLE AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the correct functioning of the Bank, and enjoys the following responsibilities:

- Approve the commercial strategy of the Bank, taking into account its financial and security interests.
- Approve and supervise the implementation of general policies and strategies related to risk. Approve the risk management policy established by the Bank.
- Approve the compliance policy and internal control systems.
- Adopt a corporate governance frame.
- Adopt corporate values and a code of conduct.
- Ensure that transactions between related parties take place according to the principle of fair competition, and are approved by the Board and Shareholders, respecting the applicable laws and regulations on transactions between related parties.
- Ensure that control functions are properly established, that sufficient resources are given to them, and that they are exercising their responsibilities in an efficient and independent way.
- Set the tone by implementing professional norms and corporate values that favor the integrity of the Bank, its Board and its employees.
- Regularly review the main policies, processes and control mechanisms together with the Executive Committee and/or those responsible for the control mechanisms, in order to determine areas needing improvement and to identify and deal with risks and important problems.

- The Board has the power to act in the Bank's name and perform all transactions related to it. Specifically, the Board has the following indicative and non-comprehensive powers:
 - Establish branches and offices of the Bank wherever the Board judges to be necessary, in Lebanon or abroad.
 - Establish and institute one or more special commissions to give prior approval to decisions related to appropriations, investments using available funds, investments in properties and minor financial investments.
 - Define Bank policy in all areas where the Bank is active; follow up on and check the implementation of such policies under conditions fixed by the Board.
 - Authorize all acquisitions, exchanges and disposals of real property and property rights. (The acquisition of such property and rights as a form of collection on bad debt or default and their re-sale are viewed as routine proceedings).
 - Grant any mortgage on all Bank buildings, and grant any mortgage guarantees or other sort of guarantees related to real estate.
 - Found Lebanese or foreign companies, or offer alternatives to their foundation. Determine the terms and conditions deemed appropriate for incorporated companies or those that will be incorporated in the future, while looking out for the Bank's best interests in such situations.
 - Finalize statements, inventories and accounts that must be submitted to the General Assembly of Shareholders, rule on all propositions, and finalize the agenda.

D. ROLE OF THE CHAIRMAN OF THE BOARD

- The Chairman of the Board chairs the Board meetings. The Vice-President chairs the meetings in his absence. If the Vice-President fails to be present, the meeting will be chaired by the oldest member present.
- The Chairman assumes the role of Director of the Bank. He may nominate one or more people to fulfill the duties of Director for him, and the nomination will be accepted or rejected by the Board. He will be personally responsible for these replacements.
- Should the Chairman be temporarily unable to perform his duties, he may delegate them partially or in full to another member of the Board, for a limited period, renewable if necessary.
- The Chairman and a delegated Board member or Director represents the Bank in interactions with third parties. They execute decisions made by the Board and direct the Bank's activities in conformity with those decisions. Specifically, they have the following powers, which are indicative and not comprehensive, and which may be exercised separately:
 - Establish rules for the functioning of the Bank.
 - Establish the status of the personnel.
 - Complete all formalities in order to legalize the Bank in countries where it is allowed to operate.
 - Receive sums of money due to the Bank, and pay its bills.
 - Extend credit, with or without real or personal securities, in the form of a current account, as a discount, a pension, a guarantee, etc., as per the investment policy decided by the Board, and set deadlines, interest rates and charges.
 - Grant loans, as a line of credit or otherwise, unless in the form of bonds; and grant personal property securities to that end.

- Underwrite, endorse, accept, and clear all commercial instruments.
- Deliver letters of security, and give joint or non-joint deposits.
- Write, endorse and clear all checks, traveler's checks, and letters of credit.
- Receive cash deposits, fixed-term deposits or notice deposits in current accounts, checking accounts, savings accounts, etc.
- Accept deposits of securities and precious metals.
- Rent out safety deposit boxes.
- Open all documentary credits, with or without confirmation.
- Send transfers within Lebanon and abroad.
- Receive and negotiate checks to be cashed.
- Approve, accept, divest or rescind leases or rentals and manage all buildings belonging to the Bank.
- Accept all real or personal securities, pledges, mortgages, collaterals, etc.; and relinquish or release them before or after payment.
- Exercise judicial action, as plaintiff or defendant, and designate proxies or attorneys, or take up residence to this effect.
- Authorize all treaties, transactions, arbitrations, compromises, agreements, acquiescence, withdrawals, cessations, discharges, seizures, oppositions and other rights, before or after payment.
- Acquire all goods and titles to property serving as recovery of bad debt or default, and resell them under conditions it sees fit.
- Select agents, assign functions to them, decide on their remuneration, give them different functions and/or cease using their services.
- Substitute all or part of these powers as specified by law or by professional custom.
- Generally perform all operations which are in accordance with company objectives and not reserved by law or the statutes of the General Assembly or the Board of Directors.

3. MEMBERS OF THE BOARD OF DIRECTORS

H.E. Mr. Farid Raphaël
Mr. Elie Nahas

Chairman
Vice-Chairman

Mr. Zafer Chaoui
Mr. Philippe Doré
Mr. Habib Letayf
Mr. Philippe Lette
Dr. Marwan Nsouli
Mr. Walid Raphaël
Mrs. Raya Raphaël Nahas
Mr. Wafic Said

Member
Member
Member
Member
Member
Member
Member
Member

Raphaël & Associés

Legal Advisor

Deloitte & Touche
DFK Fiduciaire du Moyen-Orient

Auditors
Auditors

Listed by alphabetical order (beyond the Group Vice-Chairman)

Changes of the Board of Directors during the years 2013 and 2014 to date

MAY 2013

- Reelection of Mrs. Raya Raphaël Nahas for a three-year term expiring upon holding of the Ordinary General Meeting of Shareholders that will examine the accounts and activity of the year 2015.
- Resignation of Mr. Bertrand Levêque from his position on the Board of Directors.

MAY 2014

- Reelection of Mr. Philippe Doré and Mr. Wafic Said for a three-year term expiring upon holding of the Ordinary General Meeting of Shareholders that will examine the accounts and activity of the year 2016.
- Election of Dr. Marwan Nsouli for a three-year term expiring upon holding of the Ordinary General Meeting of Shareholders that will examine the accounts and activity of the year 2016.

4. BIOGRAPHIES OF BOARD MEMBERS

H.E. MR. FARID RAPHAËL

Born in 1933

Chairman since October 1979

Term expires at the 2015 Annual General Meeting of Shareholders

Chairman of the Board



Mr. Raphaël began his career in banking with Compagnie Algérienne de Crédit et de Banque (CACB) in 1956, where he remained until 1967 when he took the initiative to convert the branch of CACB in Lebanon to Banque Libano-Française S.A.L. as a joint stock company under Lebanese Law and became its General Manager. Mr. Raphaël founded Banque Libano-Française (France) in 1976 and was its Chairman and General Manager from 1985 to 1989. He was Minister of Finance, Justice and Telecommunications of the Lebanese Republic from 1976 to 1979, and President of the Association of Banks in Lebanon between 1997 and 2001.

Mr. Raphaël was recognized by the French Republic as "Officier de la Légion d'Honneur" in 1999. He graduated from Saint-Joseph University in Beirut with a degree in Law.

MR. ELIE NAHAS

Born in 1944

Director since April 2006
Term expires at the 2015 Annual General Meeting of Shareholders

Meeting of Shareholders

Vice Chairman of the Board



Member of the Board of Directors since April 2006, Mr. Nahas has been the General Manager of the Bank since 2004 and Vice-Chairman since 2010. He began his career in banking with ABN AMRO in 1964 and was Country Manager in Lebanon from 1986 to 2002. Mr. Nahas was General Manager and Member of the Board of Directors of Byblos Bank between 2003 and 2004.

He was a member of the Board of Directors of the Association of Bank's in Lebanon from 1987 to 1990. He was Honorary Consul General of Netherlands in Lebanon from 1988 to 2010. Mr. Nahas was recognized by H.M. Queen Beatrix of the Netherlands as "Grootmeester der orde van Oranje-Nassau" in 1997. He graduated from Saint-Joseph University in Beirut with a degree in Economics and Banking.

MR. ZAFER CHAOUI

Born in 1947

Director since June 1991

Term expires at the 2015 Annual General Meeting of Shareholders

Non-Executive Director

Chairman of the Board Risk Committee



Member of the Board of Directors, Mr. Chaoui is a businessman. He has been Honorary Consul General of Finland in Lebanon since 1996. He is also Chairman and a Board Member of various industrial and commercial companies and acts as an agent in Lebanon and in several Arab countries for major international companies. Mr. Chaoui was recognized as "Commander of the Finnish Lion" in 2001, received the "Finnish Army Medal" in 2001, and the "Medal of the Catholic Church of Jerusalem" in 2006. He graduated from Saint-Joseph University in Beirut with a degree in Economics.

MR. PHILIPPE DORÉ

Born in 1966

Director since April 2008

Term expires at the 2017 Annual General Meeting of Shareholders

Non-Executive Director

Chairman of the Audit Committee
Member of the Board Risk Committee



Independent member of the Board of Directors, Mr. Doré is a Director at Arjil, an independent investment bank based in Paris. Mr. Doré was until September 2010, Assistant Director in the International Division at Credit Agricole France. He graduated From Ecole Nationale des Ponts et Chaussées (France) with a degree in Civil Engineering.

4. BIOGRAPHIES OF BOARD MEMBERS

MR. HABIB LETAYF

Born in 1934

First elected to the board in 1979

Term expires at the 2015 Annual General Meeting of Shareholders

Non-Executive Director
Member of the Audit Committee
Member of the Board Risk Committee



Member of the Board of Directors, Mr. Letayf was the General Manager of the National Council for Touristic Development in Lebanon from 1964 to 1984, Attaché to the Lebanese Embassy in Paris from 1985 to 1992, and Chairman and General Manager of Casino du Liban from 1992 to 1999.

Mr. Letayf holds a degree in Economics.

MR. PHILIPPE LETTE

Born in 1948

Director since April 2006

Term expires at the 2015 Annual General Meeting of Shareholders

Non-Executive Director



Member of the Board of Directors, Mr. Lette is an international commercial lawyer with offices in Toronto, Montréal, Paris and Geneva. He is a Board Member of various companies.

Mr. Lette received a Bachelor of Civil Law from McGill University (Canada), a Masters diploma in Law from University of Bordeaux (France), a Masters diploma in Comparative Private Law from Panthéon-Sorbonne University (France), and a LLM from Faculté Internationale pour l'Enseignement du Droit Comparé (France).

DR. MARWAN NSOULI

Born 1938

Director since May 2014

Term expires at the 2017 Annual General Meeting of Shareholders

Non-Executive Director



Independent member of the Board of Directors, Dr. Nsouli is an international lawyer specialized in the Banking and financial sector. Dr. Nsouli was Vice-Governor of the Lebanese Central Bank, "Banque du Liban", from 1998 to 2008. During those years, Dr. Nsouli represented the "Banque du Liban" in the IMF, World Bank and AMF (Arab Monetary Fund). Between 1981 and 1998 Dr. Nsouli worked with the IFC (International Finance Corporation) as Attorney and Chief Counsel. He currently serves as Member of the Board of Directors of the Near East Commercial Bank S.A.L.

Dr. Nsouli holds a PhD degree in Law from Paris V - René Descartes University (France) and a Masters in Comparative Law from New York University (USA).

MR. WALID RAPHAËL

Born in 1971

Director since April 2006

Term expires at the 2015 Annual General Meeting of Shareholders

Executive Director



Member of the Board of Directors, General Manager of the Bank, Vice Chairman of Banque SBA and Chairman and General Manager of Libano-Française Finance, Mr. Raphaël began his banking career in 1995 at Credit Agricole Indosuez, where he held several positions in both Paris and London, in the International Project Finance Department and in capital markets covering the emerging markets. He joined the General Management of the Bank in 2004 and was elected member of the Board of Directors and appointed Deputy General Manager in March 2006. He serves as General Manager of the Bank since March 2010. Mr. Raphaël received a Masters degree in Law from Panthéon-Assas University (France), a Masters diploma in Banking and Financial Law from Panthéon-Sorbonne University (France), and a MBA from INSEAD (France).

MRS. RAYA RAPHAËL NAHAS

Born in 1973

Director since April 2010

Term expires at the 2016 Annual General Meeting of Shareholders

Executive Director



Member of the Board of Directors since April 2010 and Deputy General Manager of the Bank, Mrs. Nahas began her career in banking at Banque Libano-Française in 1997 as a Financial Analyst and subsequently, has taken responsibilities in project finance, investment banking, retail banking and bancassurance. Mrs. Nahas is a Member of the Board of LIFE (Lebanese International Finance Executive), a non-profit association that aims to promote networking between Lebanese working in the financial field. Mrs. Nahas received a degree in Economics and a Masters in Financial Management from Paris-Dauphine University (France) and a Masters diploma in Money, Banking and Finance from Panthéon-Sorbonne University (France).

MR. WAFIC RIDA SAID

Born in 1939

Director since April 2005

Term expires at the 2017 Annual General Meeting of Shareholders

Non-Executive Director



Member of the Board of Directors, Mr. Said started his business career in investment banking in 1963 at UBS in Geneva. He is the Chairman of Said Holdings Limited, a financial holding company with global investments extending from the Far East to Europe and North America. In 1982, he founded the Said Foundation, an English charity working to effect lasting changes in the lives of disadvantaged children in the Middle-East through its scholarship program and projects in the fields of education, health and disability, and to promote understanding between the Arab and Western worlds. He is co-Founder and Trustee of the Said Business School Foundation (Oxford University's Business School) and a Member of Oxford's Court of Benefactors.

In 2003, he was awarded "Oxford's Sheldon Medal".

He holds, as "Grand Commandeur", the "Ordre de Mérite du Cèdre" of Lebanon and the "Ordre Chérifien" of Morocco.

5. COMMITTEES

A- BOARD COMMITTEES

Board Audit Committee

The Board Audit Committee follows up the internal audit reports, keeps updated with the recommendations of the Banking Control Commission and of the Bank's external auditors and ensures compliance with rules and regulations. Headed by an independent non-executive Director, it has four members and meets four times per year.

Board Risk Committee

The Board Risk Committee supervises the proper application of the Risk Management principles, establishes the risk policy of the Group and controls the Group's exposure in terms of credit, market, liquidity, interest rate and operational risks. Headed by a non-executive Director, it has three members and meets four times per year.

B- MANAGEMENT COMMITTEES

Executive Committee

The Executive Committee discusses strategic issues, takes major decisions and ensures the execution of the Bank's annual plan. It has eleven members, is headed by the Chairman and General Manager and meets on a weekly basis.

Management Committee

The Management Committee is comprised of the Heads of the Bank's Divisions who share and discuss their ongoing projects. The Management Committee has twenty-nine members, is headed by the Chairman and General Manager and meets on a quarterly basis.

Credit Policy and Strategy Committee

The Credit Policy and Strategy Committee reviews the Credit Policy, taking into account any major changes in the markets and environment. It defines and sets the strategies of the risk policies in line with the budget and with local as well as international regulations. It has thirteen members, is headed by the Chairman and General Manager and meets on a semi-annual basis.

Credit Risk Committees

There are three Credit Risk Committees: the Board Credit Committee, the Corporate Credit Committee, and the Middle-Market Credit Committee. The objectives of these Committees are to approve and review loans and credits, and to fix risk limits. The Board Credit Committee is comprised of three non-executive Board members. The Corporate Credit Committee is comprised of the Chairman and General Manager, the Vice-Chairman and General Manager, the General Manager, the Chief Risk Officer and his Deputy and four Senior Managers. The Middle-Market Credit Committee is comprised of the Chief Risk Officer and the Head of Middle-Market Banking and their Deputies. These Committees meet weekly except the Board Credit Committee that meets every two months.

Loan Remediation Committees

There are three Loan Remediation Committees: the Corporate Loans Remediation Committee, the Middle-Market Loans Remediation Committee and the Retail Loans Remediation Committee. Loan Remediation cases are assigned to a particular committee on the basis of the nature and size of the credit. Each Loan Remediation Committee is comprised of the members of the corresponding Credit Committees as well as the Head of the Legal Department and the Head of the Loan Remediation Division. The Middle-Market and Corporate Loans Remediation Committees meet on a monthly basis. The Retail Loans Remediation Committee meets on a semi-annual basis.

Audit Committee Meetings in 2012				
Date	09-03-2012	11-06-2012	25-09-2012	11-12-2012
Place	Beirut	Beirut	Beirut	Beirut
Presence Rate	100%	100%	100%	100%

Audit Committee Meetings in 2013				
Date	02-04-2013	15-07-2013	07-10-2013	09-12-2013
Place	Beirut	Beirut	Beirut	Paris
Presence Rate	100%	75%	100%	100%

Asset and Liability Management Committee

The Asset and Liability Management Committee manages the assets and liabilities of the Bank's balance sheet in terms of interest risk, foreign exchange risk and liquidity risk, determines the Bank's interest rate and cash management policies and approves the launch of new financial products. It has nine members, is headed by the Chairman and General Manager and meets on a monthly basis. A follow-up committee to the Asset and Liability Management Committee meets weekly.

Sales and Marketing Committee

The Sales and Marketing Committee discusses the market and the competition, and defines the commercial strategy in order to increase the Bank's market share. It has ten members, is headed by the General Manager and meets on a monthly basis.

Investment Committee

The Investment Committee monitors the economic and financial environments and proposes policies and investments for the Bank and its clients. It advises the Bank and its clients on wealth protection and capital appreciation. In case of turbulence or crisis in the markets, emergency meetings are called. It has seven members, is headed by the General Manager and meets on a monthly basis.

Organization and Strategic Planning Committee

The Organization and Strategic Planning Committee has several functions related to the Bank's annual plan, including preparing and monitoring the implementation of the annual plan, identifying and initiating projects aimed at improving the Bank's performance and efficiency, creating cross-synergies amongst the Bank's Divisions, ensuring that the Bank's procedures are documented and implemented properly. This Committee has seven members, is headed by the General Manager and meets on a quarterly basis.

Operations and Information Technology Committee

The Operations and Information Technology Committee identifies the needs of the Bank in terms of information technology, prepares a three-to-five year plan, determines the priorities of the Bank and supervises the installation of new software programs, and the security systems. It has nineteen members, is headed by the Deputy General Manager and meets every two months.

Internal Audit and Operational Risks Committee

The Internal Audit Committee approves and monitors the annual plan of the Internal Audit Division, monitors the quality of internal audit reports, monitors the recommendations of the Banking Control Commission and of the Bank's external Auditors and ensures that high risks are well covered by the Bank's Internal Audit function. This Committee has seven members, is headed by the Chairman and General Manager and meets on a semi-annual basis.

Human Resources Committee

The Human Resources Committee proposes a 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, is headed by the Chairman and General Manager and meets on a semi-annual basis.

Compliance Committee

The Compliance Committee sets the Bank's anti-money laundering procedures and guidelines, and monitors issues related to money laundering and reports of suspicious activities on transactions. It has fourteen members, is headed by the Chairman and General Manager and meets on a semi-annual basis.

5. COMMITTEES

Security Committee

The Security Committee sets the Bank's security policy and monitors the anomalies in the realization of any project. It has eleven members, is headed by the General Manager and meets on a quarterly basis.

Cards Services Committee

The Cards Services Committee oversees the Bank's plastic card business, approves the new credit and debit card products and the services related to the Bank's ATM network, and examines fraud cases. It has seven members, is headed by the Deputy General Manager and meets on a quarterly basis.

Career Development Committee

The Career Development Committee discusses the employees' careers and establishes specific training programs for employees that show potential to reach managerial positions. It has three members, is headed by the Human Resources Manager and meets on a bi-monthly basis.

Business Continuity Management

Business Continuity Planning (BCP) is a complete management process that identifies potential impacts menacing an organization. The BCP Committee ensures that the organization has the proper response to major disruptions threatening its survival and operational capability. It has eleven members, is headed by the Vice-Chairman and meets on an annual basis.

6. SENIOR MANAGEMENT

EXECUTIVE COMMITTEE

H.E. Mr. Farid Raphaël	Chairman and General Manager
Mr. Elie Nahas	Vice-Chairman and General Manager
Mr. Walid Raphaël	General Manager
Mr. Jamal Mansour	Deputy General Manager
Mrs. Raya Raphaël Nahas	Deputy General Manager
Mr. Elie Aoun	Head of Middle-Market Banking
Mrs. Hoda Assi	Head of Corporate Banking
Mrs. Josephine Chahine	Chief Risk Officer
Mr. Patrick Gaglio	Head of Branch Network
Mr. Maurice Iskandar	Head of International
Mr. Georges Khoury	Head of Treasury, Capital Markets and Wealth Management

BUSINESS DEVELOPMENT DIVISIONS

Mr. Patrick Gaglio - Mr. Elie Dagher	Branch Network
Mrs. Hoda Assi	Corporate Banking
Mr. Elie Aoun	Middle-Market Banking
Mr. Georges Khoury	Treasury, Capital Markets and Wealth Management
Mr. Maurice Iskandar	International
Mr. Moustapha Alwan	Loan Remediation
Mr. Ronald Zirka	Retail Banking Products and Marketing
Mrs. Myrna Wehbe	Cards Services

SUPPORT DIVISIONS

Mrs. Josephine Chahine	Risk Management
Mr. Zahi Azouri	Credit Risk
Mr. Walid Issa	Finance
Mr. Jean Medlege	Fiscal, Administrative and Financial Affairs
Mr. Georges Behlock	Human Resources
Mr. Saïd Gebrane	KYC Intelligence
Mrs. Maya Abboud	Legal Compliance
Mr. Philippe Chartouni	Organization and Information Technology
Mr. Ghassan Sawaya	Information Technology
Mr. Nicolas Abboud	Organization and Strategic Planning
Mrs. Nada Khayat	Operations
Mrs. Tania Rizk	Communications, CSR and Customer Experience
Mr. Gabriel Rizk	General Services
Mr. Iskandar Aoun	Security
Mr. Fady Lahoud	Internal Audit
Me. Marc de Chadarevian	Legal



OUR CONTACTS

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"We believe that CSR will help us increase efficiency through innovation, improve risk management, cut costs, increase brand equity, recruit talents, increase staff commitment, and create growth opportunities for all."

Farid Raphaël
Chairman General Manager
2014

