

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

2016 | 6th Edition



This is our Communication on Progress
in implementing the principles of the
United Nations Global Compact and
supporting broader UN goals.

We welcome feedback on its contents.

CSR LEBANON
Corporate Social Responsibility



The 10 principles of the United Nations Global Compact



HUMAN RIGHTS

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

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



LABOUR

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

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

Principle 5: The effective abolition of child labour; and

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



ENVIRONMENT

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

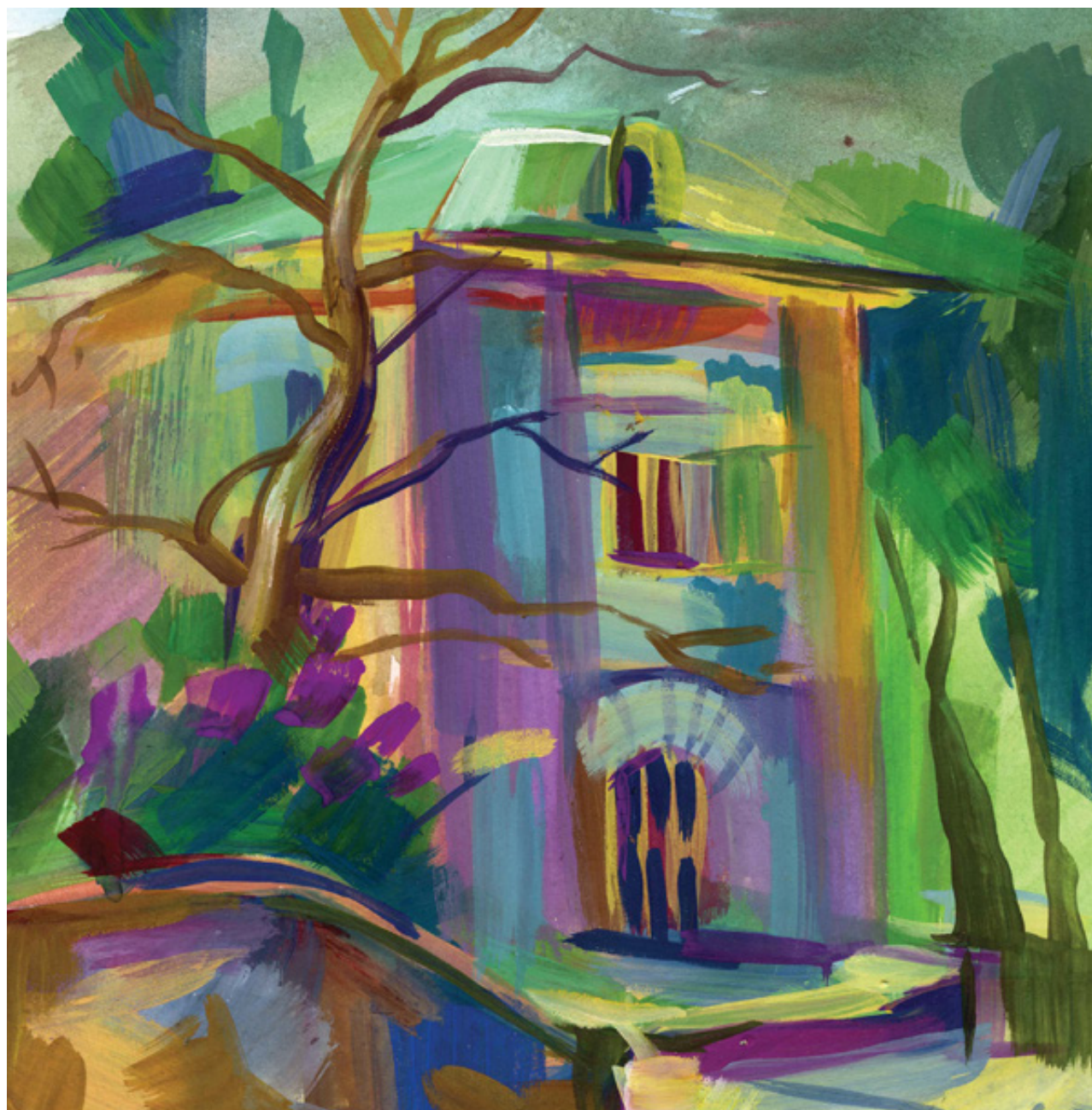
Principle 8: Undertake initiatives to promote greater environmental responsibility; and

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



ANTI CORRUPTION

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



STATEMENT OF CONTINUED SUPPORT



Corporate Social Responsibility (CSR) seems to be in the midst of an identity crisis. We're finding that even its name is no longer being defined in a succinct way. CSR has always been expected to perform in the genuine interests of society, with "social impact" coming into clearer focus. You could say that the age of widespread social business is upon us. However, where expectations have risen, practice can trail behind. The fact of the matter is that social impact has come into the mainstream.

There is no doubt that a company's value depends on how it interacts with society. Today, pursuing social good is not necessarily at the expense of profit, it can support profit. Many of the most successful and enduring businesses have what we could reasonably call a social mission embedded deep in their DNA.

But if social impact really can be consistent with corporate success, where does responsibility rest for modern businesses?

The starting point for responding to these opportunities is for CSR practitioners to get as serious about impact and strategy as they do about their operational directives. That way, aligning CSR with core business becomes one step easier.

Our continued commitment to promoting and implementing the GC Principles is based on:

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

Second, demonstrating the positive impact of the ten principles that we have achieved, despite our small size and the country's dramatic situation, mainly through our awareness-raising activities which we have been relentlessly working on. In 2016, through the 6th CSR LEBANON FORUM™, titled "How Social Impact Influences Corporate Success" (October 27, 2016) which was held under the patronage of the Governor of Banque du Liban, H.E. Mr. Riad Salamé, and was strongly supported by the European Union, the Chamber of Commerce, the Ministry of Environment, and the American Lebanese Chamber of Commerce, among others.

In addition, CSR LEBANON held its first annual “CSR LEBANON SPRING WEEK” under the title “Collaborating for Social Impact” from April 16-22, 2016 which we believe brought us one step close to reaching our goal of successfully working “Towards a National CSR Strategy” (kindly find details on pages 26-27).

We also continued to publish our Responsible Business Quarterly Review despite the difficulty in the publishing world (kindly find details on pages 30-31).

A most notable accomplishment for CSR LEBANON was the publication of the first National CSR Report in Lebanon based on a roundtable discussion with some of leading CSR practitioners in the country, who aim at making CSR a mainstream business practice. CSR in Lebanon has rapidly grown for some companies but remained irrelevant for many others, most probably due to the wrong understanding of the term (details can be found on pages 28-29).

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

We also have aligned these social outcome objectives to relevant Sustainable Development Goals. We believe our strategy and performance in these focus areas will assist us in realizing these specific global goals.

We live in a country and region which still suffer from the prevalence of uncommitted business leaders dealing with CSR agendas as a fashionable PR tool, and compromising on their credibility and reputation in an era where disclosure has become the norm.

Guided by our enduring strategy, we will continue our sole efforts to provide the proper international standard knowledge on CSR among the private sector, in order to help businesses meet the genuine CSR values: materiality, stakeholder engagement, and social impact.

Khaled Kassar
Founder and CEO
CSR LEBANON

IT'S OUR BUSINESS

CORPORATE SOCIAL RESPONSIBILITY

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



www.csrlebanon.com

ABOUT **CSR LEBANON**



CSR is Our Business

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

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

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

Our Vision

To make CSR an essential part of our national culture; TOWARDS A NATIONAL CSR STRATEGY™.

Our Mission

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

Our Values

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

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

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

Our Sources of Income

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

Our sources of income are as follows:

- Direct personal funding by the founder of CSR LEBANON
- Strategic Partnerships with the private sector
- Advertising spaces in Responsible Business Magazine
- Sponsorships
- Training fees

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



Why CSR LEBANON

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

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

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

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

Our Challenges

1. Lack of funding because of the inexistence of an adequate legal status in Lebanon for operating as a social enterprise, rather than a for-profit company. This resulted in CSR LEBANON's inability to approach local and international institutional donors.
2. Operating within an economy that is based on family-owned businesses where integrating a new culture inside the organization remains challenging and difficult.
3. Time constraints: Expenditures growing at a faster rate than income is generated. This prevents quick reinvestment into new initiatives and risks losing some of the positive momentum created.
4. Security and economic constraints as well as weak infrastructure and local and regional political instability.
5. The weak back-up from the public sector which keeps the sphere of collaboration small and hinders the proper adoption of CSR since the corporate sector remains free in the way it approaches CSR (although CSR is voluntary in nature) and has the capacity to manipulate public expectations because of the absence of relevant regulations and supervision.
6. As a new trend in the region, many parties, mainly event organizers and some consultants, deal with CSR as a commercial opportunity rather than a business approach. CSR LEBANON is then expected to invest further efforts to adjust the misconceptions created by similar unprofessional practices.
7. Lack of local and regional expertise which obligates CSR LEBANON to partner with international experts thus increasing its costs.





COMMUNICATING THE CSR MESSAGE

COMMUNICATING THE CSR MESSAGE

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

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

CSR LEBANON Website

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



CSR LEBANON Social Media

CSR LEBANON has increasingly made use of social media for various purposes. This is because social media has become an indispensable element in the communication mix. In the field of CSR and sustainability, social media are regarded as beneficial purveyors of CSR messages and communicating these beyond the traditional channels has shown great potential for discussing sustainability issues and engaging stakeholders.



COMMUNICATING THE CSR MESSAGE

CSR LEBANON Events



Ever since the CSR LEBANON FORUM began, it has always ensured that an exploration of the role of business in creating social value be communicated through its panel sessions and workshops. Regardless of the direction that each Forum focused on, there was always a focus on strategic corporate citizenship.

On 27 October 2016, and under the Patronage of His Excellency Mr. Riad Salamé, the Governor of Banque



du Liban, the 6th CSR LEBANON FORUM was held under the title “How Social Impact Influences Corporate Success” and brought together academic, business, non-profit and government leaders to focus on the importance of business for social impact. The Forum examined the challenges and opportunities in harnessing the power of all sectors and the market to create economic and social value, where participants and speakers had the opportunity to discuss the global role of business in creating social change.

Today, more than ever, many hold the belief that both the ability and responsibility of business can combat the world’s greatest social challenges. Recent years have seen the creation of thousands of businesses across the globe providing goods and services to consumers at the base of the socio-economic pyramid.

This influx has been accompanied by the emergence of new approaches to investment dedicated to generating significant social impact. In fact, today’s young leaders and the next generation of high net worth in-

COMMUNICATING THE CSR MESSAGE

dividuals aim to build their businesses and invest their wealth in endeavours and become more socially aware of their impact and how they can help their community. To address this issue, the Forum examined how businesses can have a social impact through innovative business models and impact investing, and debated the definition of success in the area of social impact.

Several examples exist from across various social enterprises and businesses that are leveraging innovative business models to generate profits while also creating significant impact. In order to succeed, these enterprises must have a clear mission, vision, and core values; have strong leadership who can balance the tension between profits and social impact; have aligned stakeholders; deliver great products and services within their context; and have created sustainable, scalable models. These social enterprises must also overcome challenges such as accessing capital, dealing with political opposition, and measuring impact.

The 6th CSR LEBANON FORUM looked at how businesses today are looking for diverse ways where social impact can help them create competitive advantage. It also looked at how several Lebanese companies have been pioneers in fundamentally transforming their businesses by intentionally incorporating social impact into the core of their strategy.

The Forum was broken down into several sessions, where each one provided insight into several topics within the scope of CSR: Social Impact, the Role of CSR in the Financial Section, Social Entrepreneurship and Millennials, and Women Leaders' Experience as Social Drivers. Participating in the panels were an outstanding line-up of international and regional expert speakers and corporate practitioners who shared unique perspectives on how companies have recognized that CSR is the key to making social and environmental impact.

In addition to the panel sessions, an NGO exhibition took place in the parallel halls to help undermine the importance of public-private partnership and the necessity to contribute to the development of the country.



We applaud CSR LEBANON's efforts throughout the past Six years in building the foundations for proper CSR adoption in Lebanon. It has been a pleasure to be a strategic supporter of the CSR LEBANON FORUM since its establishment in 2009. This is an excellent regional business and social platform for sharing international knowledge and experience about Sustainability and CSR."

H.E. Mr. Riad Salamé,
Governor of Banque Du Liban



COMMUNICATING THE CSR MESSAGE





“Congratulations on the very considerable success of the conference. Having organized various events myself, I know just how much hard work has to go into such conferences. You did exceptionally well to get so many speakers from outside Lebanon. CSR LEBANON achieved an international level event in Beirut, one which we only see in annual conferences organized by global sustainability leaders like the UNGC, GRI, and the BITC.”

Professor David Grayson

*Director of the Doughty Centre for Corporate Responsibility,
Cranfield University UK, London*



COMMUNICATING THE CSR MESSAGE



Civil Society Organizations

Civil Society Organizations (CSOs) have a critical role to play in the advancement of universal values around human rights, the environment, labour standards and anti-corruption. As global market integration has advanced, the role of CSOs has gained particular importance in aligning economic activities with social and environmental priorities.

CSOs are vital participants in the local and international system: they contribute valuable information and ideas, advocate effectively for positive change, provide essential operational capacity in emergencies and development efforts, and generally increase the accountability and legitimacy of the global governance process.

For the 6th CSR LEBANON FORUM that took place on Thursday 27 October 2016, and in collaboration with the René Moawad Foundation (RMF), CSR LEBANON provided 20 civil society organizations (CSOs) from the North and Akkar, a platform to present their projects and initiatives at the Forum. The Exhibition served as a networking ground with high-level private sector members in Lebanon, where knowledge can be transferred, partnerships forged, collaborations intensified, and engaged opportunities showcased. This cooperation was established to help CSOs in the North of Lebanon become more sustainable and to enhance engagement of public private partnership – an intrinsic element of any CSR strategy.

The Exhibit helped to also encourage a consolidated vision among the various stakeholders for social and economic development and environment protection and conservation regardless of political, sectarian, or regional affiliations in an attempt to generate a concrete and collective course of action.

COMMUNICATING THE CSR MESSAGE



Supporting Students and Universities

In 2016, more than 150 students and professors from more than 12 leading universities in Lebanon were invited by CSR LEBANON to attend and participate at the CSR LEBANON Forum, training courses and workshops. Students were mainly introduced to the concept of CSR, the role of the academic sector in the field, as well as to social entrepreneurship and offered opportunities.

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



COMMUNICATING THE CSR MESSAGE



CSR LEBANON SPRING WEEK

Held from April 16-22, CSR LEBANON launched The First CSR LEBANON Spring Week: “Collaborating for Social Impact” which aimed to engage different stakeholders and train CSR novices and executives, actively engaged CSR women as well as professors, NGOs and specialists on CSR insights. The goal was that by bringing together experts and apprentices, we would be one step closer to reaching our slogan of over a decade and successfully work “Towards a National CSR Strategy”. Through the transmission of stimulating ideas such as “Proactive Volunteerism”, “Social Entrepreneurship”, and “Responsible Business” CSR LEBANON fulfilled its role in communicating the importance of striving for tangible impact in the social sphere as well as sustainability.

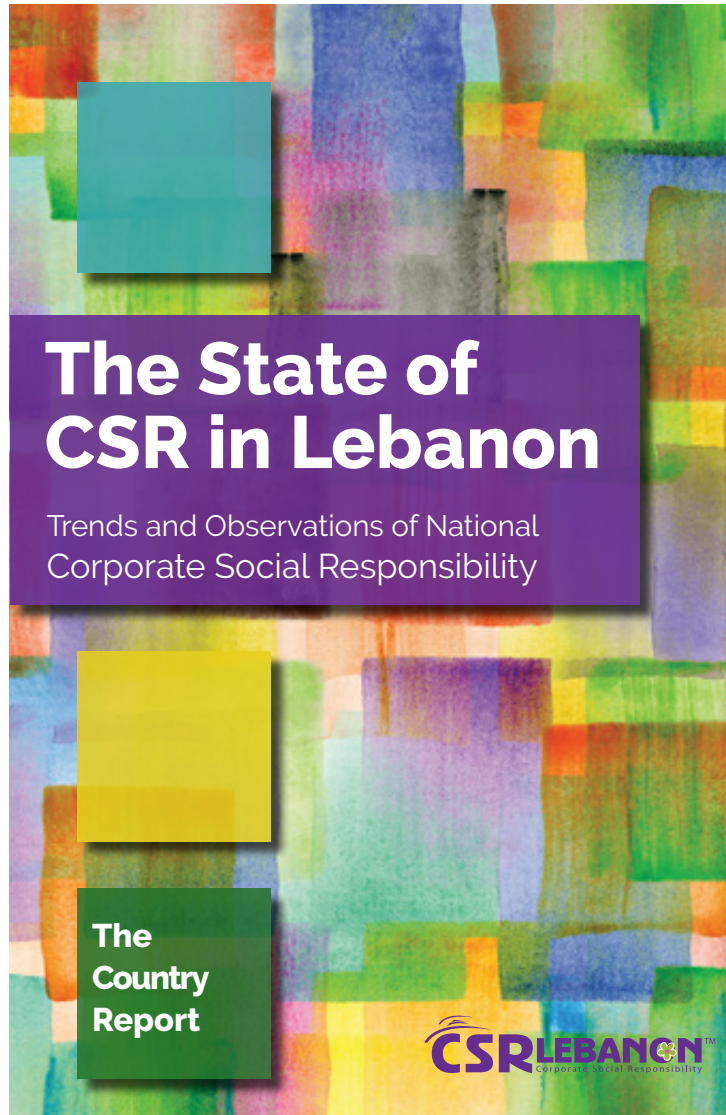
The Spring Week commenced with a private lunch held for nearly 50 women in Lebanese society who are actively engaged in the scope of CSR, sustainability and social entrepreneurship on April 16th at Al Mandaloun Café in Achrafieh, Beirut. This event, dubbed the “CSR Women in Action Brunch”, brought together women from various sectors to network with other like-minded women who share their passion for social impact and sustainable action.

CSR LEBANON has always positioned youth at the forefront and believes in the starring role youth have in making a difference in this world. For this purpose came the idea of organizing a Basketball tournament that brought together students from different universities and play against one another in a friendly basketball game where they would defend a special social cause that they found dear to them.

The Spring Week also organized a unique 3-day CSR Training Bootcamp intended to enable participants to acquire the skills and competencies needed to prepare a CSR strategy and learn how to communicate its results. The course was specifically designed for business professionals from all levels with a responsibility for developing and implementing Corporate Social Responsibility strategies, programs and initiatives.

This Week also organized a CSR Champions Roundtable that aimed to recognize the contribution that CSR leaders have made to CSR in Lebanon and gathered current perspectives on CSR, engaged in a discussion on philanthropy versus shared value, sustainability versus CSR, debated on how to make CSR matter, shared ideas and provided expertise on the business and social impact of volunteering, among other topics.

CSR LEBANON produced “The State of CSR in Lebanon” country report on the back of that discussion for use by the profession in various levels of Lebanese society so that CSR becomes a more important part of life in Lebanon, especially among the business community.



The National Country Report

A few prominent CSR activists have emerged in Lebanon since 2009. During the First *CSR LEBANON SPRING WEEK* (April 16-22, 2016), CSR LEBANON invited some of the practitioners and thought leaders to contribute to the CSR Champions Roundtable to gather current perspectives on CSR, engage in a discussion on sustainability versus CSR, debate on how to make CSR matter, and how they will take the initiative to adequately implement CSR in their respective fields. To answer these questions, participants brainstormed to come up with lists of past and current enablers of a sustainable and responsive business culture in Lebanon, as well as the barriers and future challenges that they have to overcome.

Most challenges faced by the participants range from the need for a strategic vision, business leadership and dedicated budget, to the need to include the proper definition and implementation practices of CSR in academic curricula. In fact, I believe just by raising awareness about the business case for CSR and its true meaning among Chairmen and Boards of Directors, most challenges can be avoided. CSR culture should be spread and implemented across departments and organizational levels, CSR budgets should be appropriately allocated, the government should implement and encourage CSR practices, and corporate strategies should be perfectly aligned – which will irrevocably ameliorate the triple bottom line of any organization in Lebanon.

Throughout the Roundtable, a recurring key word kept surfacing that may improve and promote a more sustainable and responsible business culture in Lebanon: collaboration. Collaboration between management, employees, departments, industries, and sectors, should be the starting point towards a better future in CSR. This kind of collaboration that infuses CSR in private institutions improves the social and economic conditions in Lebanon, and impacts all fields ranging from health and medicine to education and public management.

CSR LEBANON's ambition to produce a National Country Report based on these discussions aims at making CSR a mainstream business practice. After all, business is one of the most powerful forces for social development and change that the world has ever seen. It comes as no surprise that today, private sector accountability around the Sustainable Development Goals (SDG) is central to gauging private sector effectiveness in the business sphere.

COMMUNICATING THE CSR MESSAGE

Responsible Business Quarterly Review™ Magazine

The first and only specialized CSR Magazine in the Middle East

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

Responsible Business™ magazine is now in its 16th edition and has received positive stakeholder feedback locally and internationally from the CSR, media and corporate sectors. The quarterly magazine provides readers with an overview of CSR developments in the region and internationally as well as in-depth features.

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

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

Key Facts

Distribution

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

Readership

More than 50,000

Areas of coverage

Mainly Lebanon, the UAE, Qatar, KSA, Jordan
and the United Kingdom

Mixed Sources

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



Ecological Features

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



Five Years of Responsible Business



Your Ultimate Source for Corporate Social Responsibility Knowledge

CSR LEBANON Consulting Services

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

Our consultancy services include:

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

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

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

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



"CSR LEBANON, under the guidance of Mr. Khaled Kassar, is building momentum for sustainable business practices in Lebanon and the region."

Mr. Georg Kell,
Former Executive Director of the UNGC

The background is a vibrant, abstract composition of colors including yellow, blue, purple, and pink. It features numerous paint splatters, brush strokes, and circular patterns, creating a dynamic and energetic visual effect. The colors are layered and blended, with some areas appearing more saturated than others.

COMMITTING TO THE 10 PRINCIPLES OF THE UNGC

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

Method

CSR LEBANON undertook a self-assessment at the end of the reporting period using the UNGC Self-Assessment Tool to evaluate our progress to date. This was undertaken with input from the editorial and management team. Included in our evaluation was an analysis of our supply chain which is described below. Follow-up actions were identified which will be implemented in 2016 and are listed at the end of this section.

Our Supply Chain

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

Production of the magazine is undertaken by Salim Dabbous Printing Company Sarl, a Lebanese printing press. The paper used in the magazine is 100% recycled Oikos (FSC certified) and is sourced by CSR LEBANON directly from Nahhal Paper Co. in Lebanon. Such paper quality is unfortunately not available locally nor through regional suppliers. Following production, distribution is undertaken by Messageries du Moyen-Orient de la Presse et du Livre S.A.L. The magazine is also distributed in other Middle Eastern countries, especially in the United Arab Emirates, again using a distribution agent (Abu Dhabi Media Company – Tawzea, in the UAE). Using distribution agents allows the magazine to be distributed alongside other publications to the same vendors, which reduces the carbon footprint of the magazine as well as the cost. Courier delivery is used for smaller magazine distributions, for example to particular companies, and is undertaken by Aramex (www.aramex.com), a large distribution company in the Middle East with an established track record in CSR and sustainability.

THE 10 PRINCIPLES

HUMAN RIGHTS PRINCIPLES

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

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

Assessment, Policy and Goals

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

Implementation

- CSR LEBANON uses its media products to portray social concerns and human rights malpractices. Through its publication, Responsible Business, it aims to promote support and respect for human rights in Lebanon and the Middle East.
- CSR LEBANON hosts regular events and meetings to bring together individuals from Lebanon’s business community to discuss CSR and sustainability issues, including human rights.
- CSR LEBANON has adopted an Ethics Code which supports international human rights frameworks.
- CSR LEBANON is in an advanced stage of developing a Health & Safety Policy and Grievance Policy in support of its implementation of the UN Global Compact.

Measurement of Outcomes

- CSR LEBANON assures that no human rights abuses are taking place within its company, or amongst suppliers and business partners.
- CSR LEBANON has published four quarterly magazines entitled ‘Responsible Business’ during 2016. The publication seeks to educate Lebanese and Middle Eastern businesses about CSR and sustainability, including human rights issues.
- During the year, CSR LEBANON hosted the 6th CSR LEBANON FORUM on “How Social Impact Influences Corporate Success”. Issues related to the workplace, consumer and employee rights were discussed by more than 800 participants who attended the Forum.
- CSR LEBANON delivered a training course and workshop on mastering materiality in CSR strategies and reporting, where more than 50 participants attended. “Human Rights” was one of the key pillars of the workshop.

COMMITTING TO THE 10 PRINCIPLES

LABOR PRINCIPLES

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

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

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

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

Assessment, Policy and Goals

- The company recognizes the rights of its workers to freedom of association and collective bargaining.
- Child labor and forced labor are not considered risks for the company due to the nature of our work and our workforce.
- CSR LEBANON ensures that employment decisions are based on objective criteria. This is enforced by the aim of promoting CSR in a multicultural and multi-religious country like Lebanon through promoting social collaboration and inclusion.

Implementation

- CSR LEBANON actively campaigns against all forms of forced or compulsory labor and child labor.
- CSR LEBANON commits to and respects its Ethics Code. This includes reference to the right of employees to form associations and undertake collective bargaining.
- The Ethics Code of the company includes a commitment to avoid discriminatory behavior, including recruitment, based on religion, race, ethnicity, or gender.
- CSR LEBANON continues to undertake awareness-raising activities to promote greater understanding of labor issues within Lebanon and the Middle East.
- CSR LEBANON promotes an open policy inside the organization where employees are free to express their opinions, needs, share their problems, and seek advice.

Measurement of Outcomes

- Employees of CSR LEBANON have not engaged in any trade union or collective bargaining activities during 2016 but have not suffered any restrictions in doing so.
- There are no children under the age of 19 who have worked or are working for the company or its main suppliers.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2016. The publication seeks to educate Lebanese and Middle Eastern businesses about CSR and sustainability, including labor issues.
- During the year, CSR LEBANON hosted the 6th CSR LEBANON FORUM on "How Social Impact Influences Corporate Success". It included discussions about investment decision-making and CSR in relation to the workplace and labor rights.
- CSR LEBANON undertook a training course and workshop on mastering materiality in CSR strategies and reporting, which featured labor principles as one of its pillars.

ENVIRONMENTAL PRINCIPLES

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

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

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

Assessment, Policy and Goals

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

COMMITTING TO THE 10 PRINCIPLES

Implementation

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

Measurement of Outcomes

- 100% of magazines and stationery are printed on recycled paper, using environmentally sound ink.
- No environmental incidents or complaints were made against CSR LEBANON during 2016.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2016. The publication included features on environmental issues such as alternative/renewable energy, case studies on businesses engagement in environmental sustainability, environmental paradigms in the Middle East, and an in-depth review about the financial value of ESG.
- During the year, CSR LEBANON hosted the 6th CSR LEBANON FORUM on "How Social Impact Influences Corporate Success". It included discussions about sustainable supply chains and green initiatives, and CSR in relation to the environment.
- CSR LEBANON undertook a training course and workshop on mastering materiality in CSR strategies and reporting, which included "environmental principles" as one of its pillars.

Anti-Corruption Principles

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

Assessment, Policy and Goals	<ul style="list-style-type: none"> • CSR Lebanon takes an active stance against corruption in all its forms both within its own business and the business community at large. It is committed to ethical behavior, accuracy and transparency. • CSR LEBANON's employment agreement states that unethical business practice is a reason for terminating the employment contract. • The company considers that the risk of corruption within its own business relationships is very low.
Implementation	<ul style="list-style-type: none"> • CSR LEBANON Ethics Code incorporates anti-corruption commitments. • The company is in an advanced stage of developing a grievance procedure to ensure that employees are able to raise concerns and report non-compliance with the Ethics Code without fearing personal consequences. • CSR LEBANON continues to conduct awareness-raising activities on the subject of corruption.
Measurement of Outcomes	<ul style="list-style-type: none"> • There have not been any reports of corruption within CSR LEBANON's business during the reporting period. • CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2016 including articles that promote ethics and best practice. • CSR LEBANON undertook a training course and workshop on mastering materiality in CSR strategies and reporting, which included "anti-corruption principles" among its pillars.

COMMITTING TO THE 10 PRINCIPLES

Comment:

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

1. The generally poor reputation of many national NGOs in the country.
2. Inexistence of a relevant legal status in the Lebanese laws for social enterprises.

Follow-Up

The action points identified to improve our compliance with the Global Compact for 2016 are as follows:

1. Activate a Health and Safety policy for the workplace
2. Activate a Grievance policy for the workplace
3. Activate a policy on Freedom of Association and Collective Bargaining
4. Ensure pregnancy and adoption/childcare leave is included in standard employment contract
5. Activate an environmental policy including a strategy to monitor recycling performance in the workplace and advance lobbying among neighboring corporations
6. Develop an arrangement, contractual or otherwise, with major suppliers which will support our compliance with the UNGC ten principles (if applicable in Lebanon)
7. Assess feasibility of monitoring indirect outcomes of awareness-raising activities such as relevant external events and press coverage of CSR /sustainability issues in other news publications
8. Actively promote the adoption of the ten principles of the UN Global Compact and the Business for Peace Guidance among Lebanese corporations and work closely with public and private sector authorities in line with our mandate to establish a Local Network.





SUSTAINABLE DEVELOPMENT GOALS



CSR LEBANON joined many other Lebanese companies to celebrate the launch of the 17 United Nations (U.N.) Sustainable Development Goals (SDGs) through our member support of the Global Compact Network Lebanon and UNDP Lebanon. With such a shared vision, the SDGs will provide ways for the Lebanese to work together for a better and more equal future for themselves and the future Lebanese generation.

We believe CSR LEBANON is in a position to contribute directly to eight of the goals aligned to our current 2020 targets, in a meaningful way.

Our Strategy

CSR LEBANON demonstrated its commitment to the Global Goals through a series of actions that it undertook throughout 2016. It primarily aimed at guiding companies to advance the SDGs by operating responsibly in alignment with universal principles and finding opportunities to innovate to address societal challenges.

During the CSR LEBANON Spring Week, the CSR Champions Roundtable was engaged in a strong discussion about the influence of the SDGs on the future of the country, with special focus on the influence that the private sector can have to advance these goals, since they can play an important role as an implementer, translating profits into sustained economic growth, social inclusion, and environmental protection. Financial institutions can provide positive incentives to such companies – those that incorporate sustainability, long-term thinking, and environmental, social, and governance (ESG) performance criteria in core business models – by allocating assets accordingly. Such a move would go a long way toward promoting long-term progress on the SDGs.

In addition, during the 6th CSR LEBANON FORUM, a backdrop of the Goals was placed at the Forum for all dignitaries, speakers, attendees and special guests to see and understand more about CSR LEBANON's commitment to the Goals, as well as use these Goals as a backdrop for their Forum pictures. This area became a meeting point for several attendees who wanted to know more about the SDGs while demonstrating CSR LEBANON's commitment to addressing the Goals.

SUSTAINABLE DEVELOPMENT GOALS

HUMAN AND LABOR RIGHTS

Within CSR LEBANON

- Creating an exceptional experience for its employees
- Upholding professional values and behaviors to adopt sustainable practices
- Empowering and promoting an inclusive and diverse culture
- Listening to, and recognizing its people
- Developing purpose-driven leaders who contribute to society's welfare

Community Investment

- Driving including growth
- Working with others to instill positive change
- Supporting the next generation
- Aligning action through global coordination and collaboration
- Investing over 500 hours of professional services and skilled volunteering for capacity building of social enterprises

Supply Chain

- Driving responsibility in its supply chain
- Increasing supplier diversity

The above demonstrate CSR LEBANON's contribution to Goals:



ANTI-CORRUPTION OBLIGATION

Our Business

- CSR LEBANON supports its clients and profession by living by its values
- Upholding the highest professional standards
- Engaging with stakeholders in a clear and transparent way
- Reinforcing its commitment to quality

Serving Public Interest

- Tackling corruption in all its forms
- Helping businesses to innovate with purpose
- Building confidence and trust in all markets

The above demonstrate CSR LEBANON's contribution to Goals:



ENVIRONMENTAL RESPONSIBILITY

Acting with Integrity

- CSR LEBANON supports environmental sustainability by positively influencing change
- Managing our own impact
- Engaging with responsibly and sustainability-conscious suppliers
- Helping our clients and people become more sustainable

The above demonstrate CSR LEBANON's contribution to Goals:





www.csrlebanon.com