



C L O S E T O Y O U

## Communication on Progress

### UNGC

November 2017

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# Statement by the Chairman General Manager



HEAD OFFICE

الإدارة العامة

Ref: Div/12/2017  
Beirut, November 9, 2017

To our stakeholders:

I am pleased to confirm that Credit Libanais reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

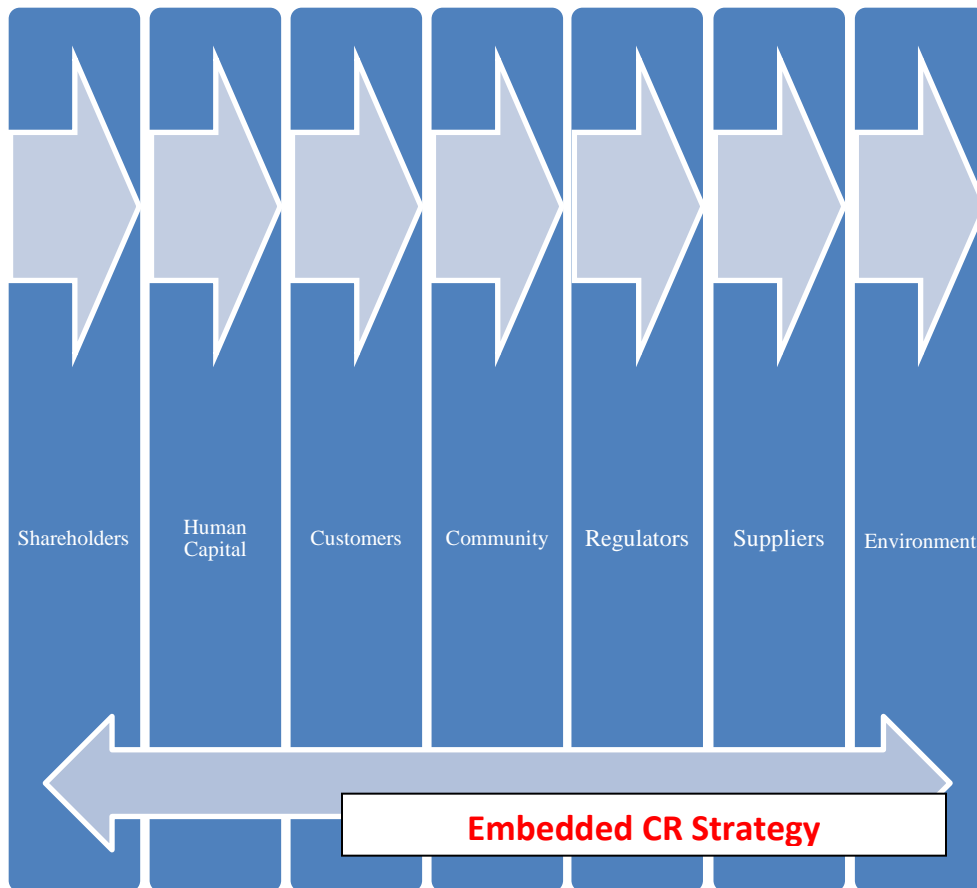
Dr. Joseph Torbey  
Chairman General Manager  
Credit Libanais Group

## CL Corporate Responsibility and CL Strategy

As a leading financial institution, we are conscious of our important role in the societies and are committed to our Corporate Responsibility towards customers, employees, communities and the environment, and aim to remain one of the best corporate accountable citizen and a source of major wealth creation where we operate.

Our Core Values are defined by high standards of ethics and integrity, respect of human and labor rights, as well as national and international banking regulations and best practices.

Founded in Beirut in 1961, Credit Libanais Group is today a leading universal banking group with total assets reaching USD 10.66 billion (as at 31.12.2016) providing a full range of banking services, with a well-established domestic business franchise. Headquartered in Adlieh (Beirut, Lebanon), CL Group serves 261,118 customers across its network of 77 local and foreign branches, and employs a workforce of 1601 employees. We operate in Lebanon, Cyprus, Bahrain, Senegal, Iraq and Canada.



### **In 2015, Credit Libanais officially joins the UN Global Compact**

On November 6, 2015 Credit Libanais officially joins the United Nations Global Compact, the world's largest corporate responsibility initiative with over 8000 business and 4000 non-business participants in 170 countries.

The UN Global Compact Ten Principles encompass the following areas that touch the day-to-day operations:

### The UN Global Compact's ten principles

#### **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.

## **Corporate Responsibility and Corporate Governance**

Based on a solid foundation of openness, transparency and accountability, our corporate governance contributes to a safe and sound banking system that fosters trust as well as customer and shareholder value.

### ***Board Commitment to Corporate Governance***

Credit Libanais recognizes the responsibility of the Board for setting the tone of a corporate culture of integrity and compliance across all layers of our organization.

### ***Code of Corporate Governance***

CL commitment to corporate governance has four key elements: good relations with shareholders; effective cooperation between the management and BOD; a system of performance-related compensation; and transparent and timely reporting. Effective governance processes are detailed in the Code of Corporate Governance as per BDL circulars and the guidelines of the Association of Banks in Lebanon.

### ***Remuneration Policy***

Credit Libanais offers its employees all the benefits stipulated in the Collective Labor Agreement in Lebanon. Our remuneration policy reflects CL's objectives for good corporate governance. In line with the Central Bank requirements set out in the basic circular # 133 dated 6 August 2014,

and other circulars, the remuneration policy and procedure was prepared and validated by the HR Committee and approved by the Board of Directors.

A system of performance-related compensation is put in place to remunerate employees, based on clear and SMART objectives set.

### ***Preventing Financial Crime***

Credit Libanais is firmly committed to fighting crimes of money laundering and financing terrorism in accordance with national and international rules and regulations. We believe that financial crime prevention is not only the responsibility of the Group's dedicated compliance officers, but also the duty of every staff member in each area of activity. We have clear policies, procedures and rules of good conduct in place, to prevent money laundering and the financing of terrorism in all jurisdictions where the Bank operates, to protect our reputation.

### ***Fighting Corruption***

CL Group strives to be an open and honest business, and we value the free flow of information. As stated in CL's Employee Handbook, the Bank encourages all stakeholders to report any dishonest or illegal activity (violation of a law, rule, regulation, fraud, corruption) occurring at the Bank. CL prohibits retaliation of any kind against individuals who made reports in good faith or complaints of violation of the business ethics and conduct or other known or suspected illegal or unethical conduct.

### ***Transparency in Procurement***

Purchases are made based on a bidding call, which are presented to bid committees, screening committees, compliance committees and delivery acceptance committees. The installation of this purchasing system several years ago allowed the Bank to give equal opportunities to suppliers based on the quality of their goods and services, while ensuring that we receive best quality over price ratios. Suppliers must therefore have sound implementation strategies and conduct their business responsibly.

## Corporate Responsibility and People Capital Optimization

### Employees

<b>Situation Till</b>	<b>Sep-17</b>
<b>GROUP CL</b>	<b>CL</b>
<b>Total Employees</b>	1601
<b>% by Gender</b>	
<b>Male</b>	54.30%
<b>Female</b>	45.70%
<b>% by Education Level</b>	
<b>More than 94% university graduates</b>	

CL People policy consists of improving the capability and commitment of our strongest assets, our employees, to drive sustainable high performance, while helping them thrive and achieve their goals as well. In line with this strategy, we further built on the performance management system as well as the learning and development programs to help them acquire new competencies to proactively address customers' needs for solutions and advice. We further encourage transparency and open lines of communication to ensure that our people clearly understand the purpose, strategy and values of the Bank. By complying with our standards of conduct in business activities, our employees reinforce Credit Libanais reputation, image and success.

The Code of conduct is periodically reviewed by the HR department and the latest version is communicated to all employees joining the Bank and made available on the intranet. Credit Libanais makes sure that the implementation of all the policies governing the Human Rights is followed up by the Human Resources Committee. A culture of transparency responsibility, accountability and fairness is implemented at our Bank. As a matter of fact, CL doesn't have any legal disputes or any fine related to the violation of human rights.

### *Open Channels of Communications*

To optimize top-down and bottom-up channels of communication between staff and management, the Corporate Publishing department ensures the publication of the Group's newsletter in two languages: Arabic and English. The goal of this internal publication is to disseminate informative, argumentative, educative, financial and economic articles among staff members. It also features financial education articles, CR initiatives, staff latest news as well as



various events.

The Corporate Publishing department also ensures the preparation of the Annual Documentary broadcast during the Staff Annual Ceremony as well as the timely publishing of the Annual Report and other corporate publications. Moreover, CL Group staff regularly receives updates related to the latest developments in the banking industry through the FX and Market Snapshots, Weekly Market Watch, Monthly Economic Wrap, and CL Indices. This plethora of information is communicated via various internal and external e-channels.

### ***The Working Environment and Employee Satisfaction***

In order to meet our business objectives, CL Group is committed to ensuring a pleasant, stimulating and attractive workplace for employees. Managers are responsible for creating a good work environment in their departments and branches to reinforce the employees' perception of Credit Libanais image.

### ***Employment Opportunities, Organic Growth and Recruitment***

CL Human Resources management aligns practices to respond to the Bank overall strategy for growth and sustainability, while ensuring that our people grow while the Bank grows. The organizational initiatives that the HR has taken during the year 2016 include a targeted recruitment, training, development, diversity and equity, as well as the reward management, integrating as such the systems and aligning the management of human capital with organizational goals, and building a solid pool of successors for the future.

In 2016, we further built on developing future leaders and promoting continuous development of our workforce, in a fair and pleasant workplace. Open communication and transparency are the foundations of the HR function which endeavors to create a positive atmosphere among staff and a good reputation for the Bank. The HR team is alert to employee inquiries, concerns, and complaints, which can be communicated through the intranet or any other channel. Grievances are treated in a professional and confidential manner and settled in a win-win spirit, ensuring a positive work environment. Noteworthy that during 2016 turnover rate reached a mere (1.92%).

Moreover, during the recruitment and selection process, the responsibilities and expectations of both parties are clarified to ensure the best fit for the job, while accounting for the Bank overall needs and cultural dimensions. In 2016, we received more than 2200 CVs through various sources: referred to us by our stakeholders, through the career online and the job fairs events. Also on-boarding sessions were organized on a monthly basis, and aimed at introducing new recruits to the Bank's vision, mission, values and culture, and ensuring a swift integration within the teams, leading to a strong performance of the Bank.

### ***Appraisal and Remuneration***

Creating opportunities to motivate and engage people is the aim of the Bank through the performance management process. Open communication is the cornerstone of the performance appraisal, where managers discuss performance and future aspirations with their employees. It is a future oriented feedback system, focused on building careers, retaining and developing talent while observing the rules of compliance, business ethics and values, ensuring the promotion of the long-term strategy of the Bank in a competitive market.

### ***Banking Financial Qualifications***

During the year 2016, 122 employees successfully passed their BFQ certifications in Lebanese Financial Regulations, CAMS, Combating Financial Crime, Financial Derivatives, Global Securities, International Introduction to Investment, Investments and Risks, and Risk in Financial Services, as per BDL 103 and other regulatory requirements.

### ***Learning and Development***

CL learning program is based on in-house and external training activities complemented by the online e-learning system, according to the career path planning of employees.

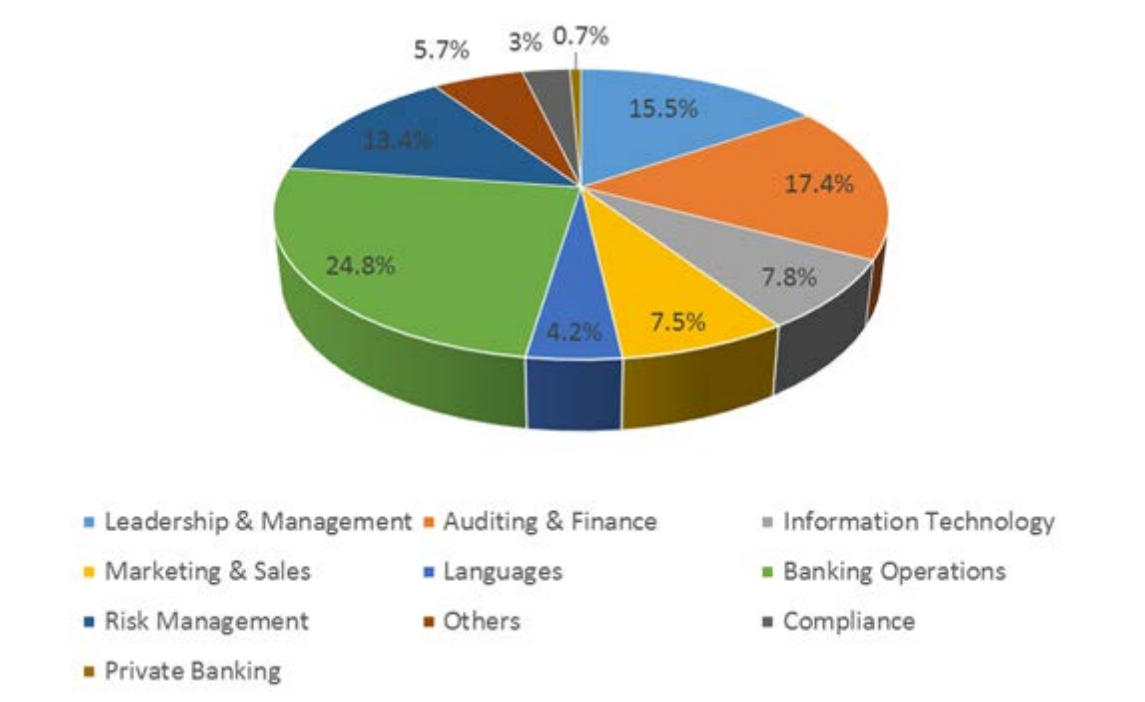
Training activities were distributed among departments and branches per category:

- 184 hours for Leadership and Management including the “Action Coalition Team-ACT Workshop” and “Art of Negotiation”.
- 204 hours for Auditing and Finance including “Certified Internal Auditor” training and “Finance for Non-Financial Managers”.
- 270 hours for Banking Operations including “BDL Loans and Circulars” and “Branch Compliance Officer”.
- 159 hours for Risk Management including “Emergency Response Plan-CL Adlieh Tower” and “Information Security”.

### ***TRAINING ACTIVITY REPORT PER CATEGORY FOR THE YEAR 2016***

- 1161 hours for Internal/external and overseas seminars
- 2922 total trainees by course session

### **Training Activities - Year 2016**



### **Schools**

In 2016, the “Cards Product Knowledge” school was launched to Branch Managers and Customer Relations Agents. Training sessions covered major topics such as cards selling and increasing proficiency of cards. In addition, the Assistant Branch Managers and Branch Supervisors ABM/BS School II continued to cover the training needs in major subjects such as Branches Risk Control Self-Assessment (RCSA), Information Security and Unpaid Bills.

### **Internal Certification Program**

Over the elapsed year, the “Internal Certification Program” was initiated for Tellers in view of assessing their technical knowledge, standardize activities and minimize skill gaps. This program will help the Bank strategically and considerably develop its talents while aligning with organizational goals and performance.

### **E-Learning Programs**

Since its launching in 2011, the e-learning program has been providing CL Group employees with valuable knowledge, in a flexible and easy manner. Each year, the e-programs are enriched with new curricula to respond to training needs. In 2016, total number of employees who started their learning plan reached 808 across branches and departments, the majority of whom finished their learning plans and successfully passed the post assessments.

### **Career Management Program**

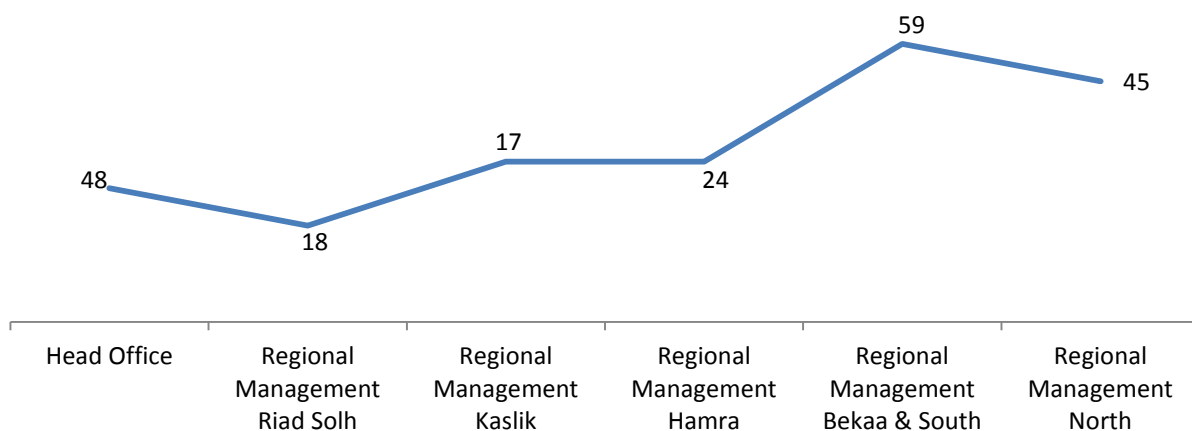
Based on the Bank's Career Management Program, more technical trainings were delivered to participants in the ICP 2 (Individual Career Planning) such as team building activities and

effective negotiations, aiming at reinforcing individual and team skills. Workshops included “BADER”, “ACT” (Action Coalition Team) workshop and “The Art of Negotiation” among others.

### **Summer Internship**

In 2016, 211 candidates were accepted from various renowned universities in Lebanon and abroad. The program aims at providing the needed internships to university students, and provides them with the required field experience.

*Numbers of interns in each region and Head Office*



### **Pay for Performance**

CL Group relies on a pay-for-performance philosophy, where each employee’s compensation for the current year is determined by a number of factors, including the employee’s individual performance, e-learning achievement, direct supervisor’s feedback, to name but a few.

### **Honoring Best Performers**

During the Staff Annual Ceremony, Credit Libanais honors star employees across the Group, based on their performance throughout the year. Different criteria are used in the evaluation process. The aim remains to use a comprehensive approach that highlights the efforts of devoted and efficient employees in view of rewarding them, since they are the Bank’s most important and valuable assets.

### **Employee Health and Well-Being**

Maintaining a healthy working environment is an important part of our efforts to create a performance culture. The Bank has set the good example by making the premises smoke-free.

All 1601 CL employees benefit from health insurance coverage and tuition allowance for their children.

The health and safety of our staff is paramount to us. Regular fire drill simulations are conducted for staff and extensive training in safety and injury prevention is disseminated across the Bank, in close coordination with a specialized health and safety accredited company.

All Group entities are equipped with fire extinguishers and medical aid kits, in addition to evacuation sets distributed to wardens. Safety instruction boards and exit signs are installed in all branches and buildings. Moreover, we have successfully implemented an Emergency Response Plan (ERP) across the Group, which consists of evaluating existing safety measures, collecting detailed contact information of all staff, appointing wardens responsible for staff evacuation, and conducting trainings. The ERP is activated in case of unexpected life-threatening events that may cause physical damage and critical disruption of operations.

#### ***Employee Engagement and Volunteerism***

Our community projects give our employees opportunities to engage in volunteer work. In this respect, the Bank welcomed for the fourth year in a row the “Lebanese Red Cross” at the Bank Headquarters for a blood drive, under the motto “One Love, One Blood-Donate and save a life”. The drive aimed at involving and encouraging staff from all branches, departments and sister companies to donate blood whereas 59 blood units were donated to save lives.

#### ***Employee Share Ownership Program***

The Employee Stock Ownership Program, introduced back in 2006 thanks to the generous contribution of shareholders is a firm belief of our Group that citizenship starts internally. The Employee Stock Ownership Program serves to align employees’ interests with those of shareholders and ultimately enhance employees' loyalty and productivity.

#### ***Team Building through Sports***

To encourage staff participation in sports events, CL sponsors many events, including marathons in various Lebanese regions, triathlons, rallies, as well as a variety of tournaments. In 2016, CL staff ran for the NGO "Kunhadi" during the "BDL Beirut Marathon 2016" to increase awareness on matters of road safety and safe driving in Lebanon.

## **Corporate Responsibility and Customer Experience**

In Lebanon, Banque du Liban (BDL) issued in February 2015 circular No. 134 related to the Principles of Banking and Financial Operations with Customers, following which the Bank established a new Consumer Protection Unit (CPU) directly reporting to the Chairman General Manager, independent from the operations execution, and entrusted with the application of BDL Circular 134 and related BCC Circular 281 with regards to conducting Principles of Banking and Financial Operations with Customers.

CPU periodically reports to the Chairman GM and the Board of Directors on matters related to the implementation of the Policy, Charter, and Action Plan, and puts forth suggestions for improvements of Principles of Banking and Financial Operations with customers as per the regulatory requirements, to promote a better customer experience.

Moreover, CPU is entrusted with spreading awareness among staff and customers in matters of customers' Rights and Duties, as well as standards of suitability, transparency, fairness and equitability. To ensure a direct access of customers to the Bank in matters of suggestions or complaints, CPU has established a clear complaints handling mechanism across CL banking Group branches, website and social media channels, and continuously ensures awareness spreading through training, capacity building and enhancement of professional experience including the implementation of the provision of the Basic Circular # 103 dated March 9, 2006.

### ***Enhanced Customer Experience through various touchpoints***

The availability of various customer touchpoints allows customers to execute their banking transactions around the clock wherever they are. Those include the branches, ATMs, online portal, internet gateways, and mobile phones, to name but a few.

Some years ago, the Bank embarked on a journey to enhance customers experience by launching the first e-payment services for built property taxes in Lebanon. The importance of this leading step dwells on the benefits provided to taxpayers, residents and expatriates, to settle their built property taxes all week long including Sundays and holidays, using their credit/debit card, in a most easy and secure way. Other public entities will follow, such as municipalities, in terms of online payment services. All payments are made in a highly secure manner through the Group subsidiary, NetCommerce payment gateway.

### **More leading e-services include:**

#### ***Settlement of subscription fees for pharmacists over the Internet***

With CL online payment services, pharmacists can pay their subscription fees online in a secure and easy way.

#### ***Settlement of subscription fees for lawyers over the Internet***

With CL online payment services, lawyers registered at the Beirut Bar Association can pay their subscription fees online in a secure and easy way.

#### ***Settlement of subscription fees for Engineers and Architects in Beirut***

This service has been the first of its kind in Lebanon in terms of e-payment services offered by a Lebanese bank to its customers.

#### ***Launching of e-payment service for the water subscription fees***

This new service allows all subscribers to pay their water-utility fees online, in a most convenient and secure manner.

### ***Tailored Customer Relationships***

Tailored relationships with our retail, commercial and corporate customers allow us to better respond to their needs by offering them custom-made services and products.

### ***Tailored Corporate ATM Deposit Card to Corporate Customers***

Keeping pace with the latest banking technologies, Credit Libanais offers the ATM Deposit card allowing corporate customers and institutions to make ATM cash and checks deposits into a corporate account, in a safe and flexible manner. This card gives companies representatives the opportunity to deposit cash in Lebanese Pounds and US dollars, as well as checks drawn on local banks at their convenience through a number of the Bank's ATMs across Lebanon.

### ***Customer Satisfaction***

Credit Libanais has implemented a system for collecting, measuring and managing feedback from personal and business customers. We employ all relevant quantitative and qualitative research methodologies, including surveys delivered through online, mobile, and phone channels in addition to qualitative focus groups. We also conduct mystery shopper campaigns and advertise our electronic inbox for complaints to make it easier for customers to reach us. A more sophisticated method of familiarizing our customers with the highest levels of customer service is the use of courtesy campaigns regularly conducted by CL Customer Service Center. In 2015, a special section on the corporate website has been devised to ensure more transparency and easier communication of customers' complaints and feedback. The Net Promoter Score (NPS) e-survey is also being prepared for 2017 to be launched on the online banking and mobile application platforms to track customer satisfaction across business units, and monitor changes in customer satisfaction trends over time.

## **Corporate Responsibility and the Communities**

Credit Libanais Group believes in its fundamental role in society and its responsibility to create a long-term value for all stakeholders. Safeguarding our culture and protecting our heritage and family values is vital to maintaining our unique identity.

To materialize our sustainability strategy, we support:

- Economic growth in communities where we do business.
- Initiatives that help build well-being, wealth and capacity.
- Resources to promote economic self-sufficiency.

### ***Educational and Academic Events***

We constantly contribute to university and school events that aim at offering professional guidance and presenting different employers to students. CL is regularly present at major events such as job fairs and forums that were held in various universities across Lebanon.

### ***Professional Conferences***

To encourage exchange of new developments among peer professionals and reinforce channels of communication in various industries, we sponsor many a conference over the course of the year, encompassing a variety of sectors such as banking, economic, medical, social, financial and many other aspects of the Lebanese dynamic society.

### ***Cultural and Heritage Events***

CL supports music and cultural festivals organized in various Lebanese cities and towns throughout the seasons, in view of encouraging arts, reviving traditions and preserving our unique heritage. We sponsor several cultural activities that bring us closer to our communities and enable us leverage our partnerships with them, thereby doubling the rewards. By helping them prosper, Credit Libanais prospers as well.

### ***Philanthropy***

Our selected contributions to professional, educational, sports, cultural and social activities have positively impacted the communities we work in and by the same token, boosted CL's image in various Lebanese regions and towns.



## **Corporate Responsibility and Responsible Financing**

Credit Libanais Group always seeks sustainable investments in view of maximizing financial returns while achieving social and environmental good. We remain committed to regularly reviewing our credit facilities granting processes in view of securing profitable incentives for the Bank while alleviating our footprint and that of our customers and/or communities.

### ***Responsible Financing***

We strive to constantly assure customers that their funds are not invested in companies that violate internationally recognized principles in the areas of human rights, employee rights, the environment and anti-corruption.

### ***Banking Inclusion Strategy***

Part of our responsibility towards our community is to support financial inclusion to ensure that everyone has access to financial services. In this perspective, Credit Libanais further builds on its banking inclusion strategy to reach out to an increasing number of Lebanese in towns and remote areas across Lebanon, at an affordable cost.

While domiciling employees' salaries at our Bank enables the private and public sectors to easily pay employees through a bank account, such a procedure usually reduces operating costs and boosts the efficiency of institutions. Consequently, new account holders cash their salaries at Credit Libanais and have access to a variety of banking products and services.

### ***Focused Public Sector Initiatives***

In a move towards facilitating the banking experience of public sector servants and enhancing the financial inclusion ratios, special retail loans (car, personal, housing) targeting the Lebanese Army and Security Forces are specially designed to that purpose.

### ***A Special Housing Loan Protocol signed with the Beirut Bar Association***

This protocol aims at providing housing loans at preferential interest rates to lawyers registered with the Beirut Bar Association, enabling lawyers to acquire or build a primary residence in Lebanon.

### ***A Special Housing Loan Protocol with the Lebanese Customs Authorities***

This protocol aims at providing housing loans at preferential interest rates to Lebanese Customs officers and agents, according to the Protocol signed with our bank.

### ***Facilitating Access to Capital through Lending Partnerships***

We have partnered with international lending institutions with a view to providing access to affordable capital to wider segments of our communities. Such partnerships may be in the form of risk sharing, capital allocation or guarantees. Whenever possible, we try to match these funds with existing subsidies in the Lebanese market in order to lower the cost of borrowing for our customers.

### ***Building Capacity through Micro-Finance***

Very small loans are the building blocks on which people rely to earn their living. To this end, Credit Libanais partners with numerous local, regional and international agencies to make the financing of very small businesses also possible within the Lebanese economy.

### ***Offering Attractive Facilities to SMEs***

Credit Libanais has long partnered with Kafalat national institution to offer subsidized loans to small and medium businesses, as well as a number of institutions specialized in Micro Finance. We believe that the right financing helps SME customers start up or expand their businesses. Moreover, Credit Libanais has contracted a line of credit and a credit risk sharing agreement with the International Finance Corporation (IFC) as well as other financing bodies, to make affordable lending available to a wider segment of customers. Continuous new financing schemes are devised according to new circulars issued by BDL to stimulate start-up businesses and the local economy.

## Corporate Responsibility and the Environment

### *Social and Environmental Management System (SEMS) in credit assessment*

In collaboration with the International Finance Corporation (IFC), Credit Libanais created and adopted a tailor-made Social and Environmental Management System (SEMS) that consists of assessing the environmental and social risks and opportunities arising from customers' business activities.

### *Environmental Considerations and the International Finance Corporation (IFC)*

Through our agreement with IFC, we strive to enhance and adhere to sound banking principles and promote an environmentally and socially reliable development across the full range of our activities.

### *Environmental Considerations and the European Investment Bank (EIB)*

All projects financed by the Bank through the European Investment Bank (EIB) are also required to be acceptable in environmental terms. Credit Libanais is in full acceptance and adherence with the EIB's environmental objectives, namely to:

- ✓ Preserve, protect and improve the quality of the environment.
- ✓ Protect human health, in relation to the environment.
- ✓ Ensure the prudent and rational utilization of natural resources to conserve nature.
- ✓ Promote measures to deal with regional or worldwide environmental problems, notably climate change and access to potable water and sanitation. In doing so, both banks apply the principles of "prevention", "precaution" and "polluter countries", as embedded in the European Community policy.

In this perspective, all projects requesting financing from the EIB have to comply with the Environmental Survey covering both the environmental and the social impact of the project being financed.

### *Environmental Sustainability and Green Products*

Credit Libanais weighs the importance of regularly reviewing and updating its lending strategies to align them with industry standards in terms of Social and Responsible Investment (SRI). Our strategy centers around three priorities:

- ✓ Reducing the intensity of our environmental footprint.
- ✓ Promoting environmentally responsible business activity.
- ✓ Offering environmental products and services.

In line with the Central Bank's recommendations and recently issued circulars, we provide green facilities to fund projects that have a positive environmental impact. Projects encompass eco-friendly initiatives in Lebanon, such as green architecture and ecological ventures, implementation of renewable energy, wind power, solar water heating panels, energy saving lighting systems, tiles cladding, and eco-bricks. Loans are granted at competitive interest rates and for long terms, as a token of Credit Libanais' commitment to the planet and a step towards green banking.

### *An Ecofriendly Working Environment*

CL Group's recently executed landmark 32-story Head Office Tower in Adlieh responds to the latest trends in construction and utilization sustainability.

At CL Group new Head Office Tower, special attention has been given to using environmentally friendly construction materials, taking into account the use of renewable energy sources for future daily utilization. Considerations such as efficiently using energy, water, and other natural resources, reducing waste, pollution and environmental degradation were also given broad attention in all phases of the project, from design to commissioning. Those considerations are reflected in the green :

- Architecture
- Landscape
- Interior and Lighting: All offices and restrooms have electric lights equipped with automated light sensors, which work only if occupied, thus eliminating electric wastage.
- Recycled, Reused and Sustainable Mechanics and Materials
- Reduced Water Usage: Water taps in the Headquarters have automatic sensors to help in rationalizing water usage.

### A green Tier III Certified Data Center

CL's Group main data center is about 450 m<sup>2</sup> with 120 kW of net IT load and is designed to handle all the functions of the Bank. An additional 350-m<sup>2</sup> space hosts the sister company Credit Card Management (CCM), which has a dedicated server room within CL data center.

The main data center environment is water cooled at relatively high temperatures, which greatly increases the efficiency and reduces cost.

CL Tier III data center features are summarized as follows:

- ♦ Chilled water-cooled white space. The chilled water system significantly increases efficiency and running costs.
- ♦ The chiller compressors and pumps optimize energy consumption based on actual demand.
- ♦ A special variable primary chilled water system further reduces energy expenditures.
- ♦ Computer room air conditioning units reduce energy consumption.
- ♦ Cold air containment enhances the overall system efficiency.
- ♦ The fresh air for the data center is centrally pre-treated with an energy recovery unit.
- ♦ Associated office space is air conditioned by a VRV (variable refrigerant flow) system for high efficiency and lower energy expenditures. The system interfaces with the BMS (building management system) for scheduling and centralized parameterization to avoid operation during unoccupied periods.
- ♦ The latest VRV system technology provides cooling to the office space.
- ♦ Re-circulated air from offices ventilates the UPS/battery room through transfer fans, which reduces the amount of treated fresh air.
- ♦ Modular UPS systems adjust capacity to actual IT loads. The lighting is switched by a lighting control system that includes automatic motion sensors and centralized parameterization and scheduling to avoid operation during unoccupied periods.
- ♦ The BMS (Building Management System) integrates all subsystems, either directly or via SNMP (Simple Network Management Protocol), KNX, and data center infrastructure (DCIM) controls. The system allows an overall insight on the operations of the data center, monitoring all energy expenditures, faults, and alerts.
- ♦ DCIM optimizes operations and increases overall efficiency.

### *Recycling Endeavors and Reducing Paper Consumption*

To reduce the Bank's carbon footprint, CL departments and branches became greener this year with reduced paper consumption and responsible recycling for glass, plastic, electronic consumables and others. Special care is also given not to print unnecessary e-mails exchanged among various parties.

In 2016, some 40 tons of papers were sent to a local recycling factory.

A scrupulous procedure is integrated at Credit Libanais to promote the recycling of used papers. This activity encourages the contribution of all divisions within the Group to separate papers that are collected at the Group level and delivered to a local recycling plant.

- To encourage environmental moves in the workplace, personal printers are replaced by large departmental ones shared by many employees. New printers have the features to print double sided documents, thereby reducing paper consumption.

In this perspective, Credit Libanais is extending support to local NGOs who benefit from the recycled material to finance awareness campaigns or acquire medical support equipment to patients across Lebanon. These endeavors constitute another building block in the green culture disseminated throughout CL Group.

Moreover, some 139 IT equipment (Pc, Screen, Servers) were sent to a local NGO that uses them to finance awareness campaigns on road safety programs.

Some other 141 electronics equipment (Tel, faxes...) were also donated to a local NGO.