

COMMUNICATION ON PROGRESS 2018

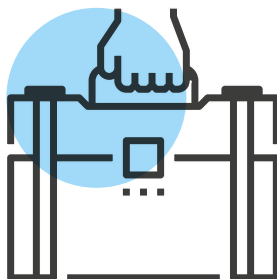
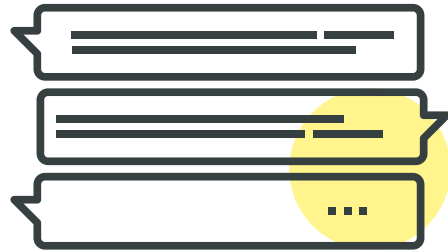


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ABOUT BANQUE BEMO



Banque BEMO is a commercial bank whose services and activities cover both the Lebanese and regional markets.

True to its long history and culture of prudence and conservative approach to serving its clients, the Bank remains focused on its core expertise, namely Private and Corporate Banking while aiming to build strong relationships, based on trust, with its selected clients.

The Bank is known for its competency in delivering high quality services and products, and for its customer centricity orientation. Products and services target large corporations and high net worth individuals.

Faithful to its tradition of investing efforts first and foremost in its clients' trust, Banque BEMO committed to abide by the following four principles, which represent the source of past achievements and the foundation on which to plan future development:

- Commitment to Customer Centricity: whereby the client is considered as a core asset, around whom the Bank build its endeavors, and where each decision is weighed on how to improve client satisfaction
- Commitment to providing an exclusive experience to clients: through attention to detail and anticipation of needs, Banque BEMO strives to understand stakeholders' perspective and ensure that they get more than their fair share of expectation
- Commitment to develop expertise/knowledge/proficiency: based on the existing broad offering of financial services, through the Bank and its sister entities, Banque BEMO recognizes this as a core competency and is committed to grow skills and remain proficient in the latest banking techniques
- Commitment to Transparency: In line with the Group's motto "Business With Ethics", Banque BEMO recognizes that transparency fosters discipline and strengthens the processes. Therefore, the Bank commits to transparency with its stakeholders and earn their trust.

In August 2017, Banque BEMO has joined the United Nations Global Compact (UNGC) as a signatory member and has therefore pledged to the following three Sustainable Development Goals: Decent Work & Economic Growth (SDG 8); Climate Action (SDG 13); Life on Land (SDG 15).

Vision

"To be the reference in Private and Corporate Banking"

Mission Statement

"Live our values while achieving high return on equity and offering our customers outstanding quality"

Values

*"Family spirit
Professionalism
Conservatism
Honesty"*

Positioning Statement

"Consolidating traditional values with a contemporary approach; offering services that are personal in delivery and global in scope."

CSR Vision

"To understand the current and future implications of its actions by focusing on the economic, social and environmental impacts of its business and developing sustainable practices to meet the needs of present and future generations ."

CSR Mission Statement

"We aim to move toward a higher CSR maturity level by fostering a strong sense of corporate responsibility and creating value to the business and the society ."

STATEMENT OF CHAIRMAN OF THE BOARD AND VICE-CHAIRMAN & GENERAL MANAGER



Dr. Riad B. Obegi
Chairman of the Board



Mr. Samih H. Saadeh
Vice-Chairman & General Manager

Dear Stakeholders,

We are pleased to confirm that Banque BEMO reaffirms its continued support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

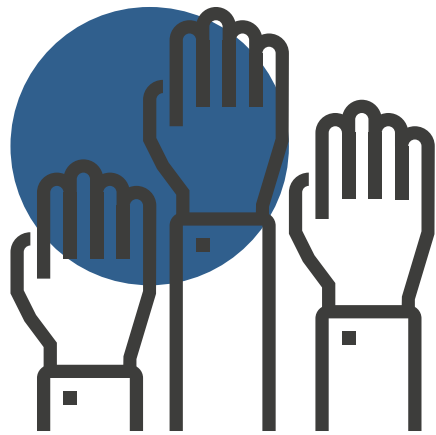
In our first annual Communication on Progress, we demonstrate our aspirations, commitment and actions taken to integrate the Global Compact and its principles into our business strategy, culture and daily operations.

We are also committed to share this report with all stakeholders on the Bank's website under the Sustainability and Corporate Responsibility section.

Yours Sincerely,

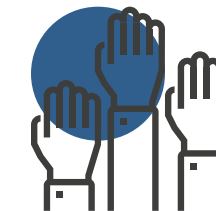
Dr. Riad B. Obegi
Chairman of the Board

Mr. Samih H. Saadeh
Vice-Chairman & General Manager



Human Rights

HUMAN RIGHTS



A. CORPORATE GOVERNANCE

As an institution part of the Obegi Group, our Bank inherited a long tradition of ethical conduct, putting stakeholders at the center of our business concern. This statement is even more essential when we consider the nature of our activity, the core essence of which is based on trust. Corporate Governance is one of our main tools in achieving the above statement. Our Bank, including our Board of Directors, is fully aware of this and is adamant in evolving our governance framework to become a benchmark of best practices in our economy. Our Corporate Governance Office considers this task as one of the core missions of our Bank, as we know that it is a pre-condition to achieving continuity and growth in the region.

In this respect, Banque BEMO signed in 2017, the Investors for Governance and Integrity (IGI) Declaration during a signature ceremony organized by Capital Concept, where Banque BEMO was specifically mentioned for its swift responsiveness to carry out all needed disclosure improvements that led to an enhancement in its grading to B+ rating.



The Corporate Governance Office focused on the following topics during the past year:

- Undergoing a reorganization effort to streamline its operations, document its best practices and ensure that all required checks and balances are in place.
- Supporting the International Finance Corporation (IFC) in conducting a diagnosis of the Bank's current governance practices, the outcome of which provided us with a roadmap for improvement for the near future.
- Coordination with the Bank's departments, but also with related institutions, to raise

awareness on the importance of governance and to share best practices.

- Exerting efforts in coordination with Senior Management, to enhance the information provided to Board Members through ensuring their quality and relevance.
- Mobilizing the resources to grow our relationship with shareholders and other investors, in order to ensure that they are fully informed of the developments pertaining to the Bank and that the Board is attentive to their input and requests.

In the foreseeable future, the Corporate Governance Office will focus on several enhancements which can be summarized as follows:

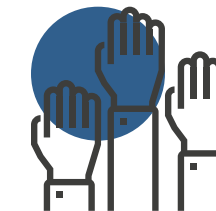
- Thriving to enhance investors' participation to the institution's life to ensure that they grasp the full extent of their partnership with the Bank.
- Work on enhancing even more the current workflow, in coordination with the Bank's IT Department to provide our Board Members with access to available information in an easy, secured and flexible way.

- Work on enhancing Board Members' onboarding process, through appropriate training and support, in addition to setting up feedback mechanisms that allows learning from experiences, and further enhance all actions taken. With time, investors' and Board Members' input will become the cornerstone for evolving the Corporate Governance structure.

B. DEONTOLOGY & ETHICS

Deontology and Ethics are the major foundations of Banque BEMO's principles and guidelines, whereby all business activities are conducted in an honest, legal and ethical manner, providing state-of-the-art services to all stakeholders, preserving their interests and achieving the Bank's vision and quest for excellence. Moral obligations, duties, and right actions are the main pillars for Banque BEMO's operating environment, and the Bank's Code of Deontology is the driving force for all employees who follow high standards of conduct at all times. After an extensive in-depth review, the Bank's "Code of Deontology and Professional Ethics" was updated and published on the Bank Internal Communication

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Site accessible to all staff members.

In addition, Banque BEMO's staff members share a responsibility to protect the Bank's reputation for integrity by always demonstrating their commitment to the highest standards of ethics and professional behavior when dealing with colleagues, clients, shareholders and the community. Therefore, Banque BEMO's Code of Conduct's objective is to state the requirements for best business practices and professional conduct. The Code of Conduct policy was updated and published on the bank's Internal Communication Site and is available to all staff members.

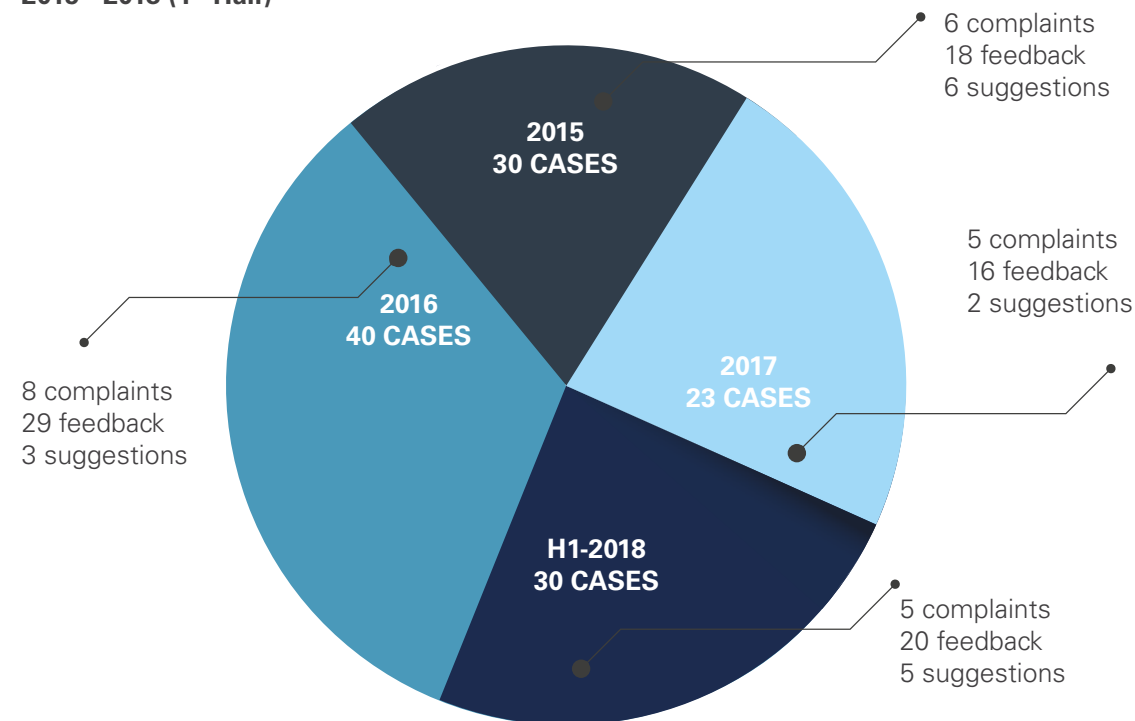
Within the scope of business ethics and clients protection, two policies have been developed and are available to all staff members on the Internal Communication Site: The Complaints Management policy has been developed to provide guidance on the effective and efficient complaints handling process; aiming at ensuring client satisfaction and maintaining loyalty, encouraging clients' feedback, and recognizing their rights to make a complaint, and resolving the complaints in an equitable, objective and impartial manner. Furthermore, a policy has been developed, aiming to add value

to clients and protect their interests in each and every stage of the product life cycle, from its promotion to after sales service, as well as endeavoring to meet the needs of each client by offering a transparent and professional service, and constantly identifying areas of improvement.

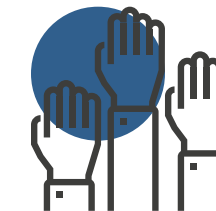
Moreover, Banque BEMO put at the disposal of all clients the list of rights and duties governing their relationship with the Bank, as well as the responsibilities of the Bank in serving them fairly. The collection of clients' signatures on the "Rights & Duties" forms showed an effective **92%** as at 31.07.2018.

As the Bank's aim is to be the reference in Private and Corporate Banking, this vision and ambition is achieved through a commitment to deliver outstanding quality in the offered products, services and clients relationship management. For this purpose, the Quality Management exerts needed efforts to maintain high quality standards across its products, services and operations, as well as drive continuous improvements. However, quality cannot be measured from one angle only. Consequently, the Bank introduced the "Voice of the client" initiative which purpose

VOICE OF THE CLIENT OVERVIEW 2015 - 2018 (1st Half)



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is to see the Bank through the eyes of its clients. All opinions voiced are analyzed by the Quality Management in order to reach and meet clients' expectations and increase their satisfaction.

C. HUMAN CAPITAL

Banque BEMO recognizes that human capital is its most valuable asset, hence the Human Resources Management's motto: "Putting People First". The HRM strategy is governed by the following principles:

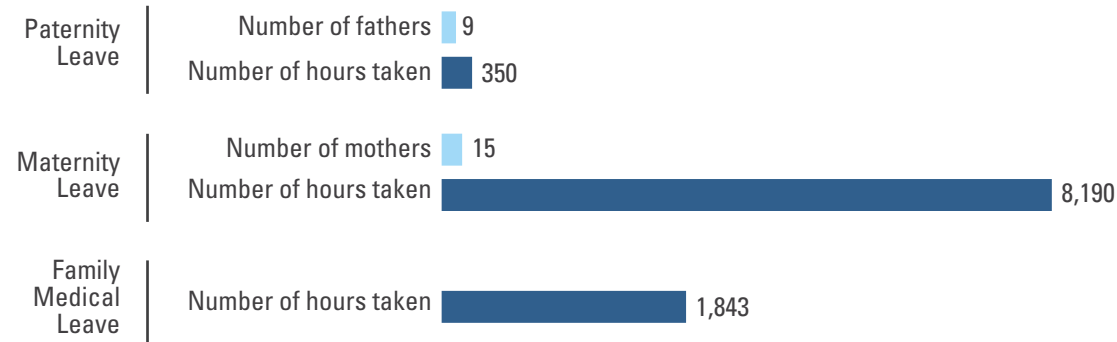
- Fairness
- Honesty
- Equity
- Respect
- Confidentiality
- Credibility

The Bank's internal relations success "employer-employee" is based on living its culture of integrity, fairness, professionalism, excellence, openness and trust. To this effect, the Employee Handbook is handed to all new recruits and it is also available to all staff members on the Internal Communication Site.

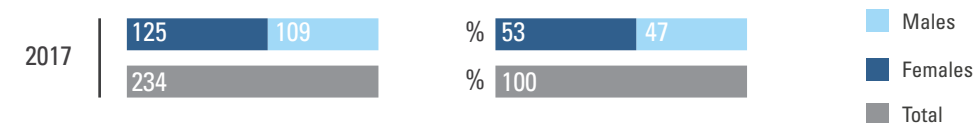
The document, which is updated on a yearly basis clearly stipulates employees' rights as per Labor Law and Collective Labor Agreement. Hence, paternity leave, family medical leave, maternity leave, are only a few of the benefits stated in the Employee Handbook.



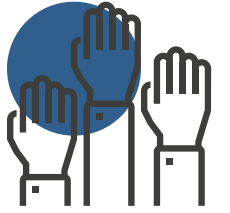
Paternity, Maternity & Family Medical Leave



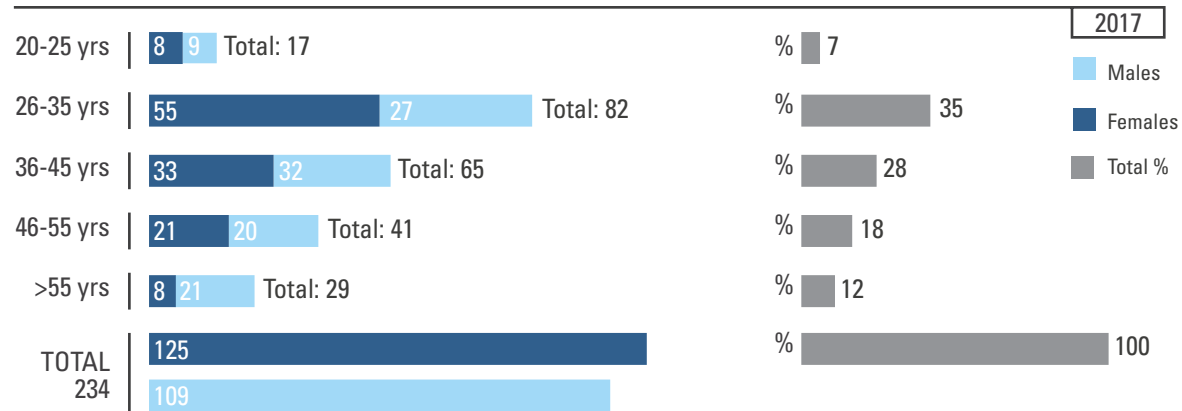
FTE's - Distribution by Gender



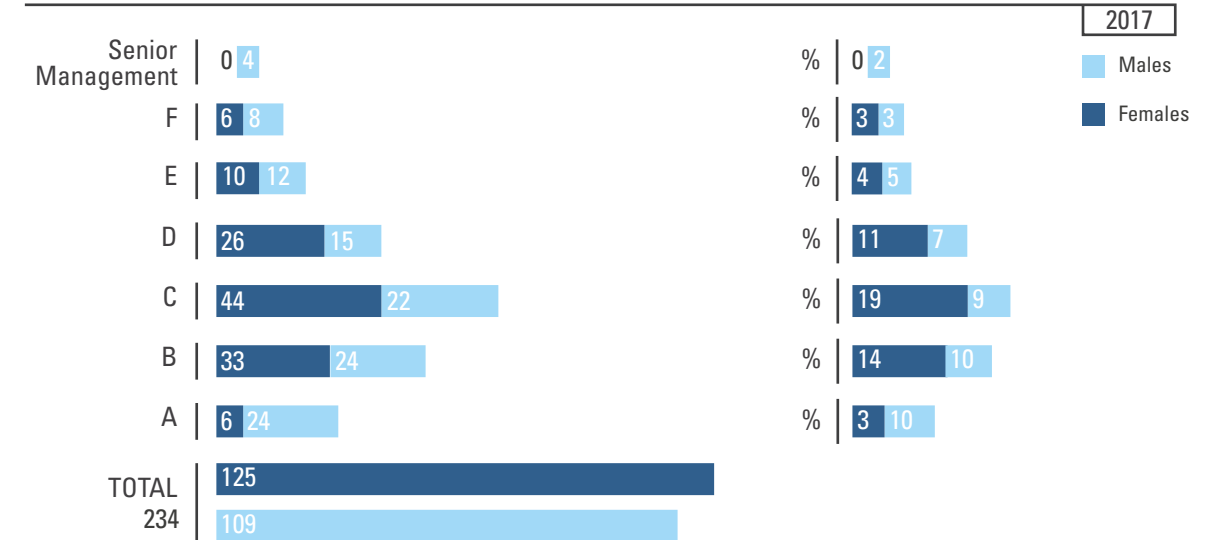
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FTE's - Distribution per age:

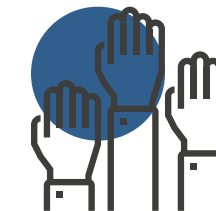


FTE's - Distribution per Corporate Title:



Grade specifications from "A" to "F" follow the grading structure of Association of Banks in Lebanon as per Collective Labor Agreement.

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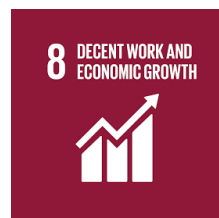
D. SAFE, HEALTHY & HAPPY ENVIRONMENT

D1. Safe Environment

Our goal is to support, guide and provide all employees with a healthy, stable and positive working environment.

An Entrance Policy was put in place to ensure and maintain uninterrupted daily activities while protecting the safety of staff members, equipment and client-sensitive information.

The Bank has also assigned Fire Marshalls in all its premises in order to ensure smooth evacuation of the staff members and visitors as well as safeguard critical assets, in case of emergency. A related policy has been developed and is regularly updated to help maintain proper security and healthy conditions within the work place. Similar to the drill performed in Achrafieh premises in 2016, a drill was successfully performed in our Rabieh premises on February 27th 2018. A total of **33** employees participated in the drill which was completed in a record time of **4 minutes** with an average of 1 minute per floor/location which is better than the regular average for first drill attempts; mainly thanks to the seriousness and efficiency of the assigned fire marshals.



D2. Healthy Environment

The Bank promotes a healthy and smoke-free environment for its staff members, clients, suppliers and visitors. A strict non-smoking rule has been implemented since 2012, in conformity with Law no. 174. To this end, smoking is strictly prohibited in all of the Bank's premises. Premises include indoor and outdoor common and private areas. Therefore,

smokers are allowed to take short daily breaks in designated smoking areas. Every year, the International Non-Smoking is celebrated at the Bank whereby in exchange of an activity or awareness session engaging the staff members, a donation is made to a health-related NGO.

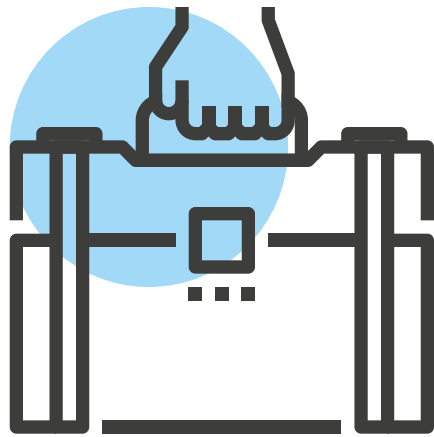
D3. Happy Environment

On the other hand, at Banque BEMO, we believe that happiness is the secret ingredient in the workplace and that "Happy Employees = Happy Clients". Therefore, the "Chief of Happiness" (C.O.H.) initiative has been introduced. The mission of the C.O.H is to make the workplace happiness a priority through a series of simple and easy-to-implement ideas/quick wins; thus putting in place a creative approach to a happy environment. Several activities were undertaken; happy hours were organized and entertainment was provided by internal talents (**95** employees attended); surprise breakfast visits to **18** Branch Network colleagues were performed; early afternoon leave was allowed; a yoga session was held in the Bank's premises (**17** employees participated).

At the term of the C.O.H. mandate, the "Chief of Happiness" magic wand is passed on to a new employee from a different department.

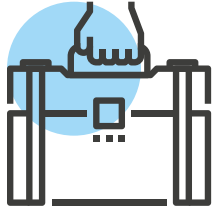


Moreover, under BEMO Open Door Policy, the staff members' children from the age of 4 years old and above were allowed to accompany their parent to their work location on one Saturday of their choice for a limited period of time in the summer of 2017. The purpose of such an initiative was to let children discover more about their parents' professional life and get familiar with working environments.



Labor

LABOR



Banque BEMO is committed to ensure that its potentials are well equipped to take more complex responsibilities and become the future leaders of the organization.

A. RECRUITMENT & ON-BOARDING

Banque BEMO is always committed to attract new talented employees while managing carefully the balance between the external talent acquisition that gives equal opportunity to candidates who wish to follow their career ambitions with our Bank (**6%** of the total workforce), and internal mobility that enables our employees to expand their knowledge, skills and abilities (**2.16%** of the total workforce).

Throughout 2017, efforts were dedicated to attract talented candidates who have the needed skills and capabilities for vacant positions. On top of their education and experience background, HR Management selection was highly based on the candidates drive for success, cultural fit and mutual interest. The recruitment need for this year was diversified which gave the opportunity to a larger number of candidates to post their CVs on the Bank website or via LinkedIn, whereas the top notch among them were selected representing **6%** of the entire workforce.

Because Banque BEMO believes in the capabilities of the future generation it has participated in the AUB Job Fair to connect directly with high potential candidates and offer them new and challenging opportunities to exploit their academic credentials in the professional field. The participation went beyond collecting CVs, to holding discussions with students and advising them on the best suitable career path or internship that would match their educational background with their personality.



In order to ensure a proper integration of newly hired employees with the Bank environment

the HRM initiated the process of induction program consisting of holding a quarterly meeting with each new recruit to discuss the challenges they are facing, share their success stories, and mitigate obstacles if any. During the meetings, the new joiners receive all learning material, and are in the right track enabling them to work in accordance with the Bank vision, strategies and objectives.

B. LEARNING & DEVELOPMENT

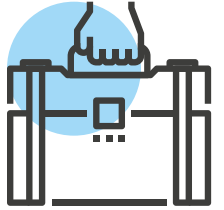
Banque BEMO promotes learning and growth through trainings, our E- Learning online platform & Executive educators, open communication and internal mobility to retain talent employees and improve their skills and ability to deliver business objectives and meet the global strategy.

In line with the importance of supporting the personal and professional development of our employees, the HR Management invested this year in several indoor, outdoor and abroad trainings; complemented by BEMO E-learning solution. Different types of topics related to soft and technical skills, as well as sessions related to compliance and risk were covered, in order to be in line with regulatory requirements.

During the year, constant career development was provided to our employees through a set of learnings sessions that matches with their need to be well equipped to serve and anticipate clients' needs with a strong focus on Management and Leadership. Therefore, although the focus in 2017 was diversified, two major programs were conducted:

- Executive Leadership Camp and Tribal Mapping: two workshops conducted by foreign trainers and tailored for a total period of four full days in which the Chairman, Vice Chairman and General Manager as well as Directors were completely detached from their work engagements. The purpose of these sessions was to stimulate a positive change while triggering systemic thinking towards people, business and culture management. The Executive Leadership Camp was attended by **16** participants whereas the Tribal Mapping was attended by **13** participants.
- Management Development Program: designed for a period of seven months for a group of managers and managers to be, to focus on the mindset shifting from individual to collective contributor. It promoted the learning

LABOR



of Leading Oneself, Leading the Team and Leading the Business. In addition to all internal and external trainings, our managers attended several abroad trainings and conferences related to their field of specialization, through which they were exposed to multinational trends and practices. **18** participants across several departments attended this training.

Total investment in Learning & Development reached **(1.89%)** of total basic salaries.

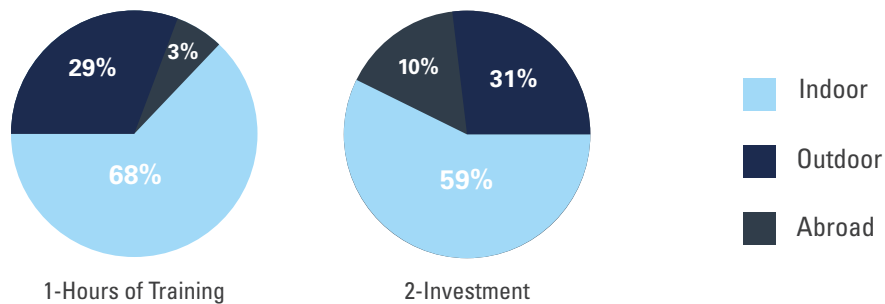


On the other hand, The Human Resources Management department launched the “Future Generation - Staff Children Coaching Program” a new initiative that perfectly reflects one of the most cherished value at the Bank “Family Spirit”; and that aims at providing the children of our employees with new learning experience that help them to develop their capacity and exploit their potential. This continuous program that targets different ages of our staff children, to provide them with a mental and physical journey of investigation, exploration and adults’ role while playing. Energetic, happy moments were spread all over the place. The initiative saw **21** participants (all of whom where staff members’ children).

break the ice, build new relationships and learn how to work in groups and accept each other. Cheerful team spirit were spread all over the place. This activity gathered **13** participants. “Because Together Everyone Achieves More”.

Following last year start-up of the learning digitalization as a new HRM tool, we launched in November 2017 the second year program in which we provided employees with personalized plans designed based on their competencies management results and work requirements. In addition, a full access was granted to the Massive Open Online Course (MOOC) and AML/CFT libraries to benefit from them as a space of personal development.

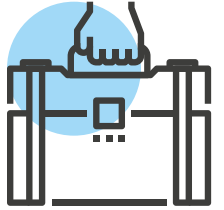
Learning & Development breakdown



The second activity was launched in May 2018 for sports and events. By means of fun methods and challenges, children were able to

With this regard, Banque BEMO was recognized by IQUAD Learning solutions for its hard work in implementing the E-Learning through their learning & development departments. In October 2017, an award was presented to Banque BEMO for taking ownership of the backend portal and managing the post-implementation and support from the first year.

LABOR



On-the-job rotation is a developmental program that was launched in 2017 for a large group of employees, selected based on their line managers recommendations, the gap analysis conducted by the HRM and their need to better perform their present job. The purpose of this program was to provide a hands-on experience on different aspects of the banking activities, give a comprehensive knowledge of transactions chain, and help employees seeing the impact of their job on other units and vice versa. The program started by series of presentations conducted by each business owner to describe the main activities and their influence on other business lines.

C. EMPLOYMENT ENGAGEMENT & SATISFACTION

We systematically invest in finding, selecting, training, evaluating, developing and retaining our workforce by optimizing their satisfaction that in turn will lead to client satisfaction. Based on our practice of openness and transparency, we designed this year the Employee Engagement and Satisfaction Survey to gain an insight into the level of happiness, commitment and engagement, and take

corrective actions where needed. The purpose of this survey was to enhance internal working environment in order to better focus on our clients' service and needs. It was accomplished in September 2017, and was addressed to the entire workforce. A report listing all strength and weak areas identified by employees was communicated to heads of departments who were recommended to hold meetings with their team to discuss the highlighted facts and come-up with an action plan for enhancement.

- **121** employees responded to the survey, representing **51.71%**
- The overall Engagement and Satisfaction rate was equal to **3.78/4**

Accordingly, in May 2018, the Human Resources Management created two focus groups composed of 5 employees each and responsible to come up with solutions, ideas and suggestions with a focus on one of the topics with low rate, namely communication issues and recognition issues. The suggestions were discussed at the Executive Committee meeting.

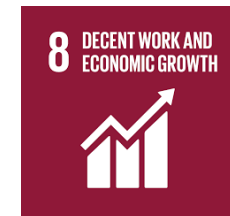
D. REWARD OF ACHIEVEMENTS

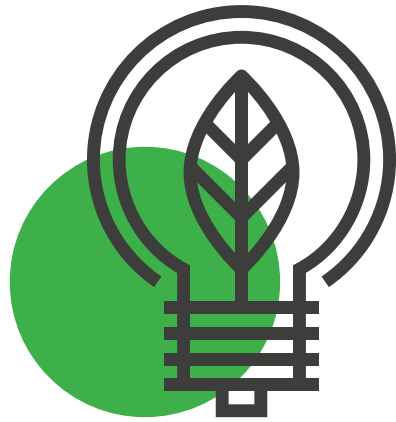
We emphasize on our Performance Management system and apply fair remunerations accordingly. Furthermore, we assess and evaluate staff competencies and follow up on their development needs.

Our systematic approach to reward by setting objectives at the beginning of the year, conducting mid-year review during the second quarter, and comparing results versus objectives at the end of each year proved to be a successful, fair and transparent method for managing people performance. All the above combined with the 360 degree evaluation for Cadres level employees, were linked to a reward scheme to decide on final results.

On the other hand, within the scope of its value "Family Spirit" and the "Staff Children Coaching Program – Future Generation", the Human Resources Management organized a gathering in the presence of the General Management & Executive Committee members to reward the employees' children who were on the Honor's List in the universities as well as those who received a very high mention in their school report/official exams.

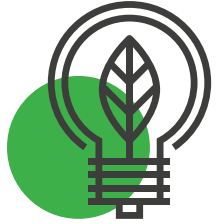
Last but not least, recognition is an essential characteristic of a happy and productive environment. Thus, BEMO's Got Talent, BEMO's Star and BEMO's reward are initiatives that have been launched in 2015. Whereas BEMO's Got Talent showcases an employee's talent every quarter, BEMO's STAR and BEMO's Reward recognize and award employees for their hard work and valuable contribution to the bank's success. All three initiatives are communicated in our internal newsletter on a quarterly basis and concerned staff members are congratulated during the Annual Staff Gathering. In the past year, **10** employees were singled out as BEMO's Stars and Rewards, whereas **4** were highlighted as BEMO's talents.





Environment

ENVIRONMENT



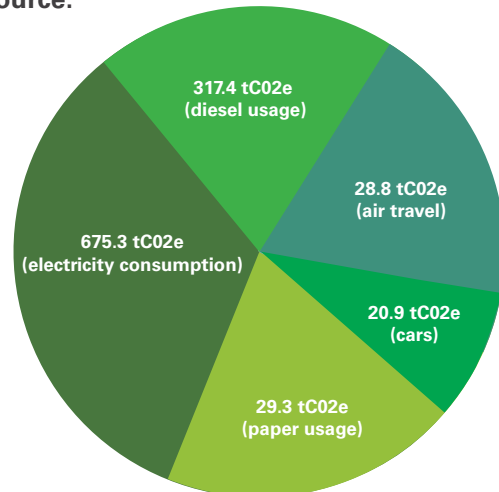
Banque BEMO has pledged to 2 SDGs related to the environment: SDG 13 “Climate Change” and SDG 15 “Life on Land”. In this respect, the bank has launched initiatives which were a key step on the path to a sustainable positive impact on the environment and further foster Banque BEMO as a responsible business.

A. CARBON FOOTPRINT MANAGEMENT AND OFFSETTING

In December 2017, Banque BEMO was certified as a “Carbon Neutral” organization. The Carbon Neutral certification was obtained following the completion of the “Carbon Footprint Management” project. This project falls within the scope of the Sustainable Development Goal 13 “Climate Action” that has been adopted by Banque BEMO. The project consisted of conducting an assessment and calculation of the greenhouse gas emissions from day-to-day activities by a certified expert, in the Bank’s premises and offsetting these carbon emissions through an environmental project – the reforestation and restoration of two hectares of Jabal Moussa Biosphere Reserve’s* forest, thanks to the efforts and engagement of BEMO’s staff members.



Banque BEMO emitted a total of 1,071.7 tCO2e in 2016 due to their BaU activities, with the following breakdown by emission source:



Plantation of **300** trees in Bchaaleh

Reforestation of 2 hectares of Jabal Moussa* by planting **600** trees

- In 2018, and in its continuous efforts to pursue its commitment to calculating and reducing its carbon emissions, Banque BEMO has opted to collaborate with a certified GHG-protocol expert to be able to manage its carbon emissions through an online platform and set clear reduction targets for the years to come.

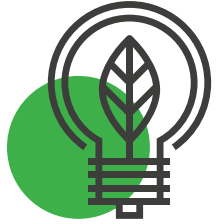
**Jabal Moussa Biosphere Reserve (JM BR) is located in Kesrouan District, Lebanon. It covers an area of 6500 hectares, at an altitude ranging between 350 meters and 1,700 meters. Jabal Moussa and surrounding villages became part of the UNESCO Network of Biosphere Reserves under the Man and Biosphere (MAB) program in 2009.*

B. EMPLOYEE VOLUNTEERISM PROGRAM

Banque BEMO introduced the Employee Volunteerism Program aiming at dedicating an amount of each employee’s time to serve the Community. The first step of the new project was to conduct a survey and gather information on the causes that each employee relates to the most. As a result, **50%** of employees participated in the survey with Environment being in the top 3 causes, along with Children/ Youth and Human Rights. The second part of the project which is the actual launch of the program is set to be carried out throughout 2018.



ENVIRONMENT



C. AWARENESS CAMPAIGN/COACHING

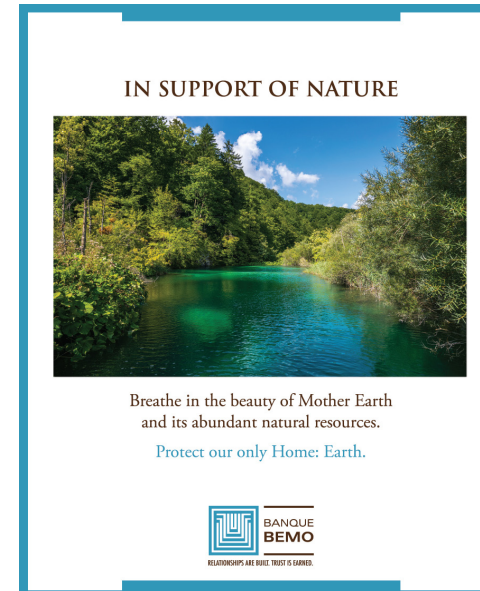
Banque BEMO proudly supports a smoke-free work environment in partnership with "Tobacco Free Initiative". Therefore, in line with the efforts to promote a healthy environment, the bank conducted a Quiz to engage staff and raise their awareness on the occasion of the World No Tobacco Day. Over **30%** of employees participated and each completed Quiz with accurate answers led to a financial contribution to a health-related NGO.

Banque BEMO was invited to coach the students of grade 5/CM2 at the International College in May 2018, and support their learning process on their projects evolving on "Climate Action" and "Life on Land". During the final year of their elementary school education, and in line with their mission statement "Inspiring learners of today to be global citizen leaders of tomorrow", the learners at International College participate in a project known as the Exhibition whereby they connected this project this year to the United Nations Sustainable Development Goals (SDGs). This collaboration took place at the Internal College premises in Beirut, whereby an onsite visit was organized by Banque BEMO's Corporate Social

Responsibility (CSR) Team in order to conduct a presentation to a large group of students and address their inquiries.



On the occasion of World Environment Day, a visual was developed and displayed in all of our branches and our social platforms, with a special focus on fighting plastic pollution; raising awareness for our staff members and clients alike.



D. PAPERLESS ENVIRONMENT

Throughout 2017, Banque BEMO has taken digitalization to a new level by taking the decision to stop printing its internal newsletter and only making it available digitally as well as limiting the printing of its annual report copies; and sending electronically the end of month statement of accounts to clients as well as launching the electronic end of day reporting system. Number of papers reduced in the reported period:

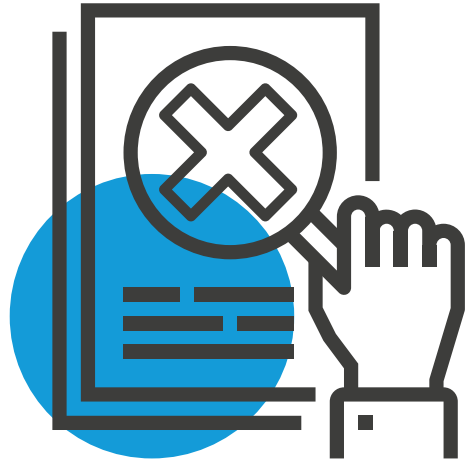
518,232 papers | **54%** ↓

E. RECYCLING

The Bank is currently developing partnerships to put a recycling program into implementation throughout 2018. Guidelines and a framework have already been developed accordingly.

Average weight of recycled paper in the reported period:

14.5 tons



Anti-Corruption

ANTI-CORRUPTION



A. ANTI-BRIBERY & CORRUPTION

Since its inception, Banque BEMO is committed to embed high ethical standards and anti-corruption practices in the day-to-day business activities. The Anti-Bribery & Corruption policy and manual draw together the Bank's principles on anti-Bribery and corruption. Furthermore, it is designed to reduce the risk of the Bank, staff members, or persons associated with the Bank from offering, receiving or extorting bribes, or conducting an act of corruption, either directly or by proxy, and thereby mitigate the risk of the Bank being subject to legal or regulatory sanctions and reputational damage.

B. WHISTLE BLOWING

The Whistle Blowing policy has been designed to promote a culture of open communication that enables staff members to voice their concerns at the earliest opportunity, while preserving the confidentiality of the staff member disclosing the malpractice. The policy allows the staff members to raise their concerns directly to the Compliance Officer, if they feel unable to raise them to their direct manager. Moreover, the policy states that the Bank will not tolerate any victimization or harassment of a whistleblower and will take appropriate measures to protect the whistleblower against any retaliation, discrimination, and any other type of unfair treatment. Furthermore, the Bank shall protect the personal information of the alleged wrongdoer in the same manner as the whistleblower.

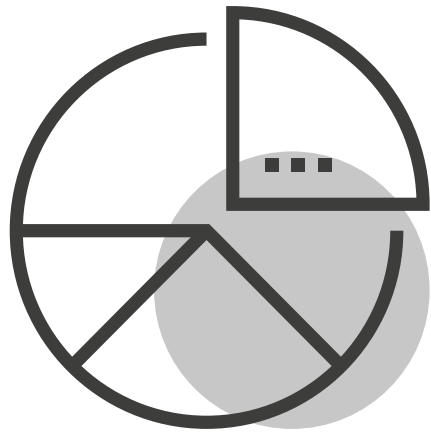
C. TRAINING & AWARENESS

All staff members systematically attend trainings and awareness sessions regarding Anti-Corruption and Bribery.

AML/CFT/DDML presentations: **84** participants

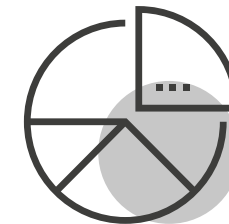
AML Conference: **4** participants

On the other hand, two training sessions were organized with regards to the Bank's General Policies and Procedures and were attended by a total of **53** participants.

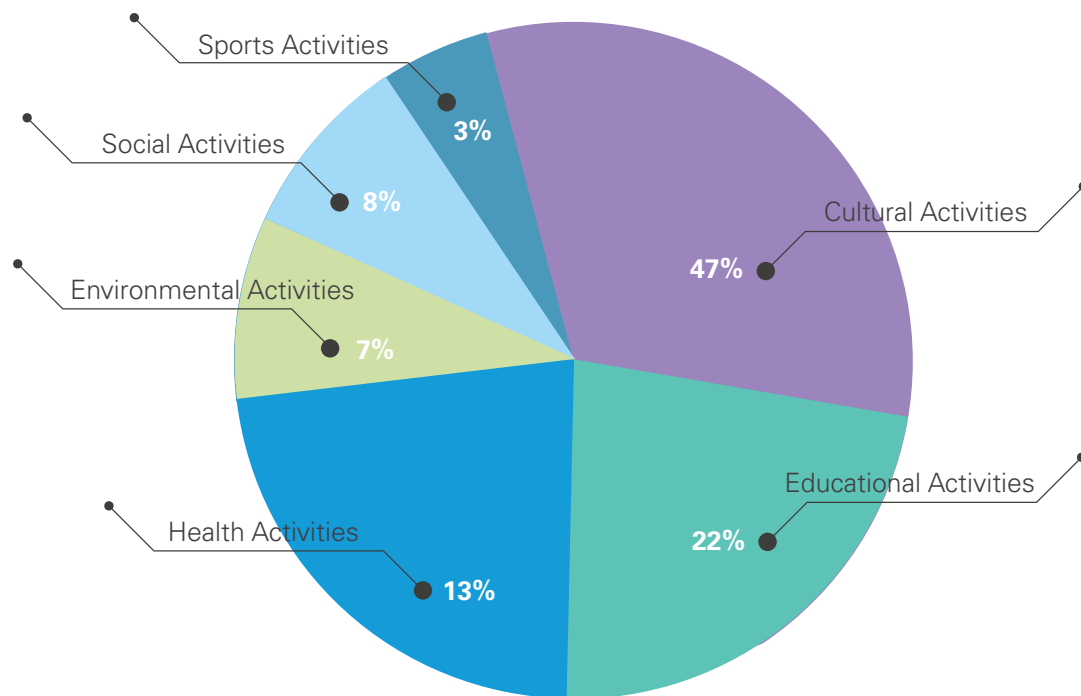


CSR Budget Breakdown

CSR BUDGET BREAKDOWN



BUDGET BREAKDOWN



A. CULTURAL ACTIVITIES

Exhibitions

- In the past year, the bank has organized two exhibitions in its premises. The first one “What If” was dedicated to a photography exhibition by and focused on discovering the reality of the lifestyle of modest, neglected poor districts of Lebanon versus an imaginative representation of what these neighborhoods could be with a little maintenance and support in a natural environment.



- The second exhibition was a miniatures exhibition entitled “such a small world”. In the artist’s words: “Miniature art is a gift, a treasure, a secret. Each miniature contains a World of Exquisite Serenity, of Wonder and Inspiration. An amazing experience in which you are immersed in the wonderful World of Art “in little.” It does not shout its presence to the world but, instead, waits quietly for you to stop and admire it.”

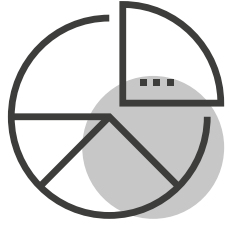


Cultural Events

- On the other hand, Banque BEMO also hosted cultural events abroad. The first event was an “Art Day” .



CSR BUDGET BREAKDOWN



The event consisted of a visit to the “On Site Petit Palais”, a new sector of FIAC where 40 sculptures and installations were shown in a private tour as well as a tour of the FIAC led by contemporary art experts.

- The second event targeted the young generation and emerging art collectors, gathering them in a renowned French visual artist’s private studio for a private showcase and dinner.



- The 57th International Art Exhibition at La Biennale di Venezia’s Lebanese Pavilion: The project conceived by Zad Moultaka for the Lebanese Pavilion combined visual architecture and sound composition. The artist merged the musical and visual research in a synergy of forms, materials and sounds.



- Banque BEMO teamed up with L’Institut Français for the second consecutive year of La Nuit des Idées under the theme “Imagination in power” whereby three round tables and one literary café were organized as well as artistic performances and a concert.

Festivals and Concerts

- Banque BEMO had the pleasure to invite clients and potential prospects to attend the concert of internationally renowned Lebanese Trumpeter Ibrahim Maalouf at the Bacchus Temple – Baalbeck, within the scope of its international festival.

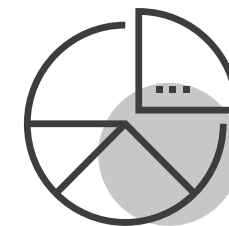
- In 2018, Banque BEMO was the proud sponsor of Baalbeck International Festival’s fundraising event featuring a live cine-concert by Khaled Mouzanar and his orchestra at the Bacchus Temple. This unique event showcased extracts of Nadine Labaki’s new feature film “Capharnaüm” which won the Jury Prize at the Cannes Film Festival 2018. The show also featured compositions performed by the musicians and led by the Orchestrator Marie Jeanne Serero.



- The National Conservatory in collaboration with the Centre du Patrimoine Musical Libanais (CPML) organized a concert under the conducting of Mr. Naji Hakim himself, around folkloric and popular themes of his composition, interpreted by the orchestra of the Conservatory and featuring Mr. Mario Rahi as violin soloist.



CSR BUDGET BREAKDOWN



- Banque BEMO was the exclusive sponsor of Association du Foyer de l'Enfant Libanais' first concert "Sound of AFEL" directed by soprano Maria Mattar and featuring Anthony Touma, in support of underprivileged and abused children.
- Banque BEMO was one of the proud sponsors of this year's Al Bustan Festival. This year's edition centered around "Bach" and Banque BEMO contributed to Gautier Capuçon's cello concert in March 2018.



B. EDUCATIONAL ACTIVITIES

MoU with IE University

- Banque BEMO, represented by its Chairman Dr. Riad Obegi has signed a Memorandum of Understanding with Instituto de Empresa (IE), represented by its Vice-President for External Relations Mr. Gonzalo Garland, in November 2017. The MoU which was signed between Banque BEMO and IE address topics pertaining to matters

related to executive programs, high potential development, consultation and programs on Entrepreneurship and Governance within the frame of family businesses. By signing this MoU, Banque BEMO further confirms its commitment to developing Excellency in building knowledge and business best practices among their workforce.

Conferences

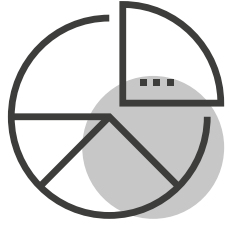
- Banque BEMO has organized several conferences whereby the first conference entitled "Financial Factors & Regulatory Challenges in the 21st Century" was delivered by Mr. Sarkis Yoghourtdjian, Advisor & Assistant Director for Banking Supervision & Regulation at the Board of Governors of the Federal Reserve System in Washington D.C.



- The second conference was held by Banque BEMO's Wealth & Investment Department on "Investment Outlook 2018 & Blockchain & Cryptocurrencies" to a pool of private and corporate clients. The presentation highlighted the various factors driving the financial markets.



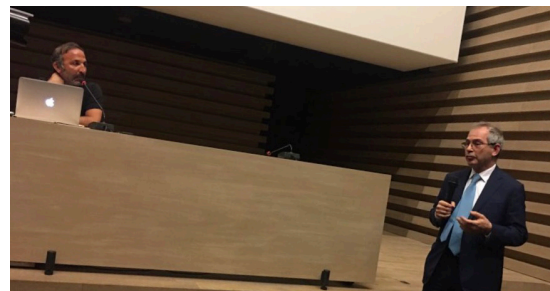
CSR BUDGET BREAKDOWN



- The third conference was conducted by Banque BEMO Real Estate department. All topics related to the market including important events, data, the fiscal policy as well as the housing policy were covered. The conference aimed at highlighting the academic aspect of real estate investment while proposing scientific potential solutions.

Moreover, in the scope of its partnership with Institut Français, Banque BEMO also sponsored a couple of conferences, among which:

- The theme of the conference was “economy and culture in a globalized context” by Mr. Jean-Paul Cluzel, President of the Institute for the financing of cinema and cultural industries (IFCIC) which was held at Ecole Supérieure des Affaires.
- Another conference tackled the theme of Architecture and Freedom. The presentation was led by architect Youssef Tohme at the Sursock Museum.



C. HEALTH ACTIVITIES

Banque BEMO gives a lot of importance to health. This past year was no different as we have contributed to several initiatives.

- Heartbeat - Fashion for a Cause: The show brought together some of the most renowned fashion designers in one exclusive show dedicated to saving the lives of children born with heart disease.



- Annual Visit to Children’s Cancer Center Lebanon (CCCL): Banque BEMO team visited CCCL and spent a wonderful time with the children. The visit aimed at drawing smiles on the children’s faces and extending their hope and courage to fight against cancer. A magic show was organized, followed by Santa Claus distribution of **70** Christmas gifts to all patients. Moreover, in January 2018, the CCCL team welcomed Banque BEMO’s Communication Department and gave them a tour of their premises after which they presented the

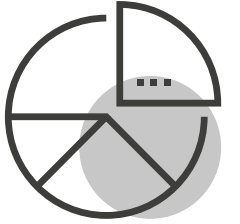
Bank with a certification in recognition of its continuous support to CCCL.



- A Blood Drive was hosted in partnership with Donner Sang Compter volunteers and coordinators at Banque BEMO Ashrafieh Branch. The Blood donation drive highlighted the Bank’s commitment and engagement toward the community. Under the slogan “Donate Life!” Banque BEMO’s family rolled up its sleeves and volunteered for blood donation in support of a noble cause, saving the lives of **42** people.



CSR BUDGET BREAKDOWN



- In support of the fight against breast cancer and in hopes of raising awareness of its staff members as well as its clients, Banque BEMO displayed a flyer in all its premises during the month of October.

- The Bank's female employees were invited to the "Women Heart Health" awareness session conducted by YADUNA foundation. The main focus of the session that was presented by a Doctor, Dietician and Social Assistant was to shed light on factors that would trigger women heart problems and the ways to prevent women heart disease and promote early diagnosis. **33** participants attended this awareness session.



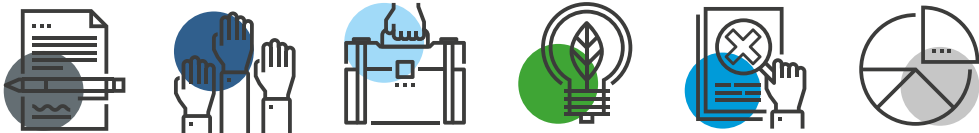
D. SPORTS ACTIVITIES

- Banque BEMO's colleagues and family members ran the Beirut Marathon under the theme "15 Years of Running"; a call to action aiming to create a better and more sustainable tomorrow for our country. In this year's edition of Beirut Marathon, the Bank scored an outstanding record achievement for two colleagues and a high level of participation whereby **125** colleagues and family members ran in support of Donner Sang Compter (DSC).



- Banque BEMO's basketball team was created during the second quarter of 2017 and the team has been perseverant in their practices throughout the year.

COMMUNICATION ON PROGRESS 2018



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