



The 10 principles of the United Nations Global Compact

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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



CSR LEBANON is a different company today than it was since its establishment. When we embarked on our sustainability journey, we did not foresee the profound impact this commitment would have on who we are as a small consultancy agency. Today - more than ever, a sustainable approach is simply the way we do things and this is evident in our 2017 Communication on Progress report.

Our values guide and distinguish us. While we are proud of our position as a sustainability leader, we do so by continuing to uphold businesses' responsibility to their communities and look forward to a time when sustainability is no longer a point of differentiation, but rather the norm.

For CSR LEBANON, corporate responsibility is about creating sustainable value for clients, shareholders, employees and other stakehold-

ers. The SDGs have created a focus of impact that's widely understood by investors, NGOs, academics and governments. As the SDGs are based on a participatory process, responsibility for achieving them will be shared amongst everyone. Our COP will demonstrate our efforts to encourage a constructive dialogue that helped to identify activities and services that have contributed to the realization of several of these goals — individually or in collaboration with selected partners.

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

First, by 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, by demonstrating the positive impact of the ten principles achieved so far, despite our small size and the country's dramatic situation, and mainly through our awareness-raising activities which we have been relentlessly working on. In 2017, through the 7th CSR LEBANON FORUMTM, titled "What is the Purpose of Business" (October 26, 2017) which was held under the patronage of the Governor of Banque du Liban, H.E. Mr. Riad Salamé, who continues to encourage and conserve a culture of proper CSR and engage banks to enrich their environmental, social and governance profiles towards a more sustainable and impactful banking philosophy.

A special addition to the Forum was the SDG Debate session that took place at the end of the event, where three international SDG experts debated the localization and implementation of the SDGs and their impact on a sustainable economy.

In addition, CSR LEBANON held its second annual "CSR LEBANON SPRING WEEK" under the title "Collaborating for Social Impact" from April 18-21, 2017 which we believe brought us one step close to reaching our goal of successfully working "Towards a National CSR Strategy" (details on pages 26-27).

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

Third, by 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.

By considering sustainability risks in every business operation and offering services and events that give clients access to key sustainability knowledge and issues, CSR LEBANON effectively contributes to the realization of the SDGs by supporting sustainable economic development.

It's no longer enough to deliver positive impacts in select areas of the business. Businesses must transform their culture, strategy and operations so that responsible, long-term impacts are at the core. To create real change, businesses must work together on the difficult common issues. Only then will their operations and industry deliver truly responsible and positive impacts.

Khaled Kassar Founder and CEO CSR LEBANON

IT'S OUSINESS

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



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.





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.



CSR LEBANON Events



More than ever, purpose-driven business is finding itself high on the corporate agenda. Increasing numbers of CEOs across the globe are committing to social impact beyond making profit. In a rapidly shifting marketplace, coalescing around a powerful purpose helps an organization to adapt, innovate and transform. Building corporate purpose has the potential to unlock even greater social impact. Under the patronage of the Governor of Banque du Liban, H.E. Mr. Riad Salamé, The 7th CSR LEBANON FORUM examined how



businesses should not only focus on making profit, but rather look at the larger environmental, social and governance issues – especially since managing these risks and opportunities appropriately generates better returns down the road. As the dialogue about purpose continues to expand, there is increasing recognition that while purpose is currently underleveraged, the 7th Forum debated: why do businesses exist? To make a profit or to serve a purpose?

Starting and surviving in today's economy is a difficult endeavor, but the companies that understand it have something in common: the pursuit of purpose, alongside the pursuit of profit. A purpose mobilizes people in a way that pursuing profits alone never will. For a company to thrive, it needs to infuse its purpose in all that it does. It is without doubt that an organization without purpose manages people and resources, while an organization with purpose mobilizes people and resources. Purpose is a key ingredient for a strong, sustainable, scalable organizational culture: it is an invisible yet existing element that drives an organization.

It can be a strategic starting point, a product differentiator, and a natural attractor of users and customers.

Building, maintaining and reinforcing a culture of purpose is a perpetual challenge for leaders, with today's pressures posing even greater challenges - especially if they are subject to intense public scrutiny concerning their business principles and their relationship with the community. As such, the 7th CSR LEBANON FORUM served as an opportunity to hear from corporate leaders and engage in discussions on today's top issues and how they have impacted businesses.

One of the sessions looked at how today's changemakers were using new innovative tools to redesign their business products and



service offers to tackle more complex and social problems. Social entrepreneurs and innovators have embraced this new approach with breakthrough business models, encouraging more youth, women, businesses and government to join together to think differently about solving the world's biggest problems. There is no escaping the fact that many of the most successful companies today have a predominant social purpose that transcends the operations of CSR, which, when fully integrated, can have profound business and social results.

Another session examined sustainability leaders' awareness of emerging environmental and social trends, and the risks and opportunities they create for business. From SDGs to other developmental economic plans, businesses need to pursue social and environmental sustainability as avidly as they pursue market share and shareholder value. With this recognition, business leaders are now using their ability to set roadmaps that move towards sustainable businesses.

To better examine the rise of purpose-driven social brands, another session was dedicated to understanding what good is pursuing purpose and sustainability if it does not become embedded in brand positioning and communications? These days, not only are brands expected to improve the lives of their consumers, they also need to do their part to better society. A reputation has to be earned and



brands recognize that they need to work harder to win the loyalty of their customers, while at the same time projecting and marketing the kind of image that might attract future employees.

In addition, the final session looked at how digital and technology innovations are providing companies with the opportunity to overcome barriers and drive sustainability agendas towards the ultimate goal of social purpose. Ultimately, investing in technologies that increase the sustainability of operations is a smart business move. It serves as a combination of risk mitigation and opportunity creation and provides focus on how to proactively apply sustainable thinking to technological endeavors.

The 7th CSR LEBANON Forum would not have been possible without the continuous patronage and support of Governor Salamé who continues to encourage and conserve a culture of proper CSR and engage banks to enrich their environmental, social and governance profiles towards a more sustainable and impactful banking philosophy.







"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 GraysonDirector of the Doughty Centre for Corporate Responsibility, Cranfield University UK, London



SDGs: The Great Debate



For the 7th CSR LEBANON FORUM, and in line with CSR LEBANON's commitment to communicate the importance of the Sustainable Development Goals (SDGs) to businesses and the community in Lebanon, a debate was hosted after the panel sessions set on looking at the many sides of the SDGs, and the need to drive national responses to implement the 2030 Agenda. Has enough been done to identify gaps in policy and capacity? What about the availability of tools and reporting requirements? How has this affected multi-stakeholder partnerships and has it fostered engagement, investment and accountability?

Debating these points were Mr. Mallen Baker, Founder and MD of Daisywheel Interactive (UK) and Mr. David Connor, Regional Voice Lead for Impact 2030 (UK). Both Baker and Connor spoke extensively about the implementation of the SDGs in their respective fields and both explored the challenges and the promises that came with the SDGs and how this has shaped the sustainability discourse. They also examined the ways in which the SDGs have been applied and whether or not the UN has succeeded in becoming a standing support base for organizations that endeavor to spearhead innovative solutions to further these Goals. Mr. Nazareth Seferian, Founder and CEO of CSR Armenia, was the moderator of this debate.



Some of the points discussed during this debate looked at developing a national evaluation policy, setting up institutional processes, partner engagement and evaluation. It was found that effectively, the challenges affect both the supply of sound evaluations for development plans and also the demand for their relevant and useful evidence, which in turn informs national policy development. This debate highlighted areas to consider when developing a national plan and supports an effective evaluation for the SDGs.





CSR and Sustainability Exhibition

As every year, the CSR LEBANON Forum hosted a unique exhibition that engaged hundreds of decision-makers in a highly professional environment. The theme for this year's exhibition was dedicated to exploring "how digitalization drives sustainability and social purpose", providing an opportunity for exhibitors to demonstrate various applications for the Internet of Things (IoT) for sustainability in several sectors and how they can contribute towards the greater common good to drive social purpose.

The CSR & Sustainability Exhibition provided the perfect platform for startups and other small businesses with access to top-level IoT and sustainability professionals, who can benefit from this event to launch a new product or service and gain quality time with prospective clients and potential customers.

The trend of NGOs working in cooperation with business has developed considerably. The global community – including leaders of international governmental institutions and of the non-profit sector as well as some business leaders – has recognized the importance of including business in the process of international development. NGOs, on the other hand, have become instrumental in development work locally and internationally, but they generally do not have the means and resources to carry out their projects efficiently in a sustainable manner. This is why engaging business with the public and non-profit sectors to find common solutions to problems has been an increasing trend and why the CSR LEBANON FORUM was a great platform to demonstrate the benefits of partnerships to both corporations and NGOs, the practical difficulties they present, and the elements necessary to establishing a healthy collaboration between both actors.



Supporting Students and Universities

In 2017, 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.





























CSR LEBANON SPRING WEEK

CSR LEBANON held its 2nd Annual CSR LEBANON Spring Week #CSRLBSW2 from April 18-21, which engaged different stakeholders and trained CSR novices and executives, actively engaged CSR professionals as well NGOs and specialists on CSR insights. The goal was that by continuing to bring 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".

One of the most efficient ways to ensure employee engagement and business success is to raise awareness about CSR and Sustainability internally to every single employee, regardless of their position. As such, the aim for the 2^{nd} CSR LEBANON Spring Week was to ensure that every CSR practitioners who took part in this week would be made aware that the sustainability agenda is no longer in the hands of only one person or committee.

CSR LEBANON has always positioned youth at the forefront and believes in the starring role youth have in making a difference in this world. The success from the previous year's Spring Week called to organize another Basketball tournament on 19 April 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 hosted a private lunch held for nearly 15 key figures in the media sector on 20 April at Bristol Hotel in Beirut, to instil a proper definition about what is CSR to help influence a more thorough understanding of CSR, sustainability and social entrepreneurship.

Through the transmission of stimulating ideas such as "Social Impact", "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 also organized a one-day "Start-Up CSR" intensive training course on 21 April, intended to enable participants to acquire the skills and competencies needed to prepare a CSR strategy and learn how to communicate its results. Some of the topics covered in this training course were related to embedding CSR and providing a general understanding of the term; identification of stakeholders; CSR reporting standards; and the role of SDGs to ensure a sustainable economy.

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 21st 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

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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.



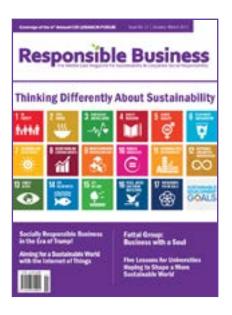




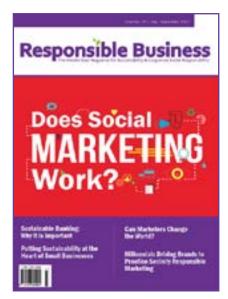


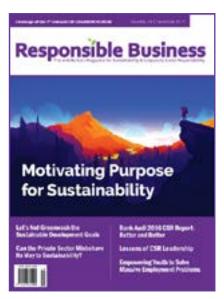


Six Years of Responsible Business









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.





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 2018 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

- 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.

- 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.
- 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 2017. 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 7th CSR LEBANON FORUM on "What is the Purpose of Business". Issues related to the workplace, consumer and employee rights were discussed with more than 800 participants who attended the Forum.
- CSR LEBANON delivered a training course and workshop on starting up 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 2017 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 7th CSR LEBANON FORUM on "What is the Purpose of Business". It included discussions about investment decision-making and CSR in relation to the work-place and labor rights.
- CSR LEBANON undertook a training course and workshop on starting up 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 un+dertake initiatives to promote greater environmental responsibility
- **Principle 9**: Business should encourage the development and diffusion of environmentally friendly technologies.

Assessment, olicy and Goals

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

Implementation

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

• 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 2017.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2017. 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 7th CSR LEBANON FORUM on "What is the Purpose of Business". 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 starting up CSR strategies and reporting, which included "environmental principles" as one of its pillars.

Measurement of Outcomes

Anti-Corruption Principles

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

Assessment, Policy and Goals

- CSR Lebanon takes an active stance against corruption in all its forms both within its own business and the business community at large. It is committed to ethical behavior, accuracy and transparency.
- CSR LEBANON's employment agreement states that unethical business practice is a reason for terminating the employment contract.
- The company considers that the risk of corruption within its own business relationships is very low.

Implementation

- CSR LEBANON Ethics Code incorporates anti-corruption commitments.
- The company is in an advanced stage of developing a grievance procedure to ensure that employees are able to raise concerns and report non-compliance with the Ethics Code without fearing personal consequences.
- CSR LEBANON continues to conduct awareness-raising activities on the subject of corruption.

Measurement of Outcomes

- There have not been any reports of corruption within CSR LEBANON's business during the reporting period.
- CSR LEBANON has published four quarterly magazines entitled 'Responsible Business' during 2017 including articles that promote ethics and best practice.
- CSR LEBANON undertook a training course and workshop on starting up 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 2017 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
- **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











CSR LEBANON joined many other Lebanese companies to celebrate the launch of the 17 United Nations 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 Lebanese people 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 2017. 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.

For the 7th CSR LEBANON FORUM, and in line with CSR LEBANON's commitment to communicate the importance of the Sustainable Development Goals (SDGs) to businesses and the community in Lebanon, a debate was hosted after the panel sessions set on looking at the many sides of the SDGs, and the need to drive national responses to implement the 2030 Agenda.

Some of the points discussed during this debate looked at developing a national evaluation policy, setting up institutional processes, partner engagement and evaluation. It was found that effectively, the challenges affect both the supply of sound evaluations for development plans and also the demand for their relevant and useful evidence, which in turn informs national policy development. This debate highlighted areas to consider when developing a national plan and supports an effective evaluation for the SDGs.

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 inclusing 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 the following 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 the following 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 the following Goals:



















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