



Bank Audi

CONTRIBUTE
CSR REPORT
2018

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COMMUNICATION ON PROGRESS

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

We welcome feedback on its contents.

We are a member of the GRI Community and support the mission of GRI to empower decision makers everywhere, through GRI Sustainability Reporting Standards and its multi-stakeholder network, to take action towards a more sustainable economy and world.

WE SUPPORT



Network Lebanon
WE SUPPORT



Today, there is no doubt that we live in interesting times... Standards of living are improving everywhere, life expectancy is increasing, innovation in technology and medicine is changing our world. Yet, daily risks and complex challenges remain an integral part of our lives.

Climate change, gender inequalities, poverty, jobless growth and local and regional political instabilities are major pain-points for all. Even our business model is being disrupted with the shift to virtual solutions and the rise of the data-driven economies.

Bank Audi's 190 years of existence has taught us to face challenges and opportunities with the same optimism, constantly re-inventing the role we play in our clients' lives. Creating value and providing the right personalisation to customers always come with our clearly defined purpose backed with a set of values: helping our clients thrive and our communities prosper.

More than ever, we remain steadfast in our belief that how we act is just as important as what we achieve. As such, our approach to sustainability also consists in managing our business in a balanced and responsible way, with our values of integrity and accountability, as well as a commitment to diversity and inclusion in the decisions we make every day.

As a purpose-driven company, we clearly understand that the legacy we leave for the next decades is also determined by our social impact, just as much as our economic impact.

With a view to strengthening sustainable energy in Lebanon, we partnered with EBRD to develop a program addressing critical issues for our country's sustainable development, such as diversifying energy supply, reducing the use of limited natural resources like energy and water, and improving energy efficiency, thus decreasing pollution levels, conserving resources and contributing to a better environment. This will allow businesses and individuals to invest in commercially viable and environmentally sustainable projects, thereby supporting our nation's transition to a green economy.

A remarkable feature of our approach is the use of digital technology to offer customers innovative solutions. We believe that digitalisation and sustainability are two major forces shaping the future, and we have adopted them with new solutions to our service model and improvements to our alternative delivery channels.

In the same spirit, we do our best to be purposeful in the way we support our own colleagues on all fronts, more particularly through skills transitions. This includes focusing on continuous learning, and ongoing training and development. It also means boosting our people's engagement by empowering them with opportunities to learn, grow and lead change, while involving them in community activities through our Volunteer Program.

Through Bank Audi's Start-up Program and youth Spring strategy, we use our significant talent capability and our resources to advance the conversation around future skills and youth development. At the same time, we provide practical tools and support to community organisations and young people to prepare for a new world of work. In 2018, we invested more than USD 48.8 million in this area. This will remain one of the clearest articulations of our purpose for the years to come.

Today, I am proud to bring you Bank Audi's 2018 CSR Report in both its interactive and plain formats. More importantly, I am convinced that each one of us, each one of you has a growing role in the sustainable development of our communities... Join us on this enriching journey.

Honored to contribute,



Samir N. Hanna
Chairman and Group Chief Executive Officer

NOT EVERYTHING THAT COUNTS CAN BE COUNTED, AND NOT EVERYTHING THAT CAN BE COUNTED COUNTS

The dictionary defines *Contribute* as a provision of knowledge, time, money, assistance to a common fund; at Bank Audi, we acknowledge our ability to make a difference by remaining focused on the community's needs and helping build a better world through business.

Business exists to create value for all stakeholders while giving a competitive edge to all aspects of operations. Hence, the integration of our SDGs into the business strategy as a complement to our social strategy culture. By investing in society, we get a sense of belonging, remaining focused and purpose-driven all while inviting for more awareness and dialogue on issues for change.

In these challenging times, our proactive approach in regards to assisting communities in being more resilient was essential. Business priorities, performance, people, planet and policies intertwine to preserve and respect our corporate values. Responsibility, inclusion, empathy and impact are now even more entrenched than ever at Bank Audi through our five sustainability pillars: best practice Corporate Governance, amplified Economic Development, balanced Community Development, energised Human Development, and pre-cautionary Environmental Protection.

We maintain our affinity to the UN Global Compact and its local steering network where we serve as Board members, the ISO 26000 of Social Responsibility, our pledge to the Sustainable Development Goals (SDGs) where we locally lead SDG 8 on economic growth and job creation. In fact, the SDGs we tender towards span wider than the specific goals we have chosen to champion, our impact reaching 11 out of the 17 set goals. Here, one can also note the inherent interconnectedness of the goals and how actions undertaken to reach a target within a goal may spillover to other targets identified within different goals. Since 2015, Bank Audi has chosen to pledge towards 5 SDGs, namely Quality Education (SDG 4), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), and Climate Action (SDG13).

Focusing on measuring and communicating on our well embedded social impacts, we realise that not everything that counts can be counted, and not everything that can be counted counts. That's the reasoning behind our principle-based approach: nurturing innovation and new business opportunities which are aligned with our community's needs and measured by the extent to which we consistently work towards doing what's right, today and in the long term.

Finally, and in an effort to maintain the momentum of our continuous commitment, we are privileged to report at core level according to the Global Reporting Initiative (GRI) Standards: global best practice for sustainability reporting. In doing so, we demonstrate our full support for GRI's mission to empower decisions that create social, environmental and economic benefits for everyone.

This report will further explain how our investors care about Corporate Social Responsibility, and how we attract and retain engaged, productive employees. In a word – how we genuinely *Contribute!*

Responsibly,



Hasmig G. Khoury
Head of CSR

THE FIVE PILLARS OF OUR CSR STRATEGY



CORPORATE GOVERNANCE



- Ethical conduct
- Compliance
- Anti-corruption
- Human rights
- Environmental and Social Management System



ECONOMIC DEVELOPMENT



- Product portfolio
- Economic contribution
- Indirect economic impacts
- Procurement practices
- Market presence
- Product responsibility
- Infrastructure investments
- Inclusive and sustainable industrialisation
- Innovation



COMMUNITY DEVELOPMENT



- Financial inclusion
- Local community development
- Local community support
- Local community collaboration



HUMAN DEVELOPMENT



- Labour practices
- Diversity, inclusion and equal opportunity
- Training, education and talent development
- External human development



ENVIRONMENTAL PROTECTION



- Emissions
- Effluents and waste
- Energy consumption
- Environmental loans
- Awareness on resources usage

OUR CSR MILESTONES



ABOUT BANK AUDI

Founded in Lebanon in 1830, Bank Audi sal has sustained its solid growth, building a strong legacy of excellence in banking. Headquartered in Lebanon, the Bank is currently present in 10 other countries located across Europe and the MENAT region, namely Switzerland, France, Jordan, Egypt, the Kingdom of Saudi Arabia (KSA), Qatar, Monaco, Turkey, Iraq and the United Arab Emirates (UAE).

Bank Audi is a joint stock company (“société anonyme libanaise”) with a diversified shareholder base that encompasses founding shareholders, large regional investors, supra-national entities, international institutional investors, a large number of private investors, as well as executives and employees.

The Bank offers a full range of products and services in Commercial and Corporate Banking, Retail and Personal Banking, Private Banking and Capital Markets activities within a wide range of industries including manufacturing, trading, contracting, real estate development, food and beverage, education, media services, health and social services, and retailing among others.

Bank Audi, a leader among Lebanese banking groups, has further reinforced its position among the top 20 Arab banks. Main development pillars for the Group are Lebanon, Egypt, Turkey and the Private Banking business line which, together, represent more than 90% of assets and earnings. Our performance stems from a comprehensive range of financial services and a diversified market presence, which represent the backbone of our sustained growth in spite of an overall challenging operating environment. The Bank’s recent results faithfully reflect how sustainable strategies translate into long-term financial value. Strengthening the balance sheet, reinforcing the financial flexibility and delivering a solid growth of recurrent net profits are the key headlines of Bank Audi’s results in 2018. Our Executive Management remains determined to further advance environmental and social goals: in 2018, the Bank initiated strategic partnerships to support Lebanon’s transition into a low-carbon economy. An example of these initiatives is the USD 200 million pledge (split between EBRD’s GEFF Program and Bank Audi) to finance green solutions. The Group continues to provide advisory to clients with large-scale infrastructure projects on the E&S standards required in order to attract international funding and investment, while further developing in-house expertise and understanding of issues that present potential E&S risks and opportunities. Ultimately, the Group’s main purpose remains to achieve quality growth by efficiently meeting the needs of both businesses and individuals in the various countries of presence, and ensuring long-term sustainable value to all stakeholders.

COMPOSITION OF THE BOARD OF DIRECTORS OF BANK AUDI sal

Mr. Samir N. HANNA	(Chairman of the Board – General Manager, Group CEO)
Dr. Marwan M. GHANDOUR	(Vice-Chairman)
Dr. Freddie C. Baz	(Vice-Chairman)
Mr. Marc J. Audi	
Sheikha Mariam N. AL SABBAH	
Dr. Imad I. ITANI	
Mr. Abdullah I. AL HOBAYB	
Dr. Khalil M. BITAR	
Ms. Sherine R. AUDI	
Mr. Carlos A. OBEID	
Mr. Aristidis I. VOURAKIS	

OUR COMMITMENT TO THE SDGs

The Global Goals indicate market gaps, development needs and investment priorities for different countries. Issues addressed in SDGs provide a road map for businesses to seek opportunities and manage risks. The SDGs also provide vision for sustainable, long-term growth for private companies that balance economic, social and environmental returns.

SDGs are the bedrock of future regulations and policies which inform and channel investment into priority sectors and restrict businesses that have negative social or environmental returns. Aligning with the SDGs also deepens the value and impact of Corporate Social Responsibility (CSR) efforts expended by businesses. SDGs allow companies to promote their socially and environmentally responsible operations while opening new consumer and business-to-business channels. They also offer a common language to communicate the company's commitment to sustainable development with stakeholders. Finally, SDGs give companies the opportunity to shift to sustainability by providing a framework to align their strategies with the global development agenda.

As a leading financial institution, and although our sphere of influence impacts 11 of the 17 goals, Bank Audi has chosen to champion the following SDGs:



Throughout our report, relevant SDGs have been mapped within our five strategic pillars and our material issues. Our committed sustainability can be traced through our actions, our KPIs and the indicators we have carefully selected to assess and report upon. These SDGs integrate our economic, social and environmental ideals, and allow us to visualise impactful and sustainable progress in the areas of contribution and beyond due to overlaps.

STAKEHOLDERS' PANEL

OPEN COMMUNICATION AND CONSTRUCTIVE DIALOGUE ALL THE WAY

Recognising the value of each stakeholder, Bank Audi made sure to continuously engage its external and internal stakeholders, to seek their critical input, and to monitor their expectations. Therefore, and similar to previous years, it held a special stakeholders' panel reflecting its corporate values and aimed at inviting stakeholders to discuss the Bank's strategy and initiatives, while identifying important gaps and directions for the future. This meeting generated a better understanding of our stakeholders' concerns and perspectives on key issues, and helped build stronger relationships for more tangible business value creation. The selected stakeholder representatives included employees, Management, clients, suppliers, regulatory bodies, partners and competitors.

The main takeaways revolved around:

- Collaborate with the government on the basis of sharing our practice of accountability; help improve public governance based on our extensive internal governance experience.
- Encourage the government to take mandated reforms seriously.
- Identify corporate clients for a workshop creating a thought leadership within a CSR arena.
- Further CSR marketing and reporting.
- Continue to promote financial literacy.
- Support vocational training, job training and career mentoring.
- Provide training programs in readiness for women leadership.
- Maintain and expand renewable energy investments.
- Support startups, social entrepreneurs, MMEs and SMEs.
- Promote sustainable and equal economic development across Lebanon.
- Encourage more transparency and fair procurement in bidding processes.
- Offer "reward points" to third parties, and discounted interest rates which would be pooled and allocated to the more needy in the context of housing facilities.
- Promote financial inclusion.
- Further public-private collaboration.
- Initiate a capacity-building program.

Through this initiative, Bank Audi has engaged in an open and constructive dialogue with its stakeholders who were keen to share their concerns, thoughts and perspectives on its strategy and reporting. These valuable insights will be used to identify material issues and refine the Bank's CSR strategy (read more).








Open communication and constructive dialogue all the way



CSR Committee Members

CSR AT A GLANCE AT END 2018

 CORPORATE GOVERNANCE	 ECONOMIC DEVELOPMENT	 COMMUNITY DEVELOPMENT	 HUMAN DEVELOPMENT	 ENVIRONMENTAL PROTECTION
<p>Environmental and Social Management System (ESMS)</p> <p>Complying with international standards:</p> <ul style="list-style-type: none"> - ISO 26000 - UN Global Compact - Sustainable Development Goals (SDGs) - SDG 8 Goal Leader 	<p>1.82% of Lebanon's GDP</p> <p>3,253 employees</p> <p>USD 185 million in taxes when accounting for income tax, municipal taxes, VAT, etc.</p> <p>99% customer satisfaction</p> <p>SME business line</p> <p>Allowing local economies to prosper</p> <p>Developing financial literacy</p> <p>Enhancing responsible lending</p> <p>Fostering innovation</p> <p>> USD 3.5 million in indirect economic impact</p> <p>50 products</p> <p>46 services</p> <p>211 publicly accessible ATMs</p> <p>80 operational branches*</p> <p>USD 479,450 in economic sponsorships</p>	<p>> USD 9 million total contributions to our community:</p> <ul style="list-style-type: none"> - USD 1.4 million on health - > USD 7 million on humanitarian and social issues - > USD 880,000 on culture - USD 65,000 on sports <p>Financial literacy</p> <p>Financial independence</p> <p>Approximately 1 million beneficiaries</p> <p>Volunteer Program:</p> <ul style="list-style-type: none"> - 4,362 beneficiaries - 359 volunteers 	<p>69% of successfully trained employees</p> <p>USD 721,062 in training for our employees</p> <p>USD 10 million in educational programs</p> <p>314,575 beneficiaries</p> <p>Diversity, inclusion and equal opportunity</p> <p>47% female employees</p> <p>Quality Program</p>	<p>> USD 20 million in environmental loans</p> <p>"Grow Green"</p> <p>Carbon Footprint monitoring</p> <p>Climate change champions</p>

*Excluding APB and Solifac.



CORPORATE GOVERNANCE

Environmental & Social Management System

Anti-corruption

Ethical Conduct

Compliance

Human Rights

Our Corporate Governance practices and policies are at the heart of our business model and provide the accountability and transparency we consistently aspire to uphold in order to remain the most trusted banking partner in the eyes of both internal and external stakeholders.

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

REINFORCING OUR COMMITMENT TO ESMS

At Bank Audi, we consider it our obligation to reduce any negative impacts on the environment and the communities which may be affected by the activities we finance. Throughout 2018, we continued the implementation of our Environmental & Social Management System (ESMS) in alignment with international standards. Our ESMS, which is fully integrated into core credit operations and supported by Top Management, allows us to assess, mitigate and monitor E&S risks in the Bank’s lending portfolio.

/// Bank Audi’s ESMS is fully integrated into core credit operations. It is visibly supported by Top Management. ///

2018 marked an important year for the Bank’s ESMS. The EBRD’s completion of an equity investment in the Bank reinforced our commitment to managing E&S risks associated with lending activities. Minor enhancements were made to our ESMS, as the EBRD has specific E&S performance requirements that clients are expected to meet. We expanded the list of industries which we decline to finance on the basis of E&S issues, and increased our ESMS reporting requirements, which will provide greater insight into our aggregate exposure to E&S risks and form part of our commitment to continuously review and improve our ESMS.

ENHANCED REVIEW AND ESCALATION

In 2018, we commissioned an independent review by an international E&S consultant of a prospective project’s (still ongoing) compliance with renowned international frameworks for sound environmental and social risk management, including the IFC Performance Standards and EBRD Performance Requirements.

One transaction was referred to our Executive Committee for discussion and consideration, in line with our internal E&S standards and procedures. It was subsequently approved and subject to rigorous E&S conditions set by our Group E&S Risk Management team.

SUSTAINABLE FINANCE

USD 20,188,676

Total value of 22 new loans with environmental benefits financed during 2018

76

Employees attended trainings on environmental topics

678

Training hours were spent on environmental topic

HIGHEST MARKET SHARE 22%

BDL energy incentives – NEEREA loans

ETHICAL CONDUCT

Our Code of Ethics and Conduct clearly upholds the principles of non-discrimination and of a violence and harassment-free workplace. It is worth mentioning that no breaches or fines were reported in this respect.

COMPLIANCE AND ANTI-CORRUPTION

In an environment where banking behaviour is under increasing scrutiny, the Group continuously strives to keep its ethical standards beyond reproach.

Compliance risk, sanctions, taxes and capital markets have become significant and ongoing concerns for financial institutions, including Bank Audi.

We are committed to combating money laundering and the financing of terrorism in order to avoid being involved directly or indirectly in transactions connected with the laundering of money derived from illegal activities, or the channelling of funds to be used for illicit purposes.

This firm commitment of the Group is the result of proper guidance and instructions on the part of its Board of Directors and Senior Management, and of its employees’ efforts and awareness. The latter are entrusted with the responsibility of ensuring that the Group operations are consistent with anti-money laundering and counter-financing of terrorism laws and regulations, internal policies and procedures, international best practices, and the highest level of morality.

This culture of compliance with high ethical standards, as well as legal and regulatory obligations we are subject to, both in Lebanon and in the markets we serve, is fundamental to the preservation of our reputation and integrity, and underlines one of our core guiding values: transparency.

Thus Bank Audi takes all necessary measures to comply with various regulations including:

- Laws and regulations adopted by a governmental regulatory body.
- Standards adopted by a self-regulatory body to which a business or entity has agreed to subject itself.
- Directives contained in our Compliance policies and our Code of Ethics and Conduct.

As precautionary measures and as part of the Bank’s lending activities, every credit transaction above a certain amount is subject to a credit risk opinion which is issued by functions that are independent from the credit originating functions. This helps ensure that the credit transactions and resulting profile are compliant with the Bank’s credit policy and risk appetite. In line with its credit policy, the Bank refrains from financing activities that are unethical and illegal, that may present significant potential negative impacts to the environment, and/or may result in significant potential negative social impacts.

HUMAN RIGHTS

The Bank endorses and supports internationally recognised principles under the Universal Declaration of Human Rights which promotes global respect for human rights and fundamental freedoms for all, without distinction of race, colour, gender, language, religion, opinion, descent, or national or ethnic origin (know more).

As businesses, we need to demonstrate that we are aware of human rights. Clearly, human rights are a global issue. The concept of “due diligence” was proposed and found to be a useful starting point for companies as they seek to integrate respect for human rights into their practices. Similarly, with the right to privacy, any company should know that it has potential adverse impacts on this human right, whether it is from handling data or from registering and using customer information.

GCNL MULTI-STAKEHOLDER FORUM

In October 2018, Bank Audi took part in the Multi-stakeholder Forum hosted by the United Nations Global Compact Network Lebanon (GCNL) at the Grand Serail, under the patronage and in the presence of Lebanese Prime Minister Saad Al Hariri.

This forum provided stakeholders with the opportunity to discuss latest sustainable development practices, facilitate collaborations, discover innovative ways to advance the UN Sustainable Development Goals (SDG) in Lebanon, and cooperate to achieve the 2030 agenda.

Prominent leaders of the community were present at the event to show their support to the GCNL's cooperation, among whom H.R.H. Crown Princess Victoria of Sweden, honorary guest and keynote speaker. MP Dr. Dima Jamali, GCNL's President, opened the forum, followed by the aforementioned dignitaries who each affirmed their substantial support to attain the target agenda.

The 2030 agenda aims at ending poverty in all its forms, envisioning a world of universal respect for human rights and dignity. Senior Managers of various Lebanese companies participated in the various panels. National and international pioneers joined the forum and enlightened the public by raising awareness and provoking a sense of urgency to work towards achieving the 17 SDGs.

Marc Audi, Country Manager Lebanon, discussed how the Bank adopted and implemented SDG 8 – Decent Work and Economic Growth. As a pioneer in the Lebanese community and as the largest bank in Lebanon, Bank Audi champions SDG 8.

“The only word of wisdom is that 2030 is very close. We cannot be spectators, we have to be actors; and each one of us, each one of you, has to contribute somehow to this achievement of sustainability.”

Marc Audi, Country Manager Lebanon



GCNL Multi-stakeholder Forum



ECONOMIC DEVELOPMENT

Economic Contribution

Indirect Economic Impacts

Procurement Practices

Product Portfolio

Market Presence

Product Responsibility

Innovation

Infrastructure Investments

Inclusive & Sustainable Industrialisation

In conformity with our philosophy of Creating Shared Value, we have continued to magnify our social impact by leveraging the full power of our business to work with different stakeholders and contribute to a more resilient and stable economy.

By creating manifold economic opportunities, providing access to finance and innovation, and adapting to the needs of the marketplace and the local economy, we have made significant strides under this pillar.

ECONOMIC CONTRIBUTION

Our economic contributions also go a long way towards stimulating entrepreneurship and job creation through various tailored initiatives targeting SMEs.

3,253

Total number of employees

1.82%

Total contribution to Lebanon's GDP

STIMULATING THE USE OF THE LEBANESE LIRA

In an endeavour to promote the use of the national currency, the "Loubnani" card was conceived to match the unique lifestyle of the Lebanese people, whereby its holders benefit from an extensive reward program.

Our ultimate priority is to adapt to the routine of our customers, align to their needs with the use of local or international currencies, and reward them for their loyalty with attractive privileges. Bank Audi is proud to be a Lebanese financial institution and encourages the use of its local currency.

Grace Eid, Head of Retail Banking

SME BANKING

Bank Audi continues supporting the small and medium-sized enterprises through its SME Banking business line by offering a wide range of products and services that answer SMEs' various business needs.



62% BENEFITTED FROM LENDING PROGRAMS TO DEVELOP, GROW OR SUSTAIN THEIR BUSINESSES

In line with these ongoing efforts, Bank Audi launched the "Audi Supply Chain Finance (Audi SCF)" online platform and celebrated its partnership with MERSACO S.A.L., the first company to acquire and service its clients with Audi SCF, during an event held in December and gathering pharmacists, head of pharmacies syndication, members of Bank Audi and MERSACO S.A.L. management.

Despite the challenging times Lebanon is currently witnessing, Bank Audi is always keen on finding opportunities to support the economy and its different sectors. It is with this approach in mind that we worked on several initiatives, among which the Audi SCF.

Marc Audi, Country Manager Lebanon

The Audi SCF platform is an online tool that simplifies the relationship between suppliers and buyers through 3 main features:

- Invoice Collection that helps buyers settle their invoices to their suppliers through the platform.
- Distributor Financing which allows buyers to benefit from a credit limit at competitive interest rates to finance their invoices whenever they are short on cash, and extend the maturity dates of their dues.
- Reverse Factoring to help small scale suppliers get immediate access to their future dues by financing their invoices, while the buyer pays the Bank at maturity or at extended maturity.

We embraced this project because we believe in the complementarity of roles and tasks, and in the need for efficient partnerships which boost our day-to-day work. With the Audi SCF platform, each pharmacist can now streamline his financial transactions, save time and organise payments in an innovative method.

Walid Mroueh, Managing Director – MERSACO

He also seized this occasion to underline that this service will not replace the crucial role of sales representatives who will continue to promote MERSACO products on the market, take clients' orders and cater to customers' needs.

The Audi SCF helps both byers and suppliers in optimising their working capital and free up cash.



Souk El Tayeb

■ Both buyers and suppliers can benefit from this platform: it helps suppliers enhance their balance sheet and improve liquidity, simplify their collection process and reduce costs, and have better visibility over all account receivables with their buyers. On the other hand, it saves buyers the hassle of issuing cheques for their ongoing payables, and helps them access trade financing at competitive interest rates, while optimising their working capital and organising their cash flow. Hassan Sabbah, Head of SME Banking ■

A second initiative undertaken in 2018 reinforced the Bank's firm belief in furthering its Corporate Social Responsibility efforts and in empowering all individual and business segments. With the objective of bridging the gap between micro-businesses and their access to banking, the Bank worked on providing Souk El Tayeb's* small-scale farmers and producers with comprehensive tailored solutions to answer their specific needs and help them grow their businesses.

■ We created a unique initiative with Souk El Tayeb, with customised services to support their producers and help them achieve their goals. At Bank Audi, we believe that any successful business starts with an idea that turns into reality. This business can start and stay small, or it can grow beyond its potential. ■

Joyce Abou-Rizk, Head of SME Business Delivery

Following the official announcement of this initiative, Bank Audi's SME team visited Souk El Tayeb producers in marketplaces, immersing themselves in their world by consulting each member of this community. This exercise enabled the team to genuinely understand producers' business needs and relate with the challenges preventing them from developing their businesses, as well as with their general perception of banking relationships.

These interviews led to assess the producers' need to access information and advisory services in the fields of banking, legal, export, accounting and marketing.

Based on those findings, the journey began and the Bank joined forces with leading companies in the fields of marketing, legal registration, export and accounting.

By April 2018, Bank Audi hosted an event offering Souk El Tayeb producers:

1- A special Souk El Tayeb bank account giving them the opportunity to build a long-term relationship with the Bank while being eligible to a bundle of benefits.

2- A full-day training in collaboration with several leading specialised companies in the areas of legal services and export, accounting and marketing, along with comprehensive services to Souk producers at very low cost.

3- Bank Audi offering to subsidise 50% of registration fees for the first 10 producers who abide by the Bank's ethos of accountability and transparency.

The training, which took place in May, allowed producers to become familiar with the basics and added value of registering their business, the costs they would incur, and the feasibility of exporting their products to international markets. Moreover, they were introduced to the elementary principles of promoting their products – whether through traditional communication channels or online – and to the fundamental guidelines of creating an identity, developing brand packaging, designing their website, and of course get a clear idea of how all of this would impact their business.

The training also covered the main principles of accounting so that they can truly understand their profitability, the elasticity of pricing versus costs, the areas they can save in and those they should invest more in. They were introduced to the importance of banking for their personal and business needs, from the usage of credit cards, debit cards, cheques, transfers, to the overall importance of having a positive history of banking transactions.

Furthermore, this initiative was filmed and broadcast on local TVs, giving Souk El Tayeb producers further visibility.

■ I would never have imagined that the biggest bank in Lebanon would take interest in the smallest farmers and producers in the country; it is simply inspiring. ■

Kamal Mouzawak, Founder of Souk El Tayeb

Anyone can enjoy a traditional banking service, but what made this initiative unique is the distinctive offering the Bank put in place for Souk El Tayeb producers by customising its value proposition based on their pain points and needs; an additional proof that no bank is too big to encourage the smallest of businesses.

EBRD SUPPORTS TRADE IN LEBANON

Strengthening trade from and within Lebanon, the Trade Facilitation Programme (TFP) of the European Bank for Reconstruction and Development (EBRD) provided a USD 75 million trade finance line to Bank Audi, making it the third issuing bank in Lebanon.

This accord allows Bank Audi to benefit from EBRD trade finance guarantees which cover the political and commercial payment risk of trade transactions. The facility will support regional integration through trade and increased access to finance for importing and exporting firms in Lebanon, especially small and medium-sized enterprises.

Launched in 1999, the EBRD's TFP aims to promote foreign trade to, from and among the EBRD regions. Through the Programme, the EBRD has financed more than 22,500 foreign trade transactions for a total of more than € 16.5 billion. Currently, over 100 issuing banks in 26 countries participate in the Programme, together with over 800 confirming banks and their subsidiaries around the world.



* Since 2004, Souk El Tayeb, Lebanon's first farmers' market, celebrates food and traditions, and brings communities together in support of small-scale producers and the expansion of sustainable agriculture.

INDIRECT ECONOMIC IMPACTS

ASSOCIATION FOR THE DEVELOPMENT OF RURAL CAPACITIES (ADR)

We sustained our support to the ADR by contributing to its programs of microfinance loans extended to the underprivileged at significantly reduced interest rates. ADR is a Lebanese non-profit organisation established in 1998 with a mission to empower and integrate marginalised people through sustainable economic and social development by facilitating access to financial services, training, and tools through supporting income-generating projects. Beneficiaries are small entrepreneurs, small farmers, local fishermen, rural women, and the youth from the most impoverished areas in Lebanon.

During 2018 and through the collateral program, the disbursement outreach was 457 SME beneficiaries receiving loans for a total amount of USD 973,466, of whom 31.5% were rural women entrepreneurs, out of 144 beneficiaries, with loans amounting to USD 281,990. Young borrowers aged between 18 and 35 years accounted for 45% of 206 beneficiaries receiving loans for USD 409,818.

ASSOCIATION MAAK

We likewise extended our support to Association Maak (NGO), benefitting 40 families who were granted microfinance loans across various economic sectors including farming, cattle and agriculture, tailoring, snacks, beauty services, and even scholarships (school and university). This went hand in hand with extending moral, technical and spiritual support to the various beneficiary households.

BANK AUDI, SPONSOR AT THE ARAB ECONOMIC FORUM

Under the patronage of H.E. Saad Hariri, the 26th edition of The Arab Economic Forum was held with Bank Audi as a Platinum sponsor. Organised by Al-Iktissad Wal-Aamal Group in collaboration with several economic entities, the forum took place in the background of economic changes in the region represented by the acceleration of economic reform and the sustainable drive to diversify sources of growth, strengthen public finances and stimulate job creation.

In high priority on the forum's agenda was the investment in Lebanon's infrastructure after the CEDRE conference in Paris, where Lebanon made commitments exceeding USD 11.6 billion in grants and soft loans to finance more than 250 projects in the Lebanese government's

investment program. The forum discussed the implementation steps, funding options and partnership options with the private sector.

The forum, which launched the IMF's Economic Report on the Middle East and North Africa, featured Lifetime Achievement Awards to the Saudi Fund for Development and the participation of a Saudi economic delegation, as well as the participation of a high-level Egyptian economic delegation from the public and private sectors to discuss the economic developments, opportunities and climate of investment in Egypt in the light of new legislations and procedures. It discussed developing the economic partnership between the Arab countries and Africa, the investment climate in the region and how to develop and enhance the region's attractiveness to foreign investment, and unlocking the potential of Arab youth through a Youth Dialogue.



Dr. Marwan Barakat at the Annual Harvard Arab World Conference

ANNUAL HARVARD ARAB WORLD CONFERENCE ENTITLED "REGION RISING"

Dr. Marwan Barakat, Group Chief Economist and Head of Research at Bank Audi, participated in a challenging panel about Lebanon's future economic and financial prospects hosted by the Harvard Arab Alumni Association within the Annual Harvard Arab World Conference titled "Region Rising", and held in Beirut. The panel, which was moderated by Dr. Habib Zoghbi, Honorary President of Harvard Alumni Association in Lebanon, included a number of key economic figures in Lebanon. It addressed key issues of concern, along with key opportunities in the aftermath of the CEDRE conference for Lebanon.

INTERNATIONAL CONFERENCE ON FINANCING DEVELOPMENT

Dr. Barakat also chaired a panel at the ESCWA on "Financing Sustainable Development" within the context of their International Conference on Financing Development held at the UN Headquarters in Beirut. The panel discussed the discernable progress in more efficient sustainable development, but also addressed the daunting challenges that need to be addressed and that could otherwise derail advancement in the matter.

BANK AUDI CONNECTS WITH THE LEBANESE DIASPORA AT THE LDE CONFERENCE IN ABIDJAN

THE LDE CONFERENCE IS A CHANCE TO CONNECT WITH THE LEBANESE COMMUNITIES IN AFRICA AND LATIN AMERICA.

It is no secret that there are more Lebanese living abroad than in Lebanon itself; millions who have travelled across the globe and written their success stories one at a time. However, no matter how far they are, they remain close to their motherland.

In February of 2018, Bank Audi was present at the Lebanese Diaspora Energy (LDE) Conference in Abidjan, Ivory Coast, which, as every edition, sought to connect with a network of successful people of Lebanese origin worldwide and to spread and diversify their scopes of action on the individual, national, and international levels. It was also the perfect opportunity to share experiences, enhance relations, and establish business and social connections.



LDE Conference in Abidjan

Launched by the Ministry of Foreign Affairs and Emigrants in 2014, the LDE is an initiative aimed at celebrating the Diaspora's achievements, reinforcing the connection with their home country and promoting Lebanese heritage across the world. The initiative aims at exploring new business and investment opportunities that would restore trust in the Lebanese economy, and acts as a gateway for Lebanese descendants to reclaim their roots.

/// The LDE Conference is a chance to connect with the Lebanese communities in Africa and Latin America, where there is an exceptional network of expatriates, businesspeople, entrepreneurs, and investors. It is a great opportunity to meet, in one place, with existing and potential customers from different countries, and to develop our franchise overseas. //

Nader Hajj- Ali, Regional Business Development (South America and Africa)

BEIRUT INTERNATIONAL FRANCHISE FORUM AND EXHIBITION (BIFEX)

The 2018 edition of the BIFEX titled "Retail in Lebanon: Sustainability and Growth" and organised by the Lebanese Franchise Association (LFA) was held in April.

/// The conference aims to bring together different experts to discuss brand marketing abroad. Through these panels, Lebanese franchisors are more aware of the standards outside Lebanon, and franchisees are better equipped to handle the difficulties of the Lebanese market. //

Aline Kamakian, LFA Board member

Ten international guest speakers based across various industries shared their experiences and advice with local and regional attendees. 300 Arab retailers, business owners and entrepreneurs listened eagerly as the speakers presented new ideas, technologies and innovations that audience members could adopt to grow and expand their businesses, or even launch new projects related to commerce, tourism and culture.

The key topics tackled were brand building, lending insight to new consumers and their consumption patterns, strategies to drive future growth, and the merits of partnerships and collaborations.

Roundtable sessions attended by local and prominent figures, representing some of Lebanon's most respected brands, discussed the success of these businesses, the development strategies devised to propel them forward, and the challenges faced. A keynote presentation tackled issues related to the world's creative economies and the lessons learnt. The event concluded with a masterclass directly addressing the hotly debated issue of sustainable innovation, which represents a major concern to all industries.



Beirut International Franchise Forum and Exhibition (BIFEX)

INFRASTRUCTURE INVESTMENTS

EBRD INVESTS IN BANK AUDI, LAUNCHING ITS FIRST PROJECT IN LEBANON

The European Bank for Reconstruction and Development (EBRD) completed an equity investment in Bank Audi sal. This marks the EBRD's first-ever investment in Lebanon, and its first equity investment in a banking institution in the southern and eastern Mediterranean (SEMED) region.

The EBRD acquired common ordinary shares of Bank Audi listed on the Beirut Stock Exchange, representing approximately 2.51 per cent of Bank Audi's total common shares outstanding. With this investment, the EBRD seeks to support the Lebanese financial markets and act as a catalyst to influence the broader economy in Lebanon, potentially playing a pivotal role in expanding and strengthening the financial sector.

Bank Audi is looking to consolidate and reinforce its leadership in Lebanon and market positioning across its core countries of operations, in particular in Egypt and Turkey.

Bank Audi is a longstanding partner of the EBRD, with investment supporting small and medium-sized enterprises, as well as trade in Bank Audi sae (Egypt) and in Odea Bank in Turkey, in which the EBRD has also invested in equity.

Lebanon became an EBRD economy of operations in September 2017, joining the Bank's Southern and Eastern Mediterranean (SEMED) region, with Egypt, Jordan, Morocco and Tunisia, where the EBRD has been investing and engaged in policy reforms since 2012, as well as the West Bank and Gaza, since May 2017. To date, the Bank has invested over € 6.5 billion in 170 projects across the SEMED region.

“We are delighted to launch our activities in Lebanon, signing the first EBRD investment with a key regional player such as Bank Audi. The Lebanese financial sector is the backbone of the country's economic stability and international reputation. Supporting Bank Audi's operations and corporate governance is crucial in maintaining its resilience in the challenging environment in the region.”

Sir Suma Chakrabarti, President of the EBRD

“We are very pleased to deepen our strategic partnership with the EBRD which has already been a key partner for us in recent years in our operations in Egypt and Turkey. This investment in Bank Audi helps send a positive signal on the growth potential of the local economy and represents a strong vote of confidence in the resilience of the Lebanese banking sector amid an unsettled regional environment. We believe there is a strong role to play for the EBRD in Lebanon and we look forward to working closely with the Bank as its activities develop in the country.”

Samir Hanna, Chairman and Group CEO



LEBANON INVESTMENT IN INFRASTRUCTURE CONFERENCE

Inaugurated by Prime Minister Saad Hariri, the conference gathered more than 600 participants from 20 European, Asian and Arab countries including enterprises, banks, economic organisations, development funds, and direct investment funds in early March. Held in preparation for the CEDRE conference held in Paris on April 6, the conference aimed to pave the way for the private sector to participate in financing 40% of the planned infrastructure projects, at a budget ranging between USD 6 and 7 billion, in accordance with the partnership act between the public and private sectors. The conference was organised by Al-Iktissad Wal-Aamal Group in collaboration with the Prime Minister’s Office, the High Council of Privatisation and PPP, and various Lebanese economic bodies. It was attended by a number of present and former ministers and deputies, as well as several Arab and foreign ambassadors and heads of economic bodies.

Prime Minister Saad Hariri expressed his hopes that the private sector would be a pioneer at the CEDRE conference, stressing that he supports the reforms required from Lebanon in order to encourage the private sector and enable the state to put an end to corruption and to provide Lebanese citizens with the infrastructure they deserve.

/// Indeed, Lebanon starts today a new and promising era, by involving the private sector in the implementation of the infrastructure projects, especially after the approval by Parliament of the law of partnership between the public and private sectors last year. A huge and ambitious investment program is needed to relaunch the economic activity and restore the confidence of investors in Lebanon. The role that we expect from the private sector is essential for the success of the program. ///

Samir Hanna, Chairman and Group CEO

LIFE AND ENDEAVOR

The fifth edition of the Global Business Summit: “The Lebanese International Finance Executives (LIFE) and Endeavor” that was held in partnership with Bank Audi provides a unique opportunity for Lebanese companies and diaspora members to connect and explore business investments. It was attended by the country’s leading entrepreneurs and large companies.

LIFE is a worldwide membership organisation of Lebanese diaspora financiers and is funded by individual donors, as well as by the country’s major banks. Established in 1997, Endeavor is a leading global high-impact entrepreneurship movement that promotes economic growth and job creation by selecting, mentoring and accelerating the best high-impact entrepreneurs around the world.

As the two joined forces, the summit was rich in established companies and startups who came to pitch in their innovative ideas to investors. SMEs and EBRD were also part of the Global Business Summit.



Infrastructure conference

PRODUCT PORTFOLIO

APPRECIATING 25 YEARS OF CUSTOMER LOYALTY

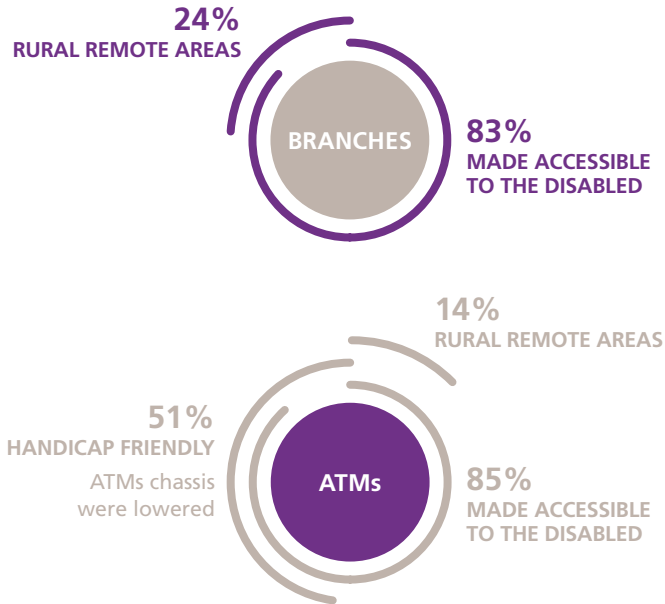
The 25 years loyalty recognition has been Bank Audi's tradition since 2013: an appreciation gift is offered to our customers for their loyalty. This year, 700 individuals and 70 businesses were identified and offered bonsai plants.

PRODUCT RESPONSIBILITY AND MARKET PRESENCE

Surveys Conducted to Measure Customer Satisfaction as per Our Quality Program Specifications

Surveying Tool	PERCENTAGE SATISFACTION				
	2014	2015	2016	2017	2018
Phone survey (on daily basis to assess customer satisfaction at branch level)	95%	97%	97%	99%	99%
Digital survey* (overall satisfaction – all Bank Audi delivery channels)	83%	88%	90%	90%	82%

* The "happy or not" results are no longer considered; as of 2018, the digital survey was integrated.



SPRING ACCOUNT

In September 2017, Bank Audi's account for young adults aged 18 to 24 rolled out features inspired by the current market trends and the power of its clients. The "Don't Just Make a Choice, Make the Right Choice with the Spring Account" campaign promotes a redemption and loyalty program, development workshops, CSR initiatives, and many other benefits. Spring customers now have an array of free, interactive and out-of-the-box workshops to choose from, that will boost their soft skills, namely their communication, problem solving, leadership and creative thinking know-how. To date, about 800 individuals attended the workshops of which 2 were in partnership with Injaz, an NGO that inspires and equips youth with the skills and mind-set needed to become the entrepreneurs and business leaders of tomorrow in their local communities. In addition, 200 individuals attended the Lebanese Food Bank workshop which raise the awareness of the youth on ways to reduce food waste.

Since CSR is one of our main pillars, Spring customers can participate in different CSR activities and give back to the community. In line with our mission to prepare young adults to enter the business world, the Bank encourages all Spring customers to become "Spring Ambassadors", gaining valuable sales experience, earning commissions and benefitting of flexible working hours.

LINKEDIN WORKSHOP

Continuing to strengthen the youth's professional skills, Spring held a workshop in partnership with LinkedIn, during which 85 eager Springers grasped tips and tricks to get started in their career. They learned how to build their LinkedIn page and maximise their visibility on this networking platform in order to find the right career path. They also gained insight on the importance of marketing oneself online and connecting with the right people.

SUPPORTING THE EARLY BLOSSOMS OF ENTREPRENEURSHIP

USJ's annual "Concours Entrepreneuriat" was held in May at its Human Sciences Campus in Sodeco. Students with entrepreneurial ideas presented their projects before a jury of prominent players in the business and corporate fields, among whom Bank Audi's Head of Customer Experience Department. The Bank was also present with a Spring stand that welcomed students and reminded them of its constant faith in their potential and how they can "make it big out of little" throughout the initiative and offered valuable gifts.



Concours Entrepreneuriat

LABOUR DAY CELEBRATED OVER A WHOLE MONTH

At Bank Audi, appreciating clients is not restricted to a single day. To recognise their hard work all year round, the Bank launched its annual Labour Day initiative throughout the month of May, in coordination with its branches and networks. Branch Managers and Bank Audi representatives visited 12 companies across Lebanon on various dates, meeting with employees and treating them to a celebratory reception. MTV, Hypermarket Amliyah, Food and Drug Corporation (FDC), and Daher Group were only a few of the companies visited. Moreover, to make this Labour Day extra special, 81 salaried employees were selected throughout the initiative and offered valuable gifts.



PROCUREMENT PRACTICES

Bank Audi has strategic partnerships with the European Bank for Development and Reconstruction and the International Finance Corporation, and is actively engaged with other multi-lateral agencies and export credit agencies, including the European Investment Bank, the Overseas Private Investment Corporation, the World Bank, SANAD Fund for MSME, and Green for Growth Fund, among others.

This contributes to promoting long-term financing to increase, diversifying and lengthening the funding base for small and medium-scale projects in targeted industries, especially renewable energy and energy efficiency. Other programs, like the Arab Trade Finance Program, aim to promote trade between Arab countries and enhance the productivity and competitiveness of Arab producers and exporters. These relationships support the Bank's growth plans and the development of key regional subsidiaries and business market segments.

USD 101 million | 94% of our total procurement budget spent on local suppliers

INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION

Bank Audi actively contributes to BDL Intermediate Circular 331 through its investment in venture capital funds and several initiatives. The Bank's purpose is to boost Lebanon's knowledge economy sector, support skilled labour market development through job creation, and actively participate in the development of a successful startup ecosystem (accelerators, incubators, VCs, etc.). To date, Bank Audi has invested in all 8 VC Funds currently on the market, with commitments totalling USD 47.6 million. Recently, the Bank has been contemplating to participate in 100% subsidised initiatives by the Central Bank. The Bank has obtained the approval of BDL to participate in the accelerator "Speed@BDD". It is also considering a participation in other initiatives which would have a similarly positive impact on the economy.

More importantly, the investment team in charge of 331 investments works closely with the Customer Experience and Innovation teams at the Bank to find potential opportunities for startups. Indeed, multiple workshops/meetings with different startups are constantly being held to identify potential synergies between the Bank's needs and startups' offerings, along with other initiatives, to encourage innovation in Fintech, such as the "Beyond Banking Hackathon" by Bank Audi. These can be translated into new banking solutions which improve customer experience, or complementary products offered to the Bank's customers while supporting startups' growth.

USD	2014	2015	2016	2017	2018
BDL circular 331 committed investments	11 million	26 million	41 million	47.6 million	48.8 million

INNOVATION

MOBILE BANKING

ONLINE & BANKING APPLICATION

AUDI ON-LINE AND THE BANK'S MOBILE BANKING HAVE:

113K
Registered users

85K
Average transactions/month

34K
Average daily logins

EYE-CATCHING, USER-FRIENDLY AND HIGHLY USEFUL FEATURES!

BANK AUDI LAUNCHES CHATBOT “andi” AT ARABNET BEIRUT CONFERENCE

The 8th edition of the ArabNet Beirut Conference attracted nearly 2,000 local and regional digital specialists over 3 days. It featured networking opportunities, business deals, and the signature Startup Battle, in addition to a myriad of speakers offering a variety of technical expertise – from artificial intelligence (AI) to smart cities. As gold sponsor, Bank Audi was present alongside Banque du Liban, Beirut Digital District, touch, Alfa and other market leaders who were all anticipative of the Startup Battle which consisted in 10 startups pitching their business models to a panel of judges, and 3 winners announced during an award ceremony at the end of the event.

ArabNet has become a yearly rendezvous for entrepreneurs, tech companies and tech lovers, featuring a full track of discussions about the best practices for digital transformation across sectors and opportunities for innovators in different industries. As a leader in innovation, Bank Audi’s participation at the event was accompanied by a soft launch of its revolutionary chatbot “andi”, a digital assistant that automates conversations between the Bank and its customers. “andi” will be available on Facebook Messenger to chat with any Facebook user who enters the Bank Audi page. It is fit to answer a wide number of questions and can support customers in calculating loans, locating branches and ATMs, assessing the waiting time at a given branch, and much more.

“andi” is a flexible software that promises more functionalities in phases to come. Fady Obeid, Assistant Chief Operating Officer, addressed Bank Audi’s digital journey and the way forward into building the bank of the future. The first day of the conference saw high activity from all attendees, speakers and startups on display, with the second day focusing on one-on-one interviews with industry leaders, the latest trends and networking opportunities with digital media experts. The winning startups were given the opportunity to travel to ArabNet’s Digital Summit in Dubai and participate in the Startup Championship for a chance to win a cash prize worth USD 20,000, as well as a scholarship for acceleration in Silicon Valley. It is worth noting that high profile guests and speakers made their way through the conference in its early hours, such as Prime Minister Saad Hariri who got acquainted with “andi”, Telecom Minister Jamal Jarrah, and Banque du Liban Governor Riad Salameh; and they all shared their hopes and vision for a tech-savvy Lebanon.

“Innovation and human capacity are the pillars of the 4th industrial revolution; they are fundamental elements that contribute to improving Lebanon’s competitiveness. BDL recognises the leading role of the financial sector in the development and modernisation of the Lebanese economy.”

Riad Salameh, Central Bank Governor

BEYOND BANKING HACKATHON

Bank Audi and Seedstars joined forces to organise the “Beyond Banking Hackathon” competition. The event was held over the course of 3 days in November.

Bank Audi’s aim during the competition was to find innovators that dare to build, test, and pitch solutions for challenges such as reinventing the digital banking user experience, creating a personal touch in banking, imagining the banking e-advisor, and rethinking customers’ lending, saving and transacting journeys.

This was an opportunity for the Bank to launch an open API platform, the first in Lebanon, that allows external developers to experiment in a safe environment and develop new innovative digital functionalities to be made accessible to customers.

The competition started with brainstorming, business plan development, and basic prototype creation sessions. Throughout the hackathon, participants created working startups, collaborated with like-minded individuals outside of their daily networks, and received valuable feedback from local experts.

The hackathon provided competitors with superior experiential education and created the perfect environment to test their ideas and take the first steps towards launching their own startup. On the last day, all teams pitched their ideas and presentations to a selected jury. The winning team, “Go Ahead”, composed of Wael Khattar, Antoine Maalouf, Hiba Hamieh, Lama Shatila and Adnan El Kawass, got the opportunity to present their solution to 300 attendees at the summit’s main stage and walked away with a USD 5,000 cash prize.

BEIRUT ARAB UNIVERSITY (BAU) VIRTUAL LAB

Bank Audi and BAU inaugurated the recently developed Virtual Reality Lab ensuring an open, innovative space for students to find inspiration, study and access an extensive collection of research material.



MAKING THINGS HAPPEN

Switching to a completely new core banking system was not an easy decision. Many aspects were at stake and needed consideration. Following several consultations and evaluations, Bank Audi acquired one of the best breeds in core banking: Oracle FLEXCUBE. The Bank made sure to focus on its key requirements while doing its best to least affect customers. For the past 3 years, a joint team from Bank Audi and Oracle worked on all stages in order to make it happen. It was time for an updated core banking system that includes all of Bank Audi's business requirements and that could take us to the next level in the 21st century.

"70% of core banking implementations globally either stop or exceed the set budget and time. The Bank made sure to stay on time and within budget", Toufic Arida, Assistant COO and Head of Transformation Office.

"One of the early challenges was adapting to Oracle FLEXCUBE and not replicating our old system", Dalia Tohme, Senior Change Manager – Transformation Program Office.

"The customer experience always comes first. However, the system should not disrupt the operational aspect of the Bank's branches", Dania Abou Zeinab, CASA-TD Stream Lead.

In order to transfer and load the Bank's data onto the new system, a technical infrastructure environment needed preparation. A rollout process was carried out based on a well-thought-out plan where every person knew their duty and the precise timing of fulfilling their tasks. "Banks usually make changes step by step. In this case, Bank Audi wanted the transition to happen altogether. In fact, the Bank created a transformation office that helped bring all the various components together", Katerina Nikolaou, Senior Consulting Director – Oracle.

To make it happen, there is more to the new system than meets the eye. "People tend to concentrate on the core but the satellites involved should not be out of thought. There are 32 satellites or applications with more than 20 vendors involved in the process.

In addition, there are over 180 integrations. These tools demonstrate the holistic solutions that this core banking system offers", Tohme.

"All the existing rules and processes of Customer On-Boarding (COB) had to be well aligned upon migration to the new core, and the logic of the old core was converted and translated into FLEXCUBE to ensure zero impact on all satellites and modules that read from the Customer Information Screens", Nathalie Al-Akoum – COB Stream Lead.

The challenge was to stick to the plan. The entire process was like a puzzle to put together. For example, when a developer finished his part, the satellite team took the work and started the conversion related to the section. The difficulty of a core banking system transformation is that there are no compromises.

"We went through many stages, tests, trials and business simulations as if we were going live and checked the migration with the branches", Chadi Morad, Migration Lead.

"From a training perspective, the objective was to trigger a positive user adoption. The Bank needed employees to be at ease with the system once it goes live", Itidal Saad, Training Lead.

"A full rehearsal was added to the testing environments, to highlight in advance glitches in the operations, which the team made sure to fix at each stage. We gave more than 1,700 hours of training to make sure the operations in the branches run smoothly during the go-live day", Johnny Abou Jaoude, RT Stream Lead

Different business simulations were made in coordination with all branches, during which all employees had to redo their normal daily operations on FLEXCUBE in such a way as to get as close as possible to real scenarios. "We had to ensure that all the loan processes are well structured for a thorough credit analysis and user friendly to avoid complexities and proceed with an automatic loan booking on core", Aline Abou-Saab – Newgen RLOS Lead.

"We kept the ID and serial number of our clients' current accounts. However, we had to change the numbers of the loans, for instance. Each loan was given a new contract number. So most of the client-related operations remained the same after the shift. As such, client-facing employees would be walking their customers through the changes when and where applicable", Julia Moufarrej – Lending Stream Lead

The aim was to make sure that we were reaching every target while abiding by the specific regulations of the Lebanese market practice. "The main goal was to finish on time and meet all the expectations for the opening date", Jimmy Badawy – Roll Out Project Manager, and Mira El-Hayek – Migration Project Manager. Everybody was working around the clock to place the final touches before migration.

"Our main task was to finalise the requests that we were receiving from business users. They had to be ready in order to kick off the end-of-year process and start the migration to FLEXCUBE", Charbel Habboub, Domain Head Core Banking.

December 29, 2018 was the last day employees worked on the old system. "This meant that we had to finalise all our operations before moving to the new system", Rita El-Khoury, Head of Central Operations. After finalising the end-of year report, migration of the data had to be launched. This was a very clean start for the books, the systems, and even for customers. "We had to be ready for December 31 in the afternoon to launch the first sanity test at the Bab Idriss branch", Marcelle Attar, Head of Information Technology.

"All the hard work we had done during 3 years had paid off!", Dania Abou Zeinab. Confirming the migration phase, the Finance Department was able to make sure that the data and trial balance were ready.

MAKING THINGS HAPPEN

"Our success pillars in the migration process were the multi-focal point approach, a structured financial reconciliation, secured customer account balance migration, coordinated plans among IT and the business teams, and dedicated support to network colleagues. Financial reconciliation was in accordance with the migration strategy which, in turn, made the migration process smooth", Noura Amja, Finance Stream Lead.

"The end-of-year process had ended and, starting 5 am, all ATMs and debit cards would go offline in order for satellites to start the conversions in parallel with the migration", Elie Harfouch, Integration Lead.

"Our debit and credit card systems needed to be converted in such a way as to speak the language of the new core banking system", Walid Mneimneh, Cards Stream Lead.

"We worked closely with the technical, business and communication teams in order to provide the most seamless migration to our alternative delivery channels", Wadih Tohme, Omni Channels Stream Lead, and Omar El-Zein, ATM Stream Lead.

After much anticipation, the time to go live with FLEXCUBE had come!

A special room was prepared in order to keep operations running at all times without any glitches. The space was divided into streams where each employee gave a precise kind of support to a specific module and application. "A specific hotline was created for each section depending on the type of work", Roula Obeid, PCFT Stream Lead, giving us remote access to employee screens. Bank Audi's command centre had more than 50 resources to be able to cover all the streams and provide live support to branches.

"These resources were shadowing the branches, providing support and accessing their systems remotely in order to help them run everything smoothly", Jihad Hichi, Business Manager.

As the first day of FLEXCUBE got closer, all employees were eager to get the system working and start executing client transactions. They were ready to face any problem that might

come their way. Having sat for intensive training sessions during weeks before the D-Day, confidence prevailed. Witnessing the move to a new core banking system on such a large scale is a once-in-a-lifetime experience. From the start of the project, employees showed immense dedication and professionalism to the tasks. The enthusiasm of all was what made this project a success. "I want to emphasise that Bank Audi employees showed an utmost level of commitment, dedication and motivation", Mahmoud Kurdy, Country CFO.

At the Contact Centre, shifts were doubled. "We created an outbound team to call back clients that we could not reach", Roula Chartouny, Team Leader.

"On the marketing front, in order to keep customers well informed and to prepare them for the migration, the Bank developed a communication plan that was rolled out mid-December across various channels and platforms", Jad Ibrahim, Communication Lead.

"The team performed outstandingly well. They really embraced the project. They knew what to expect, what to plan for, and where the weaknesses and strengths were in the system", Katerina Nikolaou.

"The professionalism I witnessed during the entire process is up to international standards. Hats-off to everyone. This is a major milestone", Alain Nohra, Levant Technology Country Manager – Oracle. A small celebration took place, during which Management congratulated the employees on a job well done.

"We did not only implement a system. We implemented a way of life and a way of work at the Bank", Toufic Arida, Assistant COO and Head of Transformation Office.

"We have reached our last milestone and channels migrated to FLEXCUBE smoothly. These last few weeks were intense, yet rewarding. We went live with our branches and customers as planned. This was a smooth experience and customers were barely affected, which was our objective to start with", Fady Obeid, Assistant Chief Operating Officer.

Hassan Saleh, Chief Operating Officer, addressed the concerned teams saying: "After 20 years, we are changing our core banking system. We would not have reached this stage in such a professional way without your efforts and teamwork. We thank you all for your hard work throughout the entire process."

Marc Audi concluded: "At Bank Audi, we are used to success. We kept that pace and completed the migration on time. We even exceeded our own expectations." He went on by relaying the message of Chairman and Group CEO Samir Hanna who was keen on congratulating and thanking employees for their perseverance and dedication.



Switching to FLEXCUBE



Switching to FLEXCUBE



COMMUNITY DEVELOPMENT

Local Community Support

Local Community Development

Local Community Collaboration

Financial Inclusion

In line with our strong conviction of creating shared value, we collaborate with various organisations for the benefit of fostering a **strong societal ecosystem and sturdy communities**, touching humanitarian, health, social, educational, cultural and sports aspects.

FINANCIAL INCLUSION

FINANCIAL LITERACY

These initiatives come in line with the Bank’s CSR strategy which aspires to promote financial literacy through communication with specific stakeholders, and to empower future generations by educating them on financial planning and management, savings, and social inclusion.

KidzMondo

Located at the Beirut Waterfront, KidzMondo is a replica of a real-life city which provides children between the ages of 2 to 14 with interactive and immersive vocational role play activities designed to be fun and pedagogical, based on the concept of “edutainment” or playful learning. This city for kids is composed of the different industries that make up the private and public sectors of a real city. Through engaging in its micro-economy, children will learn the virtues of labour and financial independence. Children working in KidzMondo will gain fiscal knowledge, learning how to exchange money for products or services. Guests will circulate Kidlars, the city’s local currency, gaining a sense of earning and saving.

Our impact in this micro world is all about raising awareness on financial literacy as part of a broader sustainability goal for Bank Audi. Our conviction that financial literacy starts at a young age and our commitment to KidzMondo since 2013 offers young children the opportunity to familiarise themselves with banking basics in a motivational environment.



Kidzmondo

Injaz Lebanon

Spring Innovation Camp

In the spirit of the Global Entrepreneurship Week, Bank Audi’s “Be a Hero for a Day” Volunteer Program and Spring account held an entrepreneurial workshop in collaboration with Injaz Lebanon, during which Springers teamed up to find solutions for a business case developed by the Bank. Each team had a Bank Audi business mentor. The competing youth were given an idea about financial literacy through the workshop. Springers used business models to develop their ideas further and present them in front of the jury and other teams. As this inspiring day came to an end, the jury elected a winning team whose members received a 1-month internship at Bank Audi. The participating youth came up with wonderful and feasible ideas during a limited time.

Injaz modules aim at fostering an understanding of the active world and a spirit of entrepreneurship through the principle of “learning by doing”. It also encourages young people to think globally about their enterprising potential and activities. Bank Audi, through its Volunteer Program, partnered with Injaz Lebanon to contribute to various modules presented to public schools, orphanages and NGOs which cater to underprivileged children while sharing their experience, and therefore helping them prepare for a successful career and a brighter future. Bank Audi has been a board member of Injaz Lebanon for the past 15 years.

Furthermore, the 2018-19 academic year witnessed a new exclusive partnership with the “More Than Money” module, with 420 students at 8 public schools benefiting from our volunteers’ know-how. The “More Than Money” program teaches students about earning, spending, sharing, saving money, and businesses they can start or jobs they can perform to earn money. Students are encouraged to use innovative thinking to learn money-management skills as they explore their career aspirations.



Spring Innovation Camp

Global Money Week: Money Matters Matter

As part of the Global Money Week – an internationally recognised initiative by Child and Youth Finance International (CYFI) intended to promote financial literacy and empower the next generation of financial actors to be confident, responsible, and skilled economic citizens, Bank Audi invited 11th grade students for the fourth consecutive year to spend a day at the Bank between March 12 and March 17. During these 6 days, 518 students from 16 public and private schools attended a series of interactive presentations under the “Money Matters Matter” theme.

This year’s edition, customised by Bank Audi, introduced the 17-year olds to the world of banking, corporate social responsibility, career identification, the ecosystem of startups, the advantages of entrepreneurship and innovation, challenge solving, anti-corruption and citizenship for social accountability. Among our partners were Cedar Environmental, Synkers and the Lebanese Transparency who shared their expertise in empowerment, becoming economically equipped and reducing inequality gaps.



Tallying with the “More than Money” program, a record outreach for the Global Money Week this year reached a total of 938 students, sharing essential banking knowledge and teaching how to be responsible with money and plan out the future.



Global Money Week 2018

Spring Account (read more)

Spring Interschool Competition

Following our strategy to reinforce the relationship with schools through financial literacy and inclusion, Bank Audi organised a Spring competition among 10 schools in the Metn Region in November 2018. A fun and educational quiz competition included several topics such as the 75 years of independence, math and critical thinking, technology and innovation, banking, Lebanese poets, and events from 2018. In its first phase, more than 650 students sat for a written exam. The students prepped for the exam and were enthusiastic to take it. Participating students came from Collège des Soeurs des Saints Coeurs – Bauchrieh and Ain Najm, Beirut Evangelical School – Rabieh, Champville, Congrégation Religieuse de la Sainte Famille, Collège des Frères Mont La Salle, Rosaire – Mansourieh, Eastwood College, Brummana High School, and Val Pere Jacques Bkennaya. The top 3 performing students from each school were selected to participate in the next round in 2019.



Spring Interschool Competition

Codi Academy

17 students of the Codi Academy, a training centre fostering digital and technical skills for underprivileged and marginalised youth in Lebanon, spent a day at Bank Audi to learn more about banking, with an introduction to the world of banking, plastic money and e-payments, retail loans and SME loans, and combating financial crime.

“Let’s Talk Money”

An Interactive Financial Literacy Quiz Launched in November 2017 for Young Adults Aged between 16 and 24 Years.

The quiz allows the youth to:

- Learn about personal finance
- Test their financial knowledge
- Receive an e-certificate and reward

This financial literacy website features 6 different modules:

- Introduction to Banking
- Spend vs Save
- Retail Products & Services
- Credit Cards
- Bank of the Future
- CSR

To date, 2,285 young adults participated in the game.

LOCAL COMMUNITY SUPPORT

USD 9 million

Total contributions to the community

USD 7 million

Humanitarian and social

USD 1 million

Health

USD 880,000

Culture

NATIONAL & INTERNATIONAL CULTURAL EVENTS

- | | |
|-------------------------------|--|
| Abey Festival | Ghazir Festival |
| Al Bustan Festival | Jezzine Festival |
| Al Qalaa Festival | Jounieh International Festival |
| Amchit Festival | Jounieh Spring Festival |
| Amyoun Festival | Jounieh Summer Festival |
| Baalback festival | Kartaba Carnival |
| Baalbackiyat Festival | Kartaba Festival |
| Batroun Festival | Kfardebian Festival |
| Beirut Chants | Live Ashrafiyeh |
| Beirut Cultural Festivals | Live Love Jounieh |
| Beiteddine Festival | Maghdouche Festival |
| Bent Jbeil Festival | Rachaya Festival
<small>(animated by the Bank's "Awdiyat" band)</small> |
| Byblos International Festival | Saida International Festival |
| Cedars Festival | Tripoli Festival |
| Ehdeniyat Festival | Zahle Festival Zouk Festival |
| Eid El Sayde Festival Antoura | |
| Faqra Club | |



Rachaya Festival

FEATURING NGOS

Through our social media, we featured various NGOs such as CCCL, Roads for Life, My School Pulse, GCNL, Lebanese Food Bank, Lebanese Red Cross, Ajjalouna, Step Together, Heartbeat, Injaz, Kibarouna, and Amour et Partage, in an effort to shed more light on their contributions to society. It is worth noting that impacts reached over 300,000 users and reactions summited at 800.

CULTURE

Prix Phénix de la Littérature

The “Prix Phénix de la Littérature” 2018 edition was granted to Dr. Fadi Comair for his book “Hydrodiplomatie et Nexus” published by Johanel.



Prix Phénix de la Littérature: Dr. Fadi Comair and Mrs. Christiane Audi

Classic Reloaded. Mediterranean: Another Art Must by Bank Audi

Curated by the prestigious MAXXI Museum of Modern Arts in Rome and featuring 20 of its artworks, Villa Audi hosted an important exhibition featuring 13 Italian contemporary artists under the title “CLASSIC RELOADED. MEDITERRANEA.” Organised in collaboration with the Italian Embassy, the Italian Cultural Centre in Beirut and the Sursock Museum, the exhibition aimed to consolidate ties between the classical traditional arts of the Mediterranean shores (Greco-Roman mosaics of the Bank Audi collection) and the very contemporary Italian art scene, thus showing the connections, dialogue and complementarity of these cultures and civilisations.



Classic Reloaded. Mediterranean Exhibition at Villa Audi

LOCAL COMMUNITY COLLABORATION

PARTNERING WITH THE CIVIL SOCIETY

“Embrace” Fashion Show: Putting Mental Health in the Spotlight
For the first time in Lebanon, a charity fashion show bringing together some of the most reputed names in the fashion industry placed the issue of mental health in centre stage. The Sursock Museum saw models lighting up the runway with mind-blowing pieces by Lebanese designers while carrying various awareness messages on an issue that is much neglected in the country. The event also set the stage for launching a dedicated helpline to individuals suffering from mental conditions. The “Lifeline”, reachable at 1564, is set to provide support to mental patients or their support systems. Embrace, an NGO that helps prevent suicides and resolve mental health issues, is proudly sponsored by Bank Audi.

Roads for Life Calls for a Bigger Regard to Rescue Culture amid High Rates of Traffic Accidents

The ceremony, held at the American University of Beirut Medical Centre (AUBMC), delivered certificates to the 68 participants in the ATLS (Advanced Trauma Life Support) and ATCN (Advanced Trauma Care for Nurses) training sessions sponsored by RFL’s strategic partners.

“The new government should give priority to the rescue culture, especially since the number of traffic accident victims over the first six months of 2018 has not witnessed any significant decrease compared to 2017.”

Zeina Kassem, RFL President

The 44 hospitals and entities which took part in the ATLS and ATCN sessions included: Hammoud Hospital, Lebanese American University Medical Centre – Rizk Hospital, AUBMC, Sheikh Ragheb Harb Hospital, Military Hospital, Saint George Hospital, Rafik Hariri University Hospital, the Lebanese University’s Faculty of Medicine, the International Committee of the Red Cross, Kesserwan Medical Centre, the specialised gunshot wounds trauma centre in Tripoli, Ain w Zein Hospital, Bellevue Medical Centre, Mount Lebanon Hospital, Notre-Dame University Hospital and Labib Medical Centre. **Kassem affirmed that “remote areas, especially the Baalbeck-Hermel region, have the highest recorded rate of deadly traffic accidents.” She also explained that “Roads for Life has developed its capacities and array of services, which will soon include new rescue sessions aiming to teach ordinary citizens the skills needed to stop bleeding in all kinds of traumatic injuries, thus helping save additional lives all over Lebanon.”**

Hôpital Psychiatrique de la Croix

The contribution made to the publication of the scientific and social journal “Assabil” raises awareness on the importance of mental health and its risks, as well as on psychic disorders. To date, little knowledge is available on the fight against the prejudices and stigmatisation of people suffering from mental disorders to improve their integration into society.

Brave Heart

In the last year, 200 children in need of urgent medical assistance were offered lifesaving heart surgeries. The objective of supporting this lifesaving mission is to help children in need. The Brave Heart Fund has treated more than 3,546 children diagnosed with Congenital Heart Disease (CHD) in the last 14 years. Every 12 hours, a baby is born with CHD in Lebanon, the leading cause of death in the first year of life if left untreated. Brave Heart Fund’s motto is: “no child should die of heart disease because of lack of funds.”

Openminds

In partnership with this NGO which deals with autism, various awareness projects were organised across the community and integrated in 10 schools. Additionally, 102 families in need were helped at the AUBMC Special Kids Clinic.

Ahlouna

Together, we have supported the education of orphans and children with special needs, as well as underprivileged elderly and families. We were able to contribute to the tuition of a number of children and to cater to the needs of few disadvantaged persons.

Tamanna

Tamanna makes sick children’s wishes come true. Together, we were able to turn Hadi’s (17 years old) tears into laughter by providing accommodation and travel to visit Madrid to meet his favourite players from Ciudad de Real Madrid.



Assameh Birth and Beyond

900 patients were treated at governmental hospitals with a treatment matching that of private hospitals, among whom 150 babies were admitted in premature intensive care for medium to longer treatment. **“Contributions from the private sector and individual citizens have become a necessity. Our babies deserve the right to be born, to live healthily, and to enjoy life like all other young citizens.”**

Oum el Nour

This non-profit, non-governmental organisation is currently celebrating its 30th anniversary as a pioneer organisation offering drug prevention, education, and rehabilitation and reintegration services to persons with substance use disorder. To date, they have welcomed nearly 8,000 young women and men in their struggle with drug addiction, services provided to all free of cost and of any discrimination. The success of Oum el Nour has always depended greatly on the generosity of its contributors, such as Bank Audi. The most recent contribution implied the continuation of the prevention and treatment programs which provided awareness sessions on the use of 16 substances, thus allowing an outreach to 480 youth aimed at living healthier drug-free lives.

Socio-economic Development in Rural Communities – Jabal Moussa UNESCO Biosphere Reserve

In 2018, our support allowed the enhancement of Jabal Moussa’s food products, specifically the “mixed zaatar” product, from source to market, benefitting more than 20 local households.

In addition, improved material was purchased for the packaging of the product, and allowed its introduction in specialised urban areas outlets, which will improve its demand and therefore secure the sustainability of the project for the years to come.



Chance

With CHANCE Association, children continue their fight against cancer and look for a brighter future.

“CHANCE just fills my heart with passion, it never ceases to amaze me how this small group of people accomplishes so much and in such short time. This world is truly a better place just because they give it the CHANCE to be one.”

CHANCE survivor

Al Younbouh

“Walk with Al Younbouh”, a race sponsored by Bank Audi since its inception, was created to raise awareness on people with special needs in Lebanon. 65 students were offered a wide range of educational and recreational activities.

Heartbeat

In 2018, the contribution of Bank Audi in Heartbeat concert and gala dinner helped save the life of 35 children born with heart disease. Our partnership with Heartbeat dates back to 2005, since the inception of the association.

“Many children of financially deprived families are born with heart disease. You can feel pity and pray for their unlikely recovery, or you can do something. You can deal with this the easy way, or you can do it the heart way.”

Pr. Victor Jebara, Vice-President, Heartbeat

LOCAL COMMUNITY DEVELOPMENT

NATIONAL DAYS

Celebrating Teachers

In honour of the teachers who are a core asset in shaping a healthy society, Bank Audi launched its annual Teachers' Day initiative on March 9, in coordination with the Bank's branches and networks. Branch Managers and Bank Audi representatives visited more than 8,000 teachers from 72 schools across the country. There, they met with the schools' faculty and staff, and treated them to a special breakfast and pleasant giveaways with messages such as "A teacher touches lives forever" and "Teaching is a work of heart". The Bank greeted the teachers among its customers with heart-warming words on their day.

Similarly, trainers at the Bank Audi Training Academy received appreciation gifts on Teacher's Day. Since many of our employees represent the teaching profession in our miniature society by being trainers in our Training Academy, Bank Audi chose the date of March 9 to recognise its trainers who contribute to improving the Bank's human capital by coaching employees who need guidance.



Celebrating Teachers' Day

Child's Day

Worldwide, June 31 celebrates "International Children's Day". In 2018, Bank Audi made sure to greet children in person: more than 3,000 stuffed toys were offered to children who walked into our branches with their parents, and to kindergarteners at different schools. It is never too early to establish a relationship with tomorrow's generation. The initiative was highly commended by parents who appreciated the Bank's thoughtfulness, not only towards its customers, but also towards their children.



Celebrating International Children's Day

International Nurses' Day

In celebration of International Nurses Day, Bank Audi visited 7 hospitals across Lebanon to show nurses their appreciation on behalf of everyone at the Bank. 1,269 nurses were offered branded mobile cardholders as a reminder of Bank Audi's support and gratitude for their selfless giving.

1,269 nurses were offered branded mobile cardholders as a reminder of Bank Audi's support and gratitude for their selfless giving

World Food Day

To provide relief to households in need, the Lebanese Food Bank (LFB) collects surplus food from partner restaurants, hotels, caterers, supermarkets, grocery stores, and food exporters/importers, and distributes them daily to more than 70 Lebanese NGOs supporting families and individuals in need. On the occasion of World Food Day, and in collaboration with the Lebanese Food Bank, Bank Audi organised a special workshop for Spring account holders to raise awareness on food waste and ways of reducing it. Touched and incentivised by this human cause, a big number of participants volunteered to become LFB ambassadors and roll out in turn to their own schools.

TRIBUTE TO THE ARMY

The Heart of the Nation: A Book on the Lebanese Army Worth a Thousand Words

"The Heart of the Nation" was launched on August 1, 2018 at Villa Audi, on Army Day, in the presence of General Joseph Aoun – Commander of the Lebanese Armed Forces, Samir Hanna – Chairman and Group CEO of Bank Audi, and Marc Audi – General Manager Lebanon. A number of army officials were also present, along with members of various security services and key staff from the Bank.



Tribute to the Army

“We anchor fundamental values such as human capital, civic role and heritage. This helps us map a course of action for every individual to follow and reach his ends. Of course, this requires positivism and countless victories, but above all, it takes brave men and women to win them, as they represent the true character and genuine essence of our nation in its most powerful way, through honour, sacrifice and loyalty. It is through the modern art that is photography, which pays tribute to moments in time and in history, that I salute the Lebanese soldier of yesterday, today and tomorrow.”

Samir Hanna, Chairman and Group CEO

The book, is a joint initiative by Bank Audi, the Lebanese Army, and professional photographer Jeremy Chivers, pays tribute to the outstanding efforts, sacrifices, activities and victories of our soldiers.

“Most Lebanese aren’t as lucky as I was,” said Chivers, **“to be able to get out into the field, to see what the LAF actually did day by day, month on month, year on year, to safeguard the republic and the constitution.”** His thoughts went out to the veterans and martyrs of the Army and to their families who will benefit from the profits of the book’s sale.

General Joseph Aoun seized the occasion to thank Bank Audi for making this initiative possible, and for its continuous support to the Lebanese Armed Forces. He underlined that **“The Heart of the Nation”** relates, through brilliantly taken photos, the daily lives of Lebanese soldiers, as well as their competencies, their extensive training, and their ability to complete their missions as professionally as possible.” The related photo exhibition was hosted at Villa Audi – SOFIL.

Inauguration of the Army College Auditorium

Widely known for its constant support of the Lebanese Army, Bank Audi inaugurated, on December 6, 2018, the Fouad Chehab – Army College Auditorium, a project the Bank has sponsored from the very beginning. The inauguration took place in the presence of the Army Commander, General Joseph Aoun, and Samir Hanna, Chairman and Group Chief Executive Officer of the Bank, as well as the military council, a number of officers, and Board members of the Bank.

75 Years of Independence

Under the patronage of Mrs. Nadia Aoun, the First Lady of Lebanon, the Rachaya Municipality and the Rachaya Festival Committee, a special press conference was held to announce the Poster and Logo Design Competition targeting university students and consisting in designing the best visual poster celebrating the 75th commemoration of Lebanon’s independence. The launch was held at Villa Audi.

Following a difficult jury selection, the award ceremony and closing exhibition were held at the old citadel in Rashaya. The First Lady praised the organisers for this national initiative commemorating our independence, the Lebanese people’s pride and joy.

In turn, Mrs. Claudine Roukoz, President of the National Commission for Lebanese Women, called on the Lebanese **“to focus on the magnificence of their country and its human resources, to join efforts to preserve Lebanese rights and equality, to promote a culture of respect, and to face the challenges that have continued from the independence to date.”**

She added: **“The competition aims to enhance the spirit of belonging among Lebanese students, and to highlight the cultural and artistic creativity of young Lebanese.”**

The top three students were granted prizes courtesy of Bank Audi. Mrs. Christiane Audi, President of Fondation Audi, underlined that supporting such national activities aims at promoting Lebanon’s image as a country marked by human heritage and creative wealth. The winners, Christelle Khoury (1st), Georgia Labaki and Mira Khoury (2nd), and Ahmad Mazloum (3rd), explained the expressive dimensions of their drawings which focused on Lebanon’s independence in a distinctive artistic style.



HEALTH MATTERS...

A Medical Congress

Bank Audi sponsored the 23rd congress of the Saint George Hospital University Medical Centre in Beirut. The congress, which addressed a vast variety of topics including neurology, paediatrics, oncology, and many more, gathered distinguished regional and international speakers. A scientific exhibition was held in parallel, providing companies with an opportunity to interact with international experts, industry leaders and a diverse group of participants from physicians and other health care professionals.



23rd congress of the Saint George Hospital University Medical Centre

Physio Beirut Event

Bank Audi's support also went to the congress of the Order of Physiotherapists, Physio Beirut 2018, where keynote speakers and panel discussions led to optimising the practice of physiotherapy in the country, in line with international standards.



Physio Beirut 2018

Nurses Leading the Vision for Global Health

The second International Nursing conference, "Nurses Leading the Vision for Global Health", organised by the Order of Nurses in Lebanon, was supported by Bank Audi in collaboration with the International Council of Nurses and national nursing associations.

The main objectives of the conference were to empower and engage nurses to be stronger patient advocates at global and national levels, and to improve evidence-based care of patient populations by elevating the voice and influence of nursing on health policy and outcomes.

This international conference targeted nurses practicing in different settings such as hospitals, primary health care centres and schools, in addition to educators in the health professions (nursing faculty members, clinical educators and nurse researchers), hospital management, and quality improvement and patient safety professionals.

The conference, which included plenaries, breakout sessions and workshops, hosted 7 prominent international speakers from Geneva, Canada, the USA, South Africa and other countries, and gathered more than 300 delegates and 1000 participants from around the region.

SPORTS ACHIEVEMENTS



Football Co-League Mini Tournament



- Football BDL League
- Football Inc.



Football Lebanese Syndicate of Bank Employees



Football BDL League

Bank Audi Runs for The Human Rights Watch

On the morning of November 11, the Beirut International Marathon took place in the Lebanese capital. 400 Bank Audi employees, alongside their friends and families, chose to run for The Human Rights Watch, in defence of the right of people worldwide. The marathon attracted around 43,000 runners from different backgrounds and age groups, bringing fun and joy to the city all while running for a good cause.

During this year's edition, athletes from 99 countries challenged themselves to get to the finish line and be acclaimed winners. The marathon inspires unity and positive change, promotes wellness, and provides an experience of challenge.



My School Pulse: a Cause Close to the Heart

For the 9th year in a row, Bank Audi sponsored the MySchoolPulse marathon, the main fundraising event for the MySchoolPulse Lebanese NGO which provides children undergoing treatment for life-threatening illnesses with the chance to continue their education through tailored lessons adapted to their needs.

The marathon, which took place at Faqra Club, saw runners, joggers and walkers of all ages participating enthusiastically. 117 Bank Audi employees and their families took part in a day spent in a wonderful outdoor setting featuring numerous activities and events. Above all, and thanks to 2,144 participants, the marathon raised enough funds to provide schooling for 100 hospitalised children.

DONATIONS

There is no limit to what you can give back to the community. That's what Bank Audi believes, and that's why it has been organising several donation campaigns for several years in a row now.

In 2018, Bank Audi employees donated a total of 652 books, spanning school and university books, textbooks and stories. They were all donated to St. Vincent de Paul which displayed them for free at its annual book fair, offering the poor a sustainable access to books and self-education.

In partnership with "arcenciel", Bank Audi organised a two-day initiative for the donation of clothes, shoes and accessories for all ages. Almost 300 Kg of clean and decent clothes and accessories were gathered and donated through the NGO to people in need.

This year, two blood drives were conducted in collaboration with the Lebanese Red Cross and Donner Sang Compter (DSC), during which 35 blood units were donated, saving 105 lives during the first round, and 22 blood units were donated in the second one, saving 66 lives.

On Earth Day, employees were invited to give away their unwanted electronics, such as TVs, tablets, phones, music players, keyboards, hard disks, CD-ROMs, cables, and monitors. Additionally, the Bank's I.T. Department offered its own e-waste for recycling. A total of 2,192 Kg of E-waste were collected to the benefit of Beeatouna and Association de L'Écoute for refurbishing and recycling purposes.



VOLUNTEER PROGRAM

Continuing to match our corporate charitable donations with a direct human involvement through its corporate "Be a Hero for a Day" Program, the Volunteer Program was further developed by organising departmental and team building activities. The program encouraged employees to engage and give back to the neediest, and raised their awareness on important social, educational and environmental issues. In 2018, the "Be a Hero for a Day" Program and its volunteers genuinely demonstrated how we embrace a culture of high engagement and responsibility.

Such social investment programs have a significant impact on employees' performance at work, and increase the feeling of fulfilment by committing to these community outreach and volunteerism initiatives.



Partner NGOs	Mission	Activities
Amour et Partage	Provides underprivileged elderly with a dignified life.	Spending an evening with 23 elderlies.
Ayadina Association	Helps underprivileged children and elderly.	Serving lunch to 40 elderlies.
Beit El Yateem El Derzi	Supports orphans.	Assisting 35 orphans in an extreme sports competition.
CCCL	Provides all children with cancer in Lebanon and the region, without any discrimination, with access to free treatment.	Assisted in the "Home Sweet Hope" campaign and received more than 700 phone calls during a telethon with Marcel Ghanem.
Cedars for Care (OBBA)	Eradicates poverty and seeks to protect, analyse, and monitor the coastal and marine environment against misuse or degradation, and actively works on resolving such issues.	Cleaning Ramlet al Bayda beach in collaboration with 42 interns.
	Clean the Deir al Qamar forest.	Cleaning the hunting fields of Deir al Qamar by the Retail Department as part of a teambuilding and environmental volunteer project.
Empowerment Through Integration (ETI)	Creates integrated, supportive spaces that empower participants to break down social stigmas and create positive social change.	- Participating in the cleaning of Ramlet al Bayda beach. - Guiding visually impaired persons during the ETI Life Skills program at AUB, in collaboration with 12 interns.
Houlmouna	Cares for the elderly.	Celebrating Mother's Day with 35 elderlies.
Howard Karagheusian	Assists socially and economically vulnerable communities with the aim of easing their suffering, enabling them to lead healthy, productive lives, and empowers them to achieve economic self-sufficiency.	Assisting and entertaining 100 underprivileged children, in collaboration with 24 interns.
Injaz	Equips youth with the needed skills and mind-set to become entrepreneurs, business leaders and sought after employees, stimulating their communities and contributing to economic development.	- Delivering "More than Money" sessions for the benefit of 450 students from public schools. - Delivering the Innovation Camp for Springers on financial literacy.
Kibarouna	Cares for the elderly.	- Interns' volunteer day: entertaining 35 elderlies at the yearly camp. - Celebrating Christmas with 100 elderlies. - Hosting grandparents' day with 1000 seniors at the Palais des Congrès.

Lebanese Food Bank	Fights and overcomes hunger by developing effective feeding programs, in parallel with development and awareness programs aimed at eliminating hunger.	- Training around 200 Springers to raise awareness on food waste in their old schools, and to support this initiative. Overall, 10 sessions were rolled out across Lebanon. - Preparing and distributing 54 ready-made food packages of beans, rice, flour, tuna, cereals, etc. to needy families by the Retail Department.
Saint Vincent de Paul	Serves the poor with love, respect, justice and joy.	Serving lunch to the elderly.
Orphan Welfare Society - Saida (OWSS)	Cares for orphans.	Inviting and accompanying underprivileged children to KidzMondo.
Villages d'Enfants S.O.S.	Provides a home for orphans.	- Inviting and accompanying underprivileged children to KidzMondo. - Delivering a capacity building workshop. - Hot chocolate afternoon with 38 children, playing board games.
Step Together	Improves students' life through individualised tuition and therapy.	Interacting with 24 children with learning difficulties.



SOCIAL MEDIA

CSR posts showcase Bank Audi employees engaging with the community, include images from events, or feature a clear call to action, in addition to updating our community on recent upgrades and relevant interventions. Below a sample of some of our posts on various sites and their engagements.

RECYCLING PROGRAM

Facebook - December 27, 2018

Reach
294,200

Reactions
1,731

Views
172,000



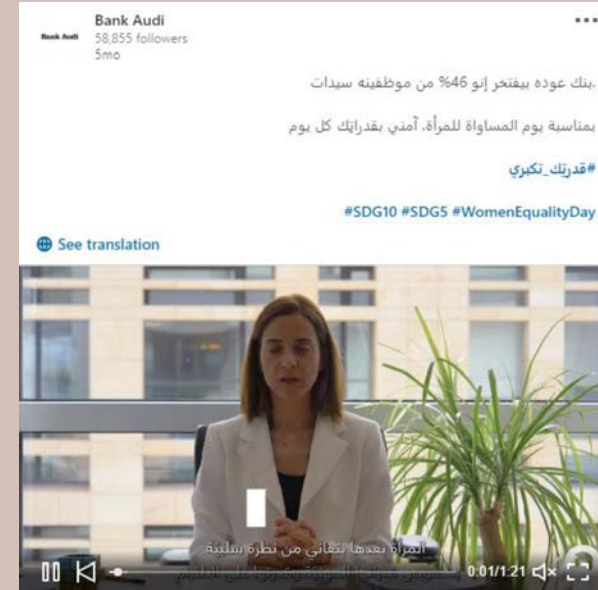
WOMEN'S EQUALITY DAY

LinkedIn - August 24, 2018

Impressions
35,216

Clicks
1,333

Interactions
363



KIBAROUNA'S FEATURE

Instagram - November 26, 2018

Reach
90,414

Social actions
792



MY SCHOOL PULSE

Instagram - August 7, 2018

Reach
226,081

Social actions
189





HUMAN DEVELOPMENT

Labour Practices

External Human Development

Diversity, Inclusion & Equal Opportunity

Training, Education & Talent Development

Cultivating human talent is one of our top priorities at Bank Audi. Being one of the largest private sector employers in Lebanon, we value the importance of nurturing human talent in all its guises, whether inside the Bank by investing in our own employees, or outside it by investing in the development of external nation-wide human talent.

TRAINING, EDUCATION AND TALENT DEVELOPMENT

USD
721 K

Invested in employee training and development

USD
360,788

Invested in support of our employees' development

120 K

Training hours deployed

2,187

Training academy participants



69%
SUCCESSFULLY TRAINED

Equally split in terms of gender representation, covering all levels of employment

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY



1.48%
RATIO OF STANDARD ENTRY-LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE

4.25%
HUMAN CAPITAL TURNOVER – BROKEN DOWN BY GENDER:
4.84% MALE VS. 3.66% FEMALE

LABOUR PRACTICES

25 YEARS OF LOYALTY – CELEBRATING THE SILVER JUBILEE OF BANK AUDI EMPLOYEES

Another year goes by with yet another crowd of Bank Audi's loyal employees recognised for their efforts. 30 Bank Audi employees were honoured for their loyalty at Bank Audi Plaza in Downtown Beirut.

Bank Audi's Lebanon Country Manager, Marc Audi, who warmly thanked the attendees and praised them for their hard work, inaugurated the event; he went on to say that Bank Audi regards their lifetime of service as a true testimony of their dedication and loyalty to the Bank. He continued: **"The year you joined the Bank was the year that the world wide web was booming. And together, we graduated to being experts in the field."** Following the speeches, the jubilees took the floor to receive their elaborately engraved silver awards, and proceeded to take the ceremonial group picture with Mr. Audi. Everyone then made it to the "I Love BA" photo booth which was set up for the occasion, before honouring the cocktail reception.



EMPLOYEE ENGAGEMENT SURVEY

Evaluating the level of "happiness" at Bank Audi based on the Employee Engagement Survey of 2017, we noted that:

1. 61% expressed employee job satisfaction (same score as global banks, with Middle East banks scoring 49%).
2. 47% perceived fairness of opportunities (3 points lower than global banks and 2 points higher than Middle East banks).
4. Average Longevity on the Job (tenure) – Average of 11.10 years to date.
5. 82% acknowledged implemented innovations (34 points higher than global banks; no benchmark with Middle East banks).

As part of our determination to retain our employees, we make sure that they take the time needed to nurture their new-borns and cater to their needs. We also provide space for them to resume their work and fulfil their career aspirations.

1751

The number of beneficiaries from the influenza vaccine in 2018

3018

Total number of visitors to the infirmary in 2018

BENEFITS

**USD
101,725**

Wellness programs

**USD
200.9
MILLION**

Salaries and benefits

**USD
704,314
5G GOLD UNITS**

Traditional annual end-of-year gifts to our employees

EMPLOYEE WELLNESS

Activity	Total Beneficiaries	CLUB	Description
Beirut Jazz Day	200	Music Club	Participation of Band Audi in the Beirut Jazz Day.
Beirut Corporate Games	150	Sports Club	Participation in the Beirut Corporate Games organised by Sport Evasion. This sport festival aims to encourage companies to support their employees' pursuit of a healthier and more active life style.
Outing to Arnaoun	201	Community Club	Visit of Arnaoun.
Outing to Becheleh	123	Community Club	Cultural visit to Becheleh.
Children Empowerment Day	58	Community Club	Activity for employees' children.

EXTERNAL HUMAN DEVELOPMENT

BANK AUDI HONOURS TOP STUDENTS AT LA SAGESSE SCHOOLS

Under the title "L'innovation au Coeur des Générations", the annual "Blé Vert" event took place at La Sagesse Brasilia to honour academic excellence and innovation. This yearly event, was held under the patronage of H.E. Boulos Matar, Archbishop of the Maronite Church in Beirut, and Marc Audi, Country Manager Lebanon, recognised 158 students for their distinguished performance.

/// Culture is education, a vision, and openness. It is broadening one's horizons to various sectors: new cultures and arts, new educations and technologies. It is a type of upbringing and the ability to accept all others. //

Marc Audi, Country Manager Lebanon

USJ STUDENTS REWARDED

In line with the Bank's constant mission to support students in their academic path, Bank Audi once more sponsored the scholarship ceremony of Université Saint-Joseph (USJ) at Bank Audi Plaza, during which 7 students were granted scholarships for their academic achievement, under the theme "A Common Mission – Creating Leaders of the Future". Academics are a key factor in building an intellectually aware society. Through the solid partnership with USJ, which celebrates education and rewards students for their hard work, Bank Audi aims to encourage students to seek academic excellence. The event consisted in a round table discussion with Marc Audi in the presence of Reverend Father Salim Daccache, Dean of the University, alongside members of Bank Audi's Management. Certificates were then distributed to the scholarship winners.

/// It is specifically in this context that the partnership between Bank Audi and USJ is enriched and strengthened. We both share the same objective: to invest our power in top students and give them the necessary means to start a solid career. //

Marc Audi, Country Manager Lebanon



Blé Vert

"MUSIC TO THE EARS" WORKSHOP

During the month of October, the Spring Account gave way to a different path of workshops. Two unique music workshops were organised to help the youth boost their skills. Bank Audi, in collaboration with Isar Music Atelier, welcomed Springers who are passionate about music, who got to learn about musical theory, harmony, solfège, music composition, production and singing. This variety of educational and fun workshops helps the youth acquire new skills, promote innovation, strengthen their interpersonal connections, and create lifelong memories!



Scholarship ceremony of Université Saint-Joseph (USJ)

“THROUGH THE LENS” WORKSHOP

As part of its career and networking pillar, and in order to partake in the youth's lifestyle, the Spring Account is always looking for fun and unique ways to strengthen Springers' skills. Hence the collaboration with leading photographer Sayde Jabra to offer the youth an artistic workshop and enhance their creative thinking. Attendees were given tips and tricks on how to use photographic tools, learning how to take a good picture and setting up for a photoshoot. Jabra focused on each and every participant, helping them improve their capabilities. Springers left the workshop inspired and enriched with new tactics of photography. This created an interactive community where lucky participants network, meet and engage with new people, all while strengthening their skills.

A TASTY LEARNING EXPERIENCE

A special session for 18 gourmet Springers was organised at KitchenLab Beirut to prepare a brunch like no other. As an entertaining activity to develop their time management, creative thinking and soft skills, they were required to prepare poached eggs with sausages, English muffins and pancakes in only 30 minutes!

PROFAMILY - EXCELLENCE REWARDED

Academics are a key factor in building an intellectually aware society that thrives to develop towards the best. In this perspective, Bank Audi held its annual Profamily celebration for the 11th consecutive year, during which 15 children of fellow colleagues were rewarded for their exceptional results in the Baccaulareate – Part II. This comes as a step to encourage teenagers to seek education and academic excellence, for ambitious careers and a brighter future.

- 1st prize received USD 20,000 for achieving an overall average of 18.25.
- 2nd prize received USD 15,000 for achieving an overall average of 18.11.
- 3rd and 4th prizes received USD 5,000 each for achieving an overall average of 17.84 and 17.44 respectively.
- 11 students received USD 1,000 each for achieving overall averages ranging between 14.23 and 16.63.

Each year, the Bank celebrates education by rewarding and motivating our colleagues' children, allowing them to study hard and shine. The program aims at shoring up their future careers and opening opportunities for success.

The winners were invited to attend sessions on how the Bank operates within its different departments, and received important information on personal finance and on customers' rights. During the program, they were also coached on important skills in terms of professional conduct, such as how to deliver a presentation or how to perform during a job interview. So far, Bank Audi has rewarded more than 100 qualified students in the context of the Profamily Program.



“Through the Lens” Workshop



Special session at KitchenLab



Profamily awardees

CSR SPREADS THE WORD

We continue to be involved, spread the word, and share best CSR practices through our involvement with various efforts and key activities across Lebanon.

Date	Conference	Topic	Presented by	Venue
January	CSR, Human Resources training and development, and Entrepreneurship	CSR, HR and SME	Hasmig Khoury Naimee Louis Joyce Abou-Rizk	AUL Campus
February	GCNL and UNDP: Anti-corruption	Anti-corruption introductory notes	Hasmig Khoury	AUB
September	GCNL: SDG 8 Decent Work and Economic Growth focus group	SDG 8 Focus Group as Goal Leader in Lebanon	Marc Audi	AUB
	GCNL: Sustainability workshop with Berytech and BDD	Start Up Your Sustainability Impact	Hasmig Khoury	Berytech - BDD
October	GCNL: Multistakeholder SDG Forum	Panelist for SDG 8	Marc Audi	Grand Serail
	CEO roundtable	Statement focusing on SDG 8; achievements and challenges	Marc Audi	PM Residence
November	11 th Annual Conference of the Arab Forum for Environment and Development (AFED): Financing Sustainable Development in Arab Countries	The Business Case for Financing Sustainable Development	Jean Traboulsi	Bristol Hotel
	National Consultation on Preventing Violent Extremism (PVE)	Pillar 7 - Economic Development and Job Creation (workshop participation)	Hasmig Khoury	Grand Serail

Responsible Millennials

The "Responsible Millennials" competition was launched during a CSR university awareness session, to encourage youth to think responsibly and come up with a feasible and innovative project on financial inclusion, which needs to be aligned with Bank Audi's CSR strategy.

Out of 12 submitted proposals, 4 were shortlisted by an external jury and finalists presented their projects to the Bank's CSR Committee.

1 RAZAN ZAIDAN

2 MAGALY ABOUD

3 FAYEZ MADDAH

Razan Zaidan was the 1st place winner for her project "Amali" which consisted in creating a new account for unemployed women, free of fees for the first 2 years, to empower them, enhance their potential and give them a chance to get financially involved. The project also recommended organising a yearly event where these women can sell their homemade products and generate revenue.

Magaly Abboud was the 2nd place winner for her proposed financial literacy game, an interactive app allowing children and youth to play a virtual reality game and handle real life banking activities such as saving, having a loan and spending money.

Fayez Maddah was the 3rd place winner for his financial literacy board game which includes puzzles, questions and tests. The game can be played with family and friends: players are required to answer each others' questions on financial knowledge, and gain points when the answer is correct.

All three winners won cash prizes, and the first place winner was offered an internship opportunity at Bank Audi, as well as the chance to implement her project.

Social Impact Award

The eighth edition of the Social Economic Award (SEA) saw Bank Audi receive the "Social Impact Award" during the ceremony that was held at Casino du Liban. Hasmig Khoury, Head of CSR Unit, accepted this recognition on behalf of the Bank. **"Awards challenge businesses in continuous contributions made towards the community. This builds a stable economy and furthers humanity."**

This comes to crown the tremendous efforts deployed by the Bank to promote and support Financial Inclusion in the community. The event was held to celebrate public and private sector institutions for their CSR initiatives, SEA awards gaining increasing regional credibility year-on-year.



University students competition



ENVIRONMENTAL PROTECTION

Awareness on Resources Usage Environmental Loans Effluents and Waste Emissions Energy Consumption

MAKE A GREEN STATEMENT

Considering climate change impacts, Bank Audi launched the “Make a Green Statement” initiative in July 2018 by inviting all Bank Audi credit cardholders to switch their credit card statement from paper version to electronic version.

“E-statements are provided to our customers for free, to save trees and be kinder to the environment. We invite all our customers to support this initiative to ensure that we leave a greener and better world for our future generations.”

Grace Eid, Head of Retail Banking

AWARENESS ON RESOURCES USAGE

PAPER RECYCLING ACROSS THE CITY

In collaboration with Cedar Environmental, Bank Audi deployed 9 locations in and around Beirut which resulted in 11,218 Kg of paper and carton collected by the various neighbourhoods leading to the saving of 190 trees.



Paper recycling across the city

BANK AUDI GETS IT SORTED AT FAQRA CLUB

In addition to the above locations, Bank Audi dedicated its space at Faqra Club last summer to raising awareness about the importance of waste sorting at the source. The initiative was also highlighted in a social media campaign to further engage the citizens of an elite community. The space was divided into a 3-sectional wall, with a green wall on the left, a branded wall in the middle, and an informative wall on the right featuring what happens to each item when recycled. To further this cause, four sorting bins were made available in two different locations at the Club, with one dedicated to glass, and the three others to metal, paper and plastic.

RECYCLING CAMPAIGN OUTREACH

Continuing to raise awareness on sorting and recycling for a greener future, a campaign was launched on social media. Including 15 different posts, it aimed at introducing our different environmental initiatives, as well as inviting people to sort their waste and send them for recycling and upcycling using the recycling bins placed in 9 different locations. We reached more than:

300,000 users

1,731 reactions

172,000 video views

MEA CAMPAIGN

Furthering our pledge towards SDG 13 – Climate Action, Bank Audi supported MEA's campaign which consisted in displaying a 30-second ad on MEA flight screens during peak seasons. The promotion aimed at encouraging people to visit a user friendly navigation site, www.greenerlebanon.org, and to locate recycling and upcycling solutions points in their area. It also showcased many NGOs and community projects dedicated to these causes.

The objective was to raise awareness and simplify the recycling process by providing an interactive map allowing people to search and find all the available recycling solution points in their region, as well as their contact details.

High interaction was tracked on the website, with thousands of visitors accessing the platform.

ARAB FORUM FOR ENVIRONMENT AND DEVELOPMENT (AFED)

Since 2008, AFED annually reports on the state of Arab environment, highlighting environmental challenges and recommended solutions. Bank Audi sponsored AFED's 11th annual conference which featured various panel discussions. Jean Traboulsi, Head of Marketing and Communications at Bank Audi, took part in a panel on “The Business Case for Financing Sustainable Development”. The conference aimed at providing an update on the status and potential of sustainable development finance in Arab countries, and setting forth guidelines for public and private sectors on future financing of SDGs.

URB-HACKATHON

For the first time in Lebanon and under the patronage of the President of the Council of Ministers, His Excellency Mr. Saad Hariri, the Urb-Hackathon, organised by e-EcoSolutions in partnership with IPT Energy Center, was held in March at Berytech, USJ Science and Technology Campus, under our sponsorship.

The Hackathon, which was led by experts from la Cité des Sciences et de l’Industrie in Paris and included professionals and university students from Lebanon, aimed at bringing life to innovative projects under the theme “Data-Urbanism: Reducing City Air Pollution from Transport”.

The Urb-Hackathon drove participants to form working teams, brainstorm, design, and present solutions that allow cities to function more efficiently, be more responsive to community members, and ultimately create better, more equitable and sustainable urban environments for people to live in.

Participants used the machines at the unique Berytech FabLab to build prototypes, and each team submitted one project idea to an international jury panel.



MY CARBON FOOTPRINT

Mobilising the Youth for a Better Environment

This initiative was undertaken by Bank Audi in collaboration with the Ministry of Environment and the United Nations Development Programme (UNDP) to address climate change, while raising awareness among the youth on the use of resources and its impact on the environment.

my-cfp.com is an informative and fun microsite developed by Bank Audi and specifically addressed to children aged 12 to 15 and living in Lebanon. The platform allows participants to monitor and reduce their household energy expenses and their impact on the environment, by keeping track of their homes’ electricity, paper, gas and fuel consumption.

Try it out here
my-cfp.com

The aim of this microsite is to engage the Lebanese youth in reducing their household’s impact on the environment, in recognising the importance of resources, and in acknowledging the carbon footprint we leave on Mother Earth.

Today’s youth have an eagerness to learn and adopt environment-friendly and ethical resource consumption practices having positive effects on the global climate. This motivates children and teenagers to reduce their carbon footprint, thus contributing to building a generation of civically engaged citizens.

ECO-FRIENDLY AND POWER-FREE

Together with 200 countries, Lebanon celebrated Earth Hour for the 11th year in a row. By suspending the use of energy for 60 minutes, Earth Hour aims at raising awareness on the pressing need of saving the earth by starting with small behavioural changes. At the Bank’s Naccash-Dbayeh branch, a large message was displayed on the branch’s LED screen hours prior to Earth Hour to highlight this global initiative, encouraging people to become more conscious about the environment. During Earth Hour, the mentioned LED screen was switched off, as were the lights at Bank Audi Plaza, Bank Audi Palladium, and parts of M1 building.

ENVIRONMENTAL LOANS

EBRD and Bank Audi Partner for First Green Finance Project in Lebanon.

With a view to strengthening sustainable energy in Lebanon, the EBRD and Bank Audi joined forces by providing USD 100 million each for green projects. This includes the first loan under the EBRD Green Economy Financing Facility (GEFF) for the country.

The programme addresses critical issues for Lebanon’s sustainable development, such as diversifying energy supply, reducing the use of limited natural resources such as energy and water, and improving energy efficiency, thus decreasing pollution levels, conserving resources and contributing to a better environment.

Under the GEFF agreement with Bank Audi, the EBRD is providing a USD 90 million loan, to be complemented by USD 10 million in concessional funding from the Taiwan/CDF, for on-lending to private borrowers. The funds will be used for climate change mitigation and adaptation investments, in line with the EBRD’s Green Economy Transition approach, a comprehensive strategy to reduce greenhouse gas emissions and improve energy efficiency.

GEFF Lebanon will be supported by a team of specialised consultants including engineering, environmental, financial and marketing experts, who will offer Bank Audi and its clients direct support and advice throughout the green project lifecycle using best-in-class technologies. The technical assistance package is supported by the EBRD Shareholder Special Fund.

USD 200 MILLION financing package for green finance

■ ■ This GEF facility to Bank Audi is the first offered to a commercial bank in Lebanon and the largest ever granted to a single bank in the region. The project demonstrates the EBRD’s commitment to creating opportunities in the green economy in Lebanon, and deepens our partnership with Bank Audi. ■ ■

Gretchen Biery, EBRD Head of Lebanon

■ ■ Our partnership with the EBRD in the GEF facility demonstrates the commitment of both institutions to unlocking the Lebanese private sector’s access to green finance. The funding will allow businesses and individuals to invest in commercially viable and environmentally sustainable projects, thereby supporting Lebanon’s overall transition to a green economy. To that end, Bank Audi will match the GEF facility with an additional USD 100 million in financing to support green investments, bringing the total green financing package to USD 200 million. ■ ■

Samir Hanna, Chairman and Group CEO

Since 2006, through GEF, the EBRD has provided almost € 4 billion in green financing to more than 130 financial institutions, reaching 120,000 clients in 25 countries. These projects have led to annual reductions in CO₂ emissions of almost 7 million tonnes.

**USD
20.2
MILLION**

Environmental loans subsidised by the Central Bank of Lebanon at preferential interest rates

These loans cover a spectrum of environment-friendly modifications ranging from financing a construction certified Leadership in Energy and Environmental Design (LEED), to purchasing absorption chiller solutions, financing energy efficient components and zero waste solutions, planting trees, renovated lighting systems, acquisition of photovoltaic panels, and landscaping implementations applied in private, residential or commercial buildings.

EFFLUENTS AND WASTE

We sustained our “Grow Green” program which encourages employees to recycle solid waste in their workplace and at home, and to dispose of it at the Bank’s three special hubs.

Collected plastic bottle caps and plastic bottles are donated to Association de l’Ecoute. In 2018, we continued to track the impact of our “Grow Green” program since its inception in 2012.

Total Weight of Waste in Kg

2,192
e-waste

1,407
PET bottles

67
Plastic

70,328
Paper

3,882*
Metals

1,196
Trees

* Includes non-recurrent disposing of old ATMs.

THIS INITIATIVE AIMED AT HELPING:

- Reduce the amount of waste sent to landfills
- Preserve natural resources such as wood, water and minerals
- Prevent pollution
- Save energy
- Reduce greenhouse gas emissions that contribute to global warming
- Help sustain the environment for future generations

EMISSIONS

In partnership with a certified expert, we conducted a comprehensive audit of our carbon footprint by monitoring all our premises. This process was launched in 2012, hereafter considered as base year, with a view to comply with the GRI Standards on environmental impact. As per our GHG inventory based on the GHG-Protocol Corporate Standard, we have reported on the following seven greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

The GHG calculations were performed using well-established tools and methodologies following the GHG Protocol developed by the World Resource Institute (WRI, 2006b, c). Using an internationally recognised tool allows a standardisation of procedures and calculations, which is key in order to quantify and compare emissions accurately.

The calculation of the emission factors and the global warming potential (GWP) rates used are based on GHG-Protocol which uses the IPCC emission factors provided in the IPCC guidelines of 2006, the IPCC Second Assessment Report (1995), and the local emission factor for electricity communicated by the Lebanese Ministry of the Environment.

ENERGY AMBASSADOR OF THE YEAR 2018 AWARD

At the opening of the 9th edition of the International Beirut Energy Forum which was organised by MCE Group, Bank Audi was awarded Energy Ambassador of the Year 2018 – Lebanese Institution.

The event gathered Lebanese and Arab officials, VIPs, professionals and experts in the field.

On the reasons behind Bank Audi's win,

■ ■ This GEF facility to Bank Audi is the first offered to a commercial bank in Lebanon and the largest ever granted to a single bank in the region. The project demonstrates the EBRD's commitment to creating opportunities in the green economy in Lebanon, and deepens our partnership with Bank Audi. The Bank is actively working on arranging other energy transactions in the renewable and conventional energy sectors, the aim being to structure bankable transactions within an optimal risk-sharing protocol, to attract the required debt and equity financing while preserving the public sector's interest. ■ ■

Khalil Debs, Group Head of Corporate Banking

This new achievement highlights Bank Audi's leading positioning as the main financial contributor to energy-related projects benefitting to the society as a whole, and its strong belief that such projects generate spillover effects which can stimulate the economy and attract much needed foreign funding to the country. In turn, this would lead to job creation, increase productivity, enhance national competitiveness and revitalise trade routes.



Energy Ambassador award

EXPERTS' CORNER

AWARDS AND RECOGNITION

The Banker

Bank of the Year – Middle East

Best Private Bank in Lebanon – Best Private Bank for Customer Service (Middle East)

Global Finance

Safest Bank in Lebanon

Best Bank in Lebanon

Best Private Bank in Lebanon

MCE Group

Energy Ambassador of the Year

Global Investor Magazine

Best Asset Manager in Lebanon

SEA Award – Social Impact

INTERNAL AUDIT REPORT

Objective: review and evaluate the report of the Corporate Social Responsibility activities.

The Internal Audit Department conducted a review over the 2018 Corporate Social Responsibility (CSR) report of Bank Audi based on the objective and scope outlined above.

Our audit revealed that the Bank is continuously exerting efforts to improve its CSR reporting. The review was based on interviews and testing on sample basis. In conclusion, no major discrepancies have come to our attention to make us believe that the information contained in this report has not been fairly presented in all material respect. However, we identified areas for potential improvement that Management should consider. These are as follows:

- Due to the lack of resources and tools, the CSR unit is not capable of exhaustively ensuring that the reported and calculated figures are accurate and in harmony with published information. As such,

we recommend sending the concerned departments, along with the draft CSR report, a disclaimer stating that these departments are fully responsible about the accuracy of the information they have provided.

- Further reinforce the positioning of the CSR function to become integrated across all levels of the Bank as part of its overall strategy, decision making and business processes.
- Continue to raise awareness and build competencies and capabilities for social responsibility, to engage the Bank employees at various levels towards applying and promoting the Bank CSR principles.
- Consider reporting the CSR activity across the whole group by including all Group Audi entities figures in the reporting and not only Lebanese ones.
- Ensure that all CSR activities and events are pre-approved by the CSR committee, even those not initiated by the CSR unit or where the ownership is not under the CSR Unit.

Rana Nassif Sassine
Head of Internal Audit

SAMPLING OF BANK AUDI'S BRANDS, PRODUCTS AND SERVICES

Business Lines

- Personal Banking
- Business Banking
- Private Banking
- SME

Loyalty Program

- Audi Rewards
- Travel Rewards
- Kids Rewards
- Cedar Miles
- Air Time
- Cashback
- Gift Voucher

Cards

- Debit Card
- Credit Card
- Installment Card
- Charge Card
- Corporate Card
- Co-branded Card
- Prepaid Card

Bancassurance

- Aman Al Elm
- Aman Al Ghad
- Aman Al Darb
- Aman Al Madkhoul
- Aman Al Hayat
- Aman Al Dirassa
- Aman Al Dar
- Hizam Al Aman
- Hizam Obligatory

Accounts

- Sight Deposit Account
- Payroll Account
- Spring Account
- Wedding Account
- Current Account for Individuals and Businesses
- Deposit Account

Loans

- Business Loan
- Premises Loan
- Kafalat Loan
- Home Loan
- Car Loan
- Personal Loan
- University loan
- Loans for Public Sector

Services

- Bank Audi Mobile App
- PinPay
- ADSL Service
- Calculator
- Bill Domiciliation
- Audi Online
- Safe Deposit Box
- Car Tax Payment
- Chatbox
 - SMS Service
 - E-statement

INITIATIVES ENDORSED BY BANK AUDI

- Cultural festivals as detailed in the Report (Community Development)
- Various business forums as detailed in the Report (Economic Development)
- Multitude of educational institutions as detailed in the report (Human Development)
- Ahlouna: contributes to the development of citizens on a social level
- Al Younbouh: improves the quality of life of students with special needs
- Amour et Partage: provides the poor with a dignified life
- ASSAMEH Birth & Beyond: provides first class medical services to premature babies and children
- AYadina Association: helps underprivileged children and the elderly
- Biet El Yateem El Derzi : gives support to all Druze orphans
- Braveheart: helps children with congenital heart diseases
- CCCL: provides access to free treatment and cares for all children with cancer in Lebanon and the region, without any discrimination.
- Cedars for Care: eradicates poverty
- Chance: helps children with cancer and blood disorders
- Embrace: helps people with mental illness

Empowerment Through Integration (ETI): creates integrated, supportive spaces that empower their program participants to break down social stigmas and create positive social change

Heartbeat: provides advanced surgical technology to treat children with heart diseases

Houlmouna: cares for the elderly

Howard Karagheusian: assists socially and economically vulnerable Armenian communities with the aim of easing their suffering, enabling them to lead healthy, productive lives, and empowering them to achieve economic self-sufficiency

Human Rights Watch: defends the rights of people worldwide

Injaz: equips youth with the skills and mindset needed to become entrepreneurs, business leaders and sought after employees stimulating their communities and contributing to the economic development

Jabal Moussa: conserves the natural heritage

Kibarouna: cares for the elderly

Lebanese Food Bank: fights and overcomes hunger by developing effective feeding programs in parallel with development and awareness programs to eliminate hunger

Lebanese Red Cross: promotes peace, serves the society, and alleviates human suffering

Maison St. Vincent De Paul: serves the poor with love, respect, joy and justice

May Chidiac Foundation: trains and researches media issues

MySchoolPulse: provides children undergoing treatment for life-threatening illnesses with the opportunity to continue their education

OpenMind Fund: assists individuals with special needs through advocacy

Orphanage Welfare Society of Saida: cares for orphans

Oum El Nour: helps individuals overcome their addiction

Roads For Life: provides post-accident care

S.O.S.: children's orphan village

Sesobel: assists children with disabilities

Skoun: supports people with addiction problems

Step Together: improves students' life through individualised tuition and therapy

Tamanna: grants the wishes of children with critical illnesses

INITIATIVES TO ENHANCE FINANCIAL LITERACY

Initiative	Target group	Category	Goal	Subject Area	Activities-related	Beneficiary	Language	Information Material
Spring Account	Youth (18-23 year-olds)	All youth	Practical access to money and special services	Promotion	Campaign, sponsorships	Youth	Arabic/English	Online and brochure
Sight Deposit Account	All	Low-income individuals	Saving Account and additional benefits	Promotion		All	Arabic/English	Online and brochure
Schooling Insurance Account	Parents	Each age group has its own formula	Helps parents ensure their children's' schooling fees	Promotion		Parents and youth	Arabic	Brochures
Housing Insurance Account	All	All	Insures house against accidents	Promotion		All	Arabic	Brochures
Life Insurance	All	All	Insures individuals against accidents	Promotion		All	Arabic	Brochures
University Studies Insurance	Parents	Youth	Ensures university fees	Promotion		Youth	Arabic	Brochures
Personal Loan	All	Low-income individuals	Assists in personal spendings	Promotion		All	Arabic/English	Online and brochure
Wedding Account	All	Newlyweds	Helps newlyweds guarantee their future	Promotion		Newly Weds	English	Online and brochure
Housing Loan	All	Low-income individuals	Helps needy individuals buy houses	Promotion		All	Arabic	Online and brochure
Visa Business Debit Card	All	Businessmen	Helps businessmen control their business spendings	Promotion		Businessmen	Arabic/English	Online and brochure
All You Need to know about "Chip Cards"	All cardholders	All	Educates cardholders on the evolving "chip" technology which was introduced to combat growing levels of fraud	Informative		All	English	Online and brochure
All You Need to know about "PayPass"	All cardholders	All	Educates cardholders on the latest "PayPass" contactless payment technology, a new feature that makes their purchases easier since they simply have to tap their card on a secure reader to pay	Informative		All	English	Online and brochure
Employee's Guide to "Chip Cards"	Employees	All	Summarises Bank Audi cards split by chip type: "Chip & PIN" or "Chip & Signature"	Comprehensive		All	English	Brochures
Common Reporting Standard Transparency First	All	All	Helps fight tax evasion	Informative		All	Arabic/English	Brochures
SME Products and Services Panoply	SME clients	SME clients	Allow SMEs to manage their banking transactions and meet their business needs through flexible financial solutions	Promotion	Campaign	SME clients	Arabic/English	Online and brochure

EXAMPLES OF BANK AUDI'S MEMBERSHIP IN INDUSTRY ASSOCIATIONS:

Association des Banques du Liban (ABL)

Positions held:

1. Board of Directors: Dr. Freddie Baz
2. Committee for Compliance and Fighting Money Laundering: chaired by Mr. Chahdan Jebeyli, Esq.
3. Legal Committee: chaired by Dr. Georges Achi
4. Research Studies Committee: Dr. Marwan Barakat (rapporteur)
5. Investment Banks and Capital Markets Committee
6. Committee for Organisation, Standardisation and Information Technology
7. Communication Committee
8. Corporate Governance Committee: Mr. Farid Lahoud (rapporteur)
9. Human Resources and Social Affairs Committee
10. Banking Terms and Conditions Committee
11. Islamic Banking Committee
12. Banking Risk Committee

World Union of Arab Bankers

Union of Arab Banks

Chamber of Commerce, Industry & Agriculture "CCIA"

International Chamber of Commerce – Lebanon "ICC"

Swiss Business Council – Leb

Arab Federation of Exchanges

UN Global Compact & Network Lebanon (GCNL)

OUR APPROACH TO CSR REPORTING

Reporting year is 2018.

The previous report is the "CSR Report 2017: Committed" published in July 2018.

The reporting cycle is: annual.

For information about the report, please refer to:

Bank Audi's CSR Unit

CSR@bankaudi.com.lb

Bank Audi Palladium – Bab Idriss

Beirut, Lebanon

This report has been prepared in accordance with the GRI Standards:

Core option.

Our GHG emissions report is audited by V4 Advisors, an external expert on the topic.

Our CSR report is internally audited by our certified auditors.

OUR MATERIALITY PROCESS

Our materiality process helps us identify the most relevant sustainability issues and prioritise these for strategic implementation within our organisation's processes. Similar to previous years, we have engaged a range of internal and external stakeholders in our materiality process for 2018, capitalising on different tools and communication processes. Both sets of stakeholders are important from the Bank's perspective, and this feedback has been instrumental in helping us further enhance our CSR strategy and continuously quantify the most impactful issues for 2018 and their relevant aspect boundaries. In fact, we take pride to be an organisation that engages in open and constructive dialogue with our stakeholders and gives this feedback systematic attention in refining its CSR strategy. This meticulous materiality exercise formed the basis for defining our report's content for 2018.

As a result of identifying the most important aspects of our sustainability, we have allocated resources for sustainability impact in key projects such as furthering our financial inclusion – financial literacy and SME business outreach where value is created and shared coupled with a greater interest in environmental protection where our business strategy is currently focused on green financing facilities.

As for defining report quality, priority was given to balance the interest of all audiences and not just sustainability experts, hence the omission of detailed indicators from the main frame of the Report and their availability within a special file addressed to experts and facilitating reading to a wider audience.

In the experts' corner, one can compare year-to-year data since reporting initiation on the various relevant indicators as per our materiality matrix in our chart generator.

Aiming for accuracy and clarity, we have provided timely and reliable information wherever available, with minor rounding.

Bank Audi's values are further embedded, and henceforth prioritised, due to the effect the relevant sustainability issues have on staff behaviour.

The entire process and the content of the Report is duly validated by all key stakeholders where external partners and all Bank Audi departments, including the Executive Committee and the Disclosure Committee, are implicated.

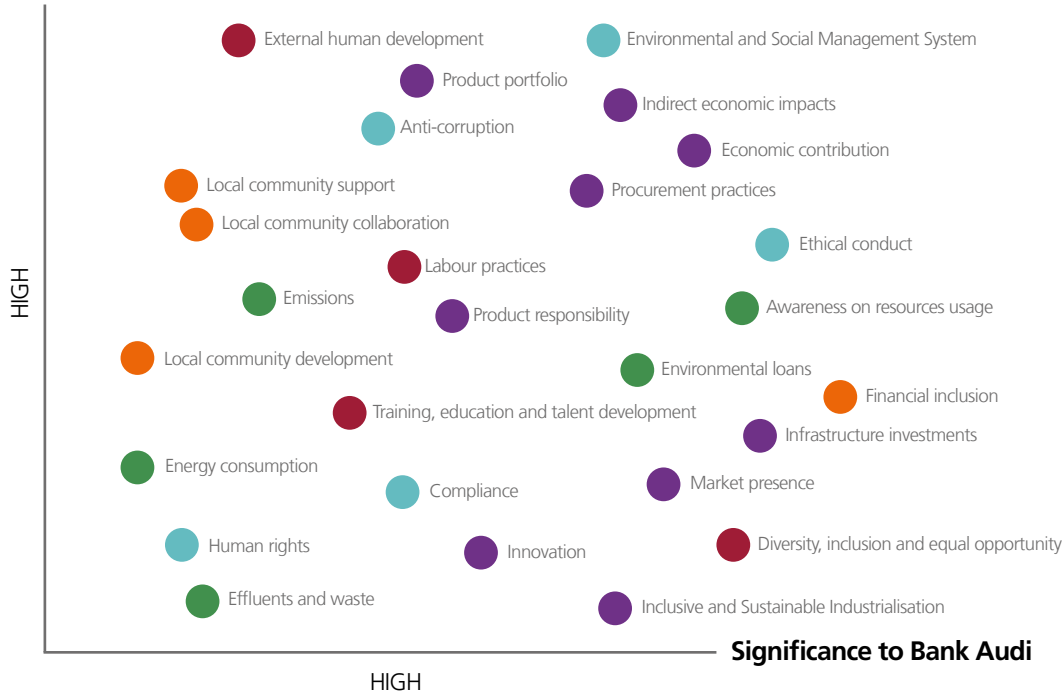
We acknowledge that the sustainability platform is an interactive stage and are cognisant to the changes needed. Hence we adapt through regular reviews of our material issues.

However, the changes to our materiality issues and aspect boundaries from last year were minimal, which allowed us to retain the materiality issues that were considered of medium to high influence on our stakeholders' assessments and medium to high in significance to Bank Audi's economic, environmental and social impacts. We continue to exclude from the Report those aspects that were considered non-material, given their lower importance and/or their inapplicability to Bank Audi's operating context.

Considering that this reporting is restricted to Bank Audi Lebanon, the materiality process is relevant for all Lebanese subsidiaries, and the scope of the material aspects and their boundaries are focused on Bank Audi Group – Lebanon entity (Bank Audi sal and its Lebanon-based subsidiaries), hence excluding other entities listed in the Bank's 2018 Annual Report.

Materiality Matrix and Main Issues of Priority Concern for 2018

Importance to Stakeholders



Corporate Governance



Economic Development



Community Development



Human Development



Environmental Protection

Process of Defining Material Aspects and Boundaries

1 IDENTIFICATION OF CRITICAL ASPECTS

- Principle of Stakeholder Inclusiveness
 - Principle of Sustainability Context
-
- Assessing relevant topics
 - Identifying relevant aspects
 - Assessing internal impact of aspects
 - Assessing external impact of aspects

2 PRIORITISATION OF ASPECTS

- Principle of Materiality
 - Principle of Stakeholder Inclusiveness
-
- Evaluating and prioritising relevant aspects and topics
 - Assessing materiality of topics to stakeholders

3 VALIDATION OF ASPECTS

- Principle of Completeness
 - Principle of Stakeholder Inclusiveness
-
- Validating the material aspects identified

4 REVIEW

4

- Principle of Stakeholder Inclusiveness
 - Principle of Sustainability Context
-
- Reviewing material aspects of the Report

STAKEHOLDERS' CONSULTATIONS

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2017 AND THEIR IMPLEMENTATION IN 2018	ISSUES IDENTIFIED IN 2018 (Q4)
Internal				
Employees	<p>The largest number of beneficiaries who uphold and convey the Bank's image as they are the front liners in contact with external stakeholders. They also contribute to the decision-making process by being the major reporter of information.</p>	<ul style="list-style-type: none"> • Newsletters. • Tailored surveys: 11% (366 out of 3,253) of employees answered. • Internal communication. • Stakeholder engagement panel. 	<ul style="list-style-type: none"> • Provide a retirement plan pensions to retired employees. • Create an advanced external and internal communication plan for CSR activities. • Implement a solar system to generate electricity in branches, which will minimise power usage and decrease pollution and electricity cost. • Invite clients to participate in CSR projects. • Offer lower interests rates on environmental loans. • Give employees an option to give an amount of their bonus to charity, which will be matched by the Bank. • Establish financial education programs for youth and entrepreneurs. • Offer more scholarships to students with outstanding performance who come from modest backgrounds. • Grant a loan to female entrepreneurs, with "easier" terms. • Ensure water consumption management. • Integrate a pop-up notification to Bank Audi's online application to trigger stakeholders' curiosity about CSR and its engagements, including a "did you know" notification. • Grant a short schedule to moms during the 2 months following their maternity leave. • Mentorship program to high school or university students offered by the Bank's employees. 	<ul style="list-style-type: none"> • A post-retirement health coverage for employees who reach the age of 60 was initiated. • CSR activities coverage on social media increased and our internal e-newsletter was enhanced. • Project was rolled out under research. • Engaged "Springers" in the Volunteer Program (VP), conducted workshops for SMEs, and introduced high level clients to the GCNL for the uptake of the SDGs. • Mandated by the BDL. • Under regular implementation with regard to employees. As for Bank Audi, several NGOs benefit from donations. • Under regular implementation (special section on the Financial Inclusion program under Community Development). • Under regular implementation. • Implemented under our SME business line. • Pledged to the Lebanon Water Project (LWP) stewardship with USAid. • Laid over to 2019. • Being researched. • Under regular implementation (internship program and Global Money Week). • Launch a nationwide competition encouraging artists to create a masterpiece from recyclable items. • Provide civic education for children through games and fun sessions. • Clean beaches in Lebanon. • Launch a competition across departments encouraging volunteering activities. • Encourage clients to donate while applying for products/services (i.e. the customer requesting an educational loan could be offered the option of allocating a certain amount each month to help an underprivileged person to go to school). • Provide sponsorships for public schools renovation. • Select one SDG each quarter to be the theme of the quarter, and initiatives could be implemented accordingly. • Subsidise loans for hybrid cars. • Involve stakeholders in project planning, implementation and evaluation for better outcomes. • Create a gamified platform for public schools, enabling students to participate in financial courses and top performers to earn monthly awards. • Conduct an internal campaign targeting bank employees and aiming to raise awareness on carbon footprint reduction, that could be implemented at individual level in their day-to-day activities. • Urge government to issue strict laws on environmental abuse in every aspect. The Bank should refrain from granting loans to non-environment-friendly companies. • Use solar power plants. • Initiate closer communication with concerned parties in the government to further engage the public sector. • Collaborate with women's empowerment organisation. • Create platform to connect all stakeholders. • Distribute flyers or pamphlets to customers on the importance of climate change. • Grant loans to university students for research purposes. • Conduct more environmental activities such as hikes and plantations.

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2017 AND THEIR IMPLEMENTATION IN 2018	ISSUES IDENTIFIED IN 2018 (Q4)
Internal				
Management	One of the Bank's key pillars which includes decision-makers who set the overall strategic direction of the Bank and monitor its implementation. They are also the constituency accountable for repercussions of the Bank's contributions.	<ul style="list-style-type: none"> • Monthly meetings. • Workshops. • Stakeholder engagement panel. 		
Shareholders	Investors who have a clear stake in the business and are important strategic financial contributors, with commitments that ensure the financial health and viability of our business.	<ul style="list-style-type: none"> • Annual meetings. • Stakeholder engagement panel. • Annual reports. 		
External				
Suppliers	Providers of services and raw materials with whom the Bank has a mutual benefit relationship. We are keen on maintaining a close working relationship with key suppliers across different industries, and we acknowledge that our suppliers are also invariably affected by the Bank's operations and policies, especially with regards to quality and integrity standards.	<ul style="list-style-type: none"> • Meetings. • Stakeholder engagement panel. 	<ul style="list-style-type: none"> • Furthering inclusiveness for persons with special needs. • Furthering communication on our CSR efforts. • Perceiving and tackling human rights. • Promoting financial inclusion. • Supporting vocational training and human development in rural areas. • Furthering public/private collaboration. 	<ul style="list-style-type: none"> • Made most of our branches and ATMs accessible to disabled persons. • CSR activities coverage increased on social media and our internal e-newsletter was enhanced. • Under regular implementation. • Under regular implementation (special section on the Financial Inclusion program under Community Development). • Implemented within the Volunteer Program.
Industry representatives	Critical stakeholders for the Bank, who sustain its continued vibrancy and vitality. They are at the heart of the decision-making process in terms of operations, products issuance and services, and are the ones who benefit most from the Bank's services. They contribute financially by endorsing the Bank and making use of its services.	<ul style="list-style-type: none"> • Tailored surveys. • Meetings. • Stakeholder engagement panel. 	<ul style="list-style-type: none"> • Promoting education for the benefit of the community. • Conducting trainings to raise SMEs' awareness of Financial Management in times of crisis. • Financing and marketing researches and innovations in the university sector. • Conducting campaigns to decrease corruption and access to information. • Setting clearer KPIs. • Promoting Corporate Governance and transparency, and their spillover effect to other companies. 	<ul style="list-style-type: none"> • Collaborated with the Ministry of Education and Higher Education for the Global Money Week Program. • Under regular implementation (special section on the Financial Inclusion program under Community Development). • Initiated several roadshows in all Lebanese areas to raise awareness on SME-related issues. • Being researched. • Different internal communications were sent to employees to comply with rules set to avoid corruption. • Under regular implementation. • Conducted several presentations to different organisations and universities mentioning our practices in corporate governance and transparency. • Under regular implementation.
NGOs	The most enduring partners of the Bank in the field of CSR, symbolising the channels through which we contribute to the community and sustain our scaling of social impact and our spillover effect. They are chosen based on the congruence and compatibility of their mission and strategies with the Bank's values and social orientation.	<ul style="list-style-type: none"> • Meetings. • Stakeholder engagement panel. • Various events. • Volunteer Program. 	<ul style="list-style-type: none"> • Supporting start-ups, social entrepreneurs, MMEs and SMEs. • Undertaking environmental initiatives. 	<ul style="list-style-type: none"> • Cleaned the hunting fields of Deir Al Qamar under the Volunteer Program.

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2017 AND THEIR IMPLEMENTATION IN 2018	ISSUES IDENTIFIED IN 2018 (Q4)
External				
Public sector	The official institutions that frame the regulatory boundaries of the Bank's legal operations. They are affected by the Bank's operations and manifold economic contributions. They also influence the way we frame our decision-making in relation to key aspects of our operations, including CSR.	<ul style="list-style-type: none"> • Meetings. • Stakeholder engagement panel. • Workshops. 		
Competitors	Peer banks and financial institutions which are also collaborators in setting the operational, social, environmental and competitive standards. We also value our competitors in terms of helping promote and enhance CSR in Lebanon.	<ul style="list-style-type: none"> • Meetings. • Stakeholder engagement panel. • Workshops. 		
Community Civil society	Local community stakeholders in various locations where our bank operates. We identify our well-being as closely tied to that of the community around us, and we seek to improve our external environment through various programs, events, activities and philanthropy.	<ul style="list-style-type: none"> • Events. • Stakeholder engagement panel. 		
Media	Various media groups and channels that transmit information and with which the Bank liaises to communicate in relation to various aspects of its activities, including CSR. Through the media, we stay in touch with the various external stakeholders around us, while conveying and sharing our identity, programs and activities.	<ul style="list-style-type: none"> • E-newsletters. • Interviews. • Events. • Newspaper. • Social media. • Stakeholder engagement panel. 		
Jury members	4 different stakeholders were selected to choose the best 4 initiatives proposed by university students in the context of the university awareness competition.	<ul style="list-style-type: none"> • Events. 		

INTERNAL STAKEHOLDER CONSULTATION

This analysis illustrates the outcomes of the survey conducted internally to measure employees' knowledge and satisfaction on a number of materiality issues related to Corporate Social Responsibility at Bank Audi.

Results showed that respondents are equally gendered within the bulk of respondees aged 32 to 45, with a majority tenure at an average of 5 years.

3,253

Bank Audi employees were invited to participate

33%

of the respondents have been involved in a socially responsible component at Bank Audi

366

employees completed the survey, representing a participation rate of 11%

31%

have volunteered in a CSR initiative at the Bank

Employees ranked in **priority** the 5 Sustainable Development Goals (SDG) that Bank Audi has recently pledged to:



When consulted on material issues, employees responded that the Bank should mostly focus on:

1. Awareness on resources usage (103 votes).
2. Resilient infrastructures (64 votes).
3. Diversity, inclusion and equal opportunity (125 votes).
4. Economic contribution and indirect economic impacts (59 votes).
5. Emissions, effluents, waste and energy consumption (102 votes).
6. Employee training, education and talent development (240 votes).
7. Environmental and Social Management System (82 votes).
8. Environmental loans (102 votes).
9. Ethical conduct, anti-corruption and compliance (141 votes).
10. External human development (77 votes).
11. Financial literacy for the community (77 votes).
12. Fostering innovation (79 votes).
13. Human rights (155 votes).
14. Infrastructure investments (71 votes).
15. Local community support, collaboration and development (56 votes).
16. Procurement practices and product responsibility (13 votes).
17. Product portfolio and market presence (45 votes).
18. Progressive labour practices (52 votes).
19. Promotion of inclusive and sustainable economic growth (72 votes).
20. Promotion of inclusive and sustainable industrialisation (29 votes).
21. Promotion of productive employment and decent work for all (148 votes).
22. Urgent action to combat climate change (107 votes).

	Material Issue	Aspect Boundaries										
		Employees	Management	Shareholders	Suppliers	Clients	NGOs	Regulatory Bodies	Competitors	Community/ Civil society	Media	Jury members
Environmental Protection 	Emissions								•		•	
	Effluents and waste								•		•	
	Energy consumption		•	•					•		•	
	Environmental loans					•			•	•		
	Awareness on resources usage	•	•		•	•	•	•			•	•

DISCLOSURE ON MANAGEMENT APPROACH

The material topics and their boundaries presented above form the essence of our entire materiality process. The two key challenges invariably encountered in relation to materiality include casting the net wide enough to capture important sustainability issues and corresponding risks and opportunities, yet not exceeding a reasonably small sub-set of material issues that really matter to the company and can be managed in a consistent way.

Defining these material issues and their boundaries is at the heart of our Disclosure on Management Approach (DMA). We exercise a rigorous and elaborate process in selecting materiality issues that matter the most to our stakeholders. We also assess each of these in terms of risks and opportunities for our business, our reputation and our finances. Each of these issues is also evaluated annually in implications towards our business, taking into consideration the legal requirements, national priorities and international norms of behaviour within the scope of feasibility and implementation of the CSR initiatives pertaining to these material issues.

Both our DMA and our reporting are guided by the values of relevance, accuracy, timeliness, comparability, reliability, clarity, balance and completeness. All these principles ensure that our approach to CSR reporting is organic and advancing dynamically to meet the changing expectations surrounding us, and that we remain true to our most cherished guiding values pertaining to transparency and civic engagement. This report is thus intended to delineate the active steps we have taken to integrate sustainability in our business using our resources efficiently and responsibly, and respecting the precautionary principle in terms of minimising risks to our stakeholders and to the environment and society at large.

As part of our continuous improvement journey, we revisit our DMA every year, assessing its overall effectiveness, as well as potential gaps, weaknesses or shortcomings, and decide, in light of that, on any needed refinements or adjustments.

CORPORATE GOVERNANCE

Sustainable Finance

New Loans with Environmental and/or Social Benefits Provided during 2018*

Project Name/Sector	Value Financed (USD)		Type Of Environmental/ Social Benefit
Industrial company	800,000	1 loan	Wastewater treatment
Industrial company	800,000	1 loan	Project of electrostatic precipitators
Industrial company	1,900,000	1 loan	New de-dusting system
Individuals	2,071,147	9 loans	Financing the environmental part of constructing private residences
Real estate	221,357	1 loan	Led lights
Non-profit organisation	100,000	1 loan	Solar photovoltaic panels
Real estate	134,000	1 loan	Financing the energy efficiency for a residence
Real estate	222,476	1 loan	Solar photovoltaic panels and led lights
Hotels & Commercial Centre	348,731	2 loans	Solar photovoltaic panels and nerhy system
Industry: F & B	1,010,000	2 loans	Solar photovoltaic panels and diesel hybrid solar system
Company: trading	100,000	1 loan	Solar photovoltaic panels
Ste. Renewable Energy Sal	12,480,965	1 loan	Renewable energy
TOTAL	20,188,676	22 loans	

* These financings constitute a particular financial product, namely "Green Loans" under the Pollution Abatement, NEEREA and LEA mechanism, which are subsidised by the Central Bank of Lebanon (BDL). NEEREA and LEA loans are submitted for review by the LCEC prior to their approval by BDL, in addition to Pollution Abatement loans which are approved by LEPAP also.

Ethical Conduct And Compliance

Risk awareness and promotion of CSR and human rights in line with the Bank's Code of Ethics and Conduct.

88.43% of employees completed the yearly Performance Management.

Anti-corruption Related Training

Year on year, our employees and governance bodies attend anti-corruption related trainings.

		Anti-Corruption Training	Total Employees Eligible For Training	Percentage
2018	EMPLOYEES	297	2,354	13%
	MIDDLE MANAGEMENT	120	868	14%
	SENIOR MANAGEMENT	1	31	3%
	TOTAL EMPLOYEES	418	3,253	13%
2017	EMPLOYEES	298	2,503	12%
	MIDDLE MANAGEMENT	181	868	21%
	SENIOR MANAGEMENT	29	31	93%
	TOTAL EMPLOYEES	508	3,402	15%
2016	EMPLOYEES	1,133	2,603	44%
	MIDDLE MANAGEMENT	259	680	38%
	SENIOR MANAGEMENT	15	40	38%
	TOTAL EMPLOYEES	1,407	3,323	42%
2015	EMPLOYEES	1,009	2,511	40%
	MIDDLE MANAGEMENT	276	584	47%
	SENIOR MANAGEMENT	12	35	34%
	TOTAL EMPLOYEES	1,297	3,130	41%
2014	EMPLOYEES	1,205	2,434	49%
	MIDDLE MANAGEMENT	214	474	45%
	SENIOR MANAGEMENT	31	81	38%
	TOTAL EMPLOYEES	1,450	2,989	49%

ECONOMIC DEVELOPMENT

Economic Contribution*

	2014	2015	2016	2017	2018
TOTAL NUMBER OF EMPLOYEES	2,989	3,310	3,323	3,402	3,253
TOTAL NUMBER OF OPERATIONS	47,225,446	52,309,613	55,697,141	62,175,796	47,444,313
TOTAL OPERATING INCOME	USD 689.6 million	USD 836.1 million	USD 1,159 million**	USD 871.1 million	USD 911.9 million
TOTAL SHAREHOLDERS' EQUITY AND SUBORDINATED DEBT	USD 3.64 billion	USD 3.77 billion	USD 4.27 billion	USD 4.53 billion	USD 4.32 billion
TOTAL NUMBER OF PRODUCTS AND SERVICES	72 products 73 services	72 products 74 services	74 products 79 services	51 products 56 services**	50 products 46 services

* Excluding consolidation adjustments.

** This fluctuation is due to the sale of the Card and Electronic Payment processing and acquiring activities.

Direct Economic Contribution*

	2014	2015	2016	2017***	2018***
TAXES	USD 52 million	USD 48 million	USD 63 million	USD 62 million	USD 104 million****
ECONOMIC SPONSORSHIPS (creating job opportunities/enhancing innovation/allowing local economies to prosper)	> USD 535,000	USD 920,990	USD 825,990	USD 520,450	USD 479,450
ASSETS FOR LEBANON GROUP	USD 24.5 billion	USD 25.8 billion	USD 29.81 billion	USD 30.61 billion	USD 34.74 billion
ASSETS FOR LEBANON GROUP WHEN ACCOUNTING FOR FIDUCIARY DEPOSITS	USD 29.4 billion	USD 30.7 billion	USD 35.7 billion	USD 36.94 billion	USD 41.56 billion
TOTAL OPERATING EXPENSES	USD 372.6 million	USD 394.5 million	USD 462.5 million	USD 383.46 million	USD 388.78 million
INCOME TAXES	USD 30 million**	USD 64 million**	USD 136 million**	USD 66.85 million	USD 62.57 million
PERSONAL INCOME TAXES FROM EMPLOYEES' SALARIES	USD 13 million**	USD 18 million**	USD 18 million**	USD 21.35 million	USD 18.63 million
EMPLOYEES' SALARIES	USD 90 million**	USD 101 million**	USD 123 million**	USD 150 million	USD 147 million
SOCIAL SECURITY CONTRIBUTIONS	USD 14 million**	USD 14 million**	USD 16 million**	USD 18 million	USD 17 million
TOTAL LOANS WITH LOW INTEREST RATES	USD 50.8 million	USD 49.2 million	USD 43.4 million	USD 43.3 million	USD 52.4 million
TOTAL BENEFICIARIES OF KAFALAT LOANS	437	460	515	487	545
KAFALAT LOANS/YEAR	N/A	USD 11 million	USD 11.88 million	USD 9.16 million	USD 9.14 million
BENEFICIARIES OF KAFALAT LOANS/YEAR	N/A	66	60	69	58
SANAD LOANS	USD 18 million	USD 15.4 million	USD 17.3 million	USD 16.3 million	USD 14.9 million
BENEFICIARIES OF SANAD LOANS	149	163	110	117	168
TOTAL CONTRIBUTIONS OF LEBANON'S GDP	1.80%	1.81%	2.34%	2.20%	1.82%
BDL CIRCULAR 331 COMMITTED INVESTMENTS	USD 11 million	USD 26 million	USD 41 million	USD 47.6 million	USD 48.8 million
SUPPORT EVENTS AND ASSOCIATIONS	USD 265,431	USD 489,085	USD 548,000	USD 482,250	USD 441,265

* Excluding consolidation adjustments.

** For Bank Audi sal.

*** Consolidated including Bank Audi Lebanon Group.

**** The difference is related to the projected withholding tax on dividends distribution.

Infrastructure Investments

The following table exposes some of the internal infrastructure business investments made which will impact our support in services to the communities that are in the direct vicinity.

PROJECT	DESCRIPTION	COST	INVESTMENT
Tabaris branch	Relocation	USD 1,325,000	Commercial
Klaayat offsite ATMs	Renovation	USD 41,846	Commercial
Baabda branch	Renovation	USD 380,000	Commercial
Haret Sakher branch	New branch	USD 896,000	Commercial
Abra branch	Renovation	USD 195,644	Commercial
Jounieh branch	Renovation	USD 40,403	Commercial
Zahle branch	Renovation	USD 73,170	Commercial
Bhamdoun branch	Renovation	USD 200,000	Commercial
Fanar branch	Renovation	USD 71,726	Commercial
Bint Jbeil branch	Renovation	USD 56,002	Commercial
Ghobeiry branch	Renovation	USD 79,360	Commercial
Roueiss branch	Renovation	USD 43,746	Commercial
El Horge branch	Renovation	USD 110,243	Commercial
	TOTAL	USD 3,513,139	

COMMUNITY DEVELOPMENT

Local Community Support

	2014	2015	2016	2017	2018
TOTAL CONTRIBUTIONS TO THE COMMUNITY	USD 4.7 million	USD 4.6 million	USD 5.1 million	USD 5.1 million	USD 9.6 million
HEALTH	USD 557,000	USD 619,000	USD 773,693	USD 792,210	USD 1.4 million
HUMANITARIAN AND SOCIAL	USD 2.5 million	USD 2.5 million	USD 2.5 million	USD 2.8 million	USD 7.2 million
CULTURE	USD 1.47 million	USD 1.33 million	USD 1.70 million	USD 1.11 million	USD 880,764
FULL COST OF TREATMENT FOR ONE SICK CHILD	USD 54,000	USD 50,000	USD 53,560	USD 116,000	USD 55,645
EMPLOYEES' CONTRIBUTION	485	466	454	441	440
FACILITATED TREATMENT OF 20 CHILDREN WITH CONGENITAL HEART PROBLEMS	USD 150,000	USD 150,000	USD 150,000	USD 151,000	USD 175,000
SPONSORSHIPS TO VARIOUS ORGANISATIONS	USD 55,000	USD 50,000	USD 50,500	USD 49,150	USD 40,000
CALLS FOR BLOOD DONATION DRIVE	65	51	75	120	150
PURCHASE OF CORPORATE GIFTS FROM NGOs	USD 340,000	USD 275,000	USD 276,365	USD 266,746	USD 240,064
EVENTS IN WHICH OUR E-PAYMENT CARD SERVICES PARTICIPATED*	15	31	10		
DONATIONS RAISED VIA OUR GPRS MACHINES DEPLOYED AT THE EVENTS*	USD 318,000	USD 990,000	USD 403,250		
COMMITTING TO NGOS THAT SUPPORT DISADVANTAGED PEOPLE	USD 74,000	USD 110,640	USD 113,217	USD 88,934	USD 38,200
COMMITTING TO NGOS THAT SUPPORT DIFFERENT SOCIAL CAUSES	USD 80,000	USD 100,000	USD 90,000	USD 49,289	USD 65,000
SPORTS ACTIVITIES SPONSORSHIP	USD 100,000	USD 115,000	USD 144,000	USD 270,990	USD 65,542

*Electronic Payment and Card Services (EPCS) was sold in 2017; hence these activities were ceased.

Local Community Development

	2014	2015	2016	2017	2018
BENEFICIARIES FROM PHILANTHROPIC CONTRIBUTIONS IN THE REALM OF CULTURAL DEVELOPMENT	Over 900,000	1,000,000	968,000	943,000	888,425
NUMBER OF BANK AUDI EMPLOYEES WHO PARTICIPATED IN THE BEIRUT INTERNATIONAL MARATHON (BIM)	500	400	488	380	394
NGOS SUPPORTED IN THE BIM	Brave Heart Fund	Kunhadi Association	Donner Sang Compter	himaya	Human Rights Watch

Local Community Collaboration

VOLUNTEER PROGRAM	2014	2015	2016	2017	2018	Total (Cumulative)
NGO PARTNERS	6	8	11	18	16	16
BENEFICIARIES	683*	1,792*	2,040*	2,815*	4,362	11,976
VOLUNTEERS	150	228	306	392	359	359
HOURS	530*	580*	1,804*	1,873*	1,575	6,482

* These figures are year-to-year and non-cumulative.
359 employees and an additional 91 interns volunteered in 2018.

HUMAN DEVELOPMENT

Training, Education and Talent Development

		2014	2015	2016	2017	2018
AVERAGE EMPLOYEE TRAINING HOURS	EMPLOYEE	29.73	36.18	33.59	34.19	37.02
	MALE	25.12	32.13	27.14	29.17	33.34
	FEMALE	35.24	41.03	41.14	40.03	41.24
	FRONTLINE EMPLOYEE	27.04	36.09	32.37	34.06	42.39
	MIDDLE MANAGER	44.89	36.68	38.16	34.58	23.18
	SENIOR MANAGER	22.05	34.43	35.33	34.03	17.26

CAREER ADVANCEMENT PROGRAMS

- 14 – Branch Management Program (BMP): provides qualified employees with an equal opportunity to assume first line supervisory positions. It is designed to identify, train and develop the Bank's future Branch Managers and Assistant Managers through a one to three-year program exposing them to an intensive and learning environment.
- 283 – Certified in miscellaneous BDL modules.
- 23 employees benefited from the Bank's sponsorship grants as follows:
 - 7 professional certifications; banking studies.
- 90% received career development reviews:
 - 49.57% male employees
 - 50.43% female employees
- 22% Managers received career development reviews.
- 78% staff received career development reviews.

Diversity, Inclusion and Equal Opportunity

Employee Composition by Gender and Employee Category at Bank Audi Group Lebanon

		% Of Staff (Below Grade 17)		% Of Middle Managers (Grade 17 to Grade 21 Inclusive)		% Of Top Managers (Grade 22 and Above)	
		F	M	F	M	F	M
2018	BANK AUDI sal	37.31%	33.83%	12.67%	15.15%	0.11%	0.93%
	OTHER LEBANESE ENTITIES	20.58%	57.76%	9.39%	11.73%	0%	0.54%
2017	BANK AUDI sal	37.76%	34.73%	11.81%	14.60%	0.14%	0.96%
	OTHER LEBANESE ENTITIES	21%	57.67%	9.17%	11.33%	0%	0.83%
2016	BANK AUDI sal	38.21%	37.23%	10.49%	12.77%	0.36%	0.94%
	OTHER LEBANESE ENTITIES	28.60%	46.32%	5.78%	14.45%	0%	4.85%
2015	BANK AUDI sal	38.98%	38.63%	9.35%	11.66%	0.38%	1%
	OTHER LEBANESE ENTITIES	30.34%	49.08%	4.44%	11.33%	0%	4.80%
2014	BANK AUDI sal	39.80%	39.60%	8.60%	11.30%	0%	0.60%
	OTHER LEBANESE ENTITIES	31.50%	50.40%	3.90%	11.30%	0%	3%

Employee Composition by Age Group and Employee Category at Bank Audi Group Lebanon

		% Of Staff (Below Grade 17)			% Of Middle Managers (Grade 17 to Grade 21 Inclusive)			% Of Top Managers (Grade 22 and Above)		
		<30	BETWEEN 30-50	>50	<30	BETWEEN 30-50	>50	<30	BETWEEN 30-50	>50
2018	BANK AUDI sal	19.34%	40.35%	11.45%	0.07%	19.82%	7.93%	0.00%	0.26%	0.78%
	OTHER LEBANESE ENTITIES	16.61%	40.25%	21.48%	3.97%	7.22%	9.93%	0.00%	0.18%	0.36%
2017	BANK AUDI sal	23.91%	37.44%	11.13%	0.21%	19.09%	7.10%	0%	0.39%	0.71%
	OTHER LEBANESE ENTITIES	19%	38.83%	20.83%	4.83%	7%	8.67%	0%	0.33%	0.50%
2016	BANK AUDI sal	21.63%	40.23%	13.57%	0.14%	17.80%	5.31%	0%	0.47%	0.83%
	OTHER LEBANESE ENTITIES	13.16%	40.70%	21.07%	0%	13.39%	6.84%	0%	2.42%	2.42%
2015	BANK AUDI sal	20.89%	41.71%	15.01%	0.08%	15.78%	5.16%	0%	0.50%	0.88%
	OTHER LEBANESE ENTITIES	16.89%	39.51%	23.02%	0%	11.96%	3.81%	0%	2.08%	2.71%
2014	BANK AUDI sal	22%	42%	15%	0%	15%	5%	0%	0%	1%
	OTHER LEBANESE ENTITIES	17%	42%	23%	2%	9%	4%	0%	3%	0%

Composition of Governance Body Committees by Gender and Age Group at Bank Audi as of April 2018

Board and Committees	Gender (%)		Age (%)		
	Males	Females	<30	30-50	>50
Board of Directors	82	18		9	91

NB: Senior Management positions are mostly occupied by employees who are older, and hence have more seniority, experience and tenure within the Bank.

Employee Distribution by Contract Type and Gender at Bank Audi Group Lebanon

		Total Number Of Employees	CONTRACT							
			Gender		Limited Employment Contract		Unlimited Employment Contract		Collective Agreement	
			F	M	F	M	F	M	% Covered	% Not Covered
2018	BANK AUDI sal	2,699	1,352	1,347	40	47	1,312	1,300	99.33%	0.67%
	OTHER LEBANESE ENTITIES	554	166	388	27	47	139	341	22.92%	77.08%
	TOTAL	3,253	1,518	1,735	67	94	1,451	1,641	86.32%	13.68%
2017	BANK AUDI sal	2,802	1,393	1,409	39	52	1,354	1,357	99.39%	0.61%
	OTHER LEBANESE ENTITIES	600	181	419	29	50	152	369	19.83%	80.17%
	TOTAL	3,402	1,574	1,828	68	102	1,506	1,726	85.36%	14.64%
2016	BANK AUDI sal	2,764	1,372	1,392	66	67	1,306	1,325	100%	0%
	OTHER LEBANESE ENTITIES	559	158	401	23	46	135	355	33.33%	66.66%
	TOTAL	3,323	1,530	1,793	89	113	1,441	1,680	88.78%	11.21%
2015	BANK AUDI sal	2,599	1,266	1,333	39	45	1,227	1,288	100%	0%
	OTHER LEBANESE ENTITIES	531	158	373	24	36	134	337	32.11%	67.89%
	TOTAL	3,130	1,424	1,706	63	81	1,361	1,625	88.48%	11.52%
2014	BANK AUDI sal	2,511	1,217	1,294	33	36	1,184	1,258	97.3%	2.7%
	OTHER LEBANESE ENTITIES	478	143	335	13	22	130	313	36.3%	63.7%
	TOTAL	2,989	1,360	1,629	46	58	1,314	1,571	88.48%	12.46%

*This table was updated from previously published due to calculation flaws.

LABOUR PRACTICES

New Employee Hires in Bank Audi Group Lebanon

		Total Number Of New Hires	Total Number Of New Hires By Gender		Total Number Of New Hires By Age		
			F	M	<30	BETWEEN 30-50	>50
2018	BANK AUDI sal	12	5	7	4	8	0
	OTHER LEBANESE ENTITIES	2	1	1	1	0	1
	TOTAL	14	6	8	5	8	1
2017	BANK AUDI sal	210	118	92	144	66	0
	OTHER LEBANESE ENTITIES	71	19	52	47	24	0
	TOTAL	281	137	144	191	90	0
2016	BANK AUDI sal	272	149	123	187	85	0
	OTHER LEBANESE ENTITIES	74	10	64	42	29	3
	TOTAL	346	159	187	229	114	3
2015	BANK AUDI sal	223	109	114	131	89	3
	OTHER LEBANESE ENTITIES	97	24	73	48	38	11
	TOTAL	320	133	187	179	127	14
2014	BANK AUDI sal	186	97	89	136	48	2
	OTHER LEBANESE ENTITIES	48	11	37	25	19	4
	TOTAL	234	108	126	161	67	6

Return to Work and Retention Rates after Parental Leave, by Gender

		Total Number Of Employees Who Took Parental Leave		Total Number Of Employees Who Returned To Work After Parental Leave		Total Number Of Employees Who Returned To Work After Parental Leave Ended And Are Still Employed 12 Months After Their Return		Return To Work Rate		Retention Rate	
		F	M	F	M	F	M	F	M	F	M
2018	BANK AUDI sal	63	57	61	57	61	57	97%	100%	97%	100%
	OTHER LEBANESE ENTITIES	4	14	4	14	4	14	100%	100%	100%	100%
2017	BANK AUDI sal	48	45	48	45	48	45	100%	100%	100%	100%
	OTHER LEBANESE ENTITIES	3	12	3	12	3	12	100%	100%	100%	100%
2016	BANK AUDI sal	56	55	56	55	54	54	100%	100%	96.43%	98.18%
	OTHER LEBANESE ENTITIES	4	14	4	14	4	14	100%	100%	100%	100%
2015	BANK AUDI sal	79	61	76	56	76	56	96.2%	91.8%	96.2%	91.8%
	OTHER LEBANESE ENTITIES	1	8	1	8	1	8	100%	100%	100%	100%
2014	BANK AUDI sal	81	51	75	51	72	47	96.5%	100%	96%	92%
	OTHER LEBANESE ENTITIES	6	10	5	10	5	10	89%	100%	100%	100%

Cost of Benefits to Employees

	2014*	2015*	2016*	2017	2018
Salaries and benefits	USD 165 million	USD 170 million	USD 199 million	USD 198 million	USD 201 million
Number of employees supported	888	940	970	1,219	1,258

*Previous years calculated for Bank Audi sal only. As of 2017, for Bank Audi Group Lebanon.

EXTERNAL HUMAN DEVELOPMENT

	2014	2015	2016	2017	2018
Loans at preferential interest rates to university students	USD 3.9 million	USD 6.4 million	USD 6.5 million	USD 6.75 million	USD 7.84 million
Number of beneficiaries from the university loans granted	238	373	371	413	461
Number of internships to university students	432	423	510	497	513
Cost of internships	USD 80,000	USD 163,000	USD 198,000	USD 148,000	USD 182,000
Children's tuition fees	USD 4 million	USD 5.3 million	USD 5.4 million	USD 6.6 million	USD 7.7 million
Support of key educational institutions through scholarships and donations	USD 640,000	USD 746,349	USD 961,045	USD 943,038	USD 991,501

ENVIRONMENTAL PROTECTION**EFFLUENTS AND WASTE**

Total Weight of Waste in Kg

Year	E-Waste*	Plastic	Metals	Pet Bottles*	Paper	Trees
2012	–	30	4,740	–	51,770	1,102
2013	–	130	690	–	83,192	1,414
2014	–	157	–	–	103,722	1,763
2015	403	150	–	33	146,769 **	2,495
2016	2,124	196	54	1,518	111,080	1,888
2017	4,000	129	20,640 ***	1,005	92,600	1,574
2018	2,192	67	***3,882	1,407	70,328	1,196
TOTAL	8,719	859	30,007	3,964	659,461	11,432

*Initiated in 2015.

**Includes disposing of non-recurrent archives.

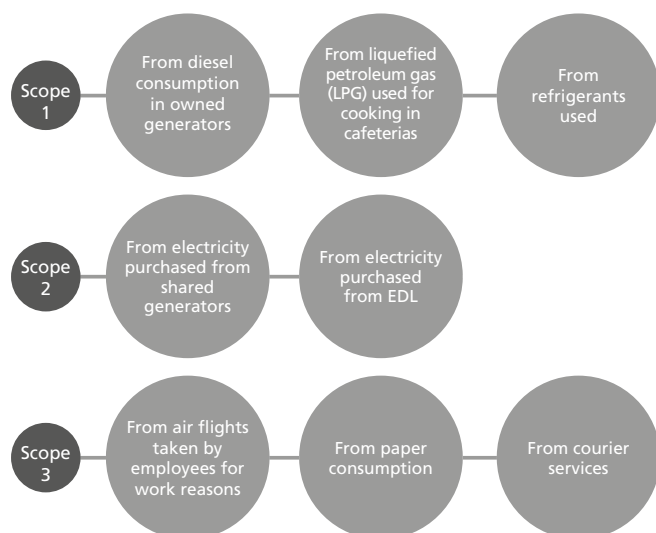
***Includes disposing of non-recurrent old ATMs.

EMISSIONS

	2013	2014	2015	2016	2017	2018
Total GHG emissions	21,309.8 tCO _{2e}	21,065.6 tCO _{2e}	21,738.2 tCO _{2e}	19,976.2 tCO _{2e} *	23,292.7 tCO _{2e}	22,515.0 tCO _{2e}
GHG emissions per employee	7.68 tCO _{2e}	7.0 tCO _{2e}	6.9 tCO _{2e}	6.01 tCO _{2e}	6.88 tCO _{2e}	6.51 tCO _{2e}
GHG emissions per m ²	0.220 tCO _{2e}	0.218 tCO _{2e}	0.225 tCO _{2e}	0.200 tCO _{2e}	0.205 tCO _{2e}	0.198 tCO _{2e}
Total GHG emissions % from Scope 1	19.2%	21.3%	20.5%	38%	22%	15%
Total GHG emissions from Scope 1	4,101.7 tCO _{2e}	4,486.2 tCO _{2e}	4,448.1 tCO _{2e}	7,668.2 tCO _{2e}	5,054.3 tCO _{2e}	3,412.9 tCO _{2e}
Total GHG emissions % from Scope 2	75.1%	72.8%	72.1%	53%	73%	80%
Total GHG emissions from Scope 2	16,003.9 tCO _{2e}	15,338.3 tCO _{2e}	15,672.4 tCO _{2e}	10,506.1 tCO _{2e}	16,993.7 tCO _{2e}	17,799.9 tCO _{2e}
Total GHG emissions % from Scope 3	5.7%	5.9%	7.4%	9%	5%	0%
Total GHG emissions from Scope 3	1,204.2 tCO _{2e}	1,241.0 tCO _{2e}	1,617.7 tCO _{2e}	1,801.8 tCO _{2e}	1,244.7 tCO _{2e}	913.9 tCO _{2e}
Flight trips % of Scope 3	74.3%	68.4%	63.3%	66%	54%	44%
Flight trips	894.9 tCO _{2e}	849.5 tCO _{2e}	1,024.5 tCO _{2e}	1,193.9 tCO _{2e}	670.5 tCO _{2e}	406.6 tCO _{2e}
Courier services % of Scope 3	8.4%	8.2%	23.1%	21%	30%	41%
Courier services	101.4 tCO _{2e}	101.4 tCO _{2e}	373.8 tCO _{2e}	373.8 tCO _{2e}	373.8 tCO _{2e}	373.1 tCO _{2e}
Paper consumption % of Scope 3	17.20%	23.4%	13.6%	13%	16%	15%
Paper consumption	209.7 tCO _{2e}	290.1 tCO _{2e}	219.4 tCO _{2e}	234.1 tCO _{2e}	200.3 tCO _{2e}	134.2 tCO _{2e}

*it is worth noting that at reporting time, given the lack of official data, some estimations were made on our electricity consumption.

Bank Audi's Greenhouse Gas Emission Sources



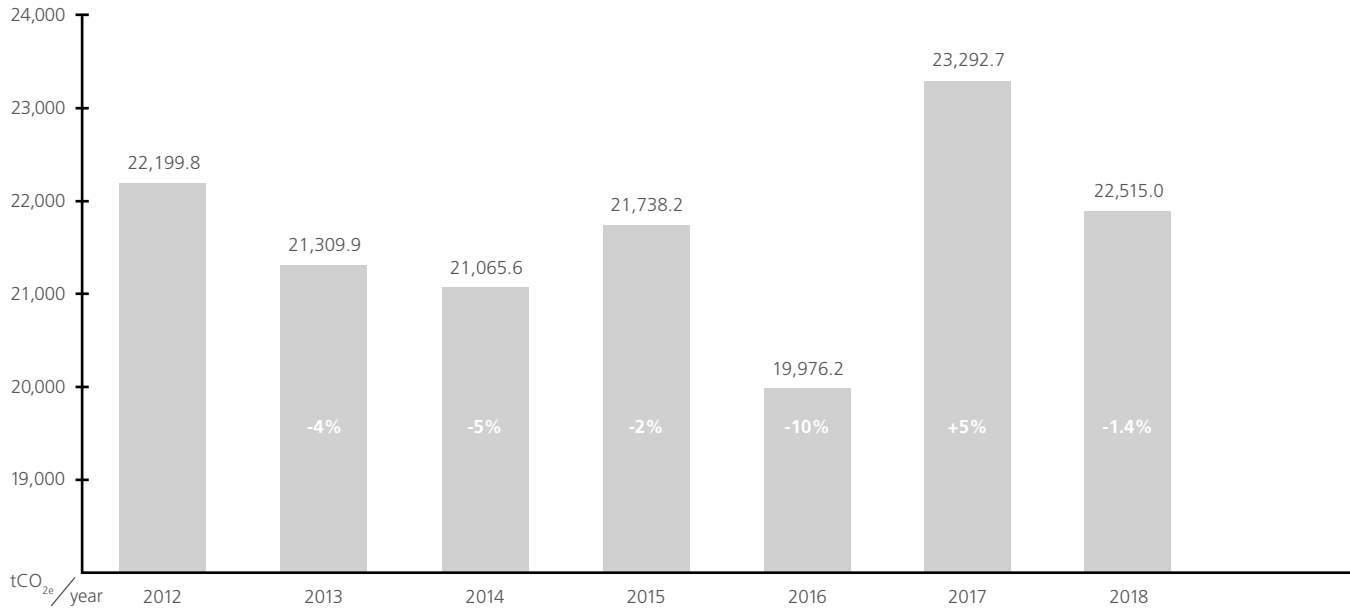
ENERGY CONSUMPTION

	2014	2015	2016	2017	2018
Total fuel consumption	1,439,665.8 litres	1,402,789.8 litres	2,608,853.4 litres	1,477,862 litres	988,057 litres
Total electricity consumption	23,922 MWH	23,745.1 MWH	17,489.4 MWH	24,176.3 MWH	23,893.53 MWH
% of electricity purchased from EDL	75.9%	73.4%	44.4%	66%	65.4%
% of electricity produced by owned generators	12.7%	12.5%	31.6%	12.90%	25.9%
% of electricity purchased from shared generators	11.4%	14.1%	24%	21.10%	8.8%

Sources of conversion factors used are the same as those used in 2013*.

* 2013 CSR Report, Figure 20.

EMISSIONS



Percentages compared to baseline year, 2012.

Emissions per Sources

Sources	%
EDL	44%
Shared generator	36%
Diesel consumption	12%
Refrigerant	3%
Flights	2%
Courier services	2%
Paper	1%

Our Contribution to Reducing the Nation’s Carbon Footprint

	2013	2014	2015	2016	2017	2018
Total tCO ₂ saved due to environmental loans	158 tCO ₂	2,533 tCO ₂	12,771 tCO ₂	10,828 tCO ₂	23,023 tCO ₂	36,977 tCO ₂

Bank Audi contributed to reducing the nation’s carbon footprint through facilitating environmental loans granted by the Central Bank (Circular 236), in coordination with the Lebanese Centre for Energy Conservation (LCEC), as observed since 2013. These loans helped various residential, commercial and industrial projects emerge with reduced carbon emissions. Hence an overall saving of 36,977 tCO₂ in carbon footprint using efficient energy efficient and solar or photovoltaic solutions.

CONCORDANCE TABLE

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE	
UNIVERSAL STANDARDS						
102 - General Disclosures						
Organisational Profile						
102-1	Report the name of the organisation.	6.3.10. 6.4.1- 6.4.5. 6.8.5. 7.8.			P. 7	
102-2	Report the primary brands, products and services.				P. 9, 46, 59	
102-3	Report the location of the organisation's headquarters.				P. 7	
102-4	Report the number of countries where the organisation operates, and names of countries where it has significant operations or that are specifically relevant to the sustainability topics covered in the Report.				P. 7	
102-5	Report the nature of ownership and legal form.				P. 7	
102-6	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).				P. 7	
102-7	Report the scale of the organisation, including: - Total number of employees. - Total number of operations. - Net sales (for private sector organisations) or net revenues (for public sector organisations). - Total capitalisation broken down in terms of debt and equity (for private sector organisations). - Quantity of products or services provided.				SDG 8	P. 9, 14, 59
102-8	a. Total number of employees by employment contract (permanent and temporary), by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender. d. Whether a significant portion of the organisation's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries). f. An explanation of how the data was compiled, including any assumptions made.			Principle 6	SDG 5 SDG 8 SDG 10 SDG 16	P. 64
102-9	A description of the organisation's supply chain, including its main elements as they relate to the organisation's activities, primary brands, products, and services.				SDG 8	P. 21
102-10	Report any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain - Changes in the location of, or changes in operations, including facility openings, closings, and expansions. - Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations). - Changes in the location of suppliers and the structure of the supply chain, or in relationships with suppliers, including selection and termination.					P. 7
102-11	Report whether and how the organisation applies the Precautionary Principle or approach.				SDG 8 SDG 9 SDG 13	P. 11, 58
102-12	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.				SDG 8	P. 2, 4, 6, 8, 49
102-13	A list of the main memberships of industry or other associations, and national or international advocacy organisations.			Principle 3		P. 49

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
Strategy					
102-14	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy for addressing sustainability.	4.7. 6.2. 7.2. 7.4.2.			P. 3
102-15	A description of key impacts, risks, and opportunities.	6.3.5.	Principle 1 Principle 2 Principle 4 Principle 6 Principle 10	SDG 8	P. 57
Ethics and Integrity					
102-16	Describe the organisation's values, principles, standards and norms of behaviour.	4.4. 6.6.3.	Principle 10	SDG 8 SDG 16	P. 11
Governance					
102-18	The reporting organisation shall report the following information: a. Governance structure of the organisation, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social topics.	6.2. 7.4.3. 7.7.5.			P. 7 Annual Report 2018, p.18, refer to the website
Stakeholder Engagement					
102-40	Provide a list of stakeholder groups engaged by the organisation.	5.3.			P. 51
102-41	Percentage of total employees covered by collective bargaining agreements.	6.3.10. 6.4.1- 6.4.5. 6.8.5. 7.8.	Principle 3	SDG 8 SDG 10 SDG 16	P. 64
102-42	Report the basis for identifying and selecting stakeholders with whom to engage.	5.3. 6.7.1 - 6.7.2. 6.7.6.			P. 51
102-43	Report the organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagements was undertaken specifically as part of the Report's preparation process.				P. 51
102-44	Report key topics and concerns that were raised through stakeholder engagement, including: i. How the organisation has responded to those key topics and concerns, including through its reporting. ii. The stakeholder groups that raised each of the key topics and concerns.*				P. 8, 51
Reporting Practice					
102-45	Report the following information: a. List all entities included in the organisation's consolidated financial statements or equivalent documents. b. Whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the Report.	5.2. 7.3.2. - 7.3.4.			P. 49
102-46	a. Explain the process for defining the Report's content and the aspect boundaries. b. Explain how the organisation has implemented the reporting principles for defining the Report's content.				P. 49, 50
102-47	List all the material topics identified in the process for defining the Report's content.				P. 49, 50
102-48	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.				P. 49
102-49	Report significant changes from previous reporting periods in the list of material topic and topic boundaries.				P. 49

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
102-50	Reporting period for the information provided.	7.5.3. 7.6.2.			P. 49
102-51	Date of most recent previous report (if applicable).				P. 49
102-52	Reporting cycle (such as annual or biennial).				P. 49
102-53	Provide the contact point for questions regarding the Report or its content.				P. 49
102-54	The reporting organisation shall report the following information: a. The claim made by the organisation, if it has prepared a report in accordance with the GRI Standards. Either: i. This report was prepared in accordance with the GRI Standards: Core option; or ii. This report was prepared in accordance with the GRI Standards: Comprehensive option.				P. 49
102-55	The reporting organisation shall report the following information: a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the Report. b. For each disclosure, the content index shall include: i. The number of the disclosure (for disclosures covered by the GRI Standards). ii. The page number(s) or URL(s) where the information can be found, either within the Report or in other published materials. iii. If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.				P. 70
102-56	The reporting organisation shall report the following information: a. A description of the organisation's policy and current practice with regard to seeking external assurance for the Report. b. If the Report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process. ii. The relationship between the organisation and the assurance provider. iii. Whether and how the highest governance body or Senior Executives are involved in seeking external assurance for the organisation's sustainability report.			P. 49	
103 - Management Approach					
103-1	For each material topic, the reporting organisation shall report the following information: a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. Where the impacts occur. ii. The organisation's involvement with the impacts. For example, whether the organisation has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	5.2. 6. 6.3.6. 7.3.1. - 7.3.4. 7.4.3. 7.7.3. 7.7.5.			P. 55, 56
103-2	For each material topic, the reporting organisation shall report the following information: a. An explanation of how the organisation manages the topic. b. A statement of the purpose of Management's approach. c. A description of the following, if Management's approach includes that component: i. Policies. ii. Commitments. iii. Goals and targets. iv. Responsibilities. v. Resources. vi. Grievance mechanisms. vii. Specific actions such as processes, projects, programs and initiatives.				P. 56
103-3	For each material topic, the reporting organisation shall report the following information: a. An explanation of how the organisation evaluates Management's approach, including: i. The mechanisms for evaluating the effectiveness of Management's approach. ii. The results of the evaluation of Management's approach. iii. Any related adjustments to Management's approach.				P. 56

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
TOPIC SPECIFIC STANDARDS					
200 - Economic Standards					
Economic Performance					
201-1	Direct economic value generated and distributed.	6.8.1 - 6.8.3. 6.8.7. 6.8.9.		SDG 5 SDG 7 SDG 8 SDG 9 SDG 13	P. 9, 14, 27, 44, 59, 61
Market Presence					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage.	6.3.7. 6.3.10. 6.4.3. 6.4.4. 6.8.1 - 6.8.2.	Principle 6	SDG 5 SDG 8 SDG 10 SDG 16	P. 37
Indirect Economic Impact					
203-1	Report the following information: a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.	6.3.9. 6.8.1 - 6.8.2. 6.8.5. 6.8.7. 6.8.9.		SDG 4 SDG 5 SDG 8 SDG 9	P. 18, 20, 27, 31, 39, 60, 61, 62, 67
Procurement Practices					
204-1	Proportion of spending on local suppliers.	6.4.3. 6.8.1 - 6.8.2. 6.8.7.			P. 21
Anti-corruption					
205-2	Communication and training about anti-corruption policies and procedures.	6.6.1 - 6.6.3. 6.6.6.	Principle 10 Principle 2		P. 11, 58
300 - Environmental Standards					
Energy					
302-1	Energy consumption within the organisation.		Principle 7 Principle 8 Principle 9	SDG 7 SDG 9 SDG 12 SDG 13 SDG 15	P. 44, 68
Emissions					
305-1	Direct greenhouse gas (GHG) emissions (Scope 1).	6.5.5.		SDG 12 SDG 13	P. 44, 68, 69
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2).			SDG 12 SDG 13	
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3).			SDG 12 SDG 13	
305-4	Greenhouse gas (GHG) emissions intensity.			SDG 12 SDG 13	
Effluents and Waste					
306-2	Total weight of waste by type and disposal method.	6.5.3.		SDG 12	P. 44, 67

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
400 - Social Standards					
Employment					
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	6.4.3.	Principle 6	SDG 4 SDG 5 SDG 8 SDG 10 SDG 16	P. 37, 65
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	6.4.4. 6.8.7.		SDG 8	P. 38
401-3	Report the following information: a. Total number of employees that were entitled to parental leave, by gender. b. Total number of employees that took parental leave, by gender. c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender. d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. e. Return to work and retention rates of employees that took parental leave, by gender.	6.4.4.		SDG 4 SDG 5 SDG 8	P. 37, 66
Training and Education					
404-1	Average hours of training that the organisation's employees have undertaken during the reporting period, by: i. Gender. ii. Employee category.	6.4.7.	Principle 6	SDG 4 SDG 5 SDG 8	P. 37, 62
404-2	Report the following information: a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	6.4.7. 6.8.5.		SDG 4 SDG 8	P. 62
404-3	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	6.4.7. 6.8.5. 6.4.3.		SDG 5	P. 62
Diversity and Equal Opportunity					
405-1	Report the following information: a. Percentage of individuals within the organisation's governance bodies in each of the following diversity categories: i. Gender. ii. Age group: under 30 years old, 30-50 years old, over 50 years old. iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: i. Gender. ii. Age group: under 30 years old, 30-50 years old, over 50 years old. iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	6.2.3. 6.3.7. 6.3.10. 6.4.3.	Principle 6	SDG 4 SDG 5 SDG 10 SDG 16	P. 64
405-2	Ratio of basic salary and remuneration of women to men for each employee category, by significant locations of operation.	6.3.7. 6.3.10. 6.4.3. 6.4.4.		SDG 5 SDG 8 SDG 10 SDG 16	P. 37
Human Rights Assessment					
412-1	Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.	6.3.5.	Principle 1 Principle 2 Principle 4 Principle 6	SDG 16	P. 57
412-2	Report the following information: a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations. b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.			P. 11	

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
Local Communities					
413-1	Report the percentage of operations with implemented local community engagement, impact assessments, and/or development programs.	6.8.1. 6.8.2. 6.8.3. 6.8.9.		SDG 4 SDG 8	P. 26, 28, 30
417-1	Whether each of the following types of information is required by the organization's procedures for product and service information and labeling: i. The sourcing of components of the product or service; ii. Content, particularly with regard to substances that might produce an environmental or social impact; iii. Safe use of the product or service; iv. Disposal of the product and environmental or social impacts		Principle 7 Principle 9		P. 57
Socioeconomic Compliance					
419-1	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.	4.6.		SDG 16	P. 11
SECTOR SPECIFIC INDICATORS					
Product Portfolio					
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.			SDG 4 SDG 5 SDG 8 SDG 9 SDG 11 SDG 13	P. 20, 27
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.			SDG 7 SDG 8 SDG 9 SDG 13 SDG 15	P. 44
Local Communities					
G4-FS13	Access points in low-populated or economically disadvantaged areas by type.			SDG 8 SDG 16	P. 20
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.			SDG 8 SDG 9 SDG 11 SDG 16	P. 20, 26

*Principle 5: Child Labour, N/A.

ACKNOWLEDGEMENTS

We would like to thank all the departments, branches and individuals who have made a significant contribution in this report, as well as employees and stakeholders who have participated in the assessment process, providing feedback and helping us improve and move forward. We would also like to thank our consultants for their comments and suggestions which have contributed to our efforts to integrate best practices in this report.

To further protect the environment, we have opted for a soft version only of our full-fledged 2018 CSR Report, with an executive summary in print.