



UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

REPORTING PERIOD: DECEMBER 2018 - DECEMBER 2019

ABOUT BLOM BANK

Established in 1951, BLOM BANK's founders started Banque du Liban et d'Outre-Mer s.a.l. with a vision that has transformed the Bank today into a leading Lebanese bank, which has repeatedly and unanimously been awarded prizes by the most recognized regional and international institutions, the most recent being "Best Bank in Lebanon 2019" by The Banker, Global Financial and EMEA Finance.

Listed on the Beirut and London Stock Exchanges*, BLOM BANK offers universal services and solutions across a network of banking and financial units, both directly and through subsidiaries. We take pride in the way we conduct our business by assisting our clients in fulfilling their goals. Our operations evolve around trust and credibility, and are aligned with our defined strategies. We aim to drive economic growth and enrich the society in which we operate by conducting business in a responsible, sustainable, and inclusive manner.

In fact, our Corporate Social Responsibility strategy conforms with the Bank's purpose and mission; and our Sustainability Committee acts as an advisor to the Board of Directors and assists it in monitoring and evaluating the Bank's social responsibility performance, and making sure it reflects our core values of Prudence, Professionalism, Integrity, Improvement, Performance and Stewardship.

**GDRs listed on both Beirut and London Stock Exchanges.*

For further information:

<http://www.blombank.com/english/Profile>

ABOUT THIS REPORT

On 26 December 2014, BLOM BANK became an official signatory to the UN Global Compact, thus committing to respect its ten principles, integrate them into our strategies and operations and annually report their progress to our stakeholders through an annual Communication on Progress (COP).

In this report, we aim at highlighting the progress achieved based on our past commitments with respect to the ten UN Global Compact principles. We will also show how our activities align with the United Nations Sustainable Development Goals.

 <p>THE GLOBAL COMPACT</p> <p>COMMUNICATION ON PROGRESS</p>	<p>This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.</p> <p>We welcome feedback on its contents.</p>
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OUR CHAIRMAN'S LETTER OF COMMITMENT



At BLOM BANK, we firmly believe that the progress of our community can only be achieved when all involved stakeholders work hand in hand to place sustainability at the forefront of their activities. In this respect, the banking sector plays a major role in Lebanon, both on the economic and social fronts. And it is why we continuously strive to improve how we do business and to refine our role, as one of the biggest banks in Lebanon.

This progress report sheds light on the continuous efforts we are deploying in spearheading the Corporate Social Responsibility practices which ultimately brings our CSR goals to fruition. Throughout 2019, and despite the challenges, we have broadened the scope of our contributions and partnerships to support projects dedicated to education, working closely with reputable academic institutions throughout Lebanon. Stemming from our belief that education is not a luxury, but a fundamental right for every individual, we spare no effort to see this goal through and help ensure a sustainable community by helping to provide our future generations with quality education.

As we walk through this long journey, I would like to reiterate BLOM BANK's commitment and support to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption; and to play a major role in the United Nation's Global Compact Network Lebanon. We, as ever, also commit to publicly and transparently share this information with our stakeholders using our primary channels of communication.

Sincerely,

A handwritten signature in black ink, appearing to read 'Saad Azhari', written over a light blue rectangular background.

Saad AZHARI
Chairman and General Manager

HUMAN RIGHTS

INTERNAL

PRINCIPLE 1 BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND

PRINCIPLE 2 MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.

OUR COMMITMENT

At BLOM BANK, we support and fully adhere to international standards of human rights throughout our operations and daily practices. In fact, embedded in one of our core values, and prescribed as one of our Employee Code of Conduct, is our commitment to protect and improve the well-being of our people by enforcing professional and businesslike behavior at all times and under all circumstances.

CURRENT STATUS OF IMPLEMENTATION

BLOM BANK believes in being an active aider to the 2030 Agenda for Sustainable Development which envisions “a world of universal respect for human rights and human dignity, the rule of law, justice, equality and non-discrimination”. As we strive to create a culture that thrives on prudence, professionalism, integrity, improvement, performance and stewardship, we have integrated new measures to sustain a harmonious dynamic in the workplace – ones that harbor basic human rights.

** The statistics used cover the timeline between 1 January 2019 and 31 December 2019.*

In 2019, BLOM BANK:

- gave its 50th university scholarship and rewarded deserving students by funding their desired academic route.
- set the “Employee Workplace Health & Safety” policy into motion, confirming that the bank takes serious measures dealing with any hazard related to health, safety and welfare. In 2019, 427 employees attended general safety training, 94 employees attended firefighting trainings, and 22 employees attended first-aid and AED training sessions.
- launched BLOMunity – a new communication strategy that focuses on 4 themes under which several activities fall in line with different Human Rights themes and principles:

1. Celebrating our accomplishments

BLOM BANK's annual Academic Awards Ceremony was held in August 2019 placing high achieving employee's children on the pedestal they deserve to be on. 42 school students and 29 university students took the stage and were rewarded for their academic dedication.

2. Fostering our heroes

We take pride in our athletics teams at BLOM BANK and nurture their growth. Our teams include a football team and two basketball teams for both men and women.

In 2019, our basketball and football teams took on new challenges locally and regionally and came out among the top teams in most championships.

3. Engaging our employees

In 2019, employees were showered with activities that benefited a greater good and increased their general knowledge.

One of these initiatives included the introduction of Denim Saturdays in an effort to take the edge of the formal routine for back office employees. Employees were also able to enjoy workshops that focused on their health and mental state; blood drives and free mammograms for female employees during, the Pink October month were also part of the 2019 agenda.

A special activity introduced this year was 'Bring Your Child to Work' day which included an anti-bullying session for the children.

When it came to increasing FinTech awareness, the Digital Innovation Challenge was launched to test the creativity, passion, and motivation of our employees.

On another note, the HR Newsletter was setup as a communication platform between the human resources division and employees. Additionally, HR Talks was also created as a platform allowing employees to voice any HR-related concerns they might have.

Some employees got the chance to enjoy the Team Building activity outside the workplace scope which included a day of outdoor activities. Quiz Nights were organized to create a feel of fun among employees through picking their brains on general knowledge questions and other topics.

Among other things, employees were able to donate either money, food and clothes to help families in need.

4. Empowering our people

BLOM BANK sponsored the tuitions of 97 employees who chose to pursue a post-graduate degree and invested in their banking career path. Additionally, 63 employees who earned their higher education degrees or certificates and maintained high levels of performance were given an extra allowance to their salary.

HUMAN RIGHTS

EXTERNAL

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CURRENT STATUS OF IMPLEMENTATION

Safe and secure environment

In collaboration with the Lebanon Mine Action Center, a unit in the Lebanese Army, the BLOM "Giving Card" assists in the removal of mines and cluster bombs from the Lebanese territories. Donations are made whenever BLOM MasterCard Giving cardholders pay the card's annual fee and whenever they use their cards for purchases or for cash withdrawals without bearing any extra cost.

Since 2010 and up until today, more than US\$1.64 million has been donated to the Lebanon Mine Action Center from the Giving program alone and more than 327,364 mines have been removed from 233,832m². Other than removing a large number of mines, the program planted more than 1,000 trees in the demined lands. Additionally, on the International Day for Mine Awareness and Assistance, BLOM BANK supported "The Regional School for Humanitarian Demining in Lebanon" under the slogan "Strengthening Safety and Development". The Regional School conducts a range of training courses for civilians and military members on removing mines in Arabic, English and French languages.

The Giving program has also been recognized several times internationally and has won multiple awards some of which are:

- Best CSR Program for 2019 from Banker Middle East.
- Credit Card Initiative of the Year 2019 - Lebanon from Asian Banking and Finance.
- Best Co-Branded Credit Card for 2019 from Banker Middle East
- The Best Corporate Social Responsibility Card in the Levant for 2018 by MasterCard.
- Corporate Leadership Award by Hult Prize Global Selection Committee in 2018.
- Special Recognition from Lebanese Army Commander General Jean Kahwaji and Mr. Michael Williams, UN Representative in Lebanon.
- First initiative chosen by MasterCard to be part of the Purchase with Purpose program 2014.
- Winner of the "Best Cause" at the MENA Cristal Awards for 2010.

Causes support

The partnership between BLOM BANK and the Beirut Marathon Association (BMA) is a long-standing one, dating back to 2005. BLOM BANK's support of BMA has allowed them to build BLOM BANK Beirut Marathon, a platform for NGOs to raise funds, and for runners to promote athleticism and champion their causes.

Despite all the preparation and anticipation for the BLOM BANK Beirut Marathon 17th edition that was due to happen on Sunday 10 November 2019, and due to the unrest and the tiring times that our country has been going through since 17 October 2019, we – along with the organisers – had to cancel the scheduled event.

8 DECENT WORK AND
ECONOMIC GROWTH



17 PARTNERSHIPS
FOR THE GOALS





Quality education

As a goal keeper for SDG4, Quality Education, BLOM BANK considers education as one of the foundations of its Sustainability strategy, as providing educational opportunities can make a difference in the lives of millions of people, pulling them out of poverty and developing children to their full potential. Under this vision, the Bank continues to lead several programs and initiatives in the education field focusing on needs-based assessment.



BLOM shabeb

To ensure that children and youth make accurate decisions in their academic and professional paths, BLOM BANK has created BLOM shabeb – a CSR program that guides them as they transition into adulthood. Since 2010, more than 417,000 students have benefited from the BLOM shabeb program.

In 2019, BLOM shabeb:

- made growing efforts in its mission of spreading financial awareness in Lebanon. The START with BLOM program is a financial literacy program tailored to children and youth with the aim of broadening their basic understanding of money, banks, spending, saving, budgeting etc.
- launched in March workshops for children and young teenagers across all Lebanese regions reaching more than 760 beneficiaries. Workshops were also delivered to mentally and physically challenged children.
- organized several educational and career guidance events that catered to more than 700 school and university students from many regions across Lebanon. These events created a liaison between students and their new endeavors, so those entering university were given a chance to listen to professionals give them a sneak peek of their future road map should they choose to pursue a particular degree. On the other hand, students entering the workforce were given proper tips and tools to skillfully transition into the workforce by helping them identify core values and personality types, learn about the importance of emotional intelligence and body language, give an 'Elevator Pitch', write a proper resume, set goals and plan for them, prepare for a work interview, etc.
- organized the second edition of The A List Competition, a scholarship competition that handed out university scholarships worth US\$30,000 each to the 5 winners.
- actively participated and sponsored numerous academic events that promote education through entertainment.



ProtectED Program

ProtectED is a Canadian program supported by BLOM BANK since its launch in Lebanon in 2013. It is adapted to meet Lebanon's specific cultural and safety needs, and offers kids preventive, proactive and innovative safety education on bullying, child abuse, predation, racism, discrimination and negative social media influence in order to build confidence, reduce risk and protect the future of our children. Up until 2019, ProtectEd has been rolled out in 206 schools across Lebanon, reaching out to 110,196 school students per year, and more than 20,058 parents through the seminars provided to them by ProtectED free of charge.

19 new schools have enrolled in the ProtectED Program for the academic year 2019-2020.



Virtual Stock Exchange (VSE)

The Virtual Stock Exchange Competition has been developed by the BLOMINVEST BANK to provide a framework of hands-on education for young adults, matching knowledge with experience and theory with practice. More specifically, it allows the Bank to contribute towards the promotion of application-based experience in taught finance curriculums, and to strengthen their capabilities for future jobs and professional work. Throughout its various editions this year, the competition reached out to more than 15,000 students. Also in 2019, the winners from 10 universities from around Lebanon participated in the 3rd national edition of the VSE competition. As a result, 5 finalists won grand prizes.

Hult Prize

2018-2019 marked the second year of the partnership between BLOM BANK, Hult Prize Foundation and Banque du Liban to bring Hult Prize to Lebanon and give an opportunity for the youth to develop their entrepreneurial skills, while at the same time help solving some of the world's most challenging problems.

In its second year, the competition grew from 24 campuses to reach 70 campuses across Lebanon, with 500,000 students reach nationwide through trainings, social media and info sessions. More than 3,000 students participated in the competition through oncampus presentations and idea pitching. BLOM BANK's engagement included involvement as judges in the panels ranging from on campus events to finals, sharing of expertise through info sessions at the 6-week accelerator program, and hosting the students for a day for their Pitch Fridays.

So far, two startups, Heatechs (2018) and Beepers (2019) have been awarded with seed-funding of US\$250,000 each as winners of the competition in Lebanon to launch their companies.

Each year, students from across universities in Lebanon are invited to participate in the global challenge, and are required to work in teams to present their start up ideas. They compete at different levels, starting with on campus competitions within their university, where the top runners will participate in a semifinals competition. At the semifinals, the teams are shortlisted to 6, who will in turn attend an intensive 6-week accelerator program where they are coached and mentored by global professionals, professors and specialists to improve their pitches. At the Finals competition, the winner among the 6 teams will be awarded with a US\$250,000 prize in seed funding to set up their startup company. In addition to the national competition, Lebanese teams have the opportunity to participate in regional competitions where they can – if they make it to the top of the list – participate in the global accelerator in London and get a chance to participate in the Hult Prize finals in New York for a startup prize of US\$1,000,000.

Teach For Lebanon Summer School

For the second year in a row, BLOM BANK supported Teach For Lebanon with their Summer School, where 20 newly on-boarded Fellow teachers, Cohort 11, educated 270 street-children over a period of 2 weeks. Together with Cohort 10 (BLOM 1st cohort), Cohorts 10 and 11 will reach more than 6,000 underprivileged students in 15 schools in rural and poor neighborhoods in 2019-2020.

8 DECENT WORK AND ECONOMIC GROWTH



4 QUALITY EDUCATION



LABOR

- PRINCIPLE 3** BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING;
- PRINCIPLE 4** THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOR;
- PRINCIPLE 5** THE EFFECTIVE ABOLITION OF CHILD LABOR; AND
- PRINCIPLE 6** THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.

OUR COMMITMENT

BLOM BANK recognises its human capital as the most valuable asset and the driving force behind its continued success. That is why we are committed to continuously secure an environment where all employees are given equal opportunities and treated with utmost respect in a culture that strives on fairness, ethics and transparency regardless of their position, sex, religion, ethnic background, age or disability. This is clearly addressed in both our Annual Report and Fraud Policy and Code of Conduct.

CURRENT STATUS OF IMPLEMENTATION

In 2019, recruitment and selection processes remained objective, and equal opportunities were ensured for all. Since BLOM BANK has been cultivating a culture of good corporate governance including accountability, fairness, transparency, and responsibility, it has thus incorporated this notion in its normative protocols:

- HR policies were consolidated and placed at the disposal of all employees to create as great transparency as possible.

- BLOM BANK's efficiency and corporate environment feeds off its overall diversity where 47.22% of employees are women and 52.78% are men. Employees also belong to different generational groups: 9 belong to the Silent Generation (≤ 1945), 233 are Baby Boomers (1946-1964), 501 belong to Generation X (1965-1979), 1,693 are Millennials (1980-1994) and 82 belong to Generation Z (≥ 1995). The employment average age is 37.09; employee tenure is 10 years and the retention rate is 95.56%. All of these indicators prove that the bank not only attracts the young generation but also engages them into becoming experienced and knowledgeable professionals.

- In 2019, the HR division prepared 2 assessment centers with the purpose of gathering significant information to understand individuals' capabilities in performing managerial positions. Assessment centers insure that judgments made are reliable, bias-free and leading to employee promotions and career advancements, trainings after identification of needs or career path changes.

- A new succession development plan was put in place as it plays a vital role in our medium and long-term plans, especially for key roles at the bank. This new plan was tailored based on extensive research on the latest succession plan trends.

- Due to BLOM BANK's strong belief in employee development, around 90% of its human capital was trained in 2019. The 37,775 hours of training activities were not only limited to technical skills, but also included soft skills to better identify and develop our employees' interpersonal skills. We use blended training styles that include traditional classroom trainings, on the job trainings, boot camps, self-paced trainings among others.

Development is done across all divisions and functions using different techniques such as assessment centers, coaching and mentoring, etc. Transfer of knowledge is highly encouraged and rewarded through fostering a culture of continuous learning and improvement.

Aligned with human rights, all employees work at BLOM at their own volition.

It is worth mentioning that over the past 5 years, 889 people have been recruited. Additionally, 95.83% of branch managers and 85.71% of heads of divisions/departments at BLOM BANK were promoted internally.

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



ENVIRONMENT

PRINCIPLE 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;

PRINCIPLE 8 UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND

PRINCIPLE 9 ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

OUR COMMITMENT

Our commitment to environmental sustainability has led us to continuously seek opportunities and improve practices that help us promote a greener culture across our premises and communities at large. Ultimately, our main aim is to reduce the ecological impact of our operations through paper reduction, waste segregation, supply chain sustainability and lower energy consumption.

CURRENT STATUS OF IMPLEMENTATION

Paper recycling and reduction

In 2019, BLOM BANK delivered 51.22 tons of paper to a leading national paper recycling facility, and the proceeds were donated to associations that provide assistance to challenged children.

Moreover, 32.5 tons of shredded papers were handed out to "Association l'Ecoute" in order to support their main mission of supplying earpieces to needy hearing-impaired individuals.

Moreover, the various paper reduction initiatives adopted in 2018 had a considerable impact on decreasing paper consumption during the year 2019, noting that the below results could not have been achieved without the bank's employees' involvement in this endeavor:

- 40.7% decrease in envelope consumption after the introduction of the multi-use envelopes in August 2018.
- 30% paper savings in BLOM BANK's advices resulted from reducing the forms' number of carbon copies from three to two copies.
- 7% decrease in A4 paper consumption after the reduction of the number of printers per floor at Head Office buildings to its minimum, thus inciting employees to print necessary documents only.

Water usage reduction initiative

In 2019, water strainers were installed on the taps of the headquarters' buildings in Verdun, thus reducing water consumption by more than 50% at these premises. In parallel, internal communication explaining water scarcity challenges and providing water saving tips to be applied at home were shared with all employees, with the objective of carrying these sound practices to each one's environment, and increasing the impact of the activity beyond the bank's environment.

13 CLIMATE ACTION



Carbon footprint calculation and assessment

For the third year, BLOM BANK appointed V4 Advisors to conduct a Greenhouse Gas (GHG) audit measured in tCO₂e for the Head Offices, branches and warehouses in Lebanon based on the Business-as-Usual (BaU) scenario.

The total GHG emitted by BLOM BANK, employing 2,437 employees in a total area of 112,588 m² was 15,790.6 tCO₂e in year 2018. Compared to the 2016 baseline year figure i.e. 15,267.2 tCO₂e, total GHG emissions registered an increase of 3.4%. This is due to the increase of the bank's total area by 28.6% in 2018 compared to 2016 (acquisition of HSBC Bank Middle East in Lebanon, new Head Office building in Mazraa, opening of three branches: Halba, Batroun and Mar Takla).

It is worth mentioning that the total GHG emissions per employee and per m² decreased in 2018 compared to 2016. Below is a table summarizing carbon footprint results for the years 2016, 2017 and 2018:

Year	Total Area (in m ²)	Total Number of Employees	Total GHG Emissions (in t CO ₂ e)	% Change Compared to Base Year (2016)	Total GHG Emissions Per M2 (in KG CO ₂)	% Change Compared to Base Year (2016)	Total GHG Emissions Per Employee (in tCO ₂ e)	% Change Compared to Base Year (2016)
2018	112,588	2,437	15,790.6	3.4%	140.3	-19.6%	6.48	-6.8%
2017	96,085	2,445	14,919.6	-2.3%	155.3	-11.0%	6.10	-12.2%
2016	87,545	2,195	15,267.2		174.4		6.95	

Improving workplace environment

A number of key projects that improved the physical workplace environment and the occupational Health and Safety of employees in the Head Office buildings were implemented.

As a matter of fact, some departments have been relocated to the new Head Office building in Mazraa, which has a new look and feel, more greenery areas and high tech systems from health and safety perspective, e.g. ventilation and air-conditioning, firefighting and alarm systems, lighting, CO₂ monitor in the parking areas etc.).

Moreover, the layouts of some floors at our Headquarters in Verdun headquarters were improved, with the purpose of providing more comfortable space to several departments.

This also has resulted in space optimization especially after the removal of unnecessary partitions and the adoption of the open space design.

Clothing collection bins initiative

A new initiative that has been planned and prepared to launch in 2020 was a partnership with FabricAID – a Lebanese social enterprise which mission is to enable deprived people to get decent clothing at affordable prices. BLOM BANK will be placing a collection bin in each of its Head Office buildings (five bins in total), with the purpose of encouraging employees to donate their unwanted clothes to underprivileged families.

The clothes collected from the bins will be sorted by FabricAID and later on sold in pop up markets located in underprivileged areas across Lebanon at prices ranging from LBP 500 to LBP 3,000 maximum per item. As for the clothes that are not suitable for sale, they will be shredded into pieces and used for insulation, furniture production or they will be upcycled, i.e. redesigned by local fashion schools and tailored by a group of unemployed needy women, thus insuring minimum fabric waste.

Environment initiatives

BLOM BANK has committed to several initiatives that aim to safeguard and appreciate the natural environment. For this purpose, several activities were organised throughout the year, with the sole purpose of preserving this environment and engaging employees while doing so.

One example of these activities included a reforestation day on 22 November (Independence Day), where more than 80 members of staff planted 10,000 trees of Cedrus Libani, fir trees and wild apple trees in an area of around 20 hectares in the Sannine mountain.

Another initiative was a "Bike to Work" day, where employees were encouraged to come to work taking their bicycle. 56 staff members participated in this initiative that was very much appreciated by the BLOM community.

13 CLIMATE ACTION



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



13 CLIMATE ACTION



ANTI-CORRUPTION

PRINCIPLE 10 BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

OUR COMMITMENT

Our commitment to the highest ethical standards goes beyond the rules and the regulations set by official bodies and aims at promoting good corporate governance practices into the core of our daily operations, while working against any form of unprincipled behavior including corruption, extortion and bribery.

CURRENT STATUS OF IMPLEMENTATION

Partnering with 3QA

In order to strengthen the governance of the third party sector and to signal to potential donors the soundness of the organization and their impact on the society, we have partnered with 3QA, a regional Lebanon based social enterprise that uses an accreditation tool from the UK setting contextualized standards of performance and good governance, to organize workshops for the NGOs to invite them to consider the accreditation process and appreciate its benefits.

More than 15 NGOs attended the workshop, where they had the chance to explore the organizational systems and procedures that would make their governance more credible, efficient and effective.

BLOM BANK has also adopted part of the accreditation fees for one of the NGOs that showed interest in signing up for the accreditation process to bring up their corporate governance to international standards. This accreditation is due to be completed in 2020.

Fighting corruption

BLOM BANK works hard to sustain an ethical work environment; it continuously works on strengthening its policies and actively takes measures to fight corruption, theft, harassment, money laundering, bribery, and violation, etc. The bank also works hard to protect the reputation and interests of its stakeholders.



BLOM has previously placed the “Grievance Policy” and “Fraud Policy and Code of Conduct” to fight unethical conducts. It is important to highlight that in 2019, no grievance cases were reported and only 6 cases were reported by whistleblowers through the hotline. To continuously remind all employees of our zero tolerance policy, BLOM highlighted different topics from the fraud policy document on a quarterly basis in 2019 as opposed to a semi-annual basis previously. Additionally, a ‘team briefing meeting’ initiative was instated to have managers meet and discuss important topics with their teams and keep them informed on the latest updates – shortening the vertical hierarchy and promoting an atmosphere of inclusion.

Corporate Governance

The Bank recognizes the paramount importance of Corporate Governance for its proper functioning and for the creation of an optimal operational environment.

The Bank’s Board of Directors views the ongoing development of Corporate Governance as a matter of great importance and necessity in enhancing its competitive position by continuing to further raise its standards vis-à-vis internal organization and services to clients and working against any form of unethical behavior including corruption, extortion, bribery, deception, insider dealing and conflict of interest.

The Board of Directors is the body ultimately responsible for ensuring the best practices of Corporate Governance at BLOM BANK and exercises some of its duties and authorities through six specialized Board Committees.

In order to ensure an ethical environment within the Bank and a fair treatment to all stakeholders, the Board of Directors has put in place a system of internal control that aims to identify control requirements, develop and implement controls, enforce compliance and review existing controls. Sound internal control shall be reflected in the organization and procedures of the Bank’s operations and is ensured through sound management of the following systems: controls, duties, authorities, limits, organization Chart.

Also advancing an ethical environment, the Group Customers Advocacy Department approved by the Board of Directors is responsible for implementing the policy for the principles of banking and financial operations with clients. The Department receives customers’ complaints, follows up on received complaints in a timely manner and informs clients about the appropriate measures taken to provide them comfort in their dealings with the Bank while safeguarding the Bank’s reputation. The Department also reports quarterly to the General Manager and the Board of Directors about all complaints received and handled and those still pending.

As part of its commitment to transparency, accountability, integrity, and protection of shareholders’ rights, the Bank discloses on its Website, the Corporate Governance Code, the Board Committees’ Charters, its Fraud Policy and Code of Conduct, its Remuneration Policy and other information about the Board of Directors and Senior Management.

