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# 2019

## COMMUNICATION ON PROGRESS FOR THE UN GLOBAL COMPACT

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*Chedid Capital Reporting period, April 10, 2019 to April 10, 2020*



*The 2019 Communication  
On Progress highlights our  
commitment to the UN Global  
Compact’s ten principles and  
describes the actions our  
company and its affiliates have  
taken to **put this commitment  
into practice.***

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*Dear Secretary General,*

*A year ago, I shared the first engagement letter and communication on the progress of our group, Chedid Capital Holding, as a proud and dedicated member of the United Nations (UN) Global Compact. Today, at a most testing time for not only the markets and communities we serve, but also, for the entire world, I would like to reiterate the commitment of Chedid Capital and its affiliated companies to the UN Global Compact's ten principles in the areas of Human Rights, Labor, Environment and Anti-corruption. It is not by chance that these four pillars form the backbone to the growth of our communities, our business and, most importantly, our people.*

*In 2019, we delivered on our promise to drive a culture of respect, equality, accountability, sustainability and transparency from the top down as much as from the ground up, across all levels and levers of our organization.*

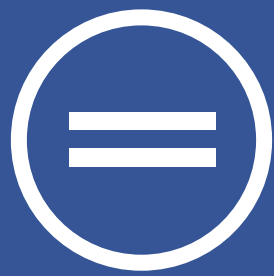
*The past year saw the debut of our "Compliance Dashboard" initiative, the digital extension of our Ethics & Compliance Program, powered by analytics and cross-compliance collaboration, along many other transparency controls. It also marked a slew of environmental partnerships and initiatives for our group in tackling paper, energy and fabric waste in partnership with local and international organizations. Moreover, we continued to invest our resources into training programs and educational tracks in ensuring equal, borderless and indiscriminate access and opportunity for our employees' personal and professional development.*

*At a time when our unsustainable present is riddled with uncertainty, actions speak volumes on the sustainable future we want to build alongside our UN Global Compact peers.*

**Farid Chedid**  
Chairman & Group CEO

A stylized, handwritten signature in black ink, consisting of several fluid, overlapping strokes.





Human  
Rights



*Chedid Capital is committed to 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, national or ethnic origin.*

*Employee Composition by Gender*



*of our new hires in 2019 were Female*



*Female in Management*

*Our Code of Ethics upholds the principles of non-discrimination and a harassment-free workplace. This commitment is not mere ink on paper. It is an everyday effort that our organization and people drive. We maintain a zero-tolerance policy to any form of discrimination, and continuously reward equal access to growth and opportunity. Collectively, our people represent more than 25 nationalities across our entities. Not only has this diversity created an organic environment of cultural reciprocity, knowledge exchange and creative thinking, but it has also organically instilled values of respect, humility and curiosity among our employees.*

*At Chedid Capital, we always strive to maintain a diverse and inclusive*

*workforce. We believe that having a broad range of perspectives is what fosters our innovation, inspires our success and enlarges our horizons.*

*Gender equality lies at the heart of our business, where men and women are granted equal opportunity for growth, development, equal pay, and career advancement. Away from tokenism, we continue to exert considerable effort toward a gender-agnostic workplace, built on a merit-based system that thrives on cultural diversity.*

*In 2019, Chedid Re, Executive Director, Rana Hafda, has been nominated by the Jury of the 2019 Middle East Insurance Award as a candidate for the “Woman Leader of the Year”.*



*Rana Hafda,  
Executive Director,  
Chedid Re*

*“It is with great honor I announce that I have been nominated by the Jury of the 2019 Middle East Insurance Award as a candidate for the “Woman Leader of the Year”. I wish to dedicate this achievement to all women working in the insurance industry in an effort to motivate them to endure all the difficulties that may come their way. With persistence, hard work and competence, all challenges will be overridden.”*



*Human  
Development*

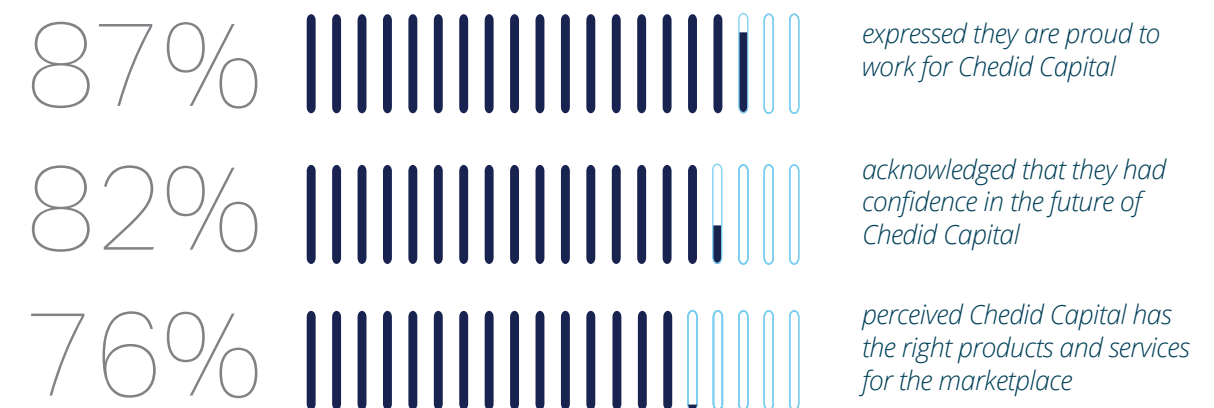
*Our employees' well-being, stability and happiness come first, and the business follows. Similarly, our career progression tracks ensure that our people are always ready, willing and able to take on their next role, assignment and duties. And we invest a great deal in making sure that our employees feel involved and engaged in our vision, but more so, fulfilled and empowered to pursue their aspirations, develop their capabilities, and constantly learn with the active support of their managers.*



***"Passion combined with superior technicity leads to success."***

*Charles El Hage, Vice-Chairman of the Board of Directors, Chedid Capital*

## ***Employee Engagement Survey***



*In 2019, we launched our Employee Engagement Survey to evaluate the satisfaction and wellbeing of our employees and gauge their connection with our mission, vision and organization. In the past year, we invested more than \$ 500,000 into our employee learning and development programs, which we built and designed in collaboration*

*with leading external partners. These programs and tracks, delivered to our staff across departments, roles and functions, have evolved to combine technical, professional and leadership skillset development, as well as high-level certifications and accreditations from the world's most established academic institutions.*



## By the numbers / Employee Training & Development Training



In 2019, more than 150 employees were registered in the Chartered Insurance Institute exams, and benefitted from the unique opportunity to further their education, participating in social networking activities and raising professionalism standards in their respective communities. As Chedid Capital has become in 2012 an approved centre for the Chartered Insurance Institute to deliver trainings and become an examination center for its employees and stakeholders.

In 2019, Chedid Capital in collaboration with L'École Supérieure des Affaires (ESA) designed a Leadership program dedicated for our senior management.

The Advanced Management Program (AMP) is a Learning Journey with blend of soft and technical skills that offered our Senior Managers the opportunity to

step back from the daily responsibilities and reset their directions. It provided them with a solid overview of general management principles and the hands-on tools needed to succeed in a cross-functional role and to drive and manage change in the organization. AMP was a successful opportunity for participants to consolidate their on-the-job experience with the latest management thinking.

We have also teamed up with Thomson Reuters, PwC, EMCO a leading legal firm offering general marine, insurance, reinsurance, commercial and corporate legal advice for legal workshop and ASL, International Loss Adjustors and Forensic Accountants to cater for our employees' training and development needs in addition to the programs we have developed and delivered internally.

*Our people also invested their time and energy into advanced academic qualifications;*

*Our role in upskilling and empowering the future talents of our industry also extended beyond our organization in 2019. In our commitment to support the insurance and finance sector in Lebanon, we joined forces and resources with Notre-Dame University (NDU), to launch a master's degree program in the field of actuarial sciences, under which we offered three scholarships to students to pursue their higher education ambitions.*

90%

*completed trainings in collaboration with Thomson Reuters in focal themes for our business and industry: Anti-Bribery & Anticorruption in Insurance Firms, Code of Conduct, Ethics & Compliance Essentials, and Financial Crime.*

58%

*of our Senior Managers completed the Advanced Management Program at the ESA (École Supérieure des Affaires).*

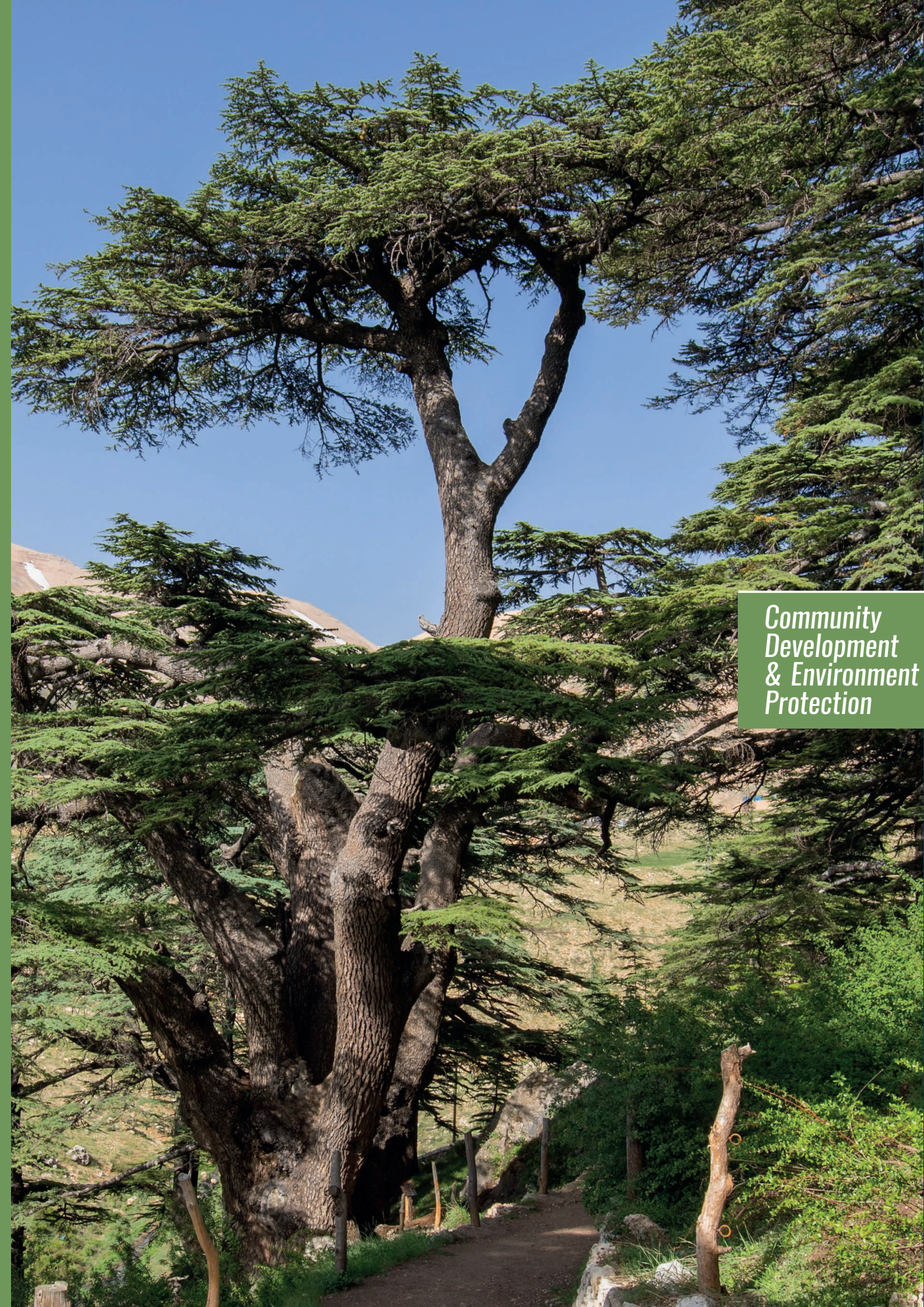
35%

*of our executives graduated from the Executive Leadership program at INSEAD.*

45%

*completed technical insurance trainings at the Chartered Insurance Institute.*





Community  
Development  
& Environment  
Protection





***We believe that a sustainable environment is key to unlocking sustainable growth for businesses, people and communities. Our eco-conscious culture is one we bring to life through policy and action, from our office operations to the partnerships and initiatives we spearhead and support.***

We enforce a strict no-smoking policy across all our offices and markets of operation, but our environmental efforts go beyond the necessary controls to more proactive areas for sustainable operations. Our infrastructure and systems are automated and optimized for the efficient

use of water, energy and paper resources. We not only encourage, but also enforce recycling activity across our operations.

In 2019, CAQ and SEIB, two affiliates of our group, started their migration to paperless operations.

This past year also marked a spate of environmental partnerships for our group in Lebanon. We joined hands with Warak Beirut, a project by the Beirut municipality in collaboration with UNDP, aimed at increasing the rate of paper and cardboard sorting at source, promoting recycling activity, and reducing waste burning and dumping practices.

The project's first stage, launched in 2019, implemented a plan for sorting at source, covering all public institution buildings in Beirut. This first step entailed an awareness campaign, the installation of



sorting and storage bins, as well as linkups between institutions and recycling players through local collectors.

Mr. Farid Chedid, our group Chairman and CEO, and UNDP Goodwill Ambassador, was one of the project's funders, and a key contributor to another reforestation initiative organized by the College Notre Dame De Jamhour management with UNDP. Under this initiative, 300 of the school's students planted 1000 cedar trees in the Lebanese town of Hammana.

In July 2019, we collected 117 kg of clothes through a bin we installed on our premises, under our collaboration with Fabric Aid, a social enterprise that collects and distributes good-quality second-hand clothing at affordable prices to the underprivileged.

Throughout 2019, we also organized several internal fundraising rounds to support CHANCE (Children Against Cancer), a Lebanese non-profit association that helps Lebanese children with cancer or blood disorders access better chances for treatment and recovery.

"Smile in a box" initiative  
**[www.smileinabox.org](http://www.smileinabox.org)**

Pack a small box with gifts and make a big difference in the life of a child in need. In December 2019, we filled 50 boxes for 50 children in need to spread the joy of Christmas.





*Corporate  
Governance*



*Chedid Capital has strongly upheld a business and work ethic centered on transparency, ownership and accountability; all values that were central to our resilience and leadership in a volatile industry and region.*

Our anti-corruption policies, under the umbrella of our Group Ethics & Compliance Program, were designed around our efforts to ensure that our people thrive in a fair, equitable environment that protects their rights as much as their obligations. Their implementation – and we are proud to say, success – have required of our people, clients and business partners to strictly comply with anti-corruption laws everywhere we do business. And we continue to enforce these laws as central principles to all terms of business agreements we sign with clients, partners and suppliers.

These policies apply to everyone and anyone in our group network, across Chedid Capital entities, hierarchies and markets. They equally apply to the many ways we develop, implement and maintain our broad-based Anti-corruption Program.

In tandem, we continually assess and refine our Ethics & Compliance Program, focally so on training our people to take ownership of this program in both their business and personal relationships. Our innovative approach on this front provides baseline training to all Chedid Capital family members, as well as additional training for individuals in higher-risk and higher-responsibility roles. Under these training tracks, we regularly update, hone

and introduce anti-corruption courses through multimedia cross-platform content, as well as through real-life scenarios that engage and resonate with our people.

We believe that local actions create global impact. We are proud to have seen the successful rollout of our Ethics & Compliance Program across our operational geographies in the past year. Our local leaders lead by example in promoting a strong work ethic and transparent culture. At that, they set the tone from the top and visibly model good behaviour among our people, encouraging open lines of communication and experience sharing. As a result, our people have taken ownership in addressing critical issues and wrongdoings, actively engaging in problem-solving for the betterment of our organization.

Our commitment to tackling corruption is not only engrained in consistent policies

and practices – including mandatory training on anti-bribery and corruption. It is also core to our auditing efforts in tracking and investigating instances of fraud, misuse, corruption and other forms of noncompliance.

The year 2019 saw the launch of our large-scale tech investment into our anti-corruption efforts; our innovative “Compliance Dashboard” initiative centralises Chedid Capital’s compliance-related applications onto one platform, to provide efficiency gains, improve cross-compliance collaboration, enhance analytics and deliver additional reporting capabilities.

This platform includes an ‘anti-corruption portal’, whereby employees are required to obtain approval before providing gifts, meals or entertainment to public officials. It also features a whistleblowing mechanism, allowing our people to speak up and report on incidents or suspicions of corruption, fraud or unethical behavior.



*“Corporate Governance is part of our institutional DNA and vision. It is about instilling a culture, rooted in a strong ethical framework, that places values above profits.”*

**Mohamed Khalifeh,**  
Head of Governance, Risk & Compliance, Chedid Capital



