

Bank Audi

COMMUNICATION ON PROGRESS 2020

The past year was all about confronting for the customers and communities we serve, dealing with disruptions unparalleled in most of our lifetimes. In our region, the dramatic health and economic impacts of COVID-19 came on top of specific geo-political unrests, the Beirut Port explosion in August, and the continuous fall of the Lebanese economy.

These high profile incidents and other protests in 2020 prompted organisations like Bank Audi to review their business model and appraise their role in the market place. The lessons learnt from the Lebanese crisis and through our self-assessment into governance, accountability and culture remain our top priority. We are making sustainable progress by holding ourselves accountable, setting clear restructuring objectives and targeted performance criteria. We are working towards setting new and right foundations in place, and are well aware that our efforts can only be fully amplified if coupled with a full and national economic solution in Lebanon. This will take time however, but the expectations of the Bank remain positive as we have a clear ambition: to emerge from the current crisis and make the greatest contribution to helping Lebanon through this confronting period.

Bank Audi and its people were tested and we are proud of how they have responded during these defining moments, when supporting the economy and our communities became a major task. Today, we are united behind common values that are interpreted into our unique focus: safeguarding our communities in times of dire need. Our principle-led approach entrenches our values of integrity, accountability, and commitment to diversity and inclusion in the decisions we make every day.

In times of severe crisis, like the one Lebanon has witnessed in 2020, Bank Audi continues to sustain its compliance to ISO 26000 Social Responsibility standards and the UN Global Compact (UNGC) Principles, and maintained membership in The Global Reporting Initiative (GRI) Standards as part of the Gold Community.

As an active member in the UNGC Lebanon Network's Board of Directors, we added the UN Women Empowerment 7 principles to our commitment towards **SDG5 – Gender Equality**, and activated the related Target Gender Equality Project. We are pleased to lead this initiative as a driver of implementing responsible and sustainable business practices and maximising positive impacts for women. Internally, our gender parity of 47% female and 53% male employment, coupled with a 22% female representation at Board level, are above regional average measured indicators. Externally, we proudly partner with 29% women-owned small businesses. With this pledge at benefit, awareness initiatives include mobilising the entire Management and staff for the "White Ribbon Campaign – Men Against Violence".

At the local network level of the UNGC, Bank Audi is, since 2017, goalkeeper for **SDG 8 – Decent Work and Economic Growth** – where we are SDG Council Members. Additionally, we maintain our pledge to three more Sustainable Development Goals (SDGs) including **Quality Education (SDG 4)**, **Industry, Innovation and Infrastructure (SDG 9)**, and **Climate Action (SDG 13)**. These goals are perfectly matched and aligned to our five CSR pillars which embrace transparency and the application of environmental and social management systems across our compliance processes.

Human Development projects helped maintain the Bank's position as a non-discriminatory and equal opportunity employer of choice in the Lebanese private sector, with special empowerment to youth and entrepreneurs. A living example of this is our participation in the UNGC's Young SDG Innovators Program

(YSIP), a 9-month program where three of our colleagues furthered their skills in project management, design thinking, efficient management of resources and collaboration with other participating companies. Another example resulting from COVID restrictions where the annual Global Money Week was cancelled, was to opt towards our “Let’s Talk Money” module, where one can obtain financial knowledge in banking; maintaining our commitment to financial literacy.

Community work remains the motivator behind our corporate volunteer program where our heroes contributed in fighting the rampant poverty in our country. We partnered with the UNGC Local Network, the Ministry of Social Affairs and the World Bank on the National Poverty Targeting Program (NPTP), an ongoing social assistance program developed to support Lebanese families living beneath extreme poverty. Our volunteers invested some 300 hours manning a dedicated call center for the project to liaise with potential donors, while Bank Audi matched each cent collected from the fundraising campaign.

As part of our drive towards a sustainable nation, we participated with Univeristé Saint Joseph and its Faculty of Economy on the proposed CSR draft law deposited for vote at Parliament, to create a CSR Label and other incentivising government measures to recognise and reward sustainable projects once mandated from the private sector.

Under **Environmental Protection**, we pursued our **Climate Action (SDG 13)** commitment through the measurement of our own carbon footprint for the ninth consecutive year, as well as our internal recycling initiative. We also pursued community recycling efforts by partnering on paper collection for recycling, in addition to the glass debris resulting from the blast whereby 125 tons of glass were sent to local manufacturers and converted to useful artifacts.

Furthermore, we participated as Non-State Actors (NSA) stakeholder consultation on Lebanon’s 2020 Nationally Determined Contribution (NDC) update submitted in 2015, coordinated by The Ministry of Environment and UNDP. This NDC update acts as a finance mobilization tool which fully considers Lebanon’s special circumstances, clearly showing Lebanon’s priorities in the next decade and our engagement as private sector in the process and implementation to the achievement of Lebanon’s environmental targets.

In its objectives of sharing best practices and spreading good CSR governance, Bank Audi continues to participate in major national and regional conferences and workshops, thus becoming a benchmark among CSR practitioners and a natural mentor for several other institutions.

Lebanon 2020 was also shaped by three major events: a global one, the COVID-19 pandemic, and two local ones: the Beirut Port explosion and the country’s centennial celebration.

COVID-19

In Lebanon, banking services are considered essential and are therefore being maintained despite the lockdown and social distancing measures. Our engagement towards our community was further extended with countermeasures adopted to maintain staff health and safety, minimise risks, and ensure business continuity to our clients. At times, most employees had to work from home, with provided teleworking solutions that allowed secure remote access to the Bank’s systems. To mitigate cyber risks, security best practices based on INTERPOL and US-CERT were shared with all employees with a view to protecting data integrity and confidentiality.

When at work, keeping staff alert and aware was of paramount importance. A bank-wide campaign was launched across several touch points to raise awareness on the virus and on how to prevent its spread. Naturally, all the Bank’s premises and branches were geared with necessary sanitisation and protection tools, and constantly disinfected. While our clients started to seek alternative delivery channels, Bank

Audi made sure to staff up its Contact Center 24/7 and was the only institution offering a variety of contact options from WhatsApp chat, email, and chatbot services on Facebook messenger. The number of daily calls and messages peaked at 12,000 calls a day from the usual 3,000 daily calls. Nevertheless, the efficient measures implemented proved to be adequate to make sure daily operations are running smoothly, and client needs are answered at all times, working around governmental curfews, while taking all safety measures.

Using our Bank Audi Community Facebook group, we shared articles, updates and useful links on COVID-19. It gave our employees the chance to consult various professionals through 10 live sessions with experts on family medicine, immunity-boosting diets, psychological and physical wellbeing, mental health or psychosocial issues. Special medical sessions were also provided on more specialised points such as pregnancy, newborn-related concerns... Family coaching, environmental prevention and live cooking sessions were added on-demand. Articles on “Essential Tips for Working from Home” and “Tips to Stay Healthy during Lockdown” were featured in our monthly e-newsletter.

In our relentless effort with respect to COVID-19 prevention and supporting our frontline healthcare workers and institutions, we contributed in the telethon fundraising campaign for the Hariri Hospital, the Red Cross and the Civil Defense. By the same token, we donated locally produced ventilators to seven other renowned hospitals across the country to help in their efforts and fill their gap in equipment needs.

We also engaged with the “Sound of Resilience” concert produced by the Baalbeck Festival: a musical message from Lebanon to the world despite the economic crisis and pandemic. The concert, which took place at the Baalbek temple on 5 July 2020, featured the Lebanese Philharmonic Orchestra and choirs from the Antonine and Notre-Dame universities, along with the Lebanese group Qolo Atiqo.

The aggregated initiatives in this section are all in support of **SDG 3**.

Beirut Port Blast

Our action started immediately after the explosion, with volunteering efforts in response to the different calls for help by NGOs and other neighborhood organisations to clean rubble and help restore residences, donate blood, food and clothes, as well as raise funds for reconstruction. We also partnered with “Offre-Joie”, one of the major reconstruction NGOs acting on the ground, and contributed heavily in supporting the rehabilitation of destroyed residences in two poor districts, Quarantina and Gemayzeh. These actions contributed directly to **SDG 1, 10 and 11**.

During the aftermath of the blast, we participated in the creation of “Recollect Beirut”, a classical music concert involving regional choirs from all over the country, to convey a message of courage, love and hope. The concert, which took place at the famous Villa Sursock – a heavily damaged historic residence itself – on 20 September 2020, was broadcast live on primetime TV and on social media platforms. Similarly, we hosted “L’Art blessé” exhibition at Villa Audi, a new artistic expression that draws inspiration from Kintsugi and trauma therapy, showcasing damaged, inspired and restored artworks resulting from the Beirut Port explosion.

Lebanon Centenary

2020 marked the 100th year of Lebanon’s state birth declaration. On that occasion, Bank Audi partnered with leading TV station LBCI to bring to life a historical tribute to the last 100 years, through creating a mini series made up of 100 episodes that tackled various topics and shed light on the major milestones, achievements and personalities that shaped the Lebanese cultural, artistic, economic, and political Lebanese landscape since 1920. The series aired daily on TV and was supported by an online campaign generating a widespread positive sentiment, which constituted a much needed glimpse of hope during a gloomy year.