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# 2020

## COMMUNICATION ON PROGRESS

*A partnership for sustainable  
development*

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*Chedid Capital reporting period, April 10, 2020 to April 10, 2021*

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*The 2020 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 has passed since our group, Chedid Capital Holding, renewed its commitment and that of its affiliates to the UN Global Compact's ten principles for Human Rights, Labor, Environment and Anti-corruption. If 2020 is anything to go by, never has there been a more testing, yet perfect time for us to live and work by these principles in what is now called "the new normal". I challenge the label "new", as what may be so to our modern history, other generations have survived and thrived beyond for centuries. And I equally challenge the label "normal", as our world today is hardly standard, usual, ordinary, or any word to that effect.*

*The year 2020 was an extraordinary one that, rather than brought novelty, set us back to a time when a global force majeure would cross geographies, social classes, races, and business structures, to name a few. It did so in the most devastating, but also, best of ways; 2020 was a year of unity, empathy, and teamwork, when the world struggled, worked, problem-solved, healed, and triumphed as one against odds.*

*At that, the year 2020 was an extraordinary feat, nowhere more so than in our home, Lebanon. While the COVID-19 pandemic was still unfolding across our region, the Beirut Blast of August 4 shook our Lebanese communities to the core. In the wake of tragedy, our group grew closer and stronger than ever, as did our community, as an agent of change and social action. While a lot of our focus in the past year has been on helping rebuild Beirut, we remained committed to these ten principles in every other facet of our organization. We are proud of the many initiatives you will unpick in the next few pages, but more so, of how and why we brought them to life: always as a united front, and always at the service of human progress.*

*In this resilient spirit, our Group pushed through with its expansion in 2021, and managed to complete an 80% stake acquisition in ASCOMA's (Ascoma Assureurs Conseils) insurance brokerage business in Africa – a network of 22 subsidiaries and 780 employees across 21 African countries – for which, going forward, we will also be submitting UN Global Compact progress reports.*

**Farid Chedid**  
Chairman & Group CEO

A handwritten signature in black ink, appearing to be 'Farid Chedid', written over a horizontal line.

*Human Rights*



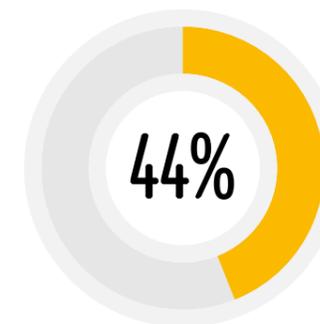
**Chedid Capital is committed to internationally recognized principles under the Universal Declaration of Human Rights, which promotes global respect for human rights and fundamental freedoms for all without distinction of race, color, gender, language, religion, opinion, descent, national or ethnic origin.**

Our Code of Ethics, which strongly advocates principles of non-discrimination, zero tolerance to harassment, and a diverse growth environment for people from all walks of life – today representing 32 nationalities across our entities – is engrained in our everyday business as much as in our people-centric policies and processes. We believe in a gender-agnostic workplace, where competent and capable talents are recognized in a merit-based system, solely on their dedication, commitment, performance, and

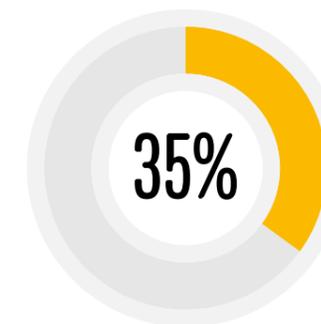
potential. However, we've equally recognized notable gender pay and opportunity gaps in our industry and region, and have led by example in ensuring that our women and men access equal opportunity to grow and take the reins of our organization. The Group has worked hard on formalizing appraisal, performance and financial committees that ensure equitable access among employees to learning and development, professional growth and fair financial compensation.



**Employee Composition by Gender**



**women in management roles across the group.**



**of new hires in 2020 are women.**

It has also introduced a salary grade system in this direction, as well as a blind applicant review system, a scoring system for performance evaluation and initiatives targeting

female candidates for enrollment under development programs.



*Human  
Development*

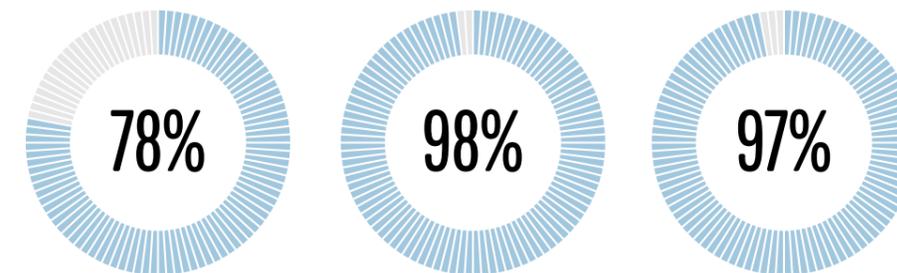


## Employee support during the COVID-19 pandemic

*The COVID-19 pandemic has positively challenged us and our people to champion the new status quo. In keeping our business running as efficiently and effectively as ever, our infrastructure had to adjust at speed and at scale. Our priority remained, as it always has been, to safeguard the wellbeing and health of our employees and partners in the process.*

*Since March 2020, Chedid Capital Holding has adopted a remote working policy to this end, supporting its human resources with logistics and infrastructure in facilitating the transition to their*

*work-from-home setups. We then launched a survey to gauge our people's sentiment towards this transition, and pivoted our policies to ensure that it was a positive one.*



*Employee work-from-home transition survey*

*were "satisfied" or "extremely satisfied" with the remote working experience*

*did not face any problems in communicating with their manager/team*

*were comfortable with the means of communication / technology at their disposal*

*As our business gradually returned to physical workspaces, we implemented strict safety measures to ensure that our employees were operating in a comfortable environment that put their health first. We installed a disinfection tunnel at the entrance of our office premises, regularly sterilized all our offices, provided each employee with*

*hygiene kits and tools, and abided to stringent social distancing protocol at all times. Along with COVID-19 rollouts across our operation markets, we have also committed to securing the Sputnik vaccine for all our employees and dependents to help our communities in reducing contagion paths and threats of the coronavirus pandemic.*



## Partner education and communication



The COVID-19 pandemic has also cast an entirely new lens on our human development efforts. In 2020, these efforts were not only geared towards personal and career progress, but equally, towards our clients' business sustainability, contingency planning, and growth in a challenging environment. Two-way communication was central to ensuring that we unlearned and relearned models that could keep pace with the new status quo of our industry. Of equal importance was our support to our people's and our partners' wellbeing, relationships, and collaboration in facing one of the most disruptive years for our industry and our group – particularly in our home base, Lebanon, where many of our clients' businesses incurred significant losses and

damages from the Beirut blast. Nearly overnight, we reshuffled our operations, models and modules to ensure learning and development continuity for our people and clients through online channels. In 2020, our affiliates, CRMI (Corporate Risk Management Institute), Chedid Re, and Seib, held educational webinars that covered both fundamentals and emerging trends in the insurance and reinsurance industry, as well as COVID-19 impact and action plans. These webinars, fronted and moderated by our top talents, brought together nearly 2,000 of our valued employees and clients.



## Human capital development



*Education is a core value of the Chedid Capital Holding ethos. Since its inception, the Group has continuously empowered employees to learn, progress, and fulfil their potential as both people and professionals. Today, we have taken this philosophy and support ecosystem beyond the walls of our organization, and into the wider pool of promising talents of our industry across the MENA region. Our aim is to raise insurance awareness, academic quality, and business acumen for these talents to gear them up for our demanding and evolving industry, through power partnerships with prominent and leading educational institutions in the region and the world.*

*In 2019, Chedid Foundation sponsored the launch of a Master of Science in Actuarial Science at Lebanon's Notre Dame University (NDU). The program equips students with the tools, skills, and knowledge to excel in their actuarial careers through blended coursework, professional training, advanced techniques, and experiential learning. In collaboration with Chedid*

*Academy, NDU tailored the program's curriculum to meet and anticipate the needs of actuarial industry, with graduates eventually accessing employment opportunities with Chedid Capital Holding.*





## CRMI for regional centers of excellence

*In 2020, our Group saw the official launch of CRMI (Corporate Risk Management Institute) – established in 2019 – under our vision to create regional centers of excellence at par with the world’s largest financial and insurance hubs. This institute marks a milestone for educational and professional development in MEA’s insurance and finance fields. Initially launched through a strategic partnership between Chedid Capital and the renowned London-based IRM (Institute of Risk Management), CRMI aims at promoting, formalizing, and scaling a culture of risk management, corporate governance, and compliance among financial and non-financial professionals in the region. Today, CRMI’s operation spans a host of training programs, accredited courses, and diplomas by prestigious global and regional academic and institutional partners, with CRMI members holding access to a world-class learning and development track. While CRMI’s network currently covers Lebanon, the UAE, and Qatar, we are eyeing an ambitious footprint for the institute across our markets of operation.*

## By the numbers | Employee development and training

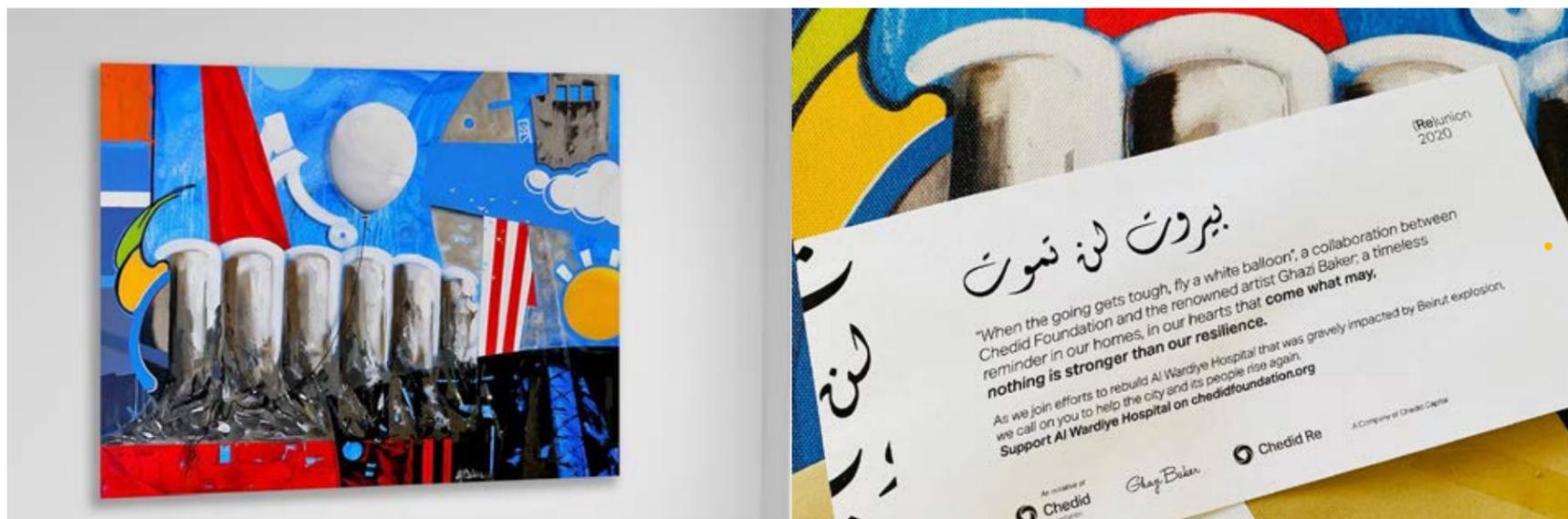
*Internally, the Group continues to invest in sponsoring employees’ professional trainings and development tracks*

- **Over 150 employees** registered in the Chartered Insurance Institute UK and IRM (Institute of Risk Management) in London
- **30 executives** enrolled in the “Building Organizational Resilience” program at London Business School
- **592 employees** assigned to Compliance & AML e-learning provided by Thomson Reuters, covering:
  - Anti-Bribery and Anti-Corruption in Insurance Firms
  - Code of Conduct
  - Financial Crime (AML&CFT, Fraud and other financial crimes)
  - Ethics and Compliance Essentials
  - Sanctions for Insurance Companies (Global)
  - Fraud Awareness (MENA) – Game-Based

*The Group has also extended the learning and development program to the level of Board Members across group entities, who were also assigned e-learning courses by Thomson Reuters on Financial Crime and Compliance.*

A photograph of several people holding hands in a circle, symbolizing community and unity. The image is partially obscured by a green patterned overlay on the left side. The text 'Community Development & Environment Protection' is overlaid on the right side of the image.

**Community  
Development  
& Environment  
Protection**



## Supporting Beirut rebuild and relief efforts

The year 2020 presented a great deal of both challenge and opportunity for our communal development efforts. Not only were our regional markets of operation most susceptible to the impact of the COVID-19 pandemic, particularly to the backdrop of ongoing sociopolitical instability, but our home base Beirut was shaken by a triple shock: a political impasse and looming economic collapse; an explosion of devastating magnitude, with many lives lost, and vital health facilities and sectors destroyed; and a health crisis that emerged on the back of both as many Beirut hospitals were reduced to rubble, while others faced a liquidity and staffing crisis.

Our team worked with organizations and individuals helping communities affected by the blast, and went to the streets to take part in volunteering work – from distributing food to cleaning up neighborhoods and homes. Under Chedid Foundation, our Group also joined hands with renowned Lebanese artist Ghazi Baker to support, fund, and celebrate relief efforts in an art collaboration, titled: “When the going gets tough, fly a white balloon”.

Funds from the foundation’s acquisition of Baker’s painting, When the going gets tough, fly a white balloon, which portrayed

the explosion, were all channeled to the rebuild of Hospital Wardieh that was demolished in the aftermath of the tragic event. Chedid Foundation has also distributed 300 replicas of Baker’s piece to raise additional funds for the hospital.

## بيروت لينة نورا



Beautiful  
smiles

Beautiful  
day.



chance  
CHILDREN AGAINST CANCER

Recently, Chedid Foundation also donated to Chance, a Lebanese non-profit association that helps Lebanese children with cancer or blood disorders access better chances for treatment and recovery, to help its rebuild after the blast.



### Beirut Walk for inclusion

In October, 2020, Chedid Capital Holding supported UNDP and UN ESCWA's (United Nations Economic and Social Commission for Western Asia) initiative launch for persons with disabilities, which called for breaking barriers to equal access for social and communal progress. In Lebanon, the initiative was fronted by UNDP Arab States Goodwill ambassador Michael Haddad, who led the #BeirutWalk4inclusion on October 14, 2020.



Breathe it all in,  
Love it all out.

Because it is about us, our children, families, community and our tomorrow, we are calling each one of you to raise funds for those who are our Shadow Soldiers  
The Lebanese Red Cross.

Donate now.

### Red Cross support

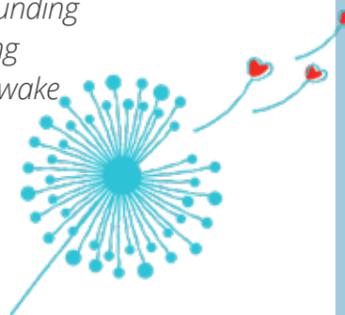
In a donation drive it launched among Chedid Capital employees, Chedid Foundation has also collected funds for the Lebanese Red Cross organization, in support of its efforts to care for COVID-19 patients and acute infection cases. The drive came at a critical time in

Lebanon, as healthcare institutions and organizations were grappling with funding challenges in the midst of an ongoing economic and currency crisis in the wake of the explosion.

### Eco-conscious workplace

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 parent group, started their migration to paperless operations.

We stopped printing placement file correspondences as of March 2020, in turn reducing paper use by the thousands. We rolled out our electronic signature across our entities through the DocuSign platform as of October 2020. Using hundreds of letterhead papers were gradually minimized. And by end-2020, we finalized most of the physical signatures required for the files dated prior to October 2020.





**Corporate  
Governance**

*In 2020 more than ever, Chedid Capital Holding remained rooted in a strong work ethic, guided by its core values of integrity, transparency, and accountability. While these values had long anchored the Group's resilience and leadership prior to the COVID-19 pandemic, they were central to our partner and people relationships during and after the pandemic.*

*As it always has, the Group demonstrated a great deal of agility in mitigating systemic and pandemic-related risks across regional markets, leveraging its already strong cybersecurity and data infrastructure, and delivering consistently on its product and service excellence throughout a challenging transition period. Customer centricity remained central to our operations and expansion. We remained focused on growing the business, and our hard work bore fruit with the 80% stake acquisition in ASCOMA's (Ascoma Assureurs Conseils) insurance brokerage business in Africa – a network of 22 subsidiaries and 780 employees across 21 African countries. Despite our growing size and portfolio, we continued to build up our organizational resilience through a considered diversification strategy and growth pace. Our solid risk culture, philosophy, and management have anchored our evolution in this direction, and allowed us to keep pace with the insurance and reinsurance industry's fast-paced progress. This progress has not come without its challenges in meeting rapid technological innovation, and addressing growing money laundering and terrorism financing threats. To this end, Chedid Capital entities have focally poured their efforts into the build and design of holistic policies, procedures, systems, and controls in the face of an increasingly delicate*



*and complex environment. At that, the Group remains committed to stringent international and local compliance requirements, laws, and regulations. In parallel, it is ambitiously pushing on its ESG (Economic, Social and Corporate Governance) agenda to ensure that its business priorities and direction align with the collective good of the communities it serves.*

*In 2020, Chedid Re, an affiliate of the Group, was named "Reinsurance Broker of the Year" at the Middle East Insurance Industry Awards 2020. The win marked the fifth consecutive year Chedid Re took home the coveted award, in recognition of its product and service innovation, risk management expertise, and corporate governance excellence in a challenging 2020 for the regional insurance and reinsurance industry.*



*Mohamed Khalife,  
Group Head, Governance,  
Risk and Compliance,  
Chedid Capital*

*Mohamed Khalife, Group Head, Governance, Risk and Compliance at Chedid Capital, was also named "Corporate Risk Manager of the Year". Under Khalife's leadership, Chedid Capital's Governance, Risk and Compliance (GRC) Department had established a strong Group Ethics & Compliance Program, under which anti-corruption policies laid the foundations for a fair and fertile growth environment.*

*In January 2021, Chedid Re Dubai also walked away with the coveted Outstanding Brokerage Company in the Application of Financial Controls title at the Insurance Authorities Awards for the Insurance sectors 2020.*

