



COMMUNICATION
ON PROGRESS
REPORT

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About Banque BEMO



1 | About Banque BEMO

Banque BEMO is a commercial bank whose services and activities cover both the Lebanese and regional markets.

True to its long history and culture of prudence and conservative approach to serving its clients, the Bank remains focused on its core expertise, namely Private and Corporate Banking while aiming to build strong relationships, based on trust, with its selected clients. The Bank is known for its competency in delivering high quality services and products, and for its customer centricity orientation. Products and services target large corporations and high net worth individuals.

Faithful to its tradition of investing efforts first and foremost in its clients' trust, Banque BEMO is committed to abide by the following four principles, which represent the source of past achievements and the foundation on which to plan future development:

- **Commitment to Customer Centricity**

Whereby the client is considered as a core asset, around whom the Bank build its endeavors, and where each decision is weighed on how to improve client satisfaction.

- **Commitment to providing an exclusive experience to clients**

Through attention to detail and anticipation of needs, Banque BEMO strives to understand stakeholders' perspective and ensure that they get more than their fair share of expectation. As part of its digital transformation journey, the Bank remains committed to delivering new and emerging technological solutions that make it easy for clients to manage their finances and meet their expectations.

- **Commitment to develop expertise/knowledge/proficiency**

Based on the existing broad offering of financial services, through the Bank and its sister entities, Banque BEMO recognizes this as a core competency and is committed to grow skills and remain proficient in the latest banking techniques.

- **Commitment to Transparency**

In line with the Group's motto "Business with Ethics", Banque BEMO recognizes that transparency fosters discipline and strengthens the processes. Therefore, the Bank commits to transparency with its stakeholders and earn their trust.

Banque BEMO has joined the United Nations Global Compact (UNGC) as a signatory member and has therefore pledged to show progress on the following Sustainable Development Goals:

- Good Health & Well Being (SDG 3)
- Quality Education (SDG 4),
- Decent Work & Economic Growth (SDG 8),
- Climate Action (SDG 13).

Banque BEMO Chairman of the Board of Directors, Dr. Riad Obegi, endorsed the Women Empowerment Principles (WEPs) in August 2019, promoting gender equality in the business and adopting the 7 principles under the «Equality Means Business» slogan, which aim to empower women in the workplace, marketplace and community.

Vision

“To be the reference in Private and Corporate Banking”

Mission Statement

“Live our values while achieving high return on equity and offering our customers outstanding quality”

Values

Family Spirit • Professionalism • Conservatism • Honesty

Positioning Statement

“Consolidating traditional values with a contemporary approach; offering services that are personal in delivery and global in scope.”

CSR Vision

“To understand the current and future implications of its actions by focusing on the economic, social and environmental impacts of its business and developing sustainable practices to meet the needs of present and future generations.”

CSR Mission Statement

“We aim to move toward a higher CSR maturity level by fostering a strong sense of corporate responsibility and creating value to the business and the society.”

Statement of the Chairman of the Board of Directors & Vice-Chairman and General Manager



2 | Statement of the Chairman of the Board of Directors & Vice-Chairman and General Manager

Dear Stakeholders,

Since its inception, Banque BEMO aimed to foster a strong sense of corporate responsibility among its shareholders, its employees, clients and the community in general believing that beyond its duties it creates long term and sustainable value. This was formalized in decisions by the Board of Directors showing particular awareness on the importance of contributing to the well-being of the community, the development of art and culture, maintaining a spirit of solidarity and the significance of being an environment friendly organization that helps preserve natural resources and healthy surroundings.

For the fourth consecutive year - we - at Banque BEMO - are pleased to confirm the renewal of our continued support and commitment to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption; and we pledge to show progress on the Sustainable Development Goals related to Good Health and Well-being (SDG 3), Quality Education (SDG 4), Decent Work & Economic Growth (SDG 8), and Climate Action (SDG 13).

Despite the unprecedented economic crisis that impacted negatively the whole country and the banking sector, we, not only continued but also reinforced, our efforts to meet our duties of a responsible Bank that supports the welfare of all stakeholders. We consider the Corporate Social Responsibility as an obligation and management objective in line with our vision, mission and culture.

This report sheds light on the progress we are making, and identifies opportunities for improving our performance in the coming period. It outlines the measures undertaken to live up to our responsibilities, as well as our ongoing commitment to transparent and open non-financial disclosure.

We have the pleasure to share this report with all stakeholders on the Bank's website under the Sustainability and Corporate Responsibility section.

Finally, we have set the following statement for this year "2021 is the Year of Faith; faith in ourselves, in each other, in our country and in the future" and this is expanded to our continued commitment to the corporate responsibility vital journey.

Yours sincerely,



Dr. Riad B. Obegi
Chairman of the Board of Directors



Mr. Samih H. Saade
Vice-Chairman & General Manager



Human Rights



3 | Humans Rights

Corporate Governance

Year 2020! A challenging year that made people across the world struggle to adapt to the new realities. The covid19- global health crisis, the massive economic deterioration, the soaring USD/LBP exchange rate, and the exceedingly political instability and rivalries were enough factors that have resulted in severe social and economic distress that our country has not witnessed in years. Within these circumstances, Banque BEMO s.a.l, the “positive bank” as described by many of its shareholders, aimed at preserving its high standards of services and governance to maintain its long term strategy towards success and going the extra mile with its esteemed clientele.

Crisis Management

The Board maintained governance best practices and disciplines, thus ensuring vigorous oversight and control of the Bank’s developing initiatives and activities, most important of which were risk management and compliance processes.

The circumstances in the country required swift action from the Board to uphold the interests of the Bank, the shareholders and all the other stakeholders. From the outset of the painful facts, the Board of Directors acted assertively to continue supporting the Bank’s clients while complying with the regulatory requirements.

The Board held exceptional meetings in response to promptly needed crisis management efforts. The Board, on the other hand, renewed the mandate of the Steering Committee, instituted in December 2019, to ensure providing the Management with the required guidance and patronage during such difficult times.

Board Effectiveness

The Board perceived the importance of enhancing governance in order to achieve the Bank’s desired purpose; hence, members committed to conducting the annual Board and

Board Committees self-assessment, highlighting areas that require improvement. Training and upskilling programs for Board members remained a priority in 2020. The Board Nominating, Remuneration and Corporate Governance Committee accentuated its efforts for the Board members to maintain proper contribution, and at the same time to support reinforcing the appropriate execution of their duties, through engaging with independent experts who provide perspective on financial and even social issues related to the crises.

Board Objectives

Responsible banking has always been a key objective of the Board. Members believe it is a priority to guarantee conducting sound and reliable business activities. With the overall prevailing situation, in 2020, and in order to better serve and rather support the Bank clients, the Board emphasized the necessity and responsibility required to adapt to the new business environment and practices that allow delivering the Bank services with the highest professional standards, in order to meet stakeholders’ expectations despite all the adversities. The Board’s main focus was to create the proper culture and skills that support fulfilling the purpose.

Environmental Social Governance

Environmental Social Governance is another responsibility to which the Board commits, being an essential priority to the Bank’s strategy. In addition to the emphasis on employees’ health and wealth being due to the pandemic, the Board aimed at the social impact that Banque BEMO should make in the Lebanese community.

On the other hand, and in the spirit of fostering Social Entrepreneurship, 3 interns from St Joseph University joined Banque BEMO’s CSR Unit for a 2 months period whereby special projects were assigned to each of them.



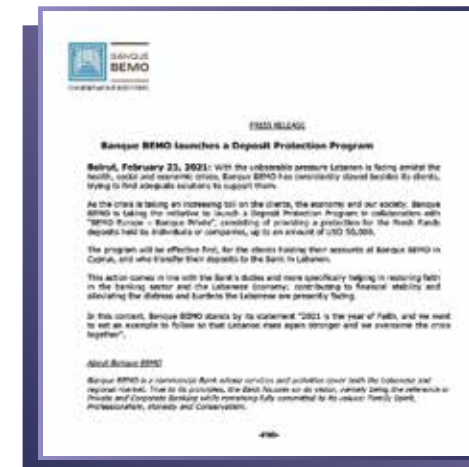
In addition, the renewal of Banque BEMO membership for the “Investors for Governance & Integrity” declaration is ensured on an annual basis.

The Board is always keen to commit to social responsibility, the driving force of which are the Bank’s long term strategy and the exuberant leadership.

Customer Centricity

During the past year, and while the Lebanese were struggling at all levels to survive the crisis, the Board sought to create positive change despite the discouraging surroundings. Members emphasized the necessity to further maintain trust of the Bank’s existing clients and earn the trust of the new clients. The Board even dedicated USD100 million to lend those who needed facilities to repair their damaged houses and establishments resulting from the Beirut Port Explosion.

Banque BEMO also launched a Deposit Protection Program in collaboration with “BEMO Europe – Banque Privée” consisting of providing a protection for the Fresh Funds deposits held by individuals or companies, up to an amount of USD 50,000. The program has entered effect for the clients holding their accounts at Banque BEMO Cyprus and who transferred their deposits to the Bank in Lebanon. This action comes in line with the Bank’s duties and aim to help restoring faith in the Banking sector and the Lebanese economy, contributing to financial stability, and alleviating the burdens the Lebanese people are currently facing.



- In line with Banque BEMO's vision to position itself as a pioneer player in the "Fresh Funds" game-changer market, the Bank's commercial departments have been working on developing new fresh funds products and services. The fresh funds market is one of major catalysts for survival in the medium term and for growth in the long term given the turmoil our country is facing. In this context, the Bank's Private Banking Senior Director and Senior Relationship Manager, have conducted a series of zoom presentations to the bank's commercial and support functions, to explain all the specifics related to the fresh funds' products and services that are currently in circulation and the ones that are in the pipeline.



- In line with the Customer Centricity business model, and aiming to put clients at the center of Banque BEMO business activities, a survey was launched to assess the quality of services, the diversity of products and services, the operational performance and the channels used to offer the various services. A Focus Group comprising both Lines of Business and Lines of Support was entrusted the project to brainstorm and identify the areas of improvement for immediate action.



- The Lebanese industry is an important driver of the economy despite being impacted by the growing pressures Lebanon is facing.

In this context, Banque BEMO launched the “Industrial Excellence Award”, in partnership with the Faculty of Business Administration and Management (FGM) at Saint Joseph University (USJ), striving to instill in the Lebanese Industry and the Lebanese economy at large, the necessity of Excellence and Exceptionalism, and ingrain the ethical values on which Lebanon should be built.

This initiative comes in line with Banque BEMO duties, as well as its aim to help restoring faith in the Lebanese Economy, and alleviating the burden and challenges it is presently facing.

The Industrial Excellence Award is intended to distinguish the most outstanding industry organization for demonstrating excellence based on the following criteria: exceptionalism, corporate governance, quality, corporate social responsibility, sustainability and operational performance.

The files were evaluated in July 2021, by a Special Jury composed of highly recognized experts and prominent professionals, to select the Award Winner among the **35** applicants.



INSTILL IN THE
**LEBANESE
INDUSTRY**
THE NECESSITY OF
**EXCELLENCE
AND
EXCEPTIONALISM**

Banque BEMO launches
The Industrial Excellence Award

 Launching Date: 20 November 2020
Registration Deadline: 31 March 2021
Application File Submission: 31 May 2021
Award Ceremony: 4 July 2021

 BANQUE
BEMO

In Partnership with  USJ FGM

- As Banque BEMO remains committed to the safety and well-being of both its employees and clients, a Remote Account Opening process and policy was put in place, avoiding clients' on-site visit to the Bank's premises to sign documentation and therefore protecting and preserving their health.

- Banque BEMO was pleased to put at the disposal of its clients, the Fresh Funds Cheque Books, Bankers' Cheques and Cards; aiming at providing more financial flexibility in managing their funds and facilitating the payment process.

Fresh Funds Cheque Books

Clients holding a Fresh Funds account will have the possibility to apply for a Fresh Funds cheque book in US Dollars and in Euro denomination.

This product allows the client to issue cheques payable in fresh money to the first beneficiary at Banque BEMO counters.

Fresh Funds Banker's Cheques

For more financial flexibility, Banque BEMO shall issue, at the request of its clients, Fresh Funds Bankers' Cheques, in US Dollars and in Euro denomination, drawn on its Head Office. Cheques presented at the counters of other local banks for collection, will be paid by Banque BEMO to the beneficiary's bank in fresh money.

This product complements the Fresh Funds Cheque book made available to our clients who need to pay third parties with fresh money.

Fresh Funds Cards

Banque BEMO offers Fresh Funds Visa charge cards in US Dollars and in Euro denomination, giving the clients an immediate access to their fresh funds accounts. The new Classic, Platinum, and Infinite Fresh Funds Cards allow international transactions up to the available card's limit.

Women Empowerment Principles

Committed to the Women's Empowerment Principles, Banque BEMO actively participated in the Target Gender Equality programme which was designed to support companies committed to gender equality, and providing guidance on setting ambitious targets for women's representation and leadership in business, and developing robust action plans to ensure progress.

This active engagement helped the Bank in mapping out strategic priorities to further progress, through the following programme modules:

- 1) Diversity Targets
- 2) Strategies for Success
- 3) Measuring Progress

Deontology & Ethics

Deontology and Ethics have always been considered as major foundations of Banque BEMO's principles and guidelines, whereby all business activities are conducted in an honest, legal, and ethical manner, providing state-of-the-art services to all stakeholders, preserving their interests, and achieving the Bank's vision and quest for excellence. The Bank's "Code of Deontology and Professional Ethics" is updated on an annual basis following new possible situations that could arise within the organization's activities, thus the need for a regular revision of Banque BEMO's ethical principles and deontology according to the Bank's core values and mission as a responsible business. Over the last year, an update regarding Banque BEMO's Deontology has been published on the Bank's Internal Communication Site accessible to all employees who were required to read and sign the document. The update revolved around complaints related to compliance with laws and regulations and related to security transactions, data privacy and processing of personal data, through regular communication with the Data Protection Officer. This update was meant to highlight Banque BEMO's commitment to encouraging employees to share a responsibility to protect the Bank's reputation for integrity by always demonstrating their commitment to the highest standards of ethics and professional behavior when dealing with colleagues, clients and their personal data, shareholders, and the community.

Each member at Banque BEMO SAL is committed to high standards of ethics and professional behavior when dealing with colleagues, clients, suppliers and the community at large serving the motto "Business with ethics" and aiming to create long-term stakeholder value that exceeds the materialistic value to embrace life values.

The Ethics Ambassador, in coordination with the Management and under the supervision of the Board Audit and Ethics Committee, established the necessary mechanisms for the maintenance of the ethics standards across the entire Bank.

In collaboration with the Internal Audit Department, an Ethics questionnaire was developed in 2020 as a tool to be used during the audit missions - intermittently through random selection of employees - to assess the bank's ethical culture.

Additionally, several internal awareness sessions were conducted by the Ethics Ambassador to promote Ethics and to reinforce the application of related prevailing codes and policies.

In April 2021, an Ethics Charter was developed defining the roles and responsibilities as well as the ethics principles.

Finally, an "Ethical Statement" was established in June 2021 by the Institutions Business Development Department.

This statement shall be signed by the Non-Government Entities. It will be further extended to cover all the client's base.

Human Capital

• The year of resilience

The COVID-19 pandemic has affected the whole world and called for rapid and well-considered actions to maintain business continuity. During this year and in response of the fast changes, the HR Management department was committed to shape its activities in new and flexible manner to engage and motivate employees while applying all measures needed for a safe workplace.

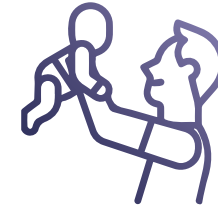
• Covid-19: Safety at Work

In coordination with other departments, the HR Management assisted in ensuring a safe and healthy work environment for all employees by encouraging the telecommuting as an agile and flexible approach for keeping the business running.

In order to ensure the efficiency and satisfaction of employees with this new practice, a survey was conducted in this respect and resulted a total of approximately **96%** among the **148** employees* who participated that “telecommuting is a good tool to be maintained as a new working model being on shift basis or not”.

* (148 employees responded out of 231 employees being the total population as at June 2020)

In addition, the HR Management organized virtual sessions related to Corona-virus safety measures aiming at increasing awareness on health and well-being to cope with the pandemic challenges. We introduced the “Health and Well-being Calendar” as a new section on the Bank digital learning platform **E-Motive** and downloaded specific health awareness topic that employees can access on monthly basis including related articles, tips and advices.



Paternity Leave



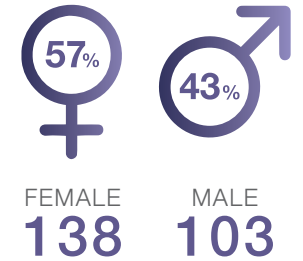
Family Medical Leave



Maternity Leave



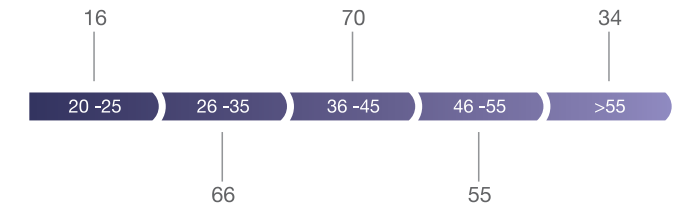
Distribution by Gender:



Distribution per Business Line:



Distribution by Age:



Distribution per Corporate Title:



As of June 2021 ,30:



BEMO's Tribute to Beirut in Response to the 4th of August Blast:

In the aftermath of the Beirut Port explosion, our Chairman Dr. Riad Obegi, shared a heartfelt message with all the employees:

“

Dear Family,

Three weeks have passed since August 4.

A number of us have lost family members or friends. Many have either lost properties or had them damaged but all of us have been injured whether physically or psychologically.

At the same time, we have seen or heard of miracles. The solidarity demonstrated by the Lebanese people and worldwide is by itself a miracle.

Though our hearts will, forever, bear the scars of this tragedy, our testimony for the miracle will be not to give up, but to rise again and build on this solidarity momentum to pursue a more human path.

At our scale, We at BEMO have already launched several programs to help people in need; details of which are available on our website.

It is together that we will overcome the pain and strain.

BEMO believes in Lebanon

”

- The blast that hit the city of Beirut on the 4th of August 2020 was a huge tragedy that took away the lives of many citizens and destroyed the city massively. Banque BEMO, being an active organization within the community that witnessed the explosion, was deeply shocked and hurt by the news, as it was affected both directly and indirectly, along with its stakeholders. The Bank took immediate action and intervened, acting upon the sense of family as one of its corporate values. In response to the growing numbers of damages the city had witnessed, Banque BEMO initiated a program communicated through a press release that consisted of assisting clients and non-clients with financial support equivalent to **100\$ M** to rebuild their houses, offices and restore their equipment.



Moreover, an additional **380\$K** were allocated by the Board of Directors to support NGOs with the following causes: Rebuilding Beirut, Education, Cultural Heritage and Women led Businesses.

- Following the tragic blast of Beirut port, we were all affected in different ways which resulted in a tremendous psychological impact on our health.

As Banque BEMO cares for its employees and gives high importance to their psychological well-being, an agreement was made on behalf of the Bank with three Psychologists, who were ready to listen and assist employees and their friends/families in overcoming this difficult period. All related charges were borne by our Bank.

- Once again, Banque BEMO showed extraordinary family spirit during the Beirut Port explosion which completely destroyed its Pasteur premises. Indeed, the Bank's Vice-Chairman and General Manager, along with the Bank's Assistant General Manager, and senior executives and managers all gathered on site to help cleaning and screening the Bank's records, that were scattered on the streets.



- Banque BEMO's staff members, observed a moment of silence through thoughts and prayers at their Achrafieh – Beirut premises, in tribute to the injuries, damages and lost lives of citizens generally and clients specifically. This was a spiritual way for everyone to cope and remind themselves and each other of the importance of solidarity, hope and faith, especially in times of crisis.



- Banque BEMO, was deeply saddened by the loss of two of its clients during the massive explosion that hit Beirut. Two cedar trees were planted in the BEMO Cedar Forest in Kfardebian in their memory, as a way of showing respect, dedication and more importantly grief for their lost lives and a way to keep their spirit alive.

- The Bank was also one of the contributors of the “Recollect Beirut” event in commemoration of the 40th memorial ceremony of the Beirut Port explosion through words, images, and music, which were broadcasted on live national TV. The event contributed in sending a message of hope to the city of Beirut and showed solidarity to the community.



- Furthermore, Banque BEMO launched the “BEMO Beirut Recovery Initiative”, aimed at supporting Lebanese citizens and businesses that were damaged by the Port of Beirut explosion through donations made to NGOs, educational institutions and medical institutions. The program was announced on Banque BEMO’s website and social media platforms.

In this context, Banque BEMO has insured local and international donations of

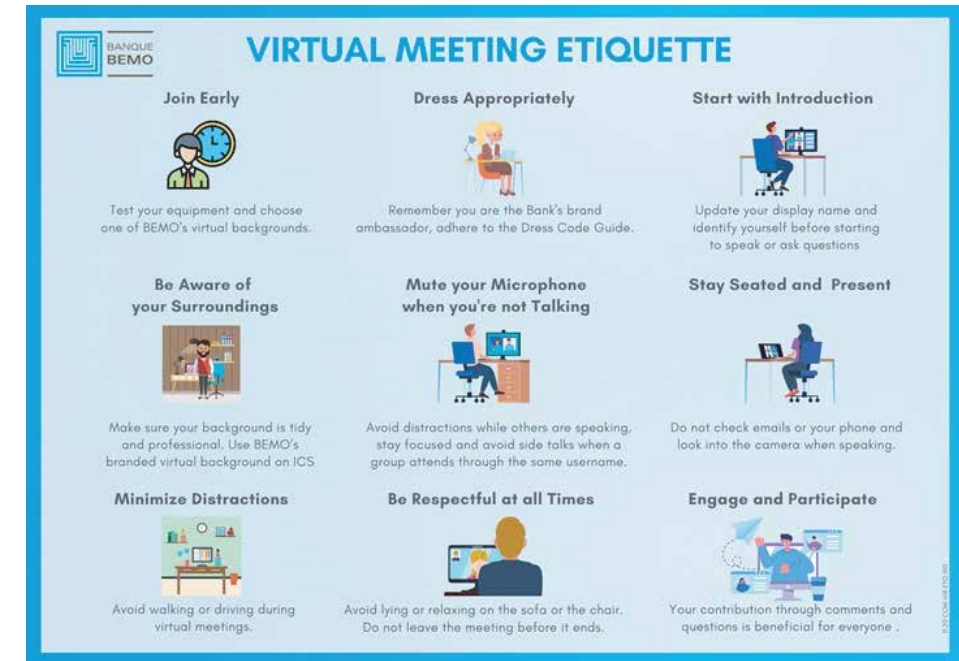
Local Donations:

LBP	USD
13,750,000	160,499

International Donations:

USD	EUR
15,000	595,269

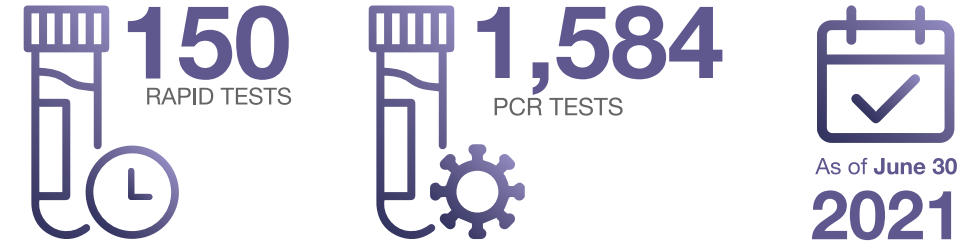
On the other hand, a visual was developed by the Communication team and addressed to the employees who were working remotely. It was meant to provide them with guidance and assist them in the appropriate behavior to adopt during virtual meetings.



- In light of the challenging situation the country has been passing through and its impact on the emotional & psychological well-being of its citizens, the Human Resources Management organized a series of “Corporate Wellness” trainings aiming at learning how to cope with great pressures, minimizing brain overheat and embracing self-motivating techniques but also developing inner strength, avoiding energy crisis and discovering ways to recharge and regenerate energy stores.

Title	Date	Number of Participants
Mental Endurance	May 2021	38
Corporate Wellness: Self-Leadership & Inner Strength	May / June 2021	31
Corporate Wellness: Personal Energy Management	June 2021	25

- Banque BEMO, as an entity that makes sure to operate within a healthy dynamic environment, cares for the wellbeing and safety of its internal and external stakeholders, and therefore felt the need to take action to keep working under the unforeseen circumstances brought by the COVID19- pandemic. In light of this, the Bank was aligned with the Lebanese Government’s decision and decided to operate its branches on appointment basis only, by mobilizing its Customer Support center to take and manage appointments for clients wishing to execute their banking operations. Moreover, the Bank was also determined to keep its employees safe and was therefore subjecting them to regular tests (Rapid & PCR), while taking the necessary measures depending on the outcome.



- Our policies, decisions and applicable protocols regarding COVID19- are updated on a continuous basis, ensuring the best available response to the evolving threat is being applied, in order to preserve our loved ones and the business. It is important to note that a zero tolerance policy is applied when it comes to non-abidance.

- Additionally, due to the COVID19- spread all over the country, the Bank urged managers to encourage employees who have a vulnerable health as well as elderly employees with chronic illnesses and employees who have critical cases in their own homes to work through Telecommuting at all times, emphasizing that it is the managers’ responsibilities to monitor their performances through a clear set of KPIs.



Happy Environment

- In support of Banque BEMO's deep care for maintaining a happy and dynamic environment, the bank's **Customer Support Centre** has celebrated its success dealing with several work and service aspects, confronting difficult situations and coming up with suggestions and solutions thanks to its hard-working youthful energetic members, fresh graduates, and beginners in the banking sector, all united by the family spirit and friendship they share. For all these reasons, the team members have celebrated their accomplishments, completion for assigned tasks and gained knowledge, while remembering their commitment continuously enhancing quality service and serving the community of BEMO's stakeholders.



- In compliance with Banque BEMO's "**Chief of Aesthetics**" (COA) initiative previously launched, the Bank has maintained the program over the past year. The objective of this initiative is to foster a positive and creative mood in the workplace, which is considered a second home for employees, and to express our unique identity, core values and culture for all stakeholders who visit our offices.

- Banque BEMO launched **BEMO Alumni** platform, aiming to stay connected and strengthen the ties between Banque BEMO current and former employees; foster loyalty and family spirit.

The Alumni members enjoy exclusive benefits, take part in BEMO get-together events, Art & Cultural events' private viewing, round tables, and participate in volunteerism programs.

- Banque BEMO launched the "**Rotating Art**" initiative that aimed at turning the workplace into a moving art exhibition throughout the year by refreshing offices and adding value to the aesthetics of the workplace, through rotating and diversifying the artworks on the walls and in the offices. Following this pattern, stakeholders (internally and externally) would have a new interactive experience, covering all departments, branches, clients' reception areas and offices to avoid the familiar and routine effect.

On the other hand, looking for ways to share these wonderful artworks and offering an amazing art experience, the Bank had the pleasure to expand the scope of the "Rotating Art" initiative by rotating three sculptures and one painting outside the workplace, and displaying them in the employees' homes.



- Yoga sessions, accommodating all levels and respecting COVID19- safety measures and proper social distancing are offered to employees on a weekly basis.

The aim of this initiative is to enhance wellness and health whilst engaging Banque BEMO employees as well as the surrounding community, as well as bringing a bit of inner peace and serenity in a very tumultuous period and provide participants with a set of tools to face the daily stress present in their lives, be it in the workplace or outside.

This activity is the first of many, undertaken by the Bank's Institutions Business Development (IBD) unit with the coordination of the municipality of Furn el Cheback to enhance cultural/ social and aesthetic activities and engage the surrounding community.



Labor



4 | Labor

Banque BEMO proudly participated in the #ForEveryEmployee campaign organized by the Global Compact Network Lebanon (GCNL). Ever since Banque BEMO joined the GCNL, it pledged commitment to uphold Labor rights within its own operations and value chain. Work conditions are everyone's right and duty and we should all aim at further and continuously improving them. Finally, Labor Rights are an integral part of the Bank's Code of Conduct and HR policies. Work conditions are everyone's right and duty and we should all aim at further and continuously improving them.

#ForEveryEmployee



a. Recruitment/Career Mobility and On-Boarding

In line with every change or strategic development, the HR Management department has a vital role in placing right employees at the right place to cope with the change and provide better service to our clients.

Accordingly, **21** new employees across several departments were hired in 2020 in addition to **9** employees who were transferred internally to other departments.

All employees being newly hired or transferred from a department to another are subject to a close follow-up being through the induction program or appraisals requests in order to ensure their proper integration.

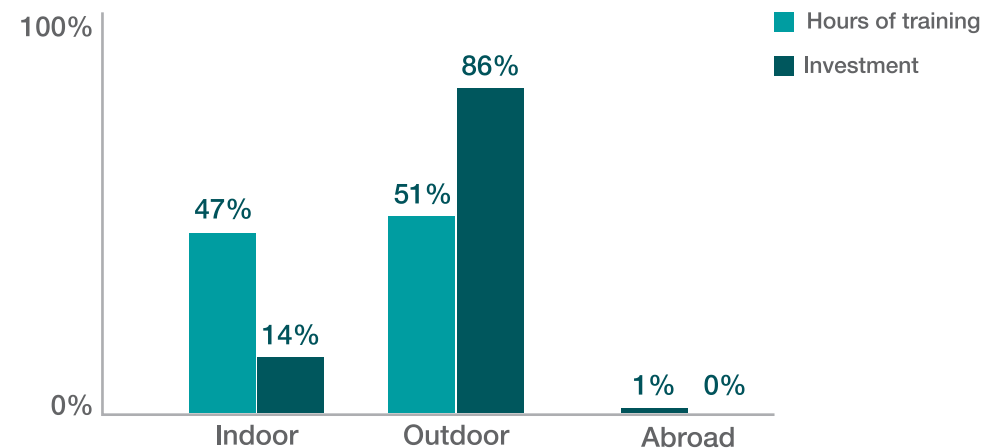
On the other hand, the Onboarding Influencers is a new initiative launched in February 2021 that aims at providing a point of reference to every new recruit in order to assist him/her in the cultural integration to Banque BEMO family, raise awareness on the Bank culture and values, and ensure a smooth engagement to the workplace.

Since it's launching, **9** employees joined the program as influencers and each was assigned one new recruit.

b. Learning & Development: Facilitating and promoting constant trainings

In order to keep-up our learning pace and following the full lockdown at the country, the HR Management placed at the disposal of employees' different learnings topics held digitally, out of which some were organized internally by the Bank and other with third parties.

Training Breakdown 2020



• Reflective Minds:

In line with our continuous development of employees' skills and knowledge, the Human Resources management revived the Reflective Minds exercise that was designed to create a space of interaction and open discussions between senior management and group of employees, brainstorm and share ideas related to a specific topic selected by the HRM department.

In 2021 and till date, one session was held in March 27 titled: "Looking for the Future or Nostalgic for the past: Impact of COVID – Risks vs. Opportunities" in which **13** employees participated and shared their feedback and suggestions.

- In order to maintain a motivated staff curious for knowledge thus adding value and benefiting from the experience of other professionals, Banque BEMO has launched the “**BEMO Marketplace**” initiative that aims at giving employees who wish to participate in this platform opportunity to learn and develop new skills, engage with new teams of experts and be introduced to new projects and challenges in a different department than the one they already work in. This experience therefore offers them the possibility to learn more about the internal work at the Bank while understanding the link between different departments while stepping out of the habitual working scope they are used to, after working hours.

- **E-Motive: BEMO E-Learning Solution**

Similarly to previous years and in line with our commitment to employees’ personal development and career growth, we assigned to each employee a “Path” on our E-motive platform including video casts, action tips, essentials, and other learning material, which focuses on the need of one major competency based on the competencies management gap analysis results.

Moreover, the “Points Accumulation Reward” practice was implemented and accordingly the HRM rewarded **9** employees for the great effort exerted and time dedicated to invest in their own development, on top of the learning path assigned to them.

Description	2019-2020	2020-2021 Till April 2021
Total number of users	215	229
Number of people who fully completed their learning sessions <small>(noting that not all users are subject to learning path)</small>	57	17
Number of people who started their learning sessions but did not yet complete them	20	46
Number of people who did not start	138	166
Engagement rate	36%	28%

Internship

- **Digital Internship Program: Investing in new blood**

As part of its integrative nature, Banque BEMO has launched for the second consecutive year its Digital Internship Program aiming to make education accessible to university students in a remote working environment and offering a rotation among several departments, which was a direct asset for all participants to integrate the workplace, build their portfolio and learn from the experience of experts and professionals.

Since internships are important for university students and can change the trajectories of their professional lives, canceling our internship programs was not an option.

Consequently and despite the pandemic situation, the HR Management moved forward with the internship program and developed a new virtual version making Banque BEMO one of the first banks in Lebanon who introduced the Digital Internship Program.

Our program intended at providing insight on the banking activities and included presentations followed by projects in different business lines.

20
20

38 

students participated
in the digital internship

20
21

79 
STUDENTS

c. Employee Volunteerism Program

Banque BEMO mobilized **41** volunteers among their staff and friends who have dedicated **203 hours** to help in the assessment phase of rebuilding damaged houses during the Beirut explosion, notably in the areas of: Quarantina, Burj Hammoud, Karm el Zeitoun and Geitawi. They also contributed to collecting data and information regarding many NGOs involved in the relief of the consequences observed due to the blast in addition to preparing food and distributing efforts.



Later that year, Banque BEMO has remained committed to its identity as a business known for its involvement in the community and humanitarian activities and mobilized its Family to spend **11 hours** during the Holiday Season, wrapping toys and packing food for victims of the Beirut Explosion as well as underprivileged families in other areas of Lebanon. This initiative was in collaboration with BASSMA – a nonprofit organization for Social Development aiming at fighting poverty and working towards a better society. Thanks to **9** of Banque BEMO's champions, the initiative was successfully completed.

On the other hand, employees have once again shown great solidarity and generosity in participating to an Easter & Ramadan Foodathon organized by BASSMA.

Banque BEMO is currently working on a remote volunteering program with several NGOs whereby employees can dedicate their time and expertise remotely, for the safety and the comfort of all.

12 EMPLOYEES have donated **266 KG** of food

49 KG of clothes and toys



to help unprivileged families in need.



Environment



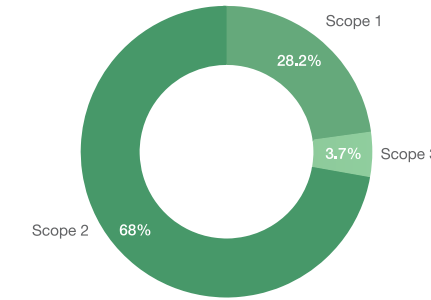
5 | Environment

a. Carbon Footprint Management

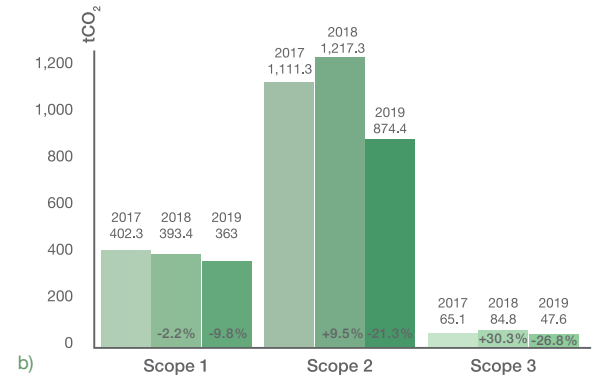
Banque BEMO, for the third consecutive year, has the pleasure to announce its commitment to computing, calculating, and reporting its carbon footprint management and proudly reducing its carbon emissions by **18.6%** since **2017**, in close collaboration with V4 Advisors DMCC. Regardless of the economic challenges Lebanon is facing as well as the pandemic, the Bank's continuous monitoring and work on reducing its carbon footprint reflect the serious commitment to the UNGC Goal 13. This project is in line with Sustainable Development Goal 13 "Climate Action" pledged by Banque BEMO as a signatory of the United Nations Global Compact (UNGC). This initiative is a key step on the path to a sustainable positive impact on climate change and further fosters Banque BEMO as a responsible business while seriously tackling environmental risks and put in all the necessary efforts to avoid the expected post-COVID19- GHG emission rebound.



CO₂ **18.6%** since 2017

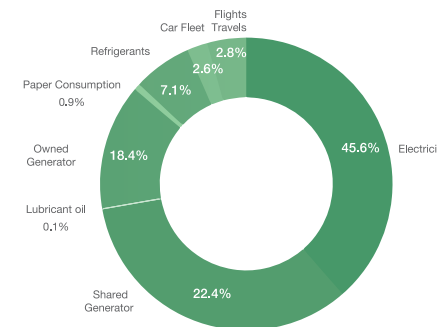


a)



b)

Figure 1: GHG emissions per scopes in 2019 (a), and in 2017, 2018 and 2019 (b)



a)

Sources	2017	2018	2019	18 vs 17 (in percentage %)	19 vs 17	19 vs 18
Owned Generator	167,9	240,8	236,5	43,4	40,9	-1,8
Car Fleet	22,2	40,1	33,2	80,7	49,7	-17,1
Lubricant Oil	1,1	1,4	1,4	18,3	20,5	1,8
Refrigerants	211,1	111,2	91,8	-47,3	-56,5	-17,4
EDL	589,3	638,9	586,2	8,4	-0,5	-8,2
Shared Generator	521,9	578,4	288,1	10,8	-44,8	-50,2
Flights Travels	46,3	73,0	35,6	57,8	-23,1	-51,3
Paper Consumption	18,8	11,8	12,0	-37,4	-35,9	2,4

b)

Figure 2: GHG emissions per sources in 2019 (a), and variation per source in 2017, 2018 and 2019 (b)

b. Reforestation Initiative

Banque BEMO has pursued its Reforestation Initiative through a -3year maintenance plan of its Cedar Forest. This year, 19 cedar trees were dedicated in memory of lost lives due to the COVID19- pandemic and 2 trees were in memory of client victims of the Beirut Explosion.




c. Paperless Environment & Recycling

July 1st, 2020
till June 30th, 2021

	Number of sheets saved since the implementation of the electronic solution	Estimated number of sheets saved this year	Total yearly consumption prior to implementation of the electronic solution	Decrease in %
Electronic End of Day System Continuous form printing	3,200,000	510,000	930,000	55%
E-Statement	342,191	100,483	127,000	79%



In line with the Bank's Digital transformation journey, the Digital Approval process was implemented, aiming to alleviate the burdens of paper and email based communication, as well the follow-ups exerted to get the approvals needed from various commercial departments. The process consists of filling online forms and collecting the needed approvals electronically in line with the Internal Authority Limits.

 **85,728** sheets of paper saved

d. Support Local Produce

This year, BEMO land in the South of Lebanon was blessed with fertility. Therefore, several staff members were able to enjoy the olive oil extracted from the land's olive trees. Indeed, several gallons of olive oil were distributed to staff members who were chosen randomly.



e. Carpooling

In line with its commitment to SDG 13 and to making a positive impact on the environment, Banque BEMO has been encouraging carpooling among its employees, especially after the fuel shortages that the country has been suffering.



Anti-Corruption



6 | Anti-Corruption

a. Anti-Bribery & Corruption (ABC)

As part of its commitment to uphold the highest ethical standards and professional integrity, Banque BEMO designed a set of policies and procedures to prevent acts of Bribery & Corruption in its daily activities. The Bank has implemented an internal ABC Program that can effectively mitigate inherent bribery and corruption risks across the Bank's different functions. The program includes the following key principles: Governance, Anti-Bribery & Corruption Policy, Control Environment, Risk Assessment, Training & Awareness, and Monitoring & Reporting.

Banque BEMO fosters a "Tone from the Top" approach to ensure that ABC program and all related policies and procedures are clearly and effectively communicated throughout the Bank.

Furthermore, Banque BEMO introduced in its ABC Policy a set of red flags that indicate potential violations, among others: improper payment practices, conflicts of interest that could arise from sponsorships, refusal to provide adequate Charity documentation, member of the charity has family or other ties to public officials.

Banque BEMO has set a framework to its relationships with third parties and developed a policy that addresses the management of legally binding contracts and Memorandum of Understanding (MOUs) with third parties. The policy mainly tackles the responsibilities of Department Heads and Managers regarding third parties in terms of due diligence and approvals.

All staff members at Banque BEMO attended an ABC training and awareness program; as well all new recruits are subject to a post-training assessment conducted by the Quality Management.

Moreover, Banque BEMO revises on annual basis its Whistle Blowing Policy to promote a culture of open communication that enables staff members to voice their concerns at the earliest opportunity, while preserving the confidentiality of the staff member disclosing the malpractice.

Banque BEMO has also highlighted its commitment to these principles by posting a refresher message on International Anti-Corruption Day of its annual training sessions conducted to spread awareness, to meet the highest ethical standards and to promote the previously mentioned Anti-Bribery and Corruption culture in the organization.

It should also be noted that the Board Audit & Ethics Committee as well as the Board Compliance & AML/CFT Committee are taking the overall responsibility for reviewing any whistle blowing case reported and investigated by the Internal Audit & Ethics department.

b. Training & Awareness

As part of Banque BEMO's commitment and pledge to be an ethical business operating on a transparent work habit shared by both new and old employees, the Quality Management conducted a digital in-house training for new recruits, by highlighting the ABC Program to better integrate new employees and prepare them to be positively engaged at the Bank. The session englobed an overview around the key principles to know and practice on a daily basis within the Bank's offices to insure their smooth incorporation into the ethical culture of the Bank.

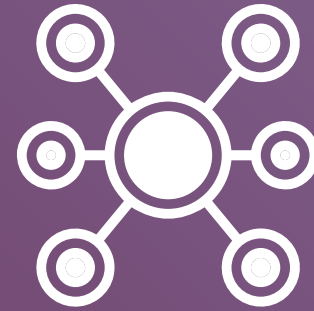
Banque BEMO has also successfully renewed its ISO 9001:2015 certification on the Bank's Compliance department, "Compliance with Laws and Regulations", following an audit by Bureau Veritas experts. This certification further highlights the Bank's commitment to consistently abide by local and international laws and regulations, and embed a strong culture of compliance, in addition to its ability to demonstrate conformity to the requirements of the quality management standards and drive continuous improvement of its competences, processes and systems.



Subject	Number of Participants
2020 - 2021	
Anti-Bribery & Corruption and the Whistle Blowing principles	13
Cyber Security challenges in a fast-moving digital transformation	1
Introduction to AI & it's role in cyber security	1
Cyber Security Basics (Visa Risk Awareness Webinars)	4
The role of Governance in cyber security	1
Cyber-risk: des risques technologiques ou fondamentalement humains?	1
Cybersecurity in times of duress	1
Key Elements of an Effective Anti-Bribery and Corruption	3
Anti-Bribery & Corruption	15
Cyber world congress	1
41	



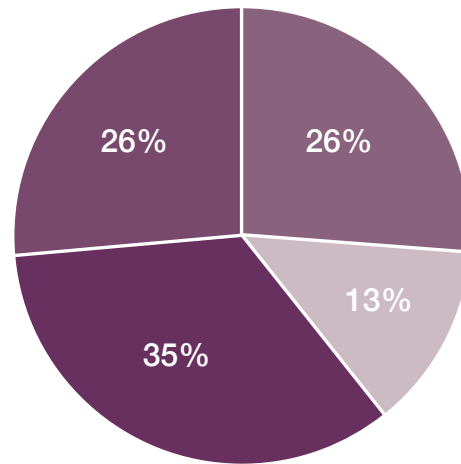
CSR Additional Initiatives



7 | CSR Additional Initiatives

CSR Allocation Program

The Board of Directors allocated the amount of USD 380,000 in support of several CSR initiatives as follows:



- Damaged Houses & Women-Led Businesses
- Medical Ventilators for ICU
- Technical Infrastructure of Damaged Schools
- Beirut Cultural Heritage

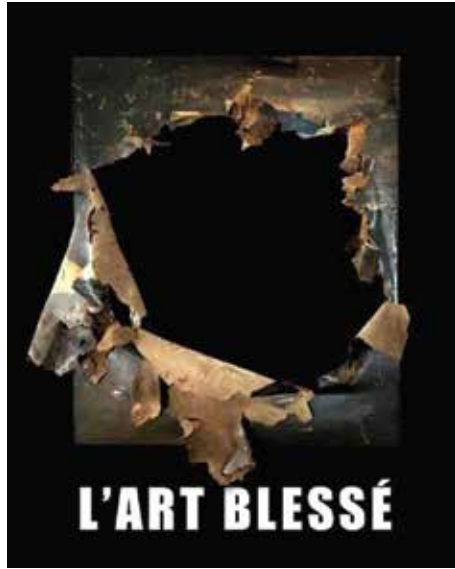
a. Cultural activities

Exhibitions

- Banque BEMO, in partnership with Commercial Insurance and Fondation Audi, had the pleasure to organize an exhibition “**L’Art Blessé**”, a Banque BEMO project on an idea by Dr. Riad Obegi, that draws inspiration from both Kintsugi and trauma therapy, by presenting 3 types of artworks: those inspired by the Port of Beirut explosion, others damaged but not restored and those transformed by an artistic touch. The exhibition has been an opportunity for **55** artists, writers and composers to participate and showcase their artworks at the Villa Audi before the lockdown emerged. During the lockdown period, a virtual tour was organized and attended by more than **200 guests**. It consisted of an introduction by Dr. Riad Obegi, Chairman of the Board of Directors, followed by a presentation by Mr. Jean-Louis Mainguy, Exhibition Curator and Scenographer and finally testimonies and discussions with the artists. The exhibition initially ran for a couple of months at Villa Audi, then moved to Saida, at the Debbane Palace Museum which was celebrating its 300th anniversary this year.

(please refer to the website: www.lartblesse.com for a detailed overview)





- In support of Art initiatives and the creativity and imagination of the Lebanese artists, Banque BEMO remitted the proceeds from the sale of L'Art Blessé catalogs, to the President and Vice-President of **APEAL***.

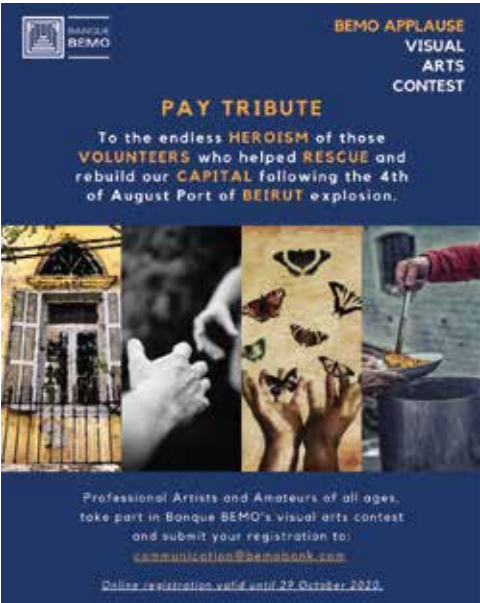
The ceremony took place at Banque BEMO premises in the presence of the Chairman of the Board of Directors Dr. Riad Obegi and the Vice Chairman and General Manager Mr. Samih Saade.

*APEAL is a non-profit organization dedicated to showcasing and encouraging Lebanese artists by projecting their works beyond conventional borders.



Cultural Events

• Banque BEMO has launched a **Visual Arts Contest** to pay tribute to the endless heroism of volunteers who have helped rebuild Beirut following the Beirut blast. The contest was open to professional artists and amateurs of all ages who had the opportunity to submit their artwork suggestions to Banque BEMO. The winning proposition has been reproduced on a large scale mural displayed on the façade of BEMO Building in Achrafieh, during an event attended by the winner “Olivia Brazier” and other participants, as well as hero volunteers from several NGOs, the hero nurse Pamela Zeinoun, the civil defense firefighters and BEMO volunteers. Banque BEMO also recognized the efforts and hard work of the other contestants by sharing their beautiful artworks on its social media platforms.



• Banque BEMO's **Virtual Art Club (Bvac)**, offered both internal and external stakeholders several artistic activities and unique cultural experience.

The program comprised weekly Cine Club gatherings, animated by Mr. Rabih Haddad, lecturer at the Political Science Institute at Saint Joseph University (USJ); book club gathering with Mr. Karl Akiki, senior lecturer-researcher and head of French literature department at Saint Joseph University; as well as, virtual guided tour of the “FRIEZE ART FAIR” in collaboration with ESA and Gurr Johns, animated by Mrs. Eva Langret, artistic director of FRIEZE London. It should be noted that Bvac has already organized 75 cultural sessions since its launching in April 2020.

(Please refer to the website https://www.bemobank.com/bemo_virtual_art_club for a detailed overview on Bvac various activities and events)



- For the 5th consecutive year, and in line with its support towards culture, Banque BEMO was the main sponsor of “**La Nuit Des Idées**”, a global cultural event organized by L’Institut Français du Liban. This 6th edition, broadcasted on Web TV for 24 hours, featured online conferences, meet-and-greets, forums and round tables, projections, artistic performances, and workshops revolving around this year’s theme “Proches” which tackles our relationship to space at a time when mobility and encounters are extremely limited.



Festival and Concerts

- In its constant support to arts and music in particular, Banque BEMO was one of the sponsors of the musical event “**Les Musicales de Baabdath**”, and therefore contributed to the fundraising of 3,500 EUR as part of the “Strings of Hope” concerts, in addition to contributing to the production of online concerts from the cities of Soissons in France, Berlin and Stockholm.



- Banque BEMO was proud to be one of the partners to support the 6th edition of **Lebanon Pipe Organ Week**, a one week festival founded in 2016 that showcases and promotes organ music, featuring world-class organists.



- As a fervent supporter of Baalbeck International Festival, Banque BEMO was a proud sponsor of **Shine on Lebanon**, a rich and eclectic musical road trip of 10 alternative Lebanese bands across the Roman temples, broadcasted on all local and regional TV channels and online. The featured artists included: Beirut Vocal Point, Blu Fiefer, Ghenwa Nemnom, Jana Semaan & Pierre Geagea, Makram Aboul Hosn, Postcards, Serge Nader, Taxi 404, Vladimir Kurumilian, Ziyad Sahhab and Zef.



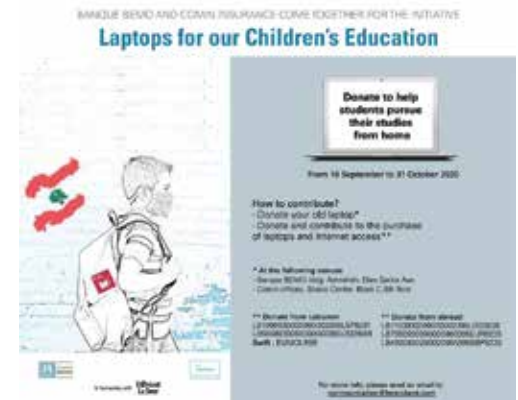
b. Educational Activities

- Banque BEMO, in cooperation with Comin Insurance, came up with the initiative **“Laptops for our Children’s Education”** along with media partner L’Orient Le Jour to support the Lebanese educational sector, disrupted by the ongoing economic crisis, marked by poverty, unemployment, the consequences of the Beirut Blast and the COVID19- pandemic. These factors collectively threatened the academic year, which led Banque BEMO as a socially responsible business, to cooperate with its internal and external stakeholders and to help students in need to pursue their education online.

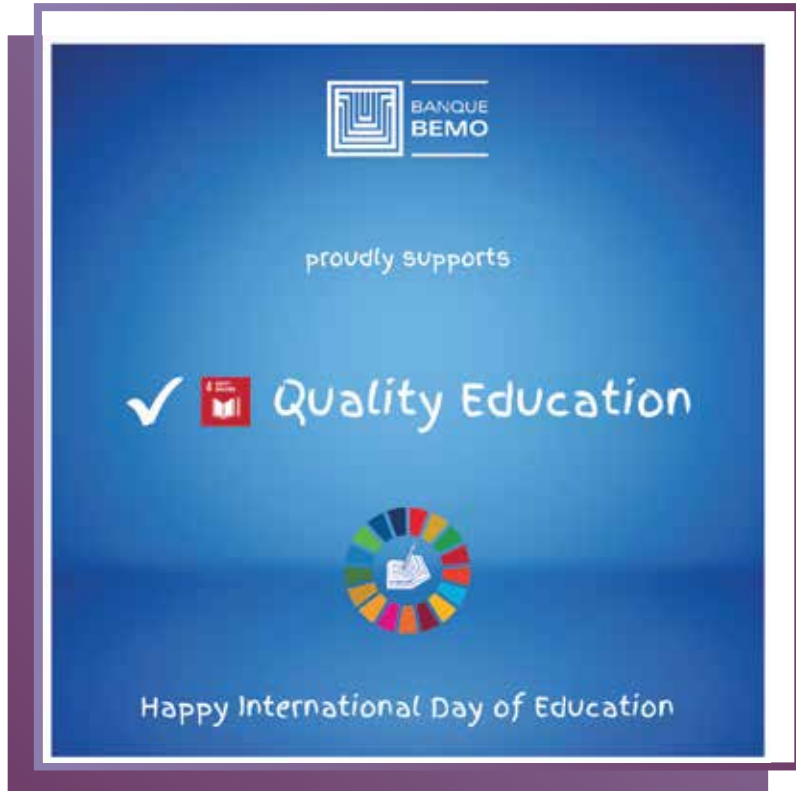
Consequently,

225
students

were able to benefit from this initiative.



- Banque BEMO emphasized on education being an essential human right on **International Education Day** and stressed on its commitment to SDG 4 Quality Education, aiming to “ensure inclusive and equitable quality education and promote lifelong experiences for all”.



Conferences

- Banque BEMO established the “**Bechara and Carmen Obegi Prize for Creativity and Innovation**”, which was announced during a ceremony that took place on the 12th of October 2020 at the François S. Bassil Auditorium, in the presence of the Rector of USJ, Pr. Selim Daccache; the Chairman of the Board of Obegi Group, Dr. Riad Obegi; the Dean of the Faculty of Economics FSE at USJ, Pr. Joseph Gemayel; the President of the FSE Alumni Association, Mrs. Joumana Hobeika; the Director of the USJ Foundation, Mrs. Cynthia Ghobril Andrea and the members of the Award Selection Committee: the Vice Governor of the Banque du Liban, Prof. Salim Chahine; the CEO of Al Wadi Al Akhdar, Mr. Henry Obegi and the Dean of the Faculty of Business Administration and Management FGM at USJ, Dr. Fouad Zmokhol. The ceremony hosted the signing of the Memorandum of Understanding for the establishment of the annual “Bechara and Carmen Obegi Prize for Creativity and Innovation” and the awarding of the Entrepreneurship and Excellence Awards for the winning projects.



- Banque BEMO revived its **Mediation initiative** in partnership with the Professional Mediation Center (CPM) of Saint Joseph University of Beirut (USJ) amidst the growing pressure Lebanon is facing due to the health, social and economic crises. This initiative strives to alleviate burdens that have a high impact on the community by peacefully resolving disputes through specialized communication and negotiation techniques. In this context, several digital in-house training sessions via Zoom were conducted on the “Mediation tools for better relationship with the clients” by Dr. Nadine Mounzer Karam – Communication Consultant, Mediator, and Trainer at CPM - USJ as well as sessions conducted on the “Benefits and characteristics of Mediation in Banking workplace environment” by Mr. Georges Feghali – President of the UIA Mediation Commission and Mediation Law Lecturer and Trainer at CPM – USJ.



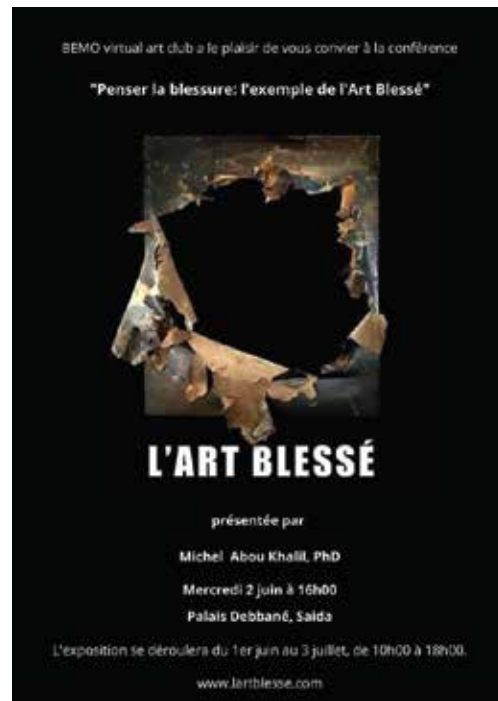
- Banque BEMO has launched, as part of its innovation-driven spirit, and in cooperation with the CHO ADVISORY SAL, a webinar about the **“Cho Pro”**, a new financial instrument to help Lebanon recover from its economic crisis. The webinar featured Dr. Riad Obegi Chairman of Banque BEMO and CHO Advisory, Dr. Habib Zoghbi President of Harvard Business School Club of Lebanon and formerly banker at JP Morgan on Wall Street and professor of Finance at New York University, and Mr. Georges Emmanuel Rosmade, co-Head of the Master’s Program in Finance & Strategy at SciencesPo School of Management & Innovation.



- Banque BEMO Chairman of the Board Dr. Riad Obegi was also a guest speaker during a live webinar organized by the Faculty of Business Administration and Economics at Haigazian University, and entitled **“The Lebanese Economy: Recent Problems and a Banking Innovation, the CHO”**.

Dr. Obegi addressed the current economic and financial situation in Lebanon, and the main challenges that businesses and banks are facing, while emphasizing trust being the first and foremost factor that paves the way to recovery.

- BEMO virtual art club (Bvac) had the pleasure to organize a webinar entitled « Penser la blessure : l'exemple de l'Art Blessé » presented by Michel Abou Khalil, PhD as part of the exhibition “**L'Art Blessé**” in Saida, at the Debbané Palace which is celebrating its 300th anniversary this year. The conference took place onsite as well as on Zoom.



c. Health & Well Being Activities

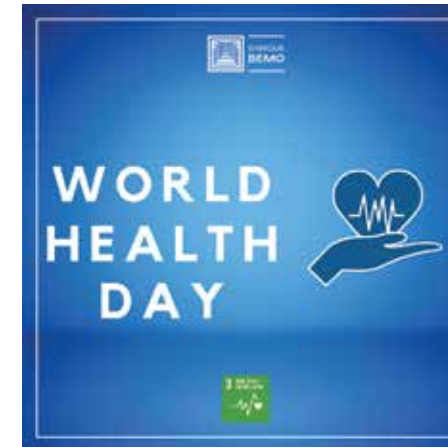
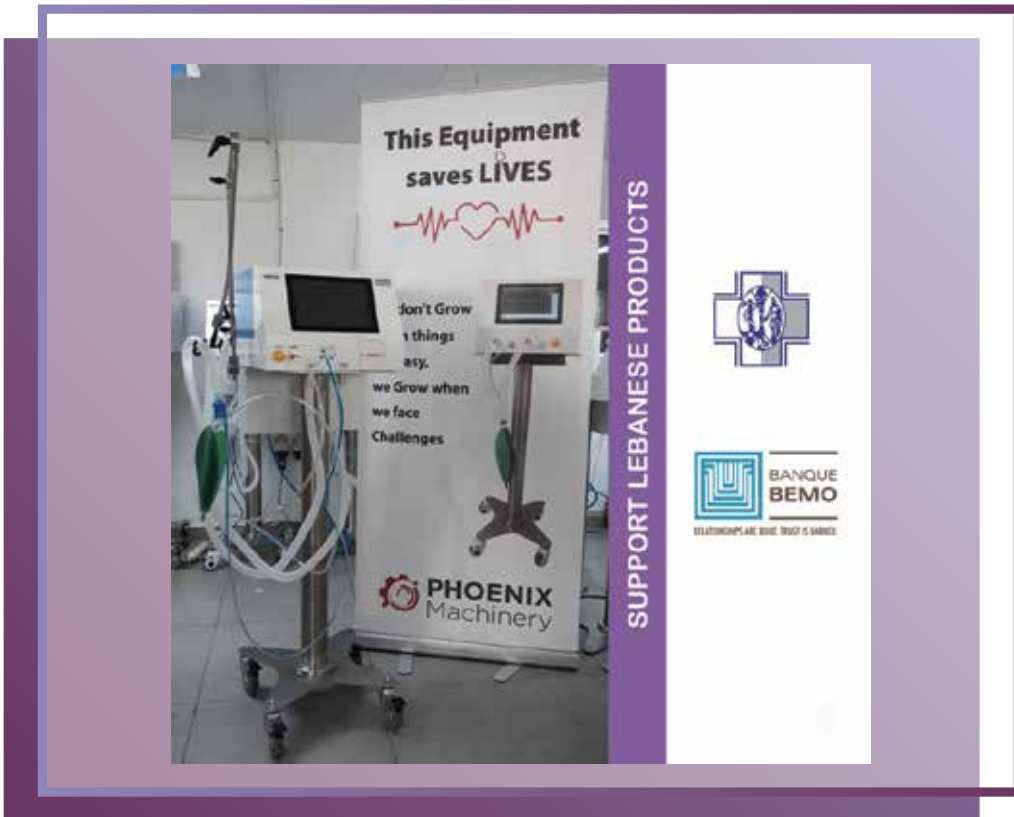
- Banque BEMO was honored to host its Crisis Management Panel Discussion “**A Statistical Model for a COVID19- Free Organization**” with a panel of experts. The session featured Dr. Fouad Zmokhol, President of Association of Lebanese Business People in the World (RDCL World) and Dean of Faculty of Business Administration and Management at St Joseph University (FGM USJ), Dr. Walid Abou-Khalil, Associate Professor EDDB & MBAIP Program Coordinator at FGM USJ, Dr. Eliane Abou-Khalil Assistant Professor Bachelor’s Degree Coordinator at FGM USJ and Dr. Rola Husni-Samaha Clinical Professor in Infectious Diseases and Chief of Infectious Diseases and Head of Infection Control Program at LAUMCRH.

The prominent speakers tackled the statistical model, the recommended key mitigation measures to be implemented, and the preventive control measures to protect employees and external stakeholders, aiming to ensure safe working environment and business continuity. Also, Banque BEMO Chief Risk Officer Mrs. Maria Haraoui shared the Bank’s experience in adopting this Model and the procedures put in place.



- In line with its support to health and well-being as well as its commitment to give back to the community, Banque BEMO assisted **Notre Dame University Hospital Jounieh (NDUH)** by donating 4 medical ventilators made in Lebanon at a time where the country was experiencing a tragic shortage in ventilators and hospitals were in dire need for them.

- Banque BEMO celebrated **World Health Day** by emphasizing on its adaption to preventive hygiene measures in all its branches and premises, as a way to highlight BEMO's message for its stakeholders regarding its orientation towards quality and client satisfaction and safety.



d. Social Activities

• Banque BEMO celebrated **International Volunteers Day** by celebrating its hero volunteers on its social media platforms in order to value them and show them appreciation, considering they were key elements that fulfilled BEMO's mission as a socially responsible business and helped make its organizational culture more inclusive, community-oriented, and aware of social and human issues.



• Banque BEMO also encouraged its stakeholders to spread kindness and awareness around **World Autism Awareness Day** by shedding light on the importance of celebrating the talents of children and adults with autism. In this context, and in order to highlight its commitment to supporting and advocating social issues, volunteers from BEMO offered their help in designing a visual for Autism Awareness Association, emphasizing BEMO's spirit and culture of art and innovation, and BEMO's pledge to inclusion.



- Banque BEMO's Communication Department organized a quiz addressed to all employees on the occasion of this year's **International Women's Day** "Choose to Challenge" theme. The participation rate was equal to **20%**, of which **90%** were women and **10%** were men. The objective of this initiative was to raise awareness and highlight the importance of this day as part of BEMO's principles of inclusion and gender equality, and helped in getting one step closer to achieving this goal.



- Banque BEMO celebrated **Mother's Day** by organizing an internal photo competition for all employees with the purpose of submitting pictures of themselves with their children or pictures of what motherhood represents to them. As a result, several pictures were posted in Banque BEMO's periodic internal newsletter, as a way to show them appreciation and create a more engaging, professional, and inclusive environment for employees. Add picture reference Mothers' Day 2021





Relationships are Built. Trust is Earned