

Bank Audi

COMMUNICATION ON PROGRESS 2021

In the challenging period prevailing in Lebanon on several fronts, where health, economic and financial sustainability have been priorities, our values still define our humanity.

The general mood has mostly been introspective with our human capital's health remaining a priority as we processed COVID vaccinations to our immediate community and their close family members, resulting to 2,215 persons vaccinated. This was coupled with continuous health awareness interactive live sessions with specialist physicians on our internal platform allowing one-on-one assistance as needed for staff testing positive. Externally, we supported healthcare institutions as the battle against COVID-19 continued. For the same reason, we donated locally produced ventilators to hospitals across Lebanon aiming to fill equipment gaps and empower local industries simultaneously.

To counter any uncontrollable spread of the virus in our branch network, we maintained all safety measures of our clients with regular sanitation of the premises. Though the pandemic hit us hard throughout our staff network, a contingency plan was put in place whereby our branches pursued their operations with minimal staff capacity, with the aim to ensure business continuity. In parallel, we streamlined our communications encouraging clients to shift to our Alternative Delivery Channels for their urgent banking operations. This was translated into a migration of our clients to the mobile banking application where an average of 91,000 transactions were performed each month.

Pursuing the introspection, our Human Resources developed green fencing policies such as a whistle blowing initiative with its implementation procedure, commended by the UN Women Lebanon. Relevant to mention that our gender parity has increased to 51% female versus 49% male employment, coupled with a 22% female representation at Board of Directors.

Similarly and with the aspiration of trickling our social responsibility aspects to our direct chain of supply, we released our Supplier Code of Conduct in Q4. The document guides our suppliers in responsible business conduct, ethical business and employment practices, environmental stewardship, and record-keeping and compliance. It references the UN Declaration of Human Rights, ISO 26000 Principles, GRI, UNGC, and WEP guidelines, the EBRD Sustainability Index, Social Accountability International Index, the Ethical Trading Initiative and the ILO's Declaration on Fundamental Principles and Rights at Work - all being integrated elements within our social and environmental values and responsibilities. At present, suppliers are required to acknowledge the receipt of such document, ensuring that internationally recognised procurement ethics are followed consistently.

Of course, we maintain our commitments to the UN Global Compact (UNGC), its Ten Business Principles and the Sustainable Development Goals (SDGs) capped by the 5 SDGs we pledged towards back in 2016. As such, we participated in the SDG Ambition Accelerator pilot program within the global track where we determined, in the identified priority benchmarks, the areas in

which we can make the biggest impact on the SDGs, while creating business value and leveraging the influence on our ecosystem. Here, we chose to focus our efforts towards advancing on:

- Gender balance across all levels of Management (SDG 5 – Gender Equality)
- 100% of employees across the organization earn a living wage (SDG 8 – Decent Work & Economic Growth)
- Science-based emissions reduction (SDG13 – Climate Action)

Amid the various stakeholders' engagements, our colleagues voluntarily participated in the UNGC Academy where Gender Balanced Boardrooms, Target Gender Equality (TGE), and Human Rights modules were training focal points.

Given the current limitations of our economic support, we decided to offer key non-governmental organisations (NGOs) our airtime on the five national television networks to use for their communication advertisements. Six NGOs benefitted from this offering with the outreach peaking at an estimated 2.7 million persons per campaign. Other NGOs were recipients of used office furniture donations.

Among our continuous humanitarian actions is our close collaboration with the Lebanese Red Cross including annual blood donation. Internally, we have offered financial and social support to 250 employees and their families in need especially the victims of Beirut Port blast.

Under the scope of Environmental Protection, we continue to monitor our own carbon footprint as we assess our consumption of resources always aiming to reduce these year-on-years. Among the activities on that front, we participated in the UNGC Global Pilot Climate Ambition Accelerator Program where we are currently evaluating our KPIs in order to pledge towards the goals set therein.

In parallel, our community based paper collection for recycling partnership has saved 1,154 trees since inception while our internal paper-recycling program has led to 1,046 saved trees. Additionally, 2021 saw the addition of a network of our branches initiated within our recycling collection program. The first 3 months have resulted in almost 200 kilograms of recyclables collected. We look forward to the growth of these numbers as we amplify engagement.

Inspiring the next generation has been among our key values at Bank Audi and we have cherished opportunities where students from a variety of calibres reach out for mentoring. Doctorate and Masters Candidates refer to our CSR model and case study within Business Administration, Economics, or Human Resources majors. We guide younger generations in financial literacy and career orientation by engaging our Volunteer Program and the long-standing collaboration we enjoy with Injaz Lebanon to empower 100 middle school students and the SOS YouthCAN program.

Another portal for engaging other institutions, irrelevant of their size, occurs as we portray our social responsibility in regional conferences such as The CSR Regional Forum in 2021 or social entrepreneurs as engaged through Berytech's IM Capital and ImpactRise Mentoring program where we have mentored participating individuals and organisations alike.