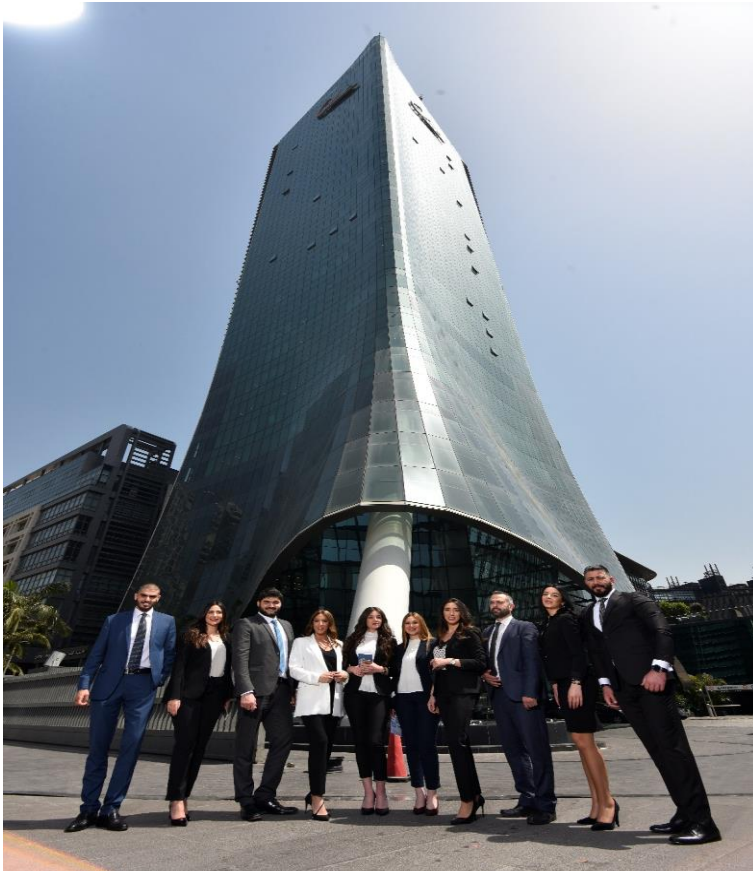


Communication on Progress UNGC



Contents

Statement of the Chairman General Manager..... 3

Overview of Credit Libanais Group 4

Credit Libanais’ Identity and Business Principles 5

UNGC Ten Principles..... 6

CL Sustainability Strategy 7

CL Sustainable Development Goals (SDGs) 8

CL and Corporate Governance 16

CL and People Capital Optimization 18

CL and Responsible Inclusive Financing 22

CL and Community Development 25

Corporate Responsibility and the Environment 26

Statement of the Chairman General Manager



رأس المال: ٤٠٠.٠٠٠.٠٠٠ ل.ن. مدفوع بالكامل - لائحة المصارف رقم ٢٣ سجل تجاري بيروت ١٠٢١٢
CAPITAL: 268 400 000 LBP FULLY PAID LIST OF BANKS No. 53 C.R.: BEIRUT 10742

HEAD OFFICE

الإدارة العامة

Ref: Div./4/2022
Friday, October 28, 2022

To our stakeholders:

The year 2021 persisted in shedding hardship on Lebanon and its economy.

While the global COVID 19 pandemic continued to paralyze the world, Lebanon was paralyzed by its own set of intertwined economic, financial and social predicaments.

In the midst of such disruptive events, Credit Libanais reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Dr. Joseph Torbey
Chairman General Manager
Credit Libanais Group

PAP 12 R2 10 000 (4/2020)

كورنيش النهر - مستديرة العدالة - ص.ب. ١٦-٦٧٢٩ الأشرافية ٢٨١١ - بيروت - لبنان - هاتف: ٦٠٨٠٠٠ (٠١) - فاكس: ٦٠٨١٢٦ (٠١) - سويفت: CLIBLBXX
Corniche El Nahr, Adlieh Rounf/about - P.O.Box: 16-6729 Ashrafieh 1100 2811 Beirut - Lebanon - Tel: (01) 608000 - Fax: (01) 608126 - SWIFT: CLIBLBXX - www.creditlibanais.com

Overview of Credit Libanais Group

Established in 1961, Credit Libanais remains deeply rooted in the country with an established network of international correspondents around the globe.

The Bank provides its customers, alongside key classical banking activities, sophisticated digital banking services, E-commerce activities, Smart Cards, Points of Sale, ATM networks and e-banking secure services. CL e-outreach encompasses 7632 electronic point-of-sale, 84 ATMs, 143,819 banking cards distributed, 24/7 secure online banking services, an advanced customer service center, e-bank applications, to name but a few.

Since 2015, the Bank is an official member of the UN Global Compact Network, the world's largest corporate responsibility initiative with more than 15,000 companies and 3,000 non-business signatories based in over 162 countries, including Lebanon.



Website: www.creditlibanais.com



Facebook:

Link:

www.facebook.com/CreditLibanaisGroup

Page : Credit Libanais



Twitter:

Link: www.twitter.com/CreditLibanais

Account: [@CreditLibanais](https://twitter.com/CreditLibanais)



LinkedIn:

Link: www.linkedin.com/company/credit-libanais

Page : Credit Libanais



Instagram :

Link: www.instagram.com/creditlibanais

Account: [@creditlibanais](https://www.instagram.com/creditlibanais)



YouTube:

Link:

www.youtube.com/user/CreditLibanaisGroup

Credit Libanais' Identity and Business Principles

WE

Cooperate

We function as a team. Cooperation among individuals and units is fundamental in delivering the whole Bank to the customers.

Communicate

We are open. We encourage continual dialogue across all units and levels.

Empower

We emphasize delegation. Acceptance of personal accountability permeates our corporate culture.

Serve

We deliver superior customer service. We gain customer satisfaction with service that exceeds customers' expectations.

Build

We continuously upgrade our skills. Commitment to self-development and training are the cornerstones of our competitive advantage.

Perform

We increase productivity each year. Ethics and Profit per employee are key measures for Bank performance.

Act

We are action-oriented and encourage personal initiative. Can Do and Will Do are basic attitudes of all employees.

Respect

We value each others' ideas. We treat colleagues fairly, sincerely and courteously regardless of differences in background.

Improve

We embrace change. We continuously seek better solutions to problems for the Customer and the Bank.



vision

Credit Libanais' purpose is to enhance shareholder, customer and employee value.



core values

Credit Libanais' core values are customer focus, innovation, teamwork, ethics, transparency and integrity as well as reward for performance.



mission

Credit Libanais is the preferred Bank in Lebanon for customers and employees. Credit Libanais is primarily a retail Bank and serves selected corporate customers.

UNGC Ten Principles

In 2015, Credit Libanais officially joins the UN Global Compact

On November 6, 2015, Credit Libanais officially joins the United Nations Global Compact, the world's largest corporate responsibility initiative with more than 15,000 companies and 3,000 non-business signatories based in over 162 countries, including Lebanon.

The UN Global Compact Ten Principles encompass the following areas that touch the day-to-day operations.

The UN Global Compact's ten principles



HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.



LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

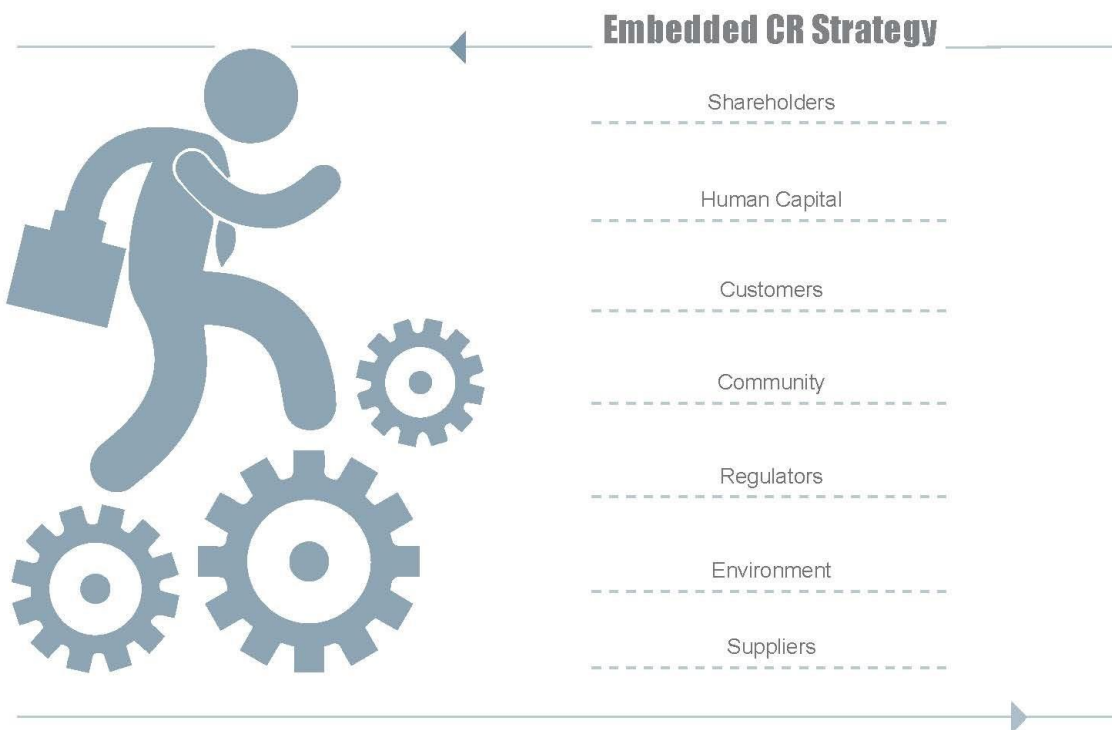
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

CL Sustainability Strategy

We are conscious of our important role in the communities where we operate, and are committed to creating value to all our stakeholders, despite all adverse circumstances the country has been undergoing over the past 2 years or so.

Our long-term corporate responsibility relies on balancing the needs of people, planet and profits to ensure the continued success and sustainability of the Group.

Our Core Values are defined by high standards of ethics, integrity and transparency, and are based on a solid compliance with national and international banking regulations and best practices.



CL Sustainable Development Goals (SDGs)

On September 25, 2015, all 193-member states of the United Nations adopted 17 new Sustainable Development Goals (SDGs) as a plan to tackle the economic, social, environmental and governance-related challenges by 2030.



Against all odds, we remain committed to safeguarding the interests of all stakeholders and have corporate responsibility and sustainability embedded in the greater part of our work, ever since the beginning of operations in 1961.

Prior to the national crisis that started in October 2019, the global pandemic that paralyzed the world in 2021 and in 2020 and the catastrophic Beirut port blast that halted all activities and initiatives, the Bank was undertaking many CSR initiatives mainly focusing on the following goals:

Goal 4 – Quality Education to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, namely our employees and their children;

Goal 9: Industry, Innovation and Infrastructure, for the modernization of Lebanon.

These two Goals as well as others remain in our action plans and strategy to the extent allowed by the circumstances.

Goal 4: Quality Education



- ❖ Our employees benefit from school and college tuition allowances for their children. We provide advancement education and training programs for our employees through a diversified learning platform.
- ❖ CL employees are encouraged to enroll and successfully complete the Banking and Financial Qualifications certifications in Lebanese Financial Regulations, CAMS, Combating Financial Crime, Investments and Risks, Financial Derivatives, Risk in Financial Services, Global Securities and International Introduction to Investment as per BDL 103 and other regulatory requirements.

❖ Educational and Academic Events*

We constantly contribute to university and school events that aim at offering professional guidance and presenting different employers to students.

❖ Professional Conferences *

Conferences were sponsored over the course of the year, encompassing a variety of sectors such as banking, economic, medical, social, financial and many other aspects of the Lebanese dynamic communities.

❖ Cultural and Heritage Events *

CL supported music and cultural festivals organized in various Lebanese cities and towns throughout the seasons, in view of encouraging arts, reviving traditions and preserving our unique heritage.

❖ Philanthropy *

Our selected contributions to professional, educational, sports, cultural and social activities have positively impacted the communities we work in and by the same token, boosted CL's image in various Lebanese regions and towns.

*** Most CSR activities were suspended due to the national political and financial crisis that started in October 2019, the global pandemic that paralyzed the world in 2021 and in 2020, and the catastrophic Beirut port blast that halted all activities and initiatives.**

Goal 9: Industry, Innovation and Infrastructure



CL and the Modernization of Lebanon

CL constantly undertakes initiatives that lead towards the country's modernization. By pioneering the launching of e-payment services related to some agencies and bodies, such as paying taxes and memberships online, we contribute to our country's transformation thus rendering services to customers more efficient and less time consuming.

Due to the new market challenges that continued to be inflicted on Lebanon throughout 2021, namely with regards to restrictions imposed by the Central Bank on foreign currencies cash withdrawals and outward transfers, and due to the complications resulting from such restrictions onto the payments flow, we endeavored to design new products in the digital payment ecosystem that are secure, seamless, cost effective, and fit for customers' individual needs to spend, as well as those of businesses to continue accepting sales payments on reliable and trustworthy channels.

Through our partnership with key industry-leading technology players, we managed to expand access to digital payment solutions and have developed several innovative products and services that cater to the needs of our customers and businesses, and ensure an ultimate customer support.

e-Products

In the process of adapting to the current economic harsh conditions that forced consumers into embracing new spending behaviors, Credit Libanais launched an extended range of debit, credit, pre-loaded corporate and consumer cards detailed as follows:

For Consumers

CL launched an array of pre-loaded consumer cards, namely:

The MasterCard Platinum AED that was added to the group of vertical preloaded consumer cards: Visa Platinum USD, MasterCard Euro and the MasterCard Platinum GBP. These cards were launched for the common purpose of fulfilling various needs of spending outside Lebanon, namely in such currencies as USD, EURO, GBP or AED.



For Corporations

CL launched the pre-loaded corporate cards as follows:

- MasterCard Payroll LBP, for the purpose of allowing small and medium-sized businesses to pay their employees' salaries and bonuses in fresh Lebanese Pounds.

- MasterCard World Business, for the purpose of allowing corporations to extend them to their employees to cover business expenses.

Launching Consumer Cards in Lebanese Pounds

Based on BDL Circulars 151 and 158, bank customers were directed to withdraw their local LBP under specific mechanisms to buy and sell local pounds against the dollar. For this purpose, CL launched different debit and credit cards to fit various customers segments and their needs as follows:

- MasterCard Platinum Spark: A debit card, launched for allowing affluent customers who seek a higher purchasing power in their lifestyle benefits and travels.
- Visa Beam Classic LBP: A credit card, launched for allowing customers with limited financial capabilities to spend in Lebanese Pounds on POS and online on local websites.
- Visa BDL 158: Launched for one limited purpose only; BDL allowing customers with existing dollars to withdraw 400 USD in cash, and in LBP at a set rate.

Our cards are issued within the “Rays of Light Collection” collection, classified by card type and group, and is available on our Intranet page as a guide once the cards collection section is accessed.

Services

Throughout the difficult environment of 2021, we further integrated our digital solutions to deliver added value for both customers and merchants, by:

Introducing the “International Wallet”

In response to the imposed decrease on the international limits on all Lebanese issued cards, we launched the ‘International Wallet’. The service allows customers to add a pre-loaded wallet on their existing USD credit card, for usage in Lebanon and abroad with no restrictions.

Introducing “Cash Xpress”

Cash Xpress service was first created in partnership with “BoB Finance”. This new service grants holders of international cards as well as Credit Libanais’ fresh money cardholders the ability to withdraw US\$ bills from our 91 ATMs across Lebanon. This solution allows fresh and international cardholders to reduce the risk of cash handling, and to have an easy access to their funds over a large network of touchpoints.

Introducing “Pay Xpress”

“Pay Xpress” was launched in 2021 as a practical payment solution that offers cardholders the ability to pay local merchants in fresh US\$ on POS and online in Lebanon. Pay Xpress allows merchant to identify, accept and collect US\$ fresh funds while offering cardholders a wider fresh money card acceptance.

Card Services on CL Intranet

In response to our internal customers’ queries with respect to cards services and features offered, we created a section on the bank’s internal network that displays all info needed with respect to products such as: Cash Xpress /Pay Xpress/ 3D Secure/ Tap & Go / NFC Contactless Payment Technology/International Wallet.

Implementing and deploying the Merchant Loyalty Program

Our developed loyalty portal aims to display various participating merchants where customers can pick and choose a gift by redeeming points, from the four different categories: Gifts/Travels/Insurance/Bills.

You Tap We Donate – Visa Contactless Campaign

This campaign aims at encouraging Visa cardholders to TAP their debit/credit card to pay for their daily purchases and in return, Credit Libanais will donate LBP 5,000 to the Lebanese Civil Defense for every contactless transaction.

The Fresh Money Black Spark Card for Free

The campaign was launched on June 15, 2021 and lasted till December 31, 2021. It aimed at increasing the Visa Black Spark portfolio by incentivizing cardholders to apply for the card and enjoy the first 3 months free. In addition to all the above, we ran several campaigns with Visa and MasterCard, such as MasterCard Dawrat Offer, Visa Marketing ABC Promotion & Visa Qatar Airways Campaign.

Moreover, Credit Libanais strived to personalize its digital strategies by applying different approaches to maintain its digital image. In fact, the bank launched new digital services during the abnormal macro circumstances the country was facing. A new digital contact center was launched

to cater for better customer support, by using an Omnichannel approach that provides a 360 degree view of the entire customer journey. With the well-designed IVR menu, this futuristic contact center allows modern call routing capabilities that provides customers with seamless experience using the best technologies. This new service helped the experienced team manage the rush-hours during peak crises. In addition, the collection team ensured, jointly with the portfolio management teams, a decrease of the unpaid bills and an enhancement in loans settlement.

CL pioneered the launching of the e-payment services related to the following bodies:

- ♦ Beirut Bar Association: for the online settlement of lawyers' annual subscription fees on www.bba.org.lb
- ♦ Order of Engineers and Architects in Beirut: for the online settlement of annual subscription and insurance fees on www.oea.org.lb
- ♦ Order of Pharmacists in Lebanon: for the online settlement of annual subscription fees on www.opl.org.lb
- ♦ Establishment of the Water of Beirut and Mount Lebanon: for the online settlement of water bills on www.ebml.gov.lb
- ♦ General Directorate of Land Registry and Cadastre: for viewing and printing the title register and pay related fees through www.lrc.gov.lb
- ♦ Ministry of Finance: for the online settlement of built property taxes through www.finance.gov.lb
- ♦ “[Baladiyat Online](#)” service, which allows citizens to pay their bills, fees and municipal taxes online through an electronic payment platform, or via electronic payment machines, in a fast, efficient and secure manner. This service aims to facilitate the cashless payment process via electronic cards, and also provides flexibility and ease of payment from anywhere in the world at any time, in addition to enhancing transparency, fighting corruption and avoiding bureaucracy.
- ♦ **Edfa3li P2P Payment Service Project:** A service allowing two customers of same or different banks to request and transfer money to one another. Both parties (Payee and Payer) share the Edfa3li / P2P ID and bank names after ensuring that they have subscribed to this service.



All payments are made in a secure manner through the Group subsidiaries, NetCommerce payment gateway or the Credit Card Management (CCM).

To this end, the Bank partnered with numerous local, regional and international agencies to make the financing of very small businesses also possible within the Lebanese economy. CL also maintains a considerable number of partnerships with international bodies and

benefits from long-term financing and risk sharing schemes with institutions such as:

- ❖ The International Finance Corporation (IFC)
- ❖ The European Bank for Reconstruction and Development (EBRD)



The Board of Directors of Credit Libanais aims at achieving the Group's long-term success through the implementation of Governance practices that promote continuity, consistency, and effectiveness in the way the Board operates and governs the Bank. The Board of Directors oversees the implementation of the Bank's governance framework and periodically reviews it, in light of any material changes to the Bank's size, complexity, geographical footprint, business strategy, markets and regulatory requirements

As part of the overall CG framework, the Board and Senior Executive Management establish and make decisions related to the Bank's strategy and risk approach, articulate and monitor adherence to risk appetite and risk limits, capital and financial plans and remuneration policy, and identify, measure, manage and control risks. The Bank's Corporate Governance Guidelines as well as all CL activities, products and services to customers are accessible on the Bank's website in a transparent manner. Therefore, CL Group continues to increase focus on risk and the establishment of effective risk governance framework, which includes identifying the responsibilities of CL Group concerned parties for addressing and managing risk. This is referred to as the "three lines of defence": Business lines, Risk Management and Internal Audit.

Board of Directors' Structure and Practices

The Board defines appropriate governance structures and practices for its own work, and puts in place the means for such practices to be followed and periodically reviewed for ongoing effectiveness. The Board structures itself in terms of diversified skills, leadership, size, frequency of meetings with delegated board committees to effectively carry out its oversight role and other responsibilities. The Board performs a yearly Self-Assessment through a structured Self-Assessment Questionnaire that is reviewed by the Corporate Governance, Nominations, Human Resources and Remuneration (CGNHRR) Committee.

Remuneration Policy and System

a. The Board established a Board Remuneration Committee as an integral part of its governance structure and organization, to recommend and oversee the Remuneration System's design and operation.

- b. CL developed a remuneration policy a coherent and transparent system, translating the Bank's objectives for good corporate governance and is consistent with the Banks' culture, business strategy, objectives, values, and control and performance environments, approved by the Board upon the recommendation of the CGNHRR committee
- c. Remuneration is based on measurable key performance indicators, as well as goal achievements and results, translated into various schemes and incentive programs, taking into account all matters associated with the Bank financial status and interests.
- d. Total amount of remuneration is based on a combination of factors: the objectives achievements based on the measurable assessment of the employee performance and the business unit concerned, the employee' professional experience and academic qualifications, as well as their organizational responsibility, and the overall results of the Bank.
- e. Remuneration comprises the fixed and variable elements such as the basic salary and the performance-based bonuses, in addition to the legal benefits and allocations, taking into account the suitability standards with regards to employees selling products and services to customers.
- f. As reported in the Bank's Financial Statements, Key management personnel compensation for the year 2021 consisting of short-term benefits amounted to 7,298 Millions of LBP.

CL and People Capital Optimization



Employees

CL People policy consists of improving the capability and commitment of our strongest assets, our employees, to drive sustainable high performance, while helping them thrive and achieve their goals as well. We further encourage transparency and open lines of communication to ensure that our people clearly understand the purpose, strategy and values of the Bank.

Maintaining a healthy working environment is an important part of our efforts to create a performance culture. The health and safety of our staff is paramount to us. Regular fire drill simulations are conducted for staff and extensive training in safety and injury prevention is disseminated across the Bank. All Group entities are equipped with fire extinguishers and medical aid kits, in addition to evacuation sets distributed to wardens. Safety instruction boards and exit signs are installed in all branches and buildings. Moreover, we have successfully implemented an Emergency Response Plan (ERP) across the Group, which consists of evaluating existing safety measures, collecting detailed contact information of all staff, appointing wardens responsible for staff evacuation, and conducting trainings. The ERP is activated in case of unexpected life-threatening events that may cause physical damage and critical disruption of operations.

CL Group employees' composition by gender and seniority (as at 30.09.2022)

Years of experience	Male	Female	Total
0-10	159	119	278
11-20	247	211	458
21-30	104	125	229
Above 30	75	38	113
Total	585	493	1078

CL Group total number of women in senior management position according to their group distribution (as at 30.09.2022)

Age	<30	30-50	>50
	0	0	2

CL Group total number of woman in middle management position (as at 30.09.2022)

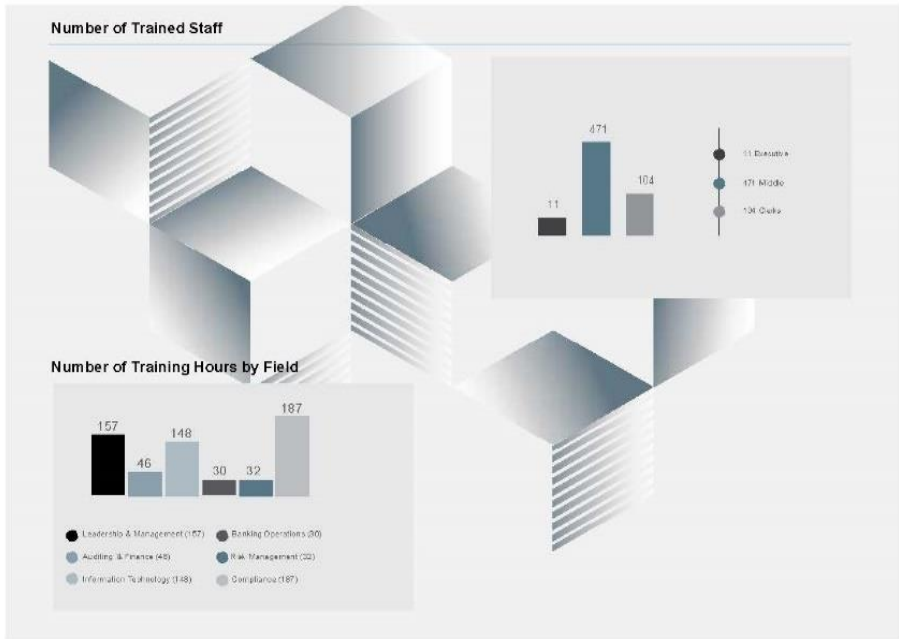
Age	<30	30-50	>50
	0	26	45

Total number of employees who are in maternity leave (as at 30.09.2022)	Total number of employees who returned to work after maternal leave (as at 30.09.2022)
3	14

Learning and Development

Over the course of the year 2021, CL workforce continued to face significant turmoil, from the sudden shift to remote work, to navigating issues like job uncertainties and the Lebanese economic meltdown. The way we work fundamentally changed and called for new ways to embrace continuous learning.

Despite the turmoil the banking sector faced over the elapsed period, key training courses were administered to ensure sustainability of operations, in vital fields such as IT, digital channels, operations, compliance and management. Those were distributed as follows:



CL and Responsible Inclusive Financing



Credit Libanais Group always seeks sustainable investments in view of maximizing financial returns while achieving social and environmental good. We remain committed to regularly reviewing our credit facilities granting processes in view of securing profitable incentives for the Bank while alleviating our footprint and that of our customers and/or communities.

Focused Public Sector Initiatives

Credit Libanais continues to strongly support the public sector and further build on the financial inclusion endeavors in this respect.

Throughout the years, we launched many CR initiatives, targeting the Lebanese Army and Special Forces; these included:

- Restoration of two buildings in Bchamoun dedicated to sports events at the Institute of Internal Security Forces
- Acquisition of motorcycles for the Internal Security Forces
- Sponsoring the ISF Annual Marathon
- Sponsoring of ISF anti-drugs campaigns
- Co-funding a fire-fighting helicopter
- Funding a dental clinic for the Lebanese Army
- Funding a training center for the ISF women recruits
- In view of supporting the families of the Army and the ISF martyrs of Lebanon, special co-branded cards were designed, whereby a profit sharing scheme funds the Army Martyrs Families Foundation, the ISF Martyrs Families and the ISF anti-drugs operations respectively.

Preventing Financial Crime

Credit Libanais is firmly committed to fighting crimes of money laundering and financing terrorism in accordance with national and international rules and regulations. We believe that financial crime prevention is not only the responsibility of the Group's dedicated compliance officers, but also the duty of every staff member in each area of

activity. We have clear policies, procedures and rules of good conduct in place, to prevent money laundering and the financing of terrorism in all jurisdictions where the Bank operates, to protect our reputation.

Fighting Corruption

CL Group strives to be an open and honest business and values the free flow of information. As stated in CL's Employee Handbook, the Bank encourages all stakeholders to report any dishonest or illegal activity (violation of a law, rule, regulation, fraud and corruption) occurring at the Bank. CL prohibits retaliation of any kind against individuals who made reports in good faith or complaints of violation of the business ethics and conduct or other known or suspected illegal or unethical conduct.

Consumer Financial Protection

The Consumer Financial Protection is a fully independent function from the Bank's operations and business lines. In accordance with BDL Circular 134 and related BCC Circular 281, Consumer Financial Protection directly reports to the Chairman - General Manager, and sends its regular reports to Senior Executive Management and the Board of Directors in matters related to the implementation of the Policy, Charter and Action Plan, and puts forth suggestions for improvements of the Principles of Banking and Financial Operations with customers as per regulatory requirements in place, to promote a better customer experience.

Consumer Financial Protection is entrusted with spreading awareness among staff and customers in matters of standards of suitability, transparency, fairness and equitability. To ensure direct access of customers to the Bank in matters of suggestions or complaints. Consumer Financial Protection established a clear complaints handling mechanism across CL branches, website and social media channels, and continuously ensures enhancements to existing procedures with professionalism and tact.

Under the extremely disruptive operating conditions that characterized the year 2021, the CFP continued to ensure a close link between customers and the Bank by treating and following-up on claims received electronically or via the various communication channels implemented across multiple touchpoints to ensure, on a best effort basis, a smooth customer experience.

In 2021, within the framework of the Bank's "Financial and Disabled Inclusion" strategy, we continued our efforts to make the vast majority of our branches inclusive to all customers. Special measures were adopted at branches for banking processes to make

them more easily accessible to people with special needs, including the visually impaired.

Moreover, eight CL ATMs are equipped with special functionalities to cater to customers with special needs at selected branches. Access ramps have been made available at some of our branches for the physically challenged people in view of facilitating their access to conduct banking transactions with the Bank.

At Credit Libanais, we support BDL efforts in spreading financial inclusion among various categories of customers, including those with special needs.

CL and Community Development



Credit Libanais believes in its fundamental role in creating long-term value for all stakeholders. Safeguarding our culture and protecting our heritage and family values is vital to maintaining our unique identity.

In 2021, the global pandemic and the Beirut port blast halted all activities and initiatives.

- ❖ Educational and Academic Events
- ❖ Professional Conferences
- ❖ Sports and Recreational events
- ❖ Cultural and Heritage Festivals

Until better days prevail, we are committed to continuing to serve our customers and cater to the needs of our staff and communities.

Corporate Responsibility and the Environment



Credit Libanais weighs the importance of regularly reviewing and updating its lending strategies to align them with industry standards in terms of Social and Responsible Investment (SRI).

In this context, the Bank developed the Social and Environmental Management System (SEMS) with the basic objective of ensuring that the environmental and social implications of a potential customer are identified and assessed early in the Bank's planning and decision-making process and that these

environmental considerations are incorporated into the preparation and approval of facilities. Moreover, the Bank is directed by its agreement with IFC to adhere to sound banking principles and promote the full range of activities in environmentally and socially reliable developments.

Internally, Credit Libanais also implemented a plan to reduce the Bank's carbon footprint. In fact, CL departments and branches became greener with reduced paper consumption and responsible recycling of electronic consumables and others.

Additionally, in 2021, we launched the "Go Green, Go Paperless" initiative aiming at collecting our cardholders' email addresses and enrolling

Last year, some 39 tons of papers were sent to a local recycling factory. In this perspective, Credit Libanais is extending support to local NGOs who benefit from the recycled material to finance awareness campaigns or acquire medical support equipment for patients across Lebanon. These initiatives contribute towards cultivating a greener culture throughout CL Group.

them in the e-Statement for free. In addition to the regular communication channels, we added a message to our physical statement of account informing cardholders of the above features.

In conformity with the SDG 13 calling for climate action, our strategy centers around two priorities:

- ✓ Reducing the intensity of our environmental footprint.
- ✓ Promoting environmentally responsible business activities.

Special care is also given to eliminate the printing of unnecessary e-mails exchanged among various parties. In addition, the majority of the printers have been upgraded to print on both sides to reduce paper consumption, and therefore CL’s carbon footprint.

An Ecofriendly Working Environment



At CL Group Head Office Tower, special attention has been given to using environmentally friendly construction materials, taking into account the use of renewable energy sources for future daily utilization. Considerations such as efficiently using energy, water, and other natural resources, reducing waste, pollution and environmental degradation were also been given broad attention in all phases of the project, from design to commissioning.

Those considerations are reflected in the green:

➤ [Architecture](#)

- ◆ All facades are curtain wall unitized panel or spider systems with double glazing low E.

➤ [Landscape](#)

- ◆ Shrubs and trees with low water were planted
- ◆ A large part of the ground floor levels is covered with greenery.

➤ [Interior and Lighting](#)

- ◆ All interior lightings are LED lights.
- ◆ Each floor features an average of 50% of open space configuration, in addition to low partitions for the desks, which allows a higher amount of natural light into the center of the floor.
- ◆ Open spaces and passageways are covered with carpet tiles that have total recycled content of 50%, and are certified “Green Label Plus”
- ◆ All peripheral sunscreens are 100% PVC free, low VOC fabric, recyclable and feature a silver backing which increases reflectivity to sunlight, thus decreasing the heat intake into the interior space, and reducing the need for cooling during warm days.
- ◆ All gypsum board partitions are made of 95% recycled content.

➤ [Recycled, Reused and Sustainable Mechanics and Materials](#)

- ◆ Energy recovery ventilators at each floor level
- ◆ Double glazing with low U-value
- ◆ Central solar system for hot water production
- ◆ Non-CFC Refrigerant
- ◆ High efficiency equipment (VRV for cooling and heating)

➤ [Reduced Water Usage](#)

- ◆ Central gray water treatment
- ◆ Re-usage of treated gray water for flushing and irrigation
- ◆ Re-usage of A/C condensate drain collection for flushing and irrigation

A green Tier III Certified Data Center



CL's Group main data center is about 450 m² with 120 kW of net IT load and is designed to handle all the functions of the Bank. An additional 350-m² space hosts the sister company Credit Card Management (CCM), which has a dedicated server room within CL data center.

The main data center environment is water cooled at relatively high temperatures, which greatly increases the efficiency and reduces cost.

CL Tier III data center features are summarized as follows:

- ♦ Chilled water-cooled white space. The chilled water system significantly increases efficiency and running costs.
- ♦ The chiller compressors and pumps optimize energy consumption based on actual demand.
- ♦ A special variable primary chilled water system further reduces energy expenditures.
- ♦ Computer room air conditioning units are provided with variable speed EC fans modulating from 0-100% to reduce energy consumption.
- ♦ Cold air containment enhances the overall system efficiency.
- ♦ The fresh air for the data center is centrally pre-treated with an energy recovery unit.
- ♦ Associated office space is air conditioned by a VRV (variable refrigerant flow) system for high efficiency and lower energy expenditures. The system interfaces with the BMS (building management system) for scheduling and centralized parameterization to avoid operation during unoccupied periods.
- ♦ The latest VRV system technology provides cooling to the office space with Unit COP (coefficient of performance) greater than four using R-410 refrigerant.
- ♦ Re-circulated air from offices ventilates the UPS/battery room through transfer fans, which reduces the amount of treated fresh air.
- ♦ Modular UPS systems adjust capacity to actual IT loads. The efficiency of the UPS system is 95.5% at 25% load and 96% at 100% load.
- ♦ The lighting is switched by a lighting control system that includes automatic motion sensors and centralized parameterization and scheduling to avoid operation during unoccupied periods.
- ♦ The BMS (Building Management System) integrates all subsystems, either directly or via SNMP (Simple Network Management Protocol), KNX, and data center infrastructure (DCIM) controls. The system allows an overall insight on the operations of the data center, monitoring all energy expenditures, faults, and alerts.
- ♦ DCIM optimizes operations and increases overall efficiency.