

CSR REPORT 2017



Committed

Bank Audi

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COMMUNICATION ON
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

WE SUPPORT



We live today in an ever-changing world, and in a region impacted by extreme social and political events, as our company and colleagues continue to evolve to improve the trajectories and lives of the communities around us.

During times of uncertainty, having a clearly defined Purpose matters. At Bank Audi, we are united behind common values that translate into a unique focus: to help our clients thrive and our communities prosper. We remain constant in our belief that how we act is just as important as what we achieve. Our principles-led approach entrenches our values of integrity, accountability and a commitment to diversity and inclusion into the decisions we make every day.

We know we owe our success to the people, businesses, and communities who we have supported and partnered with for almost 190 years. That success brings along a responsibility to make a significant and positive contribution in return.

This is Bank Audi's seventh CSR Report, detailing our sustainability-related initiatives over the past financial year covering economic, environmental and social issues. It represents another progressive step forward in our journey.

Business exists to serve and as a financial institution, we are first and foremost an enabler creating happiness and social impact. This applies to the activities we have embraced, that revolve around our four-fold commitment: empowering people, serving companies, supporting the economy and creating shareholder value.

- In our aim to make peoples' lives better, and enhance their wellbeing, we created programs and solutions for education and green living, including environmental loans and special students facilities...
- In a similar effort, yet from a different perspective, we strive to give substantial added value to the business world we are part of. 2017 has witnessed a strengthening of our newly created SME business line with dedicated initiatives and programs in remote areas.

- To be able to cater to individuals and corporations alike, we start from the top, working closely with public authorities that regulate Lebanon's financial landscape and building a sustainable infrastructure for businesses and entrepreneurship to flourish.
- Bank Audi is committed to continuously creating shareholder value and providing quality financial information, complete with all key indicators setting best practices in terms of governance, compliance and transparency.

Our work on financial inclusion and education is very dear to me. I am very proud of the achievements our team made possible last year. The contribution towards the education of 413 outstanding students, our pro-family higher education program, the Global Money Week and our renowned Innovation Weekend, to name a few, are testimony to the drive we want to generate when investing into the human potential of our country. This year's report carries examples of this incredible work in building future generations while providing them with the necessary protection generated from our various financial literacy projects.

At Bank Audi, our motivation is relentless in backing people and businesses, helping them grow beyond their potential, building confidence and supporting communities to shape a more prosperous tomorrow.

I again, take pride in bringing you Bank Audi's 2017 CSR Report in a new dynamic and interactive format highlighting the humble achievements made by the Bank in this field.

Committed always,



Samir N. Hanna
Chairman and Group Chief Executive Officer

WHAT YOU CAN EXPECT FROM US AND WHAT WE EXPECT FROM OURSELVES

“Committed” is a pledge we made decades ago when Bank Audi was founded; a self-imposed commitment to safeguard the community’s best interest; a consignment we made to future generations; an engagement to all our stakeholders; and a devotion to protect the environment as best we can.

Our sustainability framework is based on what we expect from ourselves, with a clear strategy materialised by our voluntary and firm commitment clearly portrayed through our five sustainability pillars: best practice Corporate Governance, amplified Economic Development, balanced Community Development, energised Human Development, and precautionary Environmental Protection.

Our vision of sustainability, as an integral part of day-to-day operations, is achieved by adhering to best practices and giving full priority to the triple bottom line. In addition to abiding by global standards such as the UN Global Compact and its local steering network which we are committee members of, and the ISO 26000 of Social Responsibility, our recent alignment with the Sustainable Development Goals (SDGs) as a lighthouse have guided us towards tangible and significant actions which are underway, in need of promotion, or initiated and seeking partners.

We have therefore enhanced our CSR strategy by linking corporate action to the universal language of sustainability, quantifying our positive impacts, creating shared value and leading relevant initiatives, engaging our stakeholders through specifically targeted communications, aligning private public partnerships that subscribe to the SDGs, tackling issues that are relevant to our communities, seizing innovative opportunities that contribute to the SDGs, and generally reducing sustainability risks.

Focusing on what you can expect from us, it is worth mentioning that when referring to our influence on stakeholder assessments and the decision taken thereafter to implement a wide scope of initiatives, the SDGs we tender towards span wider than the specific goals we have chosen to champion, taking into consideration that our impact effectively reaches 11 out of the 17 goals. One can also note the inherent interconnectedness of the goals in question, and how actions undertaken to reach a target within a goal may spill over to other targets in different goals. Last but not least, because ambition implies focusing on actions that deliver a long-term outcome with regards to the materiality of our issues and how significant these are to our economic, social and

environmental impacts, Bank Audi has chosen to pledge towards 5 of the SDGs, namely Quality Education (SDG 4), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), and Climate Action (SDG13).

A privilege we are proud of within our practice of CSR is the regional (MENA) benchmark we now represent. The latter is gaged by our case study which has become an efficient tool for mentoring students and companies alike, and by expert benchmark reports we contribute to, such as the Global Reporting Initiative (GRI) and ArabSustainability.com

It is in this context that our case study, Bank Audi: Leading through Sustainability by MP Dr. Dima Jamali, was submitted to the 2017 EFMD Case Writing Competition by Ivey Publishing, and won the “Corporate Social Responsibility” category sponsored by the prestigious Kedge Business School.

This recognition is all the more valuable since EFMD, the leading international network for management development, has organised, for over 30 years now, this annual case writing competition which aims at encouraging and supporting the writing of new and innovative case material, with a wide selection of categories focusing on specific issues and specific regions of the world.

As a GRI Standards Pioneer, we are among the first to adopt the new GRI Standards: global best practice for sustainability reporting. In doing so, we demonstrate our full support for GRI’s mission to empower decisions that create social, environmental and economic benefits for everyone.

This report will further explain how our investors care about Corporate Social Responsibility and how we attract and retain engaged and productive employees. In a word – how “committed” we truly are!

Responsibly,



Hasmig G. Khoury
Head of CSR

THE FIVE PILLARS OF OUR CSR STRATEGY



CORPORATE GOVERNANCE



Ethical conduct
Compliance
Anti-corruption
Human rights
Environmental and Social Management System



ECONOMIC DEVELOPMENT



Product portfolio
Economic contribution
Indirect economic impacts
Procurement practices
Market presence
Product responsibility
Infrastructure investments
Inclusive and sustainable industrialisation
Innovation



COMMUNITY DEVELOPMENT



Local community development
Local community support
Local community collaboration
Financial literacy



HUMAN DEVELOPMENT



Labour practices
Diversity, inclusion and equal opportunity
Training, education and talent development
External human development



ENVIRONMENTAL PROTECTION



Emissions
Effluents and waste
Energy consumption
Environmental loans
Awareness on resources usage

OUR CSR MILESTONES



ABOUT BANK AUDI

Founded in Lebanon in 1830, Bank Audi sal has sustained its solid growth, building a strong legacy of excellence in banking. Headquartered in Lebanon, the Bank is currently present in 10 other countries located across Europe and the MENAT region, namely Switzerland, France, Jordan, Egypt, the Kingdom of Saudi Arabia (KSA), Qatar, Monaco, Turkey, Iraq and the United Arab Emirates (UAE).

Bank Audi is a joint stock company ("société anonyme libanaise") with a diversified shareholder base that encompasses founding shareholders, large regional investors, supra-national entities, international institutional investors, a large number of private investors, as well as executives and employees.

The Bank offers a full range of products and services in Commercial and Corporate Banking, Retail and Personal Banking, Private Banking and Investment Banking within a wide range of industries including manufacturing, trading, contracting, real estate development, food and beverage, education, media services, health and social services, and retailing among others.

Bank Audi, a leader among Lebanese banking groups, has further reinforced its position among the top 20 Arab banks. Main development pillars for the Group are Lebanon, Egypt, Turkey and the Private Banking business line which, together, represent more than 90% of assets and earnings. Our performance stems from a comprehensive range of financial services and a diversified market presence which represent the backbone of our sustained growth in spite of an overall challenging operating environment. The Bank's recent results faithfully reflect how sustainable strategies translate into long-term financial value. In 2017, Management succeeded in sustaining a high resilience of the Group in its capacity to withstand adverse developments in its markets of presence while reporting favourable growth in activity and net profits, in parallel to the reinforcement of the Bank's fundamentals and of its financial flexibility. Concomitantly, our Executive Management remains determined to further advance environmental and social goals, and to sustain the financial and business achievements which contribute to socioeconomic growth and financial stability. In the future, we will preserve our will to remain leaders in sustainability, and to balance the healthy financial growth and returns to shareholders with equal commitment, drive and added value to stakeholders, and to society at large.

COMPOSITION OF THE BOARD OF DIRECTORS OF BANK AUDI SAL

Mr. Samir N. HANNA	(Chairman of the Board – General Manager, Group CEO)
Dr. Marwan M. GHANDOUR	(Vice-Chairman)
Dr. Freddie C. Baz	(Vice-Chairman)
Mr. Marc J. Audi	
Sheikha Mariam N. AL SABBAH	
Dr. Imad I. ITANI	
Mr. Abdullah I. AL HOBAYB	
Dr. Khalil M. BITAR	
Ms. Sherine R. AUDI	
Mr. Carlos A. OBEID	
Mr. Aristidis I. VOURAKIS	

Changes to the board of directors during the year 2017:

- (i) Following his resignation, H.E. Mr. Raymond W. Audi was nominated as Honorary Chairman; and
- (ii) Sheikha Suad Hamad Saleh Al Homaizi, Board Member of Bank Audi since 1962 and co-founder of the Bank, passed away in August 2017.

OUR COMMITMENT TO THE SDGs

The Global Goals indicate market gaps, development needs and investment priorities for different countries. Issues addressed in the SDGs provide a road map for businesses to seek opportunities and manage risks. The SDGs also provide vision for sustainable, long-term growth for private companies that balance the economic as well as social and environmental returns.

SDGs are the bedrock of future regulations and policies which inform and channel investment into priority sectors and restrict businesses that have negative social or environmental returns. Aligning with the SDGs also deepens the value and impact of Corporate Social Responsibility (CSR) efforts expended by businesses. SDGs allow companies to promote their socially and environmentally responsible operations while opening new consumer and business-to-business channels. They also offer a common language to communicate the company's commitment to sustainable development with stakeholders. Finally, the SDGs give companies the opportunity to shift to sustainability by providing a framework to align their strategies with the global development agenda.

As a leading financial institution, and although our sphere of influence impacts 11 of the 17 goals, Bank Audi has chosen to champion the following SDGs:



Throughout our report, relevant SDGs have been mapped within our five strategic pillars and our material issues. Our committed sustainability can be traced through our actions, our KPIs and the indicators we have carefully selected to assess and report upon. These SDGs integrate our economic, social and environmental ideals, and allow us to visualise impactful and sustainable progress in the areas of contribution and beyond due to overlaps.

STAKEHOLDERS' PANEL

OPEN COMMUNICATION AND CONSTRUCTIVE DIALOGUE ALL THE WAY

Recognising the value of each stakeholder, Bank Audi made sure to continuously engage its external and internal stakeholders, to seek their critical input, and to monitor their expectations. Therefore, and similar to previous years, it held a special stakeholders' panel reflecting its corporate values, and aimed at inviting stakeholders to discuss the Bank's strategy and initiatives, and to identify important gaps and directions for the future. This meeting generated a better understanding of our stakeholders' concerns and perspectives on key issues, and helped build stronger relationships for more tangible business value creation. The selected stakeholder representatives included employees, Management, clients, suppliers, regulatory bodies, partners and competitors.

The main takeaways revolved around:

- Furthering inclusiveness for persons with special needs.
- Furthering communication on our CSR efforts.
- Perceiving and tackling of human rights.
- Promoting financial inclusion.
- Supporting vocational training and human development in rural areas.
- Furthering public/private collaboration.
- Promoting education for the benefit of the community.
- Conducting trainings to raise SMEs' awareness of Financial Management in times of crisis.
- Financing and marketing researches and innovations in the university sector.
- Conducting campaigns to decrease corruption and access to information.
- Setting clearer KPIs.
- Promoting Corporate Governance and transparency, and their spillover effect to other companies.
- Supporting start-ups, social entrepreneurs, MMEs and SMEs.
- Undertaking environmental initiatives.

Through this initiative, Bank Audi has engaged in an open and constructive dialogue with its stakeholders who were keen to share their concerns, thoughts and perspectives on its strategy and reporting. These valuable insights will be used to identify material issues and refine the Bank's CSR strategy ([read more](#)).



Open communication and constructive dialogue all the way



CSR Committee Members

CSR AT A GLANCE AT END 2017



CORPORATE GOVERNANCE

Environmental and Social Management System (ESMS)

Complying with

International Standards:

- ISO 26000
- UN Global Compact
- Sustainable Development Goals (SDGs)



ECONOMIC DEVELOPMENT

2.20% of Lebanon's GDP

3,402 employees

USD 150 million in taxes when accounting for income tax, municipal taxes, VAT, etc.

99% customer satisfaction

SME business line

Allowing local economies to prosper

Developing financial literacy

Enhancing responsible lending

Fostering innovation

> USD 6 million in indirect economic impact

51 products

56 services

205 publicly accessible ATMs

80 operational branches*

> USD 500,000 in economic sponsorships



COMMUNITY DEVELOPMENT

> USD 5 million total contributions to our community:

- **USD 800,000** on health
- **> USD 2.9 million** on humanitarian and social issues
- **> USD 1 million** on culture
- **USD 271,000** on sports

Financial literacy

Financial independence

Approximately **1 million** beneficiaries

Volunteer program:

- **7,614** beneficiaries
- **392** volunteers



HUMAN DEVELOPMENT

65% of successfully trained employees

USD 1.5 million in training for our employees

USD 9.9 million in educational programs

311,120 beneficiaries

Diversity, inclusion and equal opportunity

46% female employees

Quality program



ENVIRONMENTAL PROTECTION

> USD 18 million in environmental loans

"Grow Green"

Carbon Footprint monitoring

Climate change champions

*Excluding APB and Solifac branches.



CORPORATE GOVERNANCE

ENVIRONMENTAL AND
SOCIAL MANAGEMENT SYSTEM

ANTI-CORRUPTION

ETHICAL CONDUCT

COMPLIANCE

HUMAN RIGHTS

Our Corporate Governance practices and policies are at the heart of our business model and provide the **accountability and transparency** we consistently aspire to uphold in order to remain the most trusted banking partner in the eyes of both internal and external stakeholders.

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM

ONGOING IMPROVEMENTS TO STRENGTHEN OUR MANAGEMENT OF E&S RISKS

Throughout 2017, the Bank maintained its commitment to manage Environmental and Social (E&S) risks in its Corporate and Commercial Banking activities by enhancing its Environmental & Social Management System (ESMS). Indeed, our ESMS has been subject to ongoing review and improvement since its inception in 2014.

In 2017, the Bank prioritised updating its ESMS procedures, taking into consideration challenges experienced during implementation and recommendations made by the International Finance Corporation (IFC) to enhance the process. It is worth noting that the updates to the Bank's ESMS procedures did not entail material changes to the system, but rather, provided a comprehensive review and improvement to the original procedures in order to ensure that they remain relevant to the E&S risks associated with the Bank's portfolio. The updated procedures will be rolled out in 2018, and we believe that they will further strengthen our ESMS and generate better information and results.

SUSTAINABLE FINANCE

USD
20,566,880

Total value of 17 new loans with environmental and/or social benefits financed during 2017

123

Employees attended trainings on environmental topics/issues

929

Training hours were spent on environmental topics/issues

HIGHEST MARKET SHARE 21.5%

BDL Energy Incentives – NEEREA loans

ETHICAL CONDUCT

Our Code of Ethics and Conduct clearly upholds the principles of non-discrimination and of a violence and harassment-free workplace. It is worth mentioning in this respect that no breaches or fines were reported.

COMPLIANCE & ANTI-CORRUPTION

In an environment where banking behaviour is under increasing scrutiny, the Group continuously strives to keep its ethical standards beyond reproach.

Compliance risk, sanctions, taxes and capital markets have become significant and ongoing concerns for financial institutions, including Bank Audi.

We are committed to combat money laundering and terrorism financing in order to avoid being involved directly or indirectly in transactions connected with the laundering of money derived from illegal activities, or the channelling of funds to be used for illicit purposes.

This firm commitment of the Group is the result of proper guidance and instructions on the part of the Group's Board of Directors and Senior Management, and of the efforts and awareness of the Group employees. The latter are entrusted with the responsibility of ensuring that the Group operations are consistent with anti-money laundering and counter-financing of terrorism laws and regulations, internal policies and procedures, the industry international best practices, as well as the highest level of morality.

This culture of compliance with high ethical standards, as well as legal and regulatory obligations which we are subject to, both in Lebanon and in the markets we serve, is fundamental to the preservation of our reputation and integrity, and underlines one of our core guiding values: transparency.

Bank Audi is therefore taking all necessary measures to comply with various regulations including:

- Laws and regulations adopted by a governmental regulatory body.
- Standards adopted by a self-regulatory body to which a business or entity has agreed to subject itself.
- Directives contained in our Compliance policies and Code of Ethics and Conduct.

As precautionary measures and as part of the Bank's lending activities, every credit transaction above a certain amount is subject to a credit risk opinion which is issued by functions that are independent from the credit originating functions. This helps ensure that the credit transactions and resulting profile are compliant with the Bank's credit policy and risk appetite. In line with the credit policy, the Bank refrains from financing activities that are unethical and illegal, or that may present significant potential negative impacts to the environment and / or which may result in significant potential negative social impacts.

HUMAN RIGHTS

The Bank endorses and supports internationally recognised principles under the Universal Declaration of Human Rights which promotes global respect for human rights and fundamental freedoms for all, without distinction of race, colour, gender, language, religion, opinion, descent, or national or ethnic origin ([know more](#)).

As businesses, we need to demonstrate that we are aware of human rights. Clearly, human rights are a global issue. The concept of "due diligence" was proposed and found to be a useful starting point for companies as they seek to integrate respect for human rights into their practices.

Similarly, with the right to privacy, any company should know that it has potential adverse impacts on this human right, whether it is from handling data or from registering and using customer information.

254

Newly hired employees attended presentations on human rights topics

10

Managerial staff members attended a special training on "Decent Work for Domestic Workers" delivered by Equip, an NGO specialised in domestic workers issues, and in partnership with the ILO

FOCUS GROUP PARTICIPATES IN “MY FAIR HOME” SEMINAR

In line with the International Labour Organisation's (ILO) Regional 2015-2020 Strategy and in coordination with the “Work in Freedom Program”, the CSR Unit organised the second phase of the “My Fair Home” seminar engaging 10 colleagues as part of a focus group. The campaign aims to elicit attitudinal and behavioural change among employers of domestic workers to ensure decent work, and falls under the principles of Human Rights.

This seminar promotes the rights and duties of domestic workers and their employers, encouraging the latter to sign the “My Fair Home” pledge and commit to the principles of decent work.

MR. MARC AUDI ADDRESSES GLOBAL COMPACT NETWORK LEBANON CONFERENCE 2017

As part of the UN's Global Compact Network Lebanon (GCNL) Conference that was held on 10 October 2017 at the American University of Beirut, Marc Audi, Country Manager Lebanon, gave a speech highlighting the importance of tackling the economic, social, environmental and governance-related challenges of our time to achieve a better Lebanon by 2030.

Mr. Audi confirmed the Bank's commitment to social responsibility that's truly engrained in the Bank's DNA and now aligned to the pledged SDGs, namely Quality Education (SDG 4), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9) and Climate Action (SDG 13).

The multi-stakeholder forum was attended by 400 key Lebanese public and private sector participants and speakers. It highlighted the progress the GCNL is achieving by continuously attracting more members which reached 150 to date and evolving social and environmental issues in Lebanon.



Global Compact Network Lebanon Conference: Prof. Dima Jamali, Mr. Marc Audi, MP Ghassan Moukheiber, Ms. Rana Salhab

A HEARTFELT DEDICATION TO OUR LONGTIME CHAIRMAN, RAYMOND AUDI

A LEADER – AN INFLUENCER – AN INSPIRATION

Leadership is not about a title or a position. It is about impact, influence and inspiration. Impact involves getting results. Influence is about spreading the passion. Inspiration is the reflection of a leader's spirit in his team and customers. Coming across a leader who has all these attributes is a rare find indeed. Yet there can be no dispute that Raymond Audi has mastered all and more. And so, it is with melancholy that we saw him step down from his long-standing position as Chairman of the Board of Directors at Bank Audi and retire from his corporate responsibilities in April 2017. He will, henceforth, serve as Honorary Chairman in order to devote more time to his family and personal life.

Raymond Audi's legacy at Bank Audi spans almost 60 years, over half a century as a member and then Chairman of the Board. The impact of his leadership has been incontestably strong, proven by the Bank's rise to become the first in Lebanon and have a solid, widespread offshore presence.

However, his impact was mostly felt by us, his employees who, in Raymond Audi's eyes, are an extension of the Audi family, his own. Over the long years, we have gotten used to seeing him tour between our offices, interacting with us, asking about our work, our welfare and our families. The personal bond that he took the time to forge with his "bank family" might be exactly why Human Capital is one of Bank Audi's core values.

Raymond Audi's influence seeps well beyond the constraints of a single industry. From banking to real estate, from arts to philanthropy, many people might take a guess at what Raymond Audi's real passion is. But, for us, it is very much apparent: the human element in every form. He has dedicated much of his life and resources to sponsoring up-and-coming artists and writers, so one would say his passion has driven others to pursue theirs.

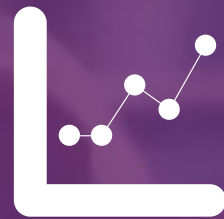
Along his extensive journey to the very top of the business world, Raymond Audi never forgot his roots. Saida, his coastal hometown and family origin, is never away from his mind. Lebanon's culture as a whole holds a paramount place in his heart.

Bank Audi's core values were derived from how our longtime chairman went about business and life in general: his love for **Innovation** and arts, his perseverance to preserve Saida's **Heritage**, his reputation for **Transparency** in all his pursuits, his appreciation for **Human Capital**, his powerful and strong **Civic Role** whether publicly or anonymously, and finally, the **Quality** of all his work, from projects he started to those he sponsored or envisioned for the future.

We can only wish "Monsieur Raymond" the best, healthiest and most peaceful of retirements. We cannot thank him enough for the dedication, passion and enthusiasm he showed over the past 60 years. He is and remains a main pillar of the Bank, the founder of its social responsibility, and we promise to uphold the same values and culture in his absence as we did in his presence. It is our pleasure and our responsibility to follow through in his inspiring footsteps and aim towards an even brighter future.



Our Chairmen Mr. Raymond Audi passing the flame to Mr. Samir Hanna



ECONOMIC DEVELOPMENT

ECONOMIC CONTRIBUTION

INDIRECT ECONOMIC IMPACTS

PROCUREMENT PRACTICES

PRODUCT PORTFOLIO

MARKET PRESENCE

PRODUCT RESPONSIBILITY

INNOVATION

INFRASTRUCTURE INVESTMENTS

**INCLUSIVE AND SUSTAINABLE
INDUSTRIALISATION**

Consistent with our philosophy of Creating Shared Value, we have continued to magnify our social impact by leveraging the full power of our business to work with different stakeholders and contribute to a more resilient and stable economy.

By creating manifold economic opportunities, providing access to finance and innovation, and adapting to the needs of the marketplace and the local economy, we have made significant strides under this pillar.

ECONOMIC CONTRIBUTION

Our economic contributions also go a long way towards stimulating entrepreneurship and job creation through various tailored initiatives targeting SMEs.

3,402

Total number of employees

2.20%

Total contributions of
Lebanon's GDP

STIMULATING THE USE OF THE LEBANESE LIRA

In this endeavour, the "Loubnani" card is conceived to match the unique lifestyle of the Lebanese people, whereby its holders benefit from an extensive reward program. "Our ultimate priority is to adapt to the routine of our customers, align to their needs with the use of local or international currencies, and reward them for their loyalty with attractive privileges."

Bank Audi is proud to be a Lebanese financial institution and encourages the use of its local currency.

Grace Eid, Head of Retail Banking

WORLD'S BEST BANK AWARDS 2018: THE MIDDLE EAST

Global Finance - May 2018

Bank Audi, the leading bank in terms of assets, deposits, loans and equity, is Global Finance's choice for best bank. Samir Hanna, Bank Audi group CEO, says: "We are pleased to be awarded Best Bank in Lebanon again. We believe the bank's performance in 2017 strengthened the group's financial standing, reinforced its financial flexibility, sustained its profitability in spite of tough operating conditions, and reinforced the group's leading position in the domestic market and among major regional banking groups at large."

Bank Audi has a presence in 11 countries. Its earnings rose 13% last year, with 45% of the total coming from outside of Lebanon. Earnings of Bank Audi's Turkish subsidiary, Odea Bank, rose by 29%. The ratio of doubtful loans was 3% for Bank Audi Lebanon, 1.5% for Bank Audi Egypt and 4.7% for Odea Bank. Bank Audi's return on average common equity was 13.4% in 2017.

Bank Audi Egypt completed the implementation of a capital-markets solution in 2017, while Odea Bank enhanced its treasury-trading solution to improve its efficiency. The group worked to modernize its core banking systems and Bank Audi Lebanon expects to introduce a new core system toward the end of this year.

SME BANKING

Bank Audi launched the small and medium-sized enterprises business line (SME Banking) in 2016, aiming to support this large segment by offering a wide range of products and services that answer its various business needs, be it lending programs to help those companies finance their daily business needs such as purchasing goods, raw materials, paying invoices, rent or staff salaries, or to finance their business growth by investing in new machinery, equipment, premises or patent rights, or even renovating and changing office furniture. The offering also includes non-lending programs which support SMEs in their daily banking transactions by granting them free operations and preferential treatment when benefitting from a business loan. Today, specialised SME business centres are set up across Lebanon with highly trained staff.

During 2017, several initiatives were implemented to further support SMEs and help them grow and sustain their businesses:

THE "LBP 1 TRILLION CAMPAIGN"

Bank Audi allocated LBP 1 trillion to this segment at a reduced interest rate (7%) for the first year and for loan amounts of up to LBP 150 million. The Bank has carefully studied the prices and reduced them to lessen the burden of heavy interest rates and instalments. This initiative aimed at supporting SMEs and contributing to GDP growth while creating new job opportunities and reducing the loan dollarization ratio.

THE "ROADSHOWS"

To raise more awareness in all Lebanese areas (rural and urban), the Bank organised 10 roadshows which were attended by more than 5,000 attendees (Bank Audi clients and non-clients). The purpose behind this initiative was to reinforce Bank Audi's close position to SMEs, no matter how far or small.

The impact of these roadshows was measured by the increase of the business generated in each region, and the number of served clients from various sizes and sectors. This initiative emphasised the Bank's dedication to SMEs who play a major role in the development of the national economy.

THE "PREMISES LOAN" CAMPAIGN

In yet another step to support SMEs and help them own, build or expand their premises, Bank Audi also launched the "Premise Loan" campaign with a special offering. Our premises loan helps SMEs benefit from various financing programs to purchase ready or under construction premises, or even to expand or build their own premises.

The loan was launched during the third quarter of the year, with a special bundle of benefits.

GROW MY BUSINESS COMPETITION [\(read more\)](#)

Similar to previous years, a new edition of the "Grow My Business" competition rewarded 3 teams with a total amount of LBP 95 million.

5,570
CLIENTS
SERVED

60%
BENEFITTED FROM OUR
LENDING PROGRAMS IN 2017

To develop, grow or
sustain their businesses



WOMEN ENTREPRENEURS FOR THE WIN

SME Team Present LLWB Entrepreneurs with Products that Meet Their Business Needs

On the occasion of International Women's Day and based on our culture of equality and fairness to both genders, Bank Audi, highlighting its commitment to the SDG 5 - Gender Equality, collaborated with the Lebanese League for Women in Business (LLWB) to offer women entrepreneurs an exclusive chance to discover our wide range of SME products, tailored to meet small and medium-sized enterprises' various business needs. LLWB is a socio-economic association bringing together professional women by providing them with a platform to share their personal challenges and experiences, to develop competencies and skills, and to network and exchange expertise.

A gathering was held in Bank Audi Plaza on 9 March and attended by 45 ladies from the LLWB from all around Lebanon. The attendees were welcomed to the conference by Mrs. Asmahan Zein, President of LLWB, who gave a short presentation on the foundation's activities and programs for 2017. She mentioned that this collaboration was due to Bank Audi's renowned support to entrepreneurs.

Mrs. Joyce Abou Rizk, Head of SME Business Delivery at Bank Audi, presented the SME Banking offering and the flexible total wallet solutions designed at the Bank to answer SMEs' lending and non-lending business needs. Furthermore, Mr. Hassan Sabbah, Head of SME Banking at Bank Audi, explained about the SME redefined business line and the dedicated SME business centres staffed with highly trained employees. In terms of empowering women, results of the Bank's strategy show an increased female presence in our client-base.

SME FORUM 2017

The Lebanese SME Forum organised by the Ministry of Economy and Trade was the first of a series of yearly thematic events focusing on the SME sector and involving relevant players on the national and regional levels.

Our Group Chief Economist and Head of Research, Dr. Marwan Barakat, stated that "SME Banking is increasingly becoming a strategic issue for Lebanese banks, supported by the various concerned public parties, with SME loans representing 16% of total loans in Lebanon, double the regional average of 8%, but well below the advanced countries average of 26%". Dr. Barakat also spoke about the recent Bank Audi SME program, supported by the IFC, which revolves around extending LBP 1,000 billion in loans, contributing to real GDP growth, job creation and de-dollarization of bank lending. With its participation in the event, Bank Audi once again proves its commitment to enhance synergies between the SME environment's main stakeholders in Lebanon in order to forge a better business environment.



Women entrepreneurs for the win: Mrs. Asmahan Zein

INDIRECT ECONOMIC IMPACTS

ASSOCIATION FOR THE DEVELOPMENT OF RURAL CAPACITIES (ADR)

We sustained our support to the Association for the Development of Rural Capacities (ADR) by contributing to its programs of microfinance loans extended to the underprivileged at significantly reduced interest rates. ADR is a Lebanese non-profit organisation established in 1998 with a mission to empower and integrate marginalised people through sustainable economic and social development by facilitating access to financial training, tools and services, and by supporting income-generating projects. Beneficiaries are fishermen, farmers, small entrepreneurs, women and the youth from the most impoverished areas in Lebanon.

During 2017, our program outreach was 812 SME beneficiaries who received loans for a total amount of USD 1,768,425 of which 37.5% were women entrepreneurs – 304 beneficiaries with loans amounting to USD 648,126. Young borrowers aged between 18 and 35 years accounted for 42% and received loans for USD 681,758.

ADR	2013	2014	2015	2016	2017
Number of beneficiaries	365	327	477	523	812

ASSOCIATION MAAK

We likewise extended our support to Association Maak (NGO), benefitting 43 families who were granted microfinance loans across various economic sectors including farming, cattle and agriculture, tailoring, snacks, beauty services, and even scholarships (school and university). This went hand in hand with extending moral, technical and spiritual support to the various beneficiary households.

GROW MY BUSINESS 6TH EDITION

DOUBLE PARTNERSHIP WITH BEIRUT TRADERS ASSOCIATION AND MIT
2017 witnessed the sixth edition of the “Grow My Business” competition, an initiative by the Beirut Traders Association (BTA), in collaboration with the MIT Enterprise Forum – Pan Arab Region, and in partnership with Bank Audi. Building on the success of the 5 previous editions, the objective of the competition was, more than ever, to continue helping businesses expand and grow in the right direction. This is achieved by inviting Lebanese entrepreneurs and SME owners to develop plans which boost their businesses forward.

Like every year, the jury shortlisted the top 25 candidates who benefitted from a two-day workshop organised by Silicon Valley experts and focused on how to draft a successful business plan.

These plans were then submitted to a selected jury who chose the 10 best candidates for a final assessment through a series of oral presentations. In light of these enriching sessions, the jury announced the three winners of the “Grow My Business 2017” competition: Augmental, Bildits and Sympaticus, who received prizes of LBP 50,000,000, LBP 30,000,000 and LBP 15,000,000 respectively, all courtesy of Bank Audi, during a special ceremony.

AUGMENTAL

An educational technology application initially targeting middle to high school students where course material is adapted to each students’ learning abilities using artificial intelligence and augmented reality. It features adaptive learning, an educational assistant, and is fully interactive.

BILDITS

Provides a fun and authentic construction experience by letting you build your house with your own hands thanks to a miniature building construction kit that introduces the real process of construction. The user uses the tools and modular pieces provided in the kit and follows simple instructions to build a scaled model while going through an authentic process covering all the real-life steps such as constructing steel structures, installing formworks, pouring cement, building masonry walls, painting and other. The pieces in the kit are modular, which means you have the freedom to dream up, design and build as creatively as possible.

SYMPATICUS

Provides access to mental health services through a self-help mobile app for treating anxiety or depression facilitated by therapists via video consultations. The solution addresses problems such as stigma, high costs per therapy session, and the ambiguity related to treatment duration.

■ The purpose of this competition is to give a tangible added value to small and medium-sized companies, to uplift the professional standards of the commercial sector as a whole, and to contribute to the sustainable development of the national economy. ■

Mr. Nicolas Chammas, Chairman of the Beirut Traders Association

■ Bank Audi's involvement in "Grow My Business" is part of its solid conviction that SMEs are the engine of the Lebanese economy. By increasing the overall amount of rewards and by choosing to reward the first three winners instead of merely the first one, we have decided to give bigger opportunities and open even more horizons to participants. This is yet another indicator that we spare no efforts to reward solid ideas and give them the chance to materialise and bloom. ■

Mr. Marc Audi, Country Manager Lebanon

■ Now in its 6th edition, MITEF Pan Arab is pleased with the growth this competition is achieving year over year. With the help of our partners, Bank Audi and BTA, as well as with the support of the Lebanese ecosystem, we are ensuring that these teams become Lebanon's success stories. We believe in our entrepreneurs and their innovation, and we are here to guide them and support them throughout their journey. ■

Mrs. Hala Fadel, Chair of the MIT Enterprise Forum – Pan Arab Region



Our three winners of the 2017 edition of Grow My Business

THE THIRD ANNUAL EUROMONEY LEBANON CONFERENCE

The event brought together over 300 high-level government officials, investors, financiers, business leaders and many of Lebanon's leading institutions to explore new opportunities and examine Lebanon's changing role in the new global financial landscape.

In the light of the appointment of the new administration, the economic impact of domestic political stability, the challenges still facing Lebanon's economy and in particular the prospects for the financial sector were discussed.

Throughout the day, the audience heard first-hand from business leaders, experts and commentators such as Dr. Freddie Baz and Dr. Marwan Barakat on the challenges and opportunities for growth. The opening panel set the scene with a global macro outlook discussion, examining the new global political-economic paradigms and what they mean to Lebanon's economy.

Leading local and international players analysed the growing opportunities in Lebanon - from the development of its hydrocarbon sector to how Lebanon can scale its 'super-service' economic model with a focus on re-energizing the tourism and hospitality sectors.

The Governor of the Banque du Liban, HE Mr. Riad Salamé, outlined on his policies, strategy and plans for Lebanon's financial sector and the wider economy.

ARAB ECONOMIC FORUM

Under the patronage of Lebanese Prime Minister H.E. Mr. Saad Al Hariri, Al-Iktissad Wal-Aamal organised the "Arab Economic Forum" (AEF), in collaboration with the Central Bank of Lebanon, the Association of Banks in Lebanon, and the International Finance Corporation (IFC), a member of the World Bank Group. This year was the 25th edition of the forum and Bank Audi's presence was marked with an impressive corporate stand reflecting the Bank's innovative, technology-driven image.

The Silver Anniversary of the AEF attracted a large number of senior officials, Corporate Banking and investment leaders, and experts from several Arab and foreign countries. This edition was particularly important as it comes in the light of the major challenges facing the region and its economies, due to the political climate and security instability in some countries, the decline in oil prices, the impact of economic growth, the investment climate, and the decline in employment opportunities.

This year's edition tackled issues of post-war economy and austerity; economic visions and the challenges of reform and investment; privatisation, partnerships, and the role of private investment; attracting funds; and the role of banks and capital markets.

LEBANESE DIASPORA ENERGY (LDE): JOHANNESBURG, MEXICO AND BEIRUT

Though our country is a small one, our children are spread out far and wide across the globe. Known as the Lebanese Diaspora, individuals and families with Lebanese heritage have made their homes in far off nations such as South America and Africa. In the spirit of celebrating the native Lebanese spirit in us all, the Lebanese Diaspora Energy (LDE) initiative was launched by the Ministry of Foreign Affairs.

Members of Bank Audi participated in the LDE, aiming to discover the needs, horizons, and potential of new investment domains in the various markets where the conferences were held.

Dr. Marwan Barakat, Group Chief Economist and Head of Research at Bank Audi, discussed Lebanon's recent presidential elections and cabinet unity formation, which would hopefully improve the country's risk profile and lift its recently economic situation. He noted that while challenges exist, opportunities surpass the risks and threats.

///LDE is an opportunity for the Bank and all attending Lebanese financial institutions to enrich their immigrant customer relations; it also opens possibilities for acquiring new customers and building partnerships across different fields such as trade, industry, and services. For years, Bank Audi has expanded its presence, targeting immigrants in Africa, Latin America, and Australia. //

Mr. Joseph Kesrouani, Assistant General Manager and Head of Business Development at Bank Audi

The aim behind the LDE is to discuss economic transnational cooperation, as well as investment opportunities and the role of banks and financial associations among Lebanese entrepreneurs. "Lebanese communities abroad have always been vibrant, dynamic and prosperous, contributing to the development and progress of the countries in which they reside," said H.E. Mr. Gebran Bassil, Minister of Foreign Affairs and Emigrants. Furthermore, just like LDE 2016 held previously in São Paulo, the Africa Edition intended to motivate both residents and expatriates to stay connected and celebrate their joint heritage.

Several discussion panels were set up at the LDE, focusing on: insights into the Lebanese Diaspora and its investments in Africa, the economic landscape in Africa, trading to manufacturing to IT to health care and innovation, the banking sector in Lebanon, prominent sectors in Lebanon, and the Lebanese services industry.

BEIRUT INTERNATIONAL FRANCHISE FORUM AND EXHIBITION (BIFEX)

The BIFEX is a yearly event that the Lebanese Franchise Association (LFA) organises each year. The Forum presents new ideas, technologies and innovations that Lebanese and Arab companies need to enhance.



Lebanese Diaspora Energy Conference at Beirut

INFRASTRUCTURE INVESTMENTS

OGERO LAUNCHES THE 600 MBPS HIGH SPEED INTERNET AT BANK AUDI NOVO BRANCH, ABC VERDUN

In collaboration with the Ministry of Telecommunications and in partnership with Bank Audi, a ground-breaking event in the history of Lebanese telecommunications was witnessed: the launch of Ogero's first high speed internet.

Under the patronage of H.E. Mr. Jamal Al Jarrah, Minister of Telecommunications, and in presence of Mr. Imad Kreidieh, Chairman of Ogero, and Mr. Marc Audi, Country Manager Lebanon, ABC Verdun hosted the live demonstration of Ogero's first of a kind high-speed connection of over 600Mbps at Bank Audi's Novo branch.

This connection upgrade will provide the Bank's clientele with direct assistance from a Bank Audi operator through live high definition video streaming when using Novo or any of Bank Audi's smart ATMs at ABC Verdun.

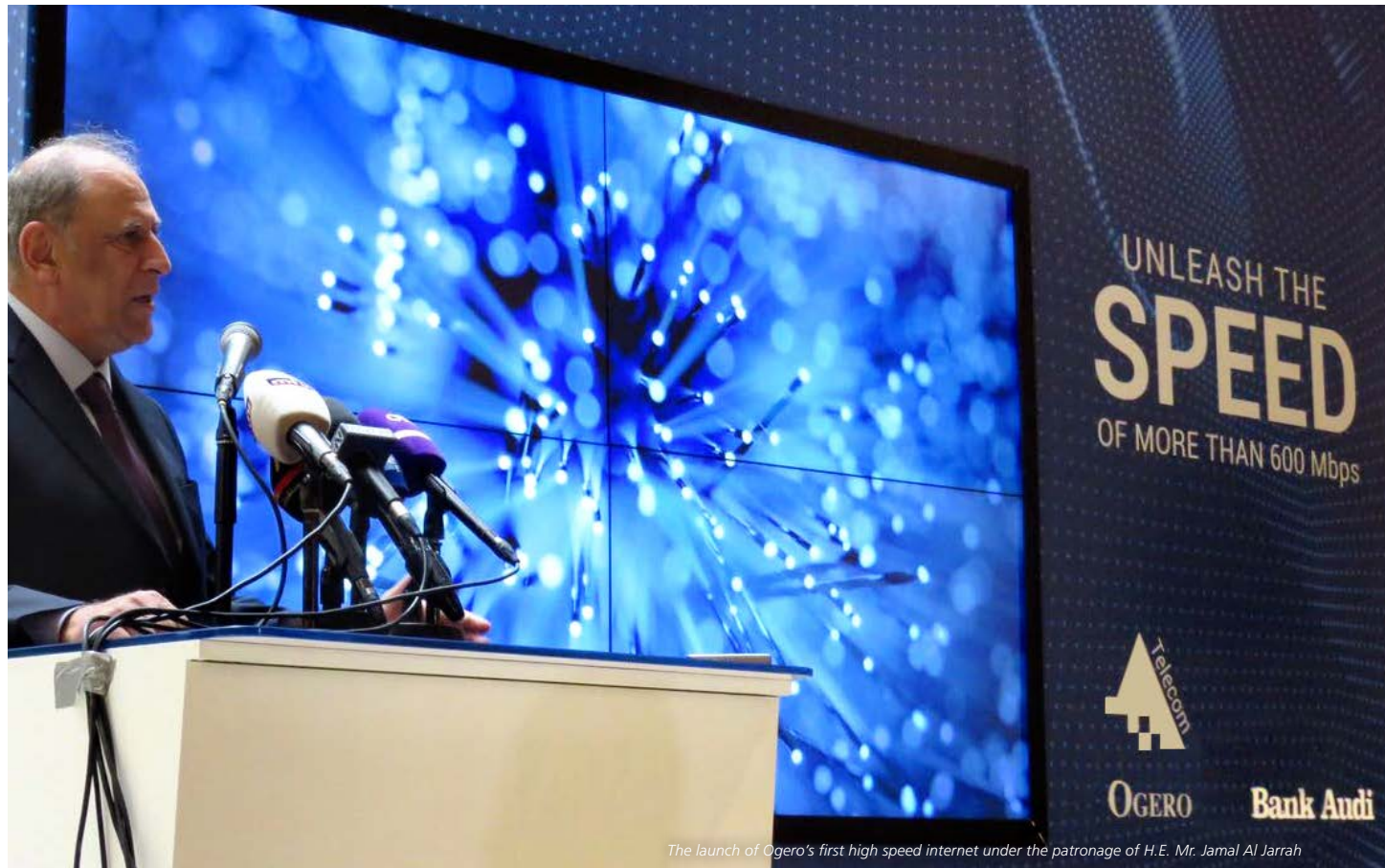
Nokia and Ogero also demonstrated new fixed network technologies during the event, which included the Nokia's G. fast solution, Nokia's VDSL2 vectoring solution, and Nokia's copper-based Vplus technology.

The event gathered public figures from different sectors who got to experience the high speed internet in action and witness live demonstrations of it.

Constantly embracing new challenges, Ogero hopes to achieve higher levels in Digital Technology, aiming towards both personal and corporate use, in order to raise the bar higher and equip Lebanon with a solid telecom infrastructure.

**USD
6,861,500**

Internal infrastructure business investments made in 2017 will impact our support in services to the communities that are in the direct vicinity



The launch of Ogero's first high speed internet under the patronage of H.E. Mr. Jamal Al Jarrah

PRODUCT PORTFOLIO

SALE OF ELECTRONIC PAYMENT AND CARD SERVICES ACQUIRING AND PROCESSING ACTIVITY

In June 2017, the Bank completed the sale of its Electronic Payment and Card Services (EPCS) processing and acquiring activity to M1 Financial Technologies (Holding) sal, a subsidiary of M1 Group, thereby adopting a common practice in big corporations, particularly in this sector. The transaction was structured as a purchase by M1 Financial Technologies of all of the shares of Areeba sal, to which Bank Audi transferred its EPCS business and with which the Bank entered into a service level agreement for the provision of these services.

Given that payment technologies are evolving at a fast pace, and in light of the Lebanese market's maturity, the Bank decided to spin off and sell the EPCS to cope with the constant evolution and to cater for a larger audience. This operation aimed at broadening Bank Audi's business horizons, allowing further focus on business development and sales, while enhancing customer service and streamlining all operations between retail products and cards.

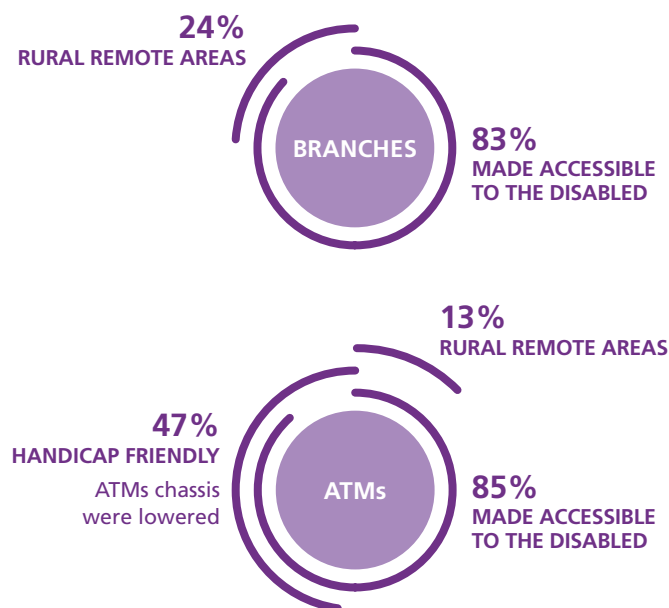
APPRECIATING 25 YEARS OF CUSTOMER LOYALTY

The 25 years loyalty recognition has been Bank Audi's tradition since 2013: an appreciation gift is offered to our customers for their loyalty. This year, 800 individuals and 70 businesses were recognised and offered bonsai plants.

Surveys Conducted to Measure Customer Satisfaction as per Our Quality Program Specifications

Surveying Tool	PERCENTAGE SATISFACTION			
	2014	2015	2016	2017
Phone survey (on daily basis to assess customer satisfaction)	95%	97%	97%	99%
In-branch survey (on daily basis via the "Happy or Not" tool)	83%	88%	90%	90%

PRODUCT RESPONSIBILITY & MARKET PRESENCE



SPRING ACCOUNT

Bank Audi's account for young adults aged 18 to 24 rolled out new features inspired by the current market trends and the power of its clients in September 2017. The new campaign, "Don't Just Make a Choice, Make the Right Choice with the Spring Account", promotes a new redemption and loyalty program, development workshops, CSR initiatives, and many other benefits. Spring customers now have an array of free, interactive and out-of-the-box workshops to choose from, that will boost their soft skills, namely their communication, problem solving, leadership and creative thinking know-how. As of today, about 200 individuals attended the workshops of which 2 were in partnership with Injaz, an NGO that inspires and equips youth with the skills and mind-set needed to become the entrepreneurs and business leaders of tomorrow in their local communities.

Since CSR is one of our main pillars, Spring customers can participate in different CSR activities and give back to the community. In line with our mission to prepare young adults to enter the business world, the Bank

encourages all Spring customers to become "Spring Ambassadors", gaining valuable sales experience, earning commissions and benefitting of flexible working hours.

LABOUR DAY

On 1 May 2017, for the occasion of Labour Day, 97 customers with modest payrolls were randomly selected from across the Bank's 78 branches, and given an extra reason to celebrate the day. The lucky winners were exempted of one monthly instalment of their Personal Loans at the Bank.

PROCUREMENT PRACTICES

Bank Audi is engaged with multi-lateral agencies and export credit agencies such as the European Investment Bank, the Overseas Private Investment Corporation, the World Bank, Sanad Fund, among others.

We also have a strategic partnership with the International Finance Corporation, which aims to promote long-term financing to increase, diversify and lengthen the funding base for small and medium scale projects in specific targeted industries, and in renewable energy and energy efficiency. Other programs like the Arab Trade Finance Program aim to promote trade between Arab countries and enhance the productivity and competitiveness of Arab producers and exporters. These relationships support the Bank's growth plans and the development of key regional subsidiaries and business market segments.

**USD
180 million+**

(89% of our total procurement budget) spent on local suppliers

INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION

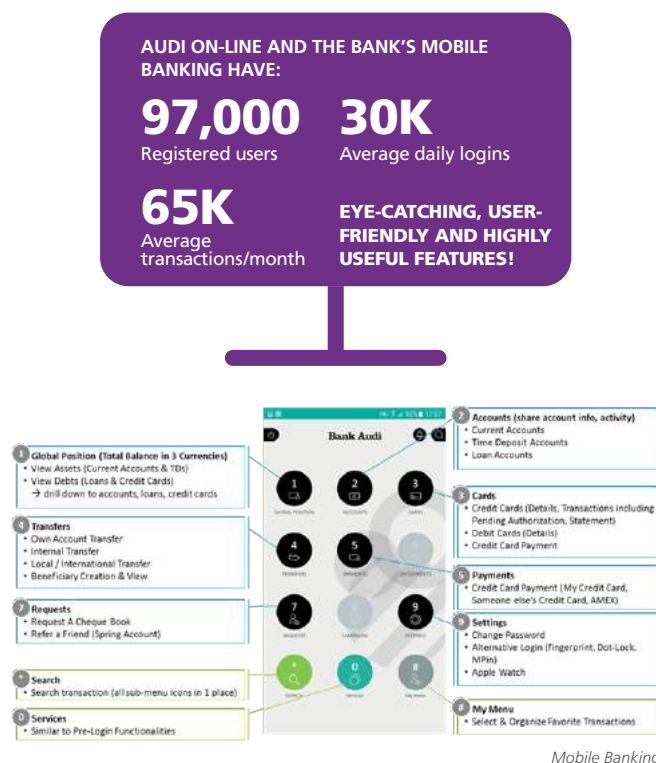
[\(read more\)](#)

INNOVATION

The strategy of building a cashless society, which was launched in 2013, was pursued in 2017 through various incentives.

MOBILE BANKING

ONLINE & BANKING APPLICATION



Mobile Banking

MICROSOFT'S IMAGINE CUP MEA

Hosted by Microsoft Corp., this annual competition brings together young technologists from around the globe. Whether it is building a game, designing an app, or launching a project, Microsoft Imagine helps students develop their ideas and boldly bring them to life.

This year's Imagine Cup MEA finals took place in Beirut, where 17 special projects were presented by 47 innovative students representing Lebanon, Jordan, West Bank and Gaza, Turkey, Pakistan, Kuwait, Bahrain, UAE,

Morocco, Qatar, Egypt, Oman, Nigeria, Algeria, and Saudi Arabia. These students had excelled in their countries, which gave them the chance of enrolling in the Imagine Cup competition. The teams displayed their innovative solutions before Microsoft judges and Mr. Gebran Gebran, Bank Audi's Head of Customer Experience – COO Office, who chose 6 winning projects from among the contestants. The competition provides opportunities for students from across all disciplines to team up and use their creativity, passion and knowledge of technology to create applications, games and integrated solutions that can change the way we live, work and play.

Several speakers participated in the closing ceremony, including H.E. Mr. Saad Hariri, Prime Minister of Lebanon; Elizabeth Richard, US Ambassador to Lebanon; Mrs. Hoda Younan, Microsoft Lebanon Country Manager; and Mr. Jean Traboulsi, Head of Marketing & Communications at Bank Audi. The ceremony was the culmination of a series of national final events, organised by Microsoft subsidiaries in countries across the region, which brought together the brightest young minds to showcase the power of innovation.

In his speech during the closing ceremony, Mr. Traboulsi noted that Bank Audi has always been a fervent supporter of innovation – one of its core values – and is committed to actively support SMEs, incubators and entrepreneurial support organisations across the MENA region. He added, regarding the MENA region, "We should definitely not miss out on today's digital revolution and what it entails, in terms of technological novelties", pointing out how crucial it is for institutions like Bank Audi and Microsoft to join efforts in order to drive this movement forward.

Finally, the 6 winning teams will head to Seattle, Washington, USA, to represent the region at the 15th Imagine Cup World finals in July, where the top 3 winning teams will be chosen and awarded USD 100,000, USD 25,000 and USD 15,000, respectively.



ARABNET BEIRUT

LEBANON'S MOST RECENT INNOVATIVE EVENT

With Innovation as its core theme, Arabnet Beirut witnessed its 8th edition on 21 and 22 February 2017. Arabnet is Lebanon's leading conference on digital business in the Levant region. This year's conference brought together over 1,300 corporate executives, marketing industry leaders, entrepreneurs and investors to discuss the latest trends in the digital sector, and opportunities available for companies working in that space. It is also the ideal gathering for leaders looking to explore and support digital innovation.

Being a leader in innovation, Bank Audi was Arabnet's Gold sponsor. This gave the Bank the chance to replicate, on a simpler scale, the success witnessed at Banque Du Liban's "Accelerate 2016". Under the slogan "Reshaping the Financial Industry through Innovation and Technology", the Bank set up a branded stand to interact with attendees and give them a taste of its services' user experience. Bank representatives and Senior Managers visited the stand over the course of two days. Novot also joined the team at the stand, and the Omni channel, which was first launched at "Accelerate", was also presented to the public.



BANK AUDI: TRANSFORMATION WITH TRUST

APR. 10, 2017 – EFMA

Raffy Karamanian, Assistant Head of Group Retail Banking (Group delivery channels specialist) and **Dania Abou-Zeinab**, Assistant Head of Group Retail Banking (Group product development specialist) at Bank Audi, discuss the Bank's role as a pioneer in digital transformation.

What do you think banks will focus on in terms of digital transformation over the next few years?

Karamanian: "The banking landscape is evolving rapidly. Technology and connectivity have become an essential part of everyone's daily life. Over the past years, alternative channels and migration of transactional banking to cost-effective channels have played an important role."

Abou-Zeinab: "Today, banks' offerings are quite different of what they used to be 10 to 20 years ago. Customer behaviour is constantly evolving into a more sophisticated, tech-savvy and self-directed conduct which makes it inevitable for banks to evolve. At Bank Audi, for instance, we are building ourselves around our customers' needs by adopting an innovative segmentation approach and expanding our digital landscape. In response to a successful track record of introducing new technologies, we are leveraging our omni-channel for several uses in Lebanon and other regions, hence minimising branch need and facilitating the customer's relationship with the Bank."

Where does Bank Audi stand now with digital transformation, and what will you focus on in the next few years?

Karamanian: "Bank Audi's digital transformation journey began several years ago – we were pioneers in introducing Novo, touchscreens, video banking services, and many other self-service channels. We are at the forefront of this digital transformation, continuously focusing on delivering innovation and advanced digital banking solutions. For the coming period, we are focusing on advanced analytics, integrated payments, remote advisory and servicing, Artificial Intelligence (AI), and smart servicing models; minding the regional coverage of local market specificities, regulatory framework, and local laws such as the e-signature, which play an important element in the transformation of the sector."

How are you making sure you deliver the experience different customers expect?

Abou-Zeinab: "When it comes to experience, differences among customers depend on their level of attachment to the branch which is the core of a personal experience. In the case of self-directed customers, they work autonomously but may seek face-to-face branch interactions if not met digitally. The biggest challenge lies in preserving personalisation, transparency, safety, and guidance attributes in the digital experience."

Karamanian: "Moving further towards digital banking, we are adding flexibility and convenience; however, not at the cost of trust which is vital to Bank Audi. In the conventional model, trust is developed from a history of interpersonal interactions and communication. In digital teams and remote services, establishing trust can be more complicated. The main 3 elements to build trust in virtual interactions are based on ability, integrity and benevolence. We are integrating these components within our processes and training programs to reflect them in our servicing model and deliver a positive experience contrary to customer expectations."

Bank Audi is recognised as one of the most innovative banks in the region and an early adopter of new technologies. Is there room now to put your investment into technology into return or is there still a way to go?

Abou-Zeinab: "Investing in technology may be driven by different objectives, be it changing customer behaviour or setting the trend; however, at the end of the day, they all converge towards increasing profitability by capturing market share at minimised costs. As such, and even if we incur higher costs, it will enhance our profitability model five to six years down the road, thereby paying off in the future."

Karamanian: "Transforming is about changing an operating model, it's about culture, it's about educating people. Transformation is a long journey. It's not just implementing a system to become technologically advanced or embracing best practices; this is about learning from your mistakes and listening to your customers."

Abou-Zeinab: "Bank Audi is known to be a leading step-change in innovation. Others on the market are constantly mimicking the solutions we introduce, trying to catch up with our level of technology. Innovation is among Bank Audi's values, and has always been prioritised and nurtured through the years."

Where do you see Bank Audi in two to three years' time?

Karamanian: "There are new technologies on the way, new innovations and many new services for customers to enjoy. Furthermore, regulators have a major role to play. Bank Audi will always have customers at the centre, with their requirements being met by multiple parties instead of just one."

Abou-Zeinab: "I would like to stress the importance of role transparency and compliance play, despite the fact that they may slow down the digital transformation process. At the end of the day, going digital while being flexible and convenient would still necessitate being transparent. Compliance has to be at the heart of our strategy, keeping in mind how the industry has evolved and the new regulations currently in the pipeline."

What is your view of the longer term?

Karamanian: "Over the next 10 years, the entire financial sector has an important role to play for both on-board and the un-banked population – which represents a large share on our side of the world, while also providing advisory services to help people understand and shape their financial goals and portfolio."

Abou-Zeinab: "Orientation is a key role financial stakeholders need to play as it's very tempting nowadays to spend and live beyond what one can afford, especially in the region. This makes the advisory role crucial and we, as a bank, need to guide people."

BANKING FOR MILLENNIALS

BANK AUDI PRESENTS A CASE STUDY TO STUDENTS AT INNOVATION WEEKEND

Banking is probably one of the most traditional industries in the business world. However, with the whole world shifting to accommodate the modern generation, banking has entered a new era that requires much more innovation. Millennials, which, according to researchers, are born between early 1980s and mid-1990s, are reshaping the whole banking experience. As opposed to previous generations, they value speed and convenience over loyalty and security. Above all, millennials value innovative services, which is Bank Audi's specialty. As a leading innovative financial institution, Bank Audi participated in Innovation Weekend 5 organised by Seeqnce, SETT, and Startup Megaphone from 17 to 19 February 2017, under the theme "Banking for Millennials".

The sole purpose of the Bank's participation was to drive the 35 young students attending the event to "think outside the box" when it comes to banking experience. Mr. Gebran Gebran, Bank Audi's Head of Customer Experience, kicked off the first day of Innovation Weekend 5 by presenting the students with a case study about the millennial banking problem. Each of the 5 student groups was challenged to come up with a solution to attract and retain millennials who represent the Bank's future loyal customers.

Mr. Marc Audi, Country Manager Lebanon, explained to the participants the solid and tested banking relationships that Bank Audi has developed over the decades with its traditional clientele. He then outlined the Bank's innovative attempts to attract millennials – Novo, Novot, ITMs, Spring Account, Mash Machine, etc. – and concluded by saying that the youth are the best problem solvers for this predicament.

The participants did their share of fieldwork: they visited multiple Bank Audi branches, ATMs and Novo branches, as well as other venues where they conducted surveys and gathered data on the wide range of end users. On the last day, the teams presented their solutions to the jury. The winning team won a prize of USD 1,000. Their solution involved an expense tracking and budgeting application that would be integrated into Bank Audi's existing, well-established platform. Finally, the teams left such a great impression on the jury that they were invited to pitch their ideas at Bank Audi's headquarters.

NOVOT

IN 2016, WE INTRODUCED A NEW MEMBER TO OUR TEAM: AN EMOTIONALLY SENSITIVE ROBOT!

Novot's role was to welcome, inform and entertain our customers. It is pleasant, fun, and acts in a normal, natural way which makes it feel like more than just a robot! It is a genuine humanoid companion created to communicate in an intuitive way through its movements and voice, which all seem very humanlike. The best thing about Novot is that it loves to interact with humans, to learn more about tastes, habits, and quite simply who its interlocutors are. It can recognise faces, speak, hear and move around autonomously.

The strong point of this robot is that it is the first of its kind in the region, as no other institution has launched a robotics project akin to this one, yet which sets us at the forefront of the competition as an innovative technologically driven feature.

Novot was chosen and named by Bank Audi to complement Novo, its electronic branch, and to provide information to clients about our wide spectrum of services and products in different languages, which made it highly solicited by the public in 2017. Just as expected, Novot was met with enthusiasm, curiosity and surprise. It attended 26 events across Lebanon at events as various as iftars and school presentations. Thanks to its advanced artificial intelligence and multi-layered neural system, it made an awesome impact on the 10,000 participants it met.



Banking for millennial



NOVOT, new member in our team



COMMUNITY DEVELOPMENT

Bank Audi

LOCAL COMMUNITY SUPPORT
Volunteer Program

LOCAL COMMUNITY DEVELOPMENT

LOCAL COMMUNITY COLLABORATION

FINANCIAL LITERACY

Bank Audi

Volunteer Program

Aligned with our strong conviction of Creating Shared Value, we collaborate with various organisations for the benefit of fostering a **strong societal ecosystem and sturdy communities**, touching humanitarian, health, social, educational, cultural and sports aspects.

LOCAL COMMUNITY SUPPORT

**USD
5 million**

Total contributions
to the community

**USD
2.9 million**

Humanitarian and social

**USD
800,000**

Health

**USD
1.1 million**

Culture

LOCAL COMMUNITY DEVELOPMENT

FESTIVALS

Al Bustan	Jounieh
Anfeh	Kartaba
Antelias	Kfardebian
Ashrafieh	Kobayat
Baalbeck	Mzaar
Batroun	Saida
Beirut	Tannourine
Beiteddine	Tripoli
Byblos	Zahle
Ehdeniyat	Zouk Mikhael
Faqra	

CULTURE

Prix Phoenix de la Littérature

The annual "Prix Phoenix de la Littérature" 2017 edition was granted to Mr. Xavier Baron for his book "Histoire du Liban: des origines à nos jours".



Prix Phoenix de la Littérature: Mr. Xavier Baron and Mrs. Christiane Audi

PARTNERING WITH THE CIVIL SOCIETY

• **TRAUMA EDUCATION** - Five years since the implementation of the collaboration with the Society of Trauma Nurses (STN) where registered nurses from the Rafic Hariri School of Nursing at AUBMC, fully sponsored by Roads for Life with the support of Bank Audi, underwent instructor training. **Roads For Life**, authorised by the Ministry of Public Health in Lebanon, promulgates and sustains core trauma courses and spreads trauma culture on both national and regional levels. In summary, a swift and efficient intervention by the emergency teams on the scene of the accident can prevent unnecessary deaths. For nurses, the three-day ATCN® course includes an educational model that promotes critical thinking processes and a collaborative, synchronised team approach to trauma care (ATLS®). Doctors and nurses caring for trauma patients in Lebanon have the opportunity to share a common language and approach to trauma care in view of saving more lives in the golden period of trauma. In 2017, Roads For Life trained 1,290 rescue angels, of which 90 nurses, in collaboration with Bank Audi across 35 Lebanese hospitals. The program was also rolled out to Kenya in 2017.

// After concluding the ATCN course, the quality of my performance and dealing with trauma patients, my efficiency and immediate delivery of trauma care had become more professional. Together with the medical team, we now have an organised and sequential procedure to follow when dealing with trauma patients, which has rendered optimal results. //

Mohamad Hajj, Registered nurse - Roads For Life



Trauma Education Training

- In partnership with **Openminds**, an NGO dealing with autism, various awareness projects were organised across the community, where integration was propelled in 12 schools. Additionally, 92 families in need were helped at the AUBMC Special Kids Clinic.
- Our contribution to the **Lebanese Autism Society (LAS)** enhances the wellbeing of individuals with autism and helps advocate the rights of 104 students.
- **Ahlouna** supports orphans and children with special needs in their education, as well as underprivileged elderly and families. We were able to contribute to the tuition of a number of children and to cater to the needs of few disadvantaged persons.
- **Ajialouna** caters to patients in need. Together, we were able to extend their offering to seven ill persons.

- Embrace Lifeline, established by Embrace, is a national suicide prevention helpline as an effective preventive measure. We supported the helpline that received 88 calls in its pilot phase as of Q4 2017.

/// I received a call from a lady who had just attempted to kill herself by taking a whole box of her antiepileptic medication. She was distressed and did not know what to do next, so she called us. I was able to calm her down and guide her to go to the nearest hospital. In the meantime, with her permission, I contacted her brother to follow up with her and assist her. She successfully underwent gastric lavage and had the necessary care and monitoring at the ER before being discharged home safely. This was done with ongoing follow up with the hospital and the family until we ensured that the caller was safe and well taken care of.

Alaa, Helpline operator - Embrace **///**

- Together with Tamanna, who makes sick children's wishes come true, we were able to turn Ali's (7 years old) tears into laughter by providing accommodation and travel to visit Disneyland – Paris with his mother.



Making children's dreams come true

- In 2017 ASSAMEH – Birth and Beyond treated 746 patients at governmental hospitals with a treatment matching that of private hospitals. They are the only organisation to admit orphan new-borns, of which 18 cases were presented in 2017.
- Bank Audi's acknowledgement of regionally and internationally acclaimed journalists' sacrifices to bring truth to the world is appreciated by the May Chidiac Foundation (MCF). Every year, thousands of viewers watch the annual MCF Media Awards Ceremony event live or on TV, and attribute the success of the event to Bank Audi, as one of MCF's most ardent supporters of freedom of speech and liberty. Through this continued partnership, MCF has been able to hold trainings, workshops and prestigious events to educate media professionals and prospective journalists in the art of journalism and broadcasting, in what is ultimately a manifestation of freedom and accountability.
- Skoun Lebanese Addictions Centre is an NGO whose purpose is to save lives through addiction treatment, drug prevention and policy reform. The aim of the association, which treats over 550 patients annually, is to prevent substance use among young people as a priority, reaching over 10,000 students and young adults throughout the year in their communities, schools and universities across Lebanon through outpatient clinics. Bank Audi covers about 30% of Skoun's budget.
- For the past 28 years, Oum el Nour has pioneered drug prevention, rehabilitation and reintegration, welcoming over 6,600 young men and women struggling with drug addiction. Oum el Nour services are provided to all without any sort of discrimination, and are completely free of charge. The success of Oum el Nour has always greatly depended on the generosity of contributors, such as Bank Audi. Our latest contribution allowed the delivery of 26 awareness sessions, preventing 780 youths from drug use.
- Socio-Economic Development In Rural Communities - Jabal Moussa UNESCO Biosphere Reserve. In 2017, the support of Bank Audi allowed the procurement of material, tools and machines for the development of Jabal Moussa local food and handicraft products, benefitting more than 50 local households. Local farmers were supported through the purchase of their yield, whether fruits, herbs or honey. Substantial income was generated to local women who handled production and packaging. The environmental sustainability of the project was a major concern: products were sourced locally; waste was reduced and transformed into compost; heating methods were either solar or required little fuel consumption; and finally handicraft items were produced from recycled wood or fabric.

- 400 children supported by Chance Association will have the "chance" to benefit from a colourful and joyful future. The Association will provide them with medical, psychological, educational and, above all, emotional support and affection.
- Al Younbouh serves people with special needs through social integration. 83 Bank Audi volunteers participated in "Walk with Al Younbouh" in solidarity with the organisation's cause.
- Contributing to Heartbeat's concerts, gala dinner and fashion show helped save the lives of 45 children born with heart disease. The partnership between Heartbeat and Bank Audi exists since the inception of the association in 2005.

/// The dream was to save every child born with heart problems. The dream was to create a sustainable momentum that transcends from the goodwill of a few to a commitment by the community as a whole. We dreamt, we realised, you made the dream come true. **///**

Pr. Victor Jebara, Vice-President - Heartbeat

NATIONAL DAYS

Celebrating Teachers

In recognition of a fruitful segment of our community, the Bank honoured teachers on their special day. Branch managers visited around 45 schools across Lebanon, met with around 4,000 administration and staff, shared a breakfast during the week of 6 March, and distributed giveaways. This heart-warming initiative was crowned with success and had 100% positive feedback thanks to the personal touch of branch managers and team members that marked the event.

Similarly, trainers at the Bank Audi Training Academy received appreciation gifts on Teacher's Day. Since many of our employees represent the teaching profession in our miniature society by being trainers in our Training Academy, for several years now, Bank Audi has chosen 9 March to recognise its trainers who contribute to improving the Bank's human capital by coaching employees who need guidance.

Members of the HR Department's Training Unit presented the employees who teach in the Training Academy with symbolic gifts as tokens of appreciation for their efforts. This year, they were offered honey jars accompanied with small notes saying "Thanks for bee-ing a great teacher!"

Women's Day

8 March, is a global day celebrating the social, economic, cultural and political achievements of women throughout world history. It is all about the unity, celebration, reflection, advocacy and action for accelerating gender equality.

International Women's Day is celebrated at Bank Audi as its culture has always been founded on the principle of equality and fairness for both women and men. Additionally, Bank Audi proudly adopted the United Nations' SDG 5 which calls for Gender Equality and Women Empowerment. This commitment is reflected in the composition of the Bank's human capital which is equally represented by both genders. Particularly on this day, employees are invited to rise above differences, remember our humanity, and support the empowerment of women at all levels.

International Nurses' Day

Bank Audi collaborated with Hôtel-Dieu de France (HDF) to celebrate the efforts of the hospital's hardworking staff, with bonsai trees to thank them and recognise all the efforts they extend while doing their jobs. During the event, 10 randomly selected HDF staff members won a weekend getaway for 2 at Beit El Qamar, in addition to other fun activities at Bank Audi's stand, showing the Bank's appreciation to HDF and the strong relationship between both institutions.

Father's Day Initiative

Honouring Fathers on Their Special Day

As a token of appreciation of fathers' constant support to their families, Bank Audi greeted fathers who visited its branches on 21 June, with branded car mugs.

This symbolic gesture brought up positive reactions of gratitude and surprise from unsuspecting clients who thanked Bank Audi for its gesture. On that same day, all male clients applying for a Visa Platinum or Visa Signature card received the card free for the first year. As it also deeply cares for its human capital, Bank Audi also thanked its employees who are fathers themselves, with the same gift as a token of gratitude for their hard work and dedication. Once again, the Bank was perceived as an institution that remains close to its customers and an advocate of family values.

Independence Day

A Creative Tribute on Lebanon's Special Day

Proudly Lebanese, and with roots firm in its home soil, Bank Audi celebrated Lebanon's Independence Day through quite an unusual TV commercial. The Bank opted for a creative musical approach, recreating the national anthem, with a collage of sounds and scenes taken from the Lebanese people's daily lives. The ad ran on various media channels including TV, cinema screens, and online platforms during the week of 22 November. The ultimate objective was to kindle in the Lebanese audience a sense of inclusion and pride of belonging to their country, by telling them that they are celebrating their independence every day, through their hard work, success, experiences, and most of all through their diversity.

SPORTS ACHIEVEMENTS

1st
place

- Basketball AUST Independence Tournament
- Football Co-League Mini Tournament
- Football Inc.
- Table Tennis Tournaments: Charbel AkI

2nd
place

- Football BDL League
- Football Lebanese Syndicate of Bank Employees
- Beirut Corporate Games: 128 employees participating



Beirut Corporate Games

Bank Audi Runs Strong Against Child Abuse

On 12 November, the BLOM Beirut International Marathon attracted 43,000 runners from different backgrounds and age groups, bringing fun and joy to the city all while running for a good cause. This year's edition, athletes from 99 countries, challenged themselves to get to the finish line and win. 380 of our colleagues, together with their friends and families, gathered in front of Bank Audi's cheering station where singer Anthony Tuma and our very own Band Audi played the greatest musical hits to inspire the runners. This year, the Bank's employees ran for the benefit of himaya, an NGO that intervenes in schools all over Lebanon to raise awareness around child abuse among the youth, offering them self-protection and life skills, and reminding them of their rights as children.



Bank Audi runs against child abuse

Saida International Marathon

Together We Run. Together We Are. Together We Grow.

On the morning of 23 April, ready and excited runners gathered next to the Rafic Hariri Sports Stadium in Saida, preparing to run the Saida International Marathon, while Bank Audi employees, along with their friends and family, waited by the Bank's tent to take a group photo prior to their respective races.

Participating in the marathon were 178 colleagues and, surprisingly, around 17,000 runners. Managers of Bank Audi Saida branches and many prominent Lebanese politicians and figures attended the event and cheered with the crowd.

A distance away, next to Saida branch, Bank Audi set up a cheering station where the Bank's three bands entertained runners. Our employees, accompanied by our Corporate Ambassador, Maxime Chaya, enthusiastically took part in the 7K competitive race. "Run for Peace and Development" was the slogan of the Saida International Marathon which fostered hope and presented the runners with an opportunity to surpass differences and unite for a cause.



My Schoolpulse Marathon

Confirming yet again its commitment to the community, Bank Audi sponsored the MySchoolPulse marathon for the 8th year in a row. 110 employees showed their support to this cause by running on Sunday, 30 July, and enjoying a pleasant family day in the relaxing green surroundings of Faqra, Kfardebian, all while contributing to give sick children the chance to pursue their education in hospitals, for a full academic year.

MySchoolPulse is a non-profit organisation that provides education to children suffering from life-threatening illnesses. Thanks to 1,660 participants, the marathon raised USD 90,000 which allowed MySchoolPulse to tutor 90 sick children at the rate of USD 1,000 a year per student, and offer them the opportunity to pursue a better life and have a brighter future. Since inception in 2010, 508 children undergoing treatment for life-threatening illnesses have been schooled, with a success rate of 93% passing class in 2017 thanks to 13 dedicated teachers spread across 6 hospitals.



TRIBUTE TO THE ARMY

Bank Audi Visits Army Units All over Lebanon

In line with its strategy to enhance and strengthen its relationship with the Lebanese Army, Bank Audi visited 25 army units throughout Lebanon and met with their commanders in an effort to honour their mission and show them support. Proud to be a pioneer in such a move, the Bank's representatives delivered a presentation of its products and services to over 3,700 army officials.

This initiative opened new horizons with the Army institution and its commander, and revealed an environment of trust and cooperation, in light of a long-term banking relationship.

Bank Audi Sponsors the Renovation of the Military Boardroom

On the occasion of Army Day, Bank Audi Management attended the inauguration of the renovated military boardroom at the headquarters of the Lebanese Army, a project entirely funded by the Bank. The commander of the Armed Forces, General Joseph Aoun, thanked Bank Audi for the generous donation and for its ongoing support to the Lebanese Army throughout all the challenges it faces.

Mr. Samir Hanna took the opportunity to congratulate the Lebanese Army on the 72nd anniversary of its establishment. He expressed the Bank's pride to support the army, thanking it for its sacrifices, for protecting the country, and for preserving its unity, sovereignty and stability.



FINANCIAL LITERACY



These initiatives come in line with the Bank's CSR strategy which aspires to promote financial literacy through communication with specific stakeholders and empowering future generations by educating them on financial planning and management, savings, and social inclusion.



Kidzmondo

Located at the Beirut Waterfront, KidzMondo is a replica of a real-life city which provides children between the ages of 2 to 14 with interactive and immersive vocational role play activities designed to be fun and pedagogical, based on "edutainment".

This city for kids is composed of the different industries that make up the private and public sectors of a real city. These include vocational domains ranging from banking to agriculture, IT, media, F&B, automotive, and civil and medical services.

Our impact in this micro world is all about raising awareness on financial literacy as part of a broader sustainability goal for Bank Audi. Our conviction that financial literacy starts at a young age and our commitment to KidzMondo since 2013 offers young children the opportunity to familiarise themselves with banking basics in a motivational environment.

Injaz Lebanon

Injaz modules aim at fostering an understanding of the active world and a spirit of entrepreneurship through the principle of learning by doing. It also encourages young people to think globally about their enterprising potential and activities. Bank Audi, through its Volunteer Program, partnered with Injaz Lebanon to contribute to various modules presented to public schools, orphanages and NGOs which cater to underprivileged children while sharing their experience, and therefore helping them prepare for a successful career and a brighter future. Bank Audi has been a board member of Injaz Lebanon for the past 15 years. Furthermore, the 2017-18 academic year saw an exclusive partnership on the "More Than Money" module, with 450 students scheduled to benefit from our volunteers' know-how. The "More Than Money" program teaches students about earning, spending, sharing, saving money, and businesses they can start or jobs they can perform to earn money. Students are encouraged to use innovative thinking to learn money-management skills as they explore their career aspirations.

It was great to take part in the INJAZ Innovation Camp this year and compete in a business challenge with fresh graduates. This program fosters innovation and creativity, driving the youth to come up with quick and interesting solutions to faced challenges.

Nathalie Abi Nassif, Bank Audi

Global Money Week: Learn. Save. Earn.

For the 3rd year in a row and as part of the Global Money Week (GMW) initiative, "Learn. Save. Earn.", Bank Audi, in coordination with the Higher Council for Childhood – Ministry of Social Affairs, hosted high school students for "A Day at Bank Audi" over 6 consecutive days from 27 March until 1 April. The GMW is an internationally recognised initiative by Child and Youth Finance International intended to empower the next generation of financial actors to be confident, responsible and skilled economic citizens.

This annual event allows schools, universities, government ministries, central banks, financial institutions, members of the civil society, and communities of active youth worldwide to participate in activities to reshape the financial landscape and give young people the tools and inspiration they need to shape their own future.

Bank Audi's CSR, Training & Development, Branch Network Management, Group Retail Banking, Compliance, and Planning & Project Management teams joined efforts during the event which aimed at guiding future leaders towards a successful path, and at introducing them to the World of Banking, CSR, Career Guidance, Compliance and Risks, Saving Tips and Bank of the Future.

LEARN. SAVE. EARN.

Over 520 students participated from:

Antonine Sisters School – Mar Elias, Ghazir
AGBU: Tarouhy-Hovagimian Secondary School
Collège des Saints Coeurs – Ain Najm
Collège Notre-Dame De Nazareth – Ashrafieh
Ecole Saint Joseph de l'Apparition – Beirut
Makassed – Khaled Bin Al-Walid
Modern Community School
Mont La Salle Institut Technique des Frères
Montana International College
Notre-Dame des Apôtres – Kab Elias
La Sagesse – Ain El Remmaneh
La Sagesse – Jdeideh
Sahagian College
SOS Youth
El Ghoheiry Public Secondary School for Girls

Spring Account [\(read more\)](#)

“Play and Win”, a fun and educational quiz competition, was held at the Soap Museum in Saida in the context of our “Spring” Account which supports financial literacy. The competition included students from 6 different schools in Saida, each represented by 4 team members. The top 3 teams won valuable prizes for their efforts.



Codi Academy

Eight students of the Codi Academy, a training centre fostering digital and technical skills for underprivileged and marginalised youth in Lebanon, spent a day at Bank Audi to learn more about banking, with an introduction to the world of banking, plastic money and e-payments, retail loans and SME loans, and combating financial crime. Their journey at the Bank ended with a visit to the Novo e-branch.

“I can’t thank you enough for the session today; we’re getting fantastic feedback on the content and the trainers! The Novo branch was really impressive and cutting edge, it’s super clear how advanced Bank Audi is versus the market.”

Codi, Hortense Decaux, founder



Financial Independence

Financial independence and freedom are the right of every member in our society. This is one of the foundations of strong, equal, and fair social growth. In order to ensure that every person receives and exercises this right, Bank Audi has taken upon itself to help spread financial literacy among Lebanese citizens. In this context, the Bank welcomed 18 members of the Lebanese School for Blind and Deaf – Baabda, and 15 members of the Lebanese University’s League for the Blind, to financial literacy sessions which included an overview of available banking products and technologies making banking accessible to everyone. Different members of the Bank presented various products: loans, retail accounts, credit cards, e-banking, online services, and the legal aspect of addressing the visually impaired community. A demonstration of the accessibility to ITMs for the visually impaired and a hands-on session using JAWS (Job Access With Speech), a screen reader developed for computer users whose vision loss prevents them from browsing screen content, followed the presentations. This financial inclusion outreach falls perfectly in line with BDL’s intermediate circular No. 458 dated April 2017 and requesting all financial institutions to implement measures and policies that give disabled individuals easy access to banking premises and channels by June 2018.

Bank Audi had initiated this concept a year before the actual circular. In collaboration with various departments, the Bank has been transforming a number of its services to make them accessible for all, adapting 173 ATMs and making them wheelchair-accessible, an initiative made public through a special campaign on social media.

‘Let’s Talk Money’

An Interactive Financial Literacy Quiz Launched in November 2017 for Young Adults Aged Between 16 and 24 Years.

Through this quiz, the youth will be able to:

- Learn about personal finance
- Test their financial knowledge
- Receive an e-certificate and reward

This financial literacy website features 6 different modules:

- Introduction to Banking
- Spend vs Save
- Retail Products & Services
- Credit Cards
- Bank of the Future
- CSR

During the first 2 months, 2,117 young adults participated in the game.

LOCAL COMMUNITY COLLABORATION

VOLUNTEER PROGRAM

Continuing to match our corporate charitable donations with a direct human involvement through its corporate “Be a Hero for a Day” program, the Volunteer Program was further developed to provide opportunities for managers and employees by organising departmental and team building activities. The program encouraged employees to engage and give back to the neediest, and raised their awareness on important social, educational and environmental issues. In 2017, the “Be a Hero for a Day” program and its volunteers genuinely demonstrated how we can embrace a culture of high engagement and responsibility. Such social investment programs have a significant impact on employees’ performance at work, and increase the feeling of fulfilment by committing to these community outreach and volunteerism initiatives.

	Total
NGO partners	18
Beneficiaries	2,815
Volunteers	392
Hours	1,873

Partner NGOs	Mission	Activities
AFEL	Rehabilitates children from abuse and delinquency	HR Department’s volunteer day: serving 50 juvenile delinquents at an iftar
Al Younbouh	Improves the quality of life of students with special needs	Keserwan Regional branch employees and their families participated in the annual walk with 55 mentally disabled children
Amour et Partage	Provides the underprivileged elderly with a dignified life	Giving a tour to 6 elderlies at Villa Audi
Ayadina Association	Helps underprivileged children and the elderly	Marketing & Communications Department volunteer day with 33 elderlies at Hill Hout, Khenchara, guessing songs and proverbs, playing cards, dancing and sharing lunch
Balsam	Improve the quality of life of people facing life-threatening illnesses	Hosting a jazz concert at Résidence des Pins
Cedars for Care	Eradicates poverty	Beirut Regional branch employees volunteer day: serving 350 persons at an iftar
DOT	Creates economic, administrative, teaching and training opportunities	Providing administrative support
Equal	Protects the vulnerable, the forgotten, and Mother Earth	Organising banking workshops for visually impaired persons from LSBD and LULB
Foyer Notre-Dame	Cares for the elderly and for people with mental disorders	Metn Regional branch employees’ volunteer day: entertaining 100 disabled elderlies

Injaz	Equips youth with the skills and mindset needed to become entrepreneurs, business leaders and sought after employees stimulating their communities and contributing to the economic development	- Delivering “Be A Leader” financial literacy sessions for the benefit of 22 students from OWSS - Delivering the Innovation Camp for AUB students on financial aid
Kibarouna	Cares for elderly	- Interns’ volunteer day: entertaining 43 elderlies at the yearly Camp at Ajaltoun - Celebrating Christmas with 50 elderlies - Hosting grandparents’ day with 1000 seniors at the Palais des Congrès
Les Amis de La Foret Des Cèdres	Caters to the Cedars’ Forest ensuring its development and sustainability	Marketing & Communications Department’s volunteer day: planting cedar trees
Maison Saint Vincent - Filles de la Charité	Serves the poor with love, respect, justice and joy	- Inviting and accompanying underprivileged children to KidzMondo - Hot chocolate afternoon with 80 children, playing board games
Mar Semaan Centre	Cares for orphans	Hot chocolate afternoon with 63 children, playing board games
Mission De Vie	Welcomes neglected and abandoned persons	- Bab Idriss Regional branch employees’ volunteer day: entertaining 120 elderlies at René Moawad Sanayeh Garden - Inviting and accompanying underprivileged children to KidzMondo
Orphan Welfare Society - Saïda (OWSS)	Cares for orphans	- Delivering “Be A Leader” financial literacy sessions for the benefit of 22 students - Special Needs Olympics at the Ahmad Mosbah Bizri Center - Serving 100 orphans at an iftar
Villages d’Enfants S.O.S.	Provides a home for orphans	- Hot chocolate afternoon with 55 children, playing board games - Interns’ volunteer day: playing board games, scout games, and exercising with the children
Step Together	Improves students’ life through individualised tuition and therapy	- Job shadowing for 2 students with learning difficulties



BEST PROJECTS EXECUTED DURING 2017



BENEFICIARIES

BAB IDRIS REGIONAL BRANCH
DAY AT SANAYEH GARDEN

120

CHRISTMAS
CELEBRATION

50

METN REGIONAL BRANCH
AT FOYER NOTRE-DAME

100



BENEFICIARIES

KIDZMONDO OUTING

95

HOT CHOCOLATE AFTERNOON

80

WALK WITH
AL YOUNBOUH

55

INJAZ "BE
A LEADER"
SESSION

22

DONATIONS

Bank Audi has integrated the eagerness to donate in its culture: whether it is material or emotional, employees are happy to donate.

For the fourth year in a row, the Bank organised a book donation to spread culture and support social and cultural causes, with a view to fostering our community's intellectual, educational and cultural potentials. This year, the books were donated to Saint Vincent de Paul.

In addition, blood donation campaigns were rolled out twice in 2017. The first campaign was for the benefit of the Lebanese Red Cross, and the second one was in partnership with Donner Sang Compter (DSC). The main goal of these campaigns is to raise awareness on blood donation.

We are also keen to help underprivileged citizens and contribute to ensure warm winter nights for those who cannot afford to buy clothes in the winter season. In 2017, the Bank organised two clothes donation events which expanded to all Lebanese regions where it is present, with drop off locations in Beirut, Shtaura, Saida, Jounieh, and Tripoli.

Finally and for the occasion of Earth Day, employees were invited to give away their unwanted electronics, like TVs, tablets, phones, music players, keyboards, hard disks, CD-ROMs, cables, and monitors.

The campaign was also extended to all Lebanese regions, with collection points in our headquarters in Beirut and in a branch in each of the Bekaa, South, Keserwan, and North regions. Additionally, the Bank's I.T. Department offered its own e-waste for recycling. The latter was collected to the benefit of arcenciel and Association de L'Écoute for refurbishing and recycling purposes.

 **1,497**
BOOKS

 **43**
UNITS OF
BLOOD

 **4,000**
KG OF IT
OBJECTS

 **450**
KG OF
CLOTHES

 **1,995**
KG OF
FURNITURE



Donating blood to save lives

SOCIAL MEDIA

CSR posts showcase Bank Audi employees engaging with the community, include images from events, or have a clear call to action. In addition to updating our community on recent upgrades and relevant interventions.

VOLUNTEER PROGRAM

Reach
155,974



Bank Audi (Default)
Published by Leo Burnett Beirut (?) · May 29, 2017 ·

This month marked a new milestone for Bank Audi's Volunteer Program, with 2 departmental volunteering days and several branches collaborating for a total of 123 corporate volunteers amounting to over 460 hours giving back to the community!
#BankAudiCSR #BeAHeroForADay #VolunteerProgram



00:08

**Get More Likes, Comments and Shares**
Boost this post for \$20 to reach up to 14,000 people.

 155,974 people reached

Boost Post

 554

4 Comments 12 Shares

Facebook - 29 May

DISADVANTAGED PERSONS
ACCESSIBILITY

Impressions
27,319

Clicks
128

Interactions
153

Bank Audi
46,869 followers
8mo · Edited

To provide easy access to our services, our branches have improved ATMs to cater to all needs. Watch this video to find out more! #BankAudiCSR



Bank Audi Proud to Be Wheelchair-Friendly

youtube.com

27,319 impressions

 Like

 Comment

 Share

LinkedIn - 10 July



HUMAN DEVELOPMENT

LABOUR PRACTICES

EXTERNAL HUMAN DEVELOPMENT

DIVERSITY, INCLUSION
AND EQUAL OPPORTUNITY

TRAINING, EDUCATION
AND TALENT DEVELOPMENT

Cultivating human talent is one of our top priorities at Bank Audi. Being one of the largest private sector employers in Lebanon, **we value the importance of nurturing human talent** in all its guises, whether inside the Bank by investing in our own employees, or outside it by investing in the development of external nation-wide human talent.

TRAINING, EDUCATION AND TALENT DEVELOPMENT

USD
1.6
MILLION

Invested in employee training and development

3,970

Training academy participants aimed at:
Enhancing the skills and knowledge of existing branch employees
Providing career advancement opportunities

116 K

Training hours deployed

2,210

EMPLOYEES

65%
SUCCESSFULLY TRAINED

Equally split in terms of gender representation, covering all levels of employment

USD
78,600

Invested in the Corporate Academy

90%
OF EMPLOYEES RECEIVED
PERFORMANCE REVIEWS

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY



We also make it a point to maintain competitive and gender-balanced compensation schemes across the Bank.

1.48
RATIOS OF STANDARD
ENTRY LEVEL WAGE BY
GENDER COMPARED TO
LOCAL MINIMUM WAGE

USD
414,000

Invested in support our employees' development

4.9%
HUMAN CAPITAL
TURNOVER,
EQUALLY SPLIT BY
GENDER TYPE

LABOUR PRACTICES

25 Years of Loyalty – Celebrating the Silver Jubilee of Bank Audi employees

As the years go by, the loyalty of Bank Audi's employees grows, especially since the Bank considers Human Capital as one of its main values. Sketched personalised pictures of the celebrants were handed out in 25-years branded frames to pleasantly surprised colleagues. As the Bank honours colleagues for long service and loyalty, reception got underway, employees, Management and invitees raised their glasses for the years of dedication ahead. To end, 25 years may feel like a long time to some; but at Bank Audi, it is a history of mutual loyalty and success.



Employee Engagement Survey

Human Resources (HR) launched the first Employee Engagement Survey in Q4 of 2017. The main objective was to get employees' insights on the Bank's culture, operation and working environment, by sharing their thoughts, perceptions and preferences. Administered by an independent consulting company, it gave employees a place where they can anonymously express their opinions on different aspects of their experience at the Bank. The results of the survey placed Bank Audi above major banks in the region and at equal level with global international banks.

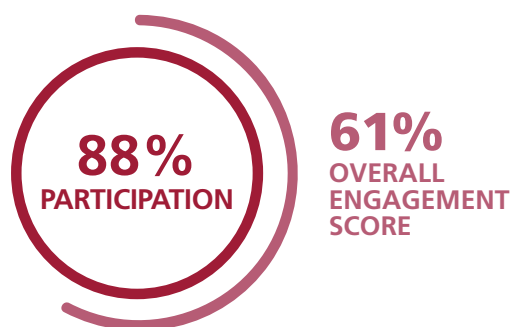
The survey findings were overall positive and high scores were emphasised in the categories of “Brand Reputation”, “Innovation” and “Learning & Development”, thus re-confirming the Bank’s positioning as a socially responsible and innovative industry leader that highly supports the growth of its employees.

Nonetheless, the results also highlighted areas that need to be improved. For that, HR will be coordinating closely with Management to target detected issues and further enhance the employees’ experience at the Bank.

93%
BANK AUDI’S EXCELLENT REPUTATION
WITHIN ITS COMMUNITY

89%
SOCIAL AND ENVIRONMENTALLY
RESPONSIBLE BANK

76%
DIVERSITY IS VALUED



As part of our determination to retain our employees, we make sure that they take the time needed to nurture their new-borns and cater to their needs. We also provide space for them to resume their work and fulfil their career aspirations.

ALLOWANCES	LIFE INSURANCE
TRANSPORTATION	
CHILD TUITION	MEDICAL INSURANCE AND COVERAGE
CHILD BIRTH	
MARRIAGE	PAID LEAVES
TRAVEL	
FAMILY	PERFORMANCE BONUSES
BENEFITS	SPECIAL LOANS FACILITIES
EDUCATIONAL SPONSORSHIPS	
END-OF-SERVICE INDEMNITIES AND ADVANTAGES (INFIRMARY, GYMNASIUM AND MUSIC STUDIO)	WORK ACCIDENT INSURANCE
INSURANCE PLANS	

USD
37,576

Wellness programs

USD
198.5
MILLION

Salaries and benefits

USD
764,460
5G GOLD UNITS

Annual end of year gifts
to our employees

Employee Wellness

Activity	Total Beneficiaries	CLUB	Description
Karaoke Night	200	Music Club	An evening of song and dance amongst colleagues.
La Fête de la Musique		Music Club	Participation of Band Audi in La Fête de la Musique organised each year on 21 June.
Beirut Corporate Games	300	Sports Club	Participation in Beirut Corporate Games organised by Sport Evasion. This sport festival aims to encourage companies to support their employees’ pursuit of a healthier and more active lifestyle.
Tchoupi	180	Community Club	Participation of employees’ children.
Le Petit Prince	200	Community Club	Activity for employees’ children.
L'important est d'être aimé	100	Community Club	Attending the play directed by Alain Plisson.
Outing to South Lebanon	190	Community Club	Cultural visit of Shkif Castel and Rachaya.
Breast Cancer Awareness Session	87	Community Club	Awareness session with Dr. Naji Saghir.
Armenia and Georgia	20	Travel Cub	Trip of 11 days amongst colleagues.

* At par with global banks and 12 points higher than Middle East & GCC banks.

EXTERNAL HUMAN DEVELOPMENT

USD
6.75
MILLION

Loans at preferential interest rates to university students

413

Number of beneficiaries from the university loans granted

USD
6.6
MILLION

Children's tuition fees

497

Number of internships to university students

JOB FAIRS

The American University of Beirut (AUB)

The Lebanese American University (LAU)

Université Saint-Joseph (USJ)

University of Balamand

Notre Dame University (NDU)

Ecole Supérieure des Affaires (ESA)

Holy Spirit University of Kaslik (USEK)

HONOR TO THE BEST

In yet another partnership that supports youth and helps offer a fruitful future, Bank Audi and La Sagesse schools celebrated the 15th annual "Blé Vert" ceremony on 2 June 2017. This year's edition was marked by a new slogan, "Honneur aux Meilleurs" (Honour to the Best). The event, which was held under the patronage of Mgr. Boulos Matar, Archbishop of the Maronite church in Beirut, and Mr. Marc Audi, Country Manager Lebanon, recognised 158 distinguished students. To strengthen the relationship between the two institutions, a short movie was screened during the ceremony, showcasing the warm appreciation expressed by La Sagesse alumni members of the grants given by the Bank years ago. In his speech, Mr. Audi noted that the partnership between Bank Audi and La Sagesse symbolises renewal and excellence as the foundation of future success, urging the students to benefit from the education and technology offered to their generation, as they represent the future.

BANK AUDI AND USJ SEAL THEIR 40-YEAR PARTNERSHIP

In the context of the close collaboration between Bank Audi and Saint Joseph University (USJ), a round table was held at Bank Audi Plaza during which a number of students had the opportunity to discuss topics of interest with Mr. Marc Audi, Country Manager Lebanon. The students, who were accompanied by Mr. Toufic Rizk, Vice-Rector for Academic Affairs at USJ, as well as by a number of deans and directors at the university, approached several economic and social topics that affect their future and were discussed in a friendly atmosphere. The meeting was also an occasion to announce the scholarships granted by Bank Audi to 17 USJ students: a first set of USD 5,000 scholarships offered to 7 bright students for their academic performance; and USD 1,000 CSR commitment scholarships offered to 10 students whose contribution to the community was outstanding, within the framework of the "Opération 7^e jour" project launched by the university in 2006. Talking about the "solid relationship between Bank Audi and Saint Joseph University", Mr. Marc Audi underlined that both institutions "share the same objectives: investing in distinguished students and giving them the necessary means to start a solid carrier". Mr. Toufic Rizk pointed out that "the format of this year's ceremony, which was requested by USJ and Bank Audi officials, gives voice to the youth who are curious to know strategic details about Bank Audi and the reason behind its interest in students. It is true that the relationship between USJ and Bank Audi dates back some forty years, but the direct contact with students gives it a definite added value."



SPECIAL GUEST

In our constant aim to improve Bank Audi's human capital, we hosted Ms. Sigrid Kaag, the United Nations Special Coordinator for Lebanon. Ms. Kaag is a Dutch diplomat with a distinguished long-term record of service at the United Nations. She shared her accomplishments, projects and views on the challenges in the Middle East with 79 Bank Audi Managers.



The United Nations Special Coordinator for Lebanon. Ms. Sigrid Kaag

EDUCATIONAL LUNCHES

As we endlessly strive to invest in the knowledge of younger generations by strengthening our bonds with top educational institutions, we had the pleasure of hosting business lunches with the Beirut Arab University, USJ and La Sagesse University throughout the year. Bank Audi's Top Management and representatives of different departments attended these occasions, showing their support for these significant partnerships which aspire to empower the youth and support them in their professional journey. Moreover, collaborations with educational institutions lead the students to an era of culture and knowledge that will undoubtedly brighten their futures.



L'Ecole Supérieure d'Ingénieurs de Beyrouth (ESIB) library renovation

ESIB RENOVATION

Bank Audi and USJ inaugurated the recently renovated library at the Science & Technology Campus in Mansourieh. By sponsoring the renovation, the Bank will ensure an openly bright space for students to find inspiration, study and access an extensive collection of research material.

PROFAMILY

Academic Excellence Rewarded

For the tenth consecutive year, 20 children of fellow employees were rewarded for their exceptional results in the Baccalaureate – Part II. This comes as a step to encourage teenagers to seek education and academic excellence, for ambitious careers and a brighter future.

- 1st prize received USD 20,000 for achieving an overall average of 17.73.
- 2nd prize received USD 15,000 for achieving an overall average of 17.72.
- 3rd prize tied and received USD 5,000 each for achieving an overall average of 17.26.
- 16 students received USD 1,000 each for achieving an overall average between 14.36 and 16.57.

Every year, the Bank celebrates education, rewarding and motivating the children of our colleagues to study hard and shine. The program aims to shore up their future careers and open opportunities for success. During the program, they were also coached on many important skills concerning professional conduct such as how to deliver a presentation or how to perform during a job interview. It is worth mentioning that up to this year, Bank Audi has so far rewarded 101 qualified individuals through the Profamily program.

CHILD PROTECTION SESSION

177 Bank Audi Employees Attended Sessions Discussing Child Protection Awareness.

Children need our presence more than our presents; the best gift a child can have is a parent who listens, communicates, and plays with them. Led by Eliane Zgheib, Bank Audi's social worker, the session focused on the relationship between parents and children and the type of openness they should have.

Children should feel confident enough to talk to their parents and confide in them in case of any threat of any kind. It is important to foster trust with children, so they would know that parents will understand and would never pass undue judgment. The goal of this awareness

session was to show parents that sexual abuse could happen to anyone. Attendees were educated about the types of signs they should look for in their children, but more importantly, about the types of awareness-based conversations they need to have with them.

BREAST CANCER AWARENESS CONFERENCE

As part of the national awareness campaign against breast cancer, Bank Audi organised a conference on the topic.

The Bank welcomed Professor Nagi El-Saghir, President of the Lebanese Breast Cancer Foundation and Director of the Breast Center of Excellence at Naef Bassil Cancer Institute – American University of Beirut Medical Center. Around 90 employees from different departments and branches attended the session where Dr. El-Saghir gave general statistics on breast cancer in Arab countries and across the world. He also explained the risk factors of the disease namely aging, personal and family history, nutrition and pollution, and the means to detect it, underlining the importance of detection.



Profamily Awardees



Breast Cancer Awareness Conference

CSR SPREADS THE WORD

We continue to be involved, spread the word, and share best practices on CSR through our involvement with various efforts and key activities across Lebanon.

Date	Conference	Topic	Presented by	Venue
March	Leaders for Democracy	Gender issues and leadership – SGD 5	Hasmig Khoury	AUB
	8th Build It Green – Lebanon Annual Sustainability Solutions	Environmental initiatives – SDG 13	Nancy Azar	Monroe Hotel
	Gender Equity & Equality: Inspiring Actions in a Vibrant Network	Promoting women's rights – SDG 5	Hasmig Khoury	Montana College
June	CSR The Series 1	The UN Global Compact	Hasmig Khoury	ABL
October	UNGC Conference: 2017 Multi-Stakeholder SDG Forum	Best practices for the people SDGs	Marc Audi	AUB
	7th CSR Lebanon Forum: What is the Purpose of Business	Impact of social driven brands	Hasmig Khoury	Phoenicia Hotel
November	GRI Webinar	Anti-corruption – SDG 8	Hasmig Khoury	Online
	Our Common Home: Sustaining a Green and "Clean" Campus	Climate action – SDG 13	Hasmig Khoury	NDU
	I-camp Injaz	Financial literacy – SDG 4 and 8	Hasmig Khoury	BDD

RESPONSIBLE MILLENNIALS

For the third year running, the CSR Unit held an interactive university awareness session aiming to encourage students to be creative and propose a feasible CSR project aligned with the Bank's CSR strategy. This year, the session focused on Anti-corruption, a material issue in our Corporate Governance pillar and one of the UN Global Compact's ten principles. Nine students suggested impressive and inspiring ideas of which only three proposals were shortlisted by an external CSR jury composed of five prominent members. During the second phase, the three finalists presented their proposals to our CSR Committee who chose the winners following live presentations. The winners, who won financial prizes for their efforts are:

1

FADY TOUMA
AUB

2

DANIA JABAL & ALI OLEIK
AUB

3

MELISSA CHARBEL
USJ

CSR – THE SERIES

Participating in the Global Compact Network Lebanon Outreach with the ABL

In an effort to spread the CSR culture, to inspire other financial institutions to follow in the Bank's footsteps, and to maximise the positive societal outcomes, Bank Audi took part in "CSR – The Series", an informative session organised by the Global Compact Network Lebanon (GCNL) in collaboration with the Association of Banks in Lebanon (ABL).



Responsible millennials: CSR university jury presentation



ENVIRONMENTAL PROTECTION

AWARENESS ON RESOURCES USAGE

ENVIRONMENTAL LOANS

EFFLUENTS AND WASTE

EMISSIONS

ENERGY CONSUMPTION

AWARENESS ON RESOURCES USAGE

AWARENESS ON WHEELS

Green Cedar Lebanon and the Association for Forests, Development, and Conservation (AFDC), in collaboration with Bank Audi and Beyond Magazine, and under the patronage of the Ministry of Higher Education, launched "Awareness on Wheels", a school bus raising awareness on solid waste management.

A mobile unit was equipped with environmental awareness material and presented to students by trained professionals. This project reaches out to schools across the country to consolidate the concept of sorting, recycling, minimising, and reusing waste. Most of the bus's interior is made of recycled second-hand items, and Bank Audi contributed by offering redundant furniture from branches and refurbished IT equipment.



MY CARBON FOOTPRINT

Mobilising the Youth for a Better Environment!

This initiative was devised by Bank Audi in collaboration with the Ministry of Environment and the United Nations Development Programme (UNDP) to address climate change while raising awareness among the youth on the use of resources and its impact on the environment.

In 2017, the three winners were from Collège de la Sagesse – Jdeideh:

- Joya Ayoub in 1st place: reduced her total GHG emissions from 144 CO₂e and won an Apple iPad.
- Jana Kataya in 2nd place: won a professional bicycle.
- Georges Sleiman in 3rd place: won a professional bicycle.

All three of them were selected for the high scores they were able to get on my-cfp.com, the informative and fun microsite developed by Bank Audi to help them assess their household's carbon footprint.

Collège de la Sagesse – Jdeideh also won an interactive board for its efforts in encouraging students to measure their home's impact on the environment, and reduce their carbon footprint by recognising the use of resources.

This platform allows participants to monitor and reduce their household energy expenses and their impact on the environment, by keeping track of their homes' electricity, paper, gas and fuel consumption.

Try it out here

my-cfp.com

It is through the "My Carbon Footprint" initiative launched by Bank Audi and shared with Lebanese schools that the Ministry of the Environment and the UNDP were able to reach out to students and the youth in general on the impacts of climate change in Lebanon, underlining its role in reducing emissions and increasing resilience to this irreversible phenomenon. This partnership is a pioneer example of how to harness the best in public and private sector skills and innovation in order to provide outstanding services to different levels of the Lebanese society.

Mrs. Lea Kai Aboujaoude,
Project Officer, Climate Change Projects, Ministry of the Environment

Through our partnership with Bank Audi on the Green Schools Certification Program, we were able to raise awareness on students' role in reducing negative environmental impact. The MyCarbonFootprint microsite by Bank Audi has allowed students in different schools to start changing habits at home towards a more environmentally-responsible living, and has helped us push for a higher level of student engagement in sustainability, which we hope would be translated in the formation and growth of dedicated Green students clubs in private and public schools in Lebanon.

Gilbert Tegho, e-EcoSolutions, CEO



ECO-FRIENDLY & POWER-FREE**Turning off the Power in Support of Earth Hour**

Every year, Earth Hour unites millions of people around the world to raise awareness on climate change, highlighting the need to use clean and renewable energy. Earth Hour is an international initiative organised by the World Wide Fund for Nature (WWF) and encouraging individuals, communities, households and businesses to turn off their lights for one hour from 8:30 pm to 9:30 pm on a particular day in March every year. The movement originally started with Sydney's 2007 lights-off event and has currently grown to engage more than 7,000 cities in 178 countries around the world.

LEBANON CLIMATE ACT AWARD CEREMONY

During the past year, Bank Audi received an award for its commitment to the Lebanon Climate Act and its considerable efforts to reduce its impact on the environment. The award ceremony took place at the Campus de l'Innovation et du Sport of Saint Joseph University, under the patronage of Prime Minister Saad Hariri.

The Lebanon Climate Act is an initiative run by the environmental NGO Green Mind and the United Nations Development Program, in partnership with BDL. The ceremony brought together high-level business, political and civil society actors aiming at addressing climate change through an economic growth-friendly lens, encouraging the private sector to "demonstrate positive climate change leadership" by playing a leading role in tackling destructive environmental impacts.

"I would like to particularly congratulate the 11 champion companies of the Lebanon Climate Act. We hope that you become role models and set the standards for the fight against climate change in your respective sectors. I think that what many of your initiatives show is that, while taking action against climate change, many of these measures also promote a green economy. This generates growth, creates jobs and eradicates poverty by investing in and preserving the natural capital assets upon which the future of our planet depends."

Ms. Christina Lassen , European Union Ambassador



Central Bank Governor Riad Salameh then took the stage, concluding: "Lebanon spends not less than USD 6 billion in order to import energy into the country; it can save 10 to 20 percent of that amount by using advanced technologies."

INTERNATIONAL UNION FOR CONSERVATION OF NATURE (IUCN)**Bank Audi Hosts IUCN Biodiversity Conference**

Bank Audi hosted the first regional forum for biodiversity in collaboration with the IUCN and under the patronage of the Lebanese Ministry of the Environment.

In the presence of H.R.H. Princess of Jordan Basma Bint Ali, founder of the "Royal Botanic Garden", official representatives from Egypt, Jordan, international environmental bodies, local green associations and news reporters, H.E. Tarek Al Khatib, Lebanese Minister of the Environment, opened the forum with the Lebanese environmental achievements and the Ministry's plans for the future.

The forum was described by many environmentalists as the cornerstone of the road map that will help countries from the region collaborate to make the COP 14 conference a success. The COP 14 conference is taking place in the fourth quarter of 2018 in Sharm Al Sheikh, Egypt, to set a common strategy for environmental protection.

ENVIRONMENTAL LOANS

USD 18.8 million environmental loans subsidized by the Central Bank of Lebanon at preferential interest rates.

These loans cover a spectrum of environment-friendly modifications ranging from financing a construction certified Leadership in Energy and Environmental Design (LEED), to purchasing absorption chiller solutions, financing energy efficient components and zero waste solutions, planting trees, renovated lighting systems, acquisition of photovoltaic panels, and landscaping implementations applied in private, residential or commercial buildings.



Lebanon Climate Act Champions' Ceremony



IUCN Biodiversity Regional Conference chaired by the Lebanese Minister of Environment H.E. Tarek Al Khatib and H.R.H Princess of Jordan Basma Bint Ali

BANK AUDI PROMOTES INDUSTRIAL, CLEAN ENERGY LOANS

“Lebanon’s situation has improved in terms of security, but the political environment has yet to promote business confidence, the key to investment growth”, according to **Mr. Ibrahim Salibi**, Assistant General Manager and Head of Corporate and Commercial Banking at Bank Audi.

In an exclusive interview with The Daily Star, Mr. Salibi discussed the Bank’s focus on export-oriented industries and environmental products, and outlined the unique services that Bank Audi offers to its corporate and commercial clients.

Q: How do Bank Audi’s products differ from those of other Lebanese banks?

A: There are two main factors that differentiate us from other banks in Lebanon. First, we have access to long-term funding from abroad through international financial institutions, and at attractive rates, to match the long-term financing needs of our clients. Second, we focus on environmental products because we know the value of environmental lending. We believe the latter helps safeguard what is left of our country’s environment, and we need to promote the culture among business owners that this also helps them economically. That’s why we consider environmental lending to be a part of the Bank’s corporate social responsibility.

Q: Where do growth opportunities for corporate and commercial lending lie?

A: It all depends on business confidence in the country, which will lead everybody to think of new projects or business expansion, simply because of stability and confidence we would love to see things moving faster in the right direction.

However, we still see several potential projects including photovoltaic farms in the electricity sector, and the possibility of exploiting Lebanon’s gas and oil resources, which would bring huge financing opportunities. At the same time, we are leaning towards more environmental friendliness through the generation of clean, renewable energy. Such projects are still nascent, but I think we’ll see more of them in this area soon.

We also think that agriculture offers significant potential because it helps people stay on their land and produce the right export products, although they still require advice and guidance.

Furthermore, we see opportunities emanating from the variety of Central Bank incentives, including parking projects. With the Central Bank allowing banks to lend money in Lebanese Pounds at 3% for 7 years for parking projects or for extra parking spaces, this could definitely help in places like Downtown Beirut, where the need for parking space is quite high.



EFFLUENTS AND WASTE

We sustained our "Grow Green" program which encourages employees to recycle solid waste in their workplace and at home, and to dispose of it at the Bank's three special hubs.

Collected plastic bottle caps continue to be donated to arcenciel to provide wheelchairs for the disabled, and collected plastic bottles are donated to Association de l'Ecoute. In 2017, we continued to track the impact of our "Grow Green" program since its inception in 2012.

Total Weight of Waste in Kg

4,000
e-waste

1,005
PET Bottles

129
Plastic

92,600
Paper

20,640*
Metals

1,574
Trees

* Includes non-recurrent old ATMs disposing.

E-Waste

Donated to the below NGOs for Reuse

Ahlouna	himaya
Al Zawrak	Jeunesse Contre La
arcenciel	Drogue (JCD)
Association de l'Ecoute	Mission de Vie
Ayadina Association	Oum El Nour
Caritas	Orphan Welfare
Carmel Saint Joseph	Society Saida
Couvent St. Elie	Parish of Anfeh
du Sauveur	Saint Vincent de Paul
Dar Al Aytam Al Islamiya	Sesobel
Dar Al Inaya	Sisters of the Salvatorian
Dar Al Sada	Young Women's Christian
Dar Al Salam	Association (YWCA)

THIS INITIATIVE AIMED AT HELPING:

Reduce the amount of waste sent to landfills
Preserve natural resources such as wood, water and minerals
Prevent pollution
Save energy
Reduce greenhouse gas emissions that contribute to global warming, and
Help sustain the environment for future generations

IN SUM:

KG
123

Were collected
from employees

KG
3,906

Were collected from the
I.T. Department

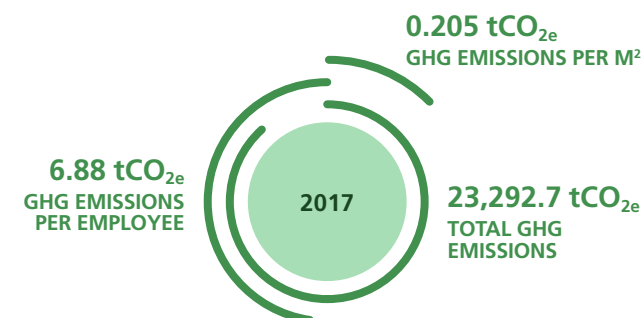
EMISSIONS

In partnership with a certified expert, we conducted a comprehensive audit of our carbon footprint by monitoring all our premises. This process was launched in 2012, hereafter considered as base year, with a view to comply with the GRI Standards on environmental impact.

As per our GHG inventory based on the GHG-Protocol Corporate Standard, we have reported on the following seven greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

The GHG calculations were performed using well-established tools and methodologies following the GHG Protocol developed by the World Resource Institute (WRI, 2006b, c). Using an internationally recognised tool allows a standardisation of procedures and calculations, which is key in order to quantify and compare emissions accurately.

The calculation of the emission factors and the global warming potential (GWP) rates used are based on GHG-Protocol which uses the IPCC emission factors provided in the IPCC guidelines of 2006, the IPCC Second Assessment Report (1995), and the local emission factor for electricity communicated by the Lebanese Ministry of the Environment.



ENERGY CONSUMPTION

We visited Liban Cables' premises in Nahr Ibrahim following a formal invite to attend the inauguration of the Solar Power project we are financing through a NEEREA loan approved in November 2016.

The inauguration was held under the auspices of H.E Mr. Cesar Abi Khalil, Minister of Energy and Water, and H.E. Dr. Hussein Al Hajj Hassan, Minister of Industry, in the presence of Mr. Edgard Chehab, Assistant Resident Representative of the United Nations Development Programme (UNDP), of Dr. Fadi Gemayel, President of the Association of Lebanese Industrialists, represented by Mr. Georges Nasrawi, and of Mr. Bassem El-Hibri, Chairman and President of Liban Cables.

The 601 kilowatt-peak solar power plant was co-financed by the Global Environment Facility (GEF) and Liban Cables through the Central Bank's NEEREA loan program, and implemented by the UNDP in partnership with the Ministry of Energy and Water.

The project consists of 1,908 solar (photovoltaic) panels generating approximately 938,000 kilowatt-hours per year, contributing to significant cost savings at Liban Cables, as well as a subsequent reduction of greenhouse gas emissions of 751 tons per year. This green energy will cover over 8% of the electricity needed by the plant to produce a wide range of building, industry and infrastructure cables.

Liban Cables' plant is one of the biggest green energy projects in the country and the first one to be completed within the framework of the Small Decentralised Renewable Energy Power Generation (DREG) Project. The DREG project will cover a portion of the solar system's cost through a grant by the GEF, while the remaining cost will be financed through the National Energy Efficiency and Renewable Energy Action program (NEEREA) set up by Banque Du Liban.

The event kicked off with speeches from the various attending dignitaries and the host; and followed by a walk-through in Liban Cables to observe the solar installation from the roof and receive a technical brief on the system and its performance to date.

EXPERTS' CORNER

AWARDS AND RECOGNITION

Global Finance

Safest Bank in Lebanon

Best Private Bank in Lebanon

Middle East Investor Relations Association

Best Investor Relations Professional – Levant

Euromoney Award

Net-worth-specific Services

Commercial Banking Capabilities

INTERNAL AUDIT REPORT

Objective: Review and evaluate the development of the Corporate Social Responsibility activities.

The Internal Audit Department conducted a review over Bank Audi 2017 Corporate Social Responsibility (CSR) Report based on the objective and scope outlined above.

Our audit revealed that the Bank is continuously exerting efforts to improve the CSR reporting process. The review was based on interviews and testing on sample basis. In conclusion, nothing has come to our attention to make us believe that the information contained in this report has not been fairly presented in all material respect. However, we identified areas for potential improvement that Management should consider. These are as follows:

CSR Enhancements

- Consider integrating the various initiatives into a formalised long term forward looking plan that addresses the interrelated CSR aspects, mapped to SDG goals; along with the related key risks, expected social impact and performance (quantitative and qualitative), key performance indicators (KPIs) and measurement of the progress of each sub-program to the originally stated objectives and goals.

- Further reinforce the positioning of the CSR function to become integrated across all levels of the Bank as part of its overall strategy, decision making and business processes.

- Continue to raise awareness and build competencies and capabilities for social responsibility, to engage the Bank's employees at various levels towards applying and promoting the Bank's CSR principles.

Data Aggregation and Reporting Process

- Further reinforce the internal review process to ensure that reported and calculated figures are accurate and in harmony with published information, where applicable (e.g. financial reports, social media, and others).

- Consider automating the data collection and reporting mechanism through the establishment of a central CSR data platform. Automation is to mitigate the risk of human errors through direct interface between reported figures and financial records, automated calculation of ratios and statistical data, visualisation of collected data on the variety of topics, real time update on work in progress, analysis of the data received from multiple sources, etc.

- Consider the creation of a referencing mechanism to further formalise the audit trail between the reported information and the source of this information.

Rana Nassif Sassine
Head of Internal Audit

Rita Merhej
Head of Unit

SAMPLING OF BANK AUDI'S BRANDS, PRODUCTS AND SERVICES

Business Lines

- Personal Banking
- Business Banking
- Private Banking
- SME

Loyalty Program

- Audi Rewards
- Travel Rewards
- Kids Rewards

- Cedar Miles
- Air Time
- Cashback
- Gift Voucher

Cards

- Debit Card
- Credit Card
- Installment Card
- Charge Card
- Corporate Card
- Co-branded Card
- Prepaid Card

Bancassurance

- Aman Al Elm
- Aman Al Ghad
- Aman Al Darb
- Aman Al Madkhoul
- Aman Al Hayat
- Aman Al Dirassa
- Aman Al Dar
- Hizam Al Aman
- Hizam Obligatory

Accounts

- Sight Deposit Account
- Payroll Account
- Spring Account
- Wedding Account
- Current Account for Individuals and Businesses
- Deposit Account

Loans

- Business Loan
- Premises Loan
- Kafalat Loan
- Home Loan

- Car Loan
- Personal Loan
- High tech loan
- University loan
- Loans for Public Sector
- Personal Loans for Newly Weds

Services

- Bank Audi Mobile App
- PinPay
- ADSL Service
- Calculator
- Bill Domiciliation
- Audi Online
- Safe Deposit Box
- Car Tax Payment
- SMS Service
- E-statement

INITIATIVES ENDORSED BY BANK AUDI

Cultural festivals as detailed in the report (Community Development)

Various business forums as detailed in the report (Economic Development)

Multitude of educational institutions as detailed in the report (Human Development)

AFEL: rehabilitates children from abuse and delinquency

Ahlouna: contributes to the development of citizens on a social level

Ajialouna: supports underprivileged individuals

Al Younbouh: improves the quality of life of students with special needs

Amour et Partage: provides the poor with a dignified life

ASSAMEH Birth & Beyond: provides first class medical services to premature babies and children

Ayadina Association: helps underprivileged children and the elderly

Balsam: improves the quality of life of people facing life-threatening illness

Beirut Marathon Association: organizes running events that inspire unity, positively change lifestyles, promote wellness, and provide an experience of challenge all for a good cause

Braveheart: helps children with congenital heart diseases

Cap-Ho: helps sick and disadvantaged Lebanese children to receive the best possible medical treatment

Cedars for Care: eradicates poverty

Cénacle de la Lumiere: helps individuals and families overcome drug alcohol problems

Chaîne des Amis: aims at solving social problems

Chance: helps kids with cancer and blood disorders

DOT: creates economic and administrative teaching and training opportunities

Embrace: helps people with mental illness

Equal: protects the vulnerable, the forgotten, and our wounded earth

Foyer Notre Dame: cares for the elderly and people with mental disorders

Heartbeat: provides advanced surgical technology to treat children with heart diseases

Human Rights Watch: defends the rights of people worldwide

Injaz: equips youth with the skills and mindset needed to become entrepreneurs, business leaders and sought after employees stimulating their communities and contributing to the economic development

Institut Technique Franco-Libanais (ITFL): prepares youth to be integrated in the professional life

Jabal Moussa: conserves the natural heritage

Kibarouna: cares for the elderly

Lebanese Autism Society: provides services to children

Lebanese Red Cross: promotes peace, serves the society, and alleviates human suffering

Les Amis De La Forêt Des Cèdres: caters to the Cedars' Forest ensuring its development and sustainability

Lebanon Mountain Trail Association (LMTA): maintains and conserves the trails

Maison St. Vincent – Filles de la Charité: serves the poor with love, respect, joy and justice

Mar Semaan Center: cares for orphans

May Chidiac Foundation: trains and researches media issues

Mission De Vie: welcomes neglected and abandoned persons

MySchoolPulse: provides children undergoing treatment for life-threatening illnesses with the opportunity to continue their education

OpenMind Fund: assists individuals with special needs through advocacy

Orphanage Welfare Society of Saida: cares for orphans

Oum El Nour: helps individuals overcome their addiction

Roads For Life: provides post-accident care

S.O.S.: children's orphan village

Sesobel: assists children with disabilities

Skoun: supports people with addiction problems

Step Together: improves students' life through individualised tuition and therapy

Tamanna: grants the wishes of children with critical illnesses

INITIATIVES TO ENHANCE FINANCIAL LITERACY

Initiative	Target group	Category	Goal	Subject Area	Activities-related	Beneficiary	Language	Information Material
Spring Account	Youth (18-23 year-olds)	All youth	Practical access to money and special services	Promotion	Campaign, sponsorships	Youth	Arabic/English	Online and brochure
Sight Deposit Account	All	Low-income individuals	Saving Account and additional benefits	Promotion		All	Arabic/English	Online and brochure
Schooling Insurance Account	Parents	Each age group has its own formula	Helps parents ensure their children's' schooling fees	Promotion		Parents and youth	Arabic	Brochures
Housing Insurance Account	All	All	Insures house against accidents	Promotion		All	Arabic	Brochures
Life Insurance	All	All	Insures individuals against accidents	Promotion		All	Arabic	Brochures
University Studies Insurance	Parents	Youth	Ensures university studies fees	Promotion		Youth	Arabic	Brochures
Personal Loan	All	Low-income individuals	Assists in personal spendings	Promotion		All	Arabic/English	Online and brochure
Wedding Account	All	Newly Weds	Helps newlyweds guarantee their future	Promotion		Newly Weds	English	Online and brochure
Housing Loan	All	Low-income individuals	Helps needy individuals buy houses	Promotion		All	Arabic	Online and brochure
Visa Business Debit Card	All	Businessmen	Help businessmen control their business spendings	Promotion		Businessmen	Arabic/English	Online and brochure
All You Need to know about "Chip Cards"	All cardholders	All	Educates cardholders on the evolving "Chip" technology which was introduced to combat the growing levels of fraud	Informative		All	English	Online and brochure
All You Need to know about "PayPass"	All cardholders	All	Educate cardholders on the latest "PayPass" contactless payment technology, a new feature that makes their purchases easier since they simply have to tap their card on a secure reader to pay	Informative		All	English	Online and brochure
Employee's Guide to "Chip Cards"	Employees	All	Summarises Bank Audi cards split by chip type: "Chip & PIN" or "Chip & Signature"	Comprehensive		All	English	Brochures
Common Reporting Standard Transparency First	All	All	Helps fight tax evasion	Informative		All	Arabic/English	Brochures
SME Products and Services Panoply	SME clients	SME clients	Allow SMEs to manage their banking transactions and meet their business needs through flexible financial solutions	Promotion	Campaign	SME clients	Arabic/English	Online and brochure

EXAMPLES OF BANK AUDI'S MEMBERSHIP IN INDUSTRY ASSOCIATIONS:

Association des Banques du Liban (ABL)

Positions held:

1. Board of Directors: Dr. Freddie Baz
2. Committee for Compliance and Fighting Money Laundering: chaired by Mr. Chahdan Jebeyli, Esq.
3. Legal Committee: chaired by Dr. Georges Achi
4. Research Studies Committee: Dr. Marwan Barakat (rapporteur)
5. Investment Banks and Capital Markets Committee
6. Committee for Organisation, Standardisation and Information Technology
7. Communication Committee
8. Corporate Governance Committee: Mr. Farid Lahoud (rapporteur)
9. Human Resources and Social Affairs Committee
10. Banking Terms and Conditions Committee
11. Islamic Banking Committee
12. Banking Risk Committee

World Union of Arab Bankers

Union of Arab Banks

Chamber of Commerce, Industry & Agriculture "CCIA"

International Chamber of Commerce – Lebanon "ICC"

Swiss Business Council-Leb

Arab Federation of Exchanges

OUR APPROACH TO CSR REPORTING

Reporting year is 2017.

The previous report is the "CSR Report 2016: Engraining Impact" published in July 2017.

The reporting cycle is: annual.

For information about the report, please refer to:

Bank Audi's CSR Unit

CSR@bankaudi.com.lb

Bank Audi Palladium – Bab Idriss

Beirut, Lebanon

This report has been prepared in accordance with the GRI Standards: Core option.

Our GHG emissions report is audited by V4 Advisors, an external expert on the topic.

Our CSR report is internally audited by our certified auditors.

OUR MATERIALITY PROCESS

Our materiality process helps us identify the most relevant sustainability issues and prioritise these for strategic implementation within our organisation's processes. Similar to previous years, we have engaged a range of internal and external stakeholders in our materiality process for 2017, capitalising on different tools and communication processes. Both sets of stakeholders are important from the Bank's perspective, and this feedback has been instrumental in helping us further enhance our CSR strategy and continuously quantify the most impactful issues for 2017 and their relevant aspect boundaries. In fact, we take pride to be an organisation that engages in open and constructive dialogue with our stakeholders and gives this feedback systematic attention in refining its CSR strategy. This meticulous materiality exercise formed the basis for defining our report's content for 2017.

As a result of identifying the most important aspects of our sustainability, we have allocated resources for sustainability impact in key projects such as furthering our financial inclusion – financial literacy and SME business outreach where value is created and shared.

As for defining report quality, priority was given to balance the interest of all audiences and not just sustainability experts, hence the omission of detailed indicators from the main frame of the Report and their availability within a special file addressed to experts and facilitating reading to a wider audience.

In the experts' corner, one can compare year-to-year data since reporting initiation on the various relevant indicators as per our materiality matrix in our chart generator.

Aiming for accuracy and clarity, we have provided timely and reliable information wherever available with minor rounding. Restatements that took effect in the current report are for the figures related to the collective agreement coverage of "Other Lebanese Entities" of previous years' reporting in distribution and are due to human error. These were revised and stand correctly in the table on p. 66 ([read more](#)).

Bank Audi's values are further embedded, and henceforth prioritised, due to the effect the relevant sustainability issues have on staff behaviour.

The entire process and the content of the Report is duly validated by all key stakeholders where external partners and all Bank Audi departments including the Executive Committee and the Disclosure Committee, are implicated.

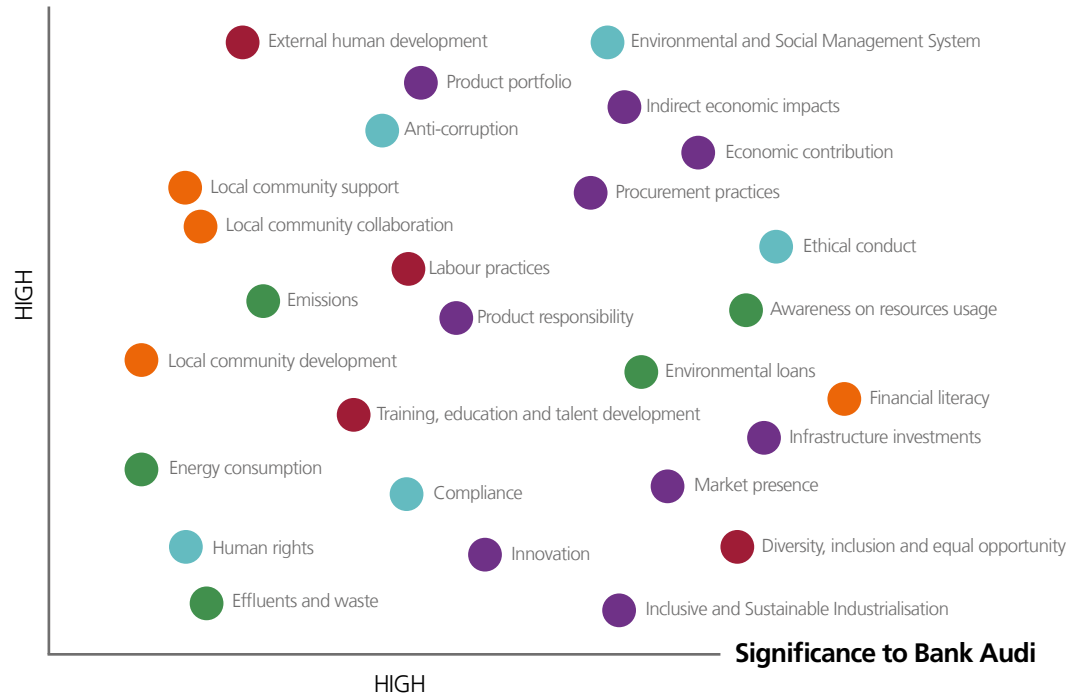
We acknowledge that the sustainability platform is an interactive stage and are cognisant to the changes needed. Hence we adapt through regular reviews of our material issues.

However, the changes to our materiality issues and aspect boundaries from last year were minimal, which allowed us to retain the materiality issues that were considered of medium to high influence on our stakeholders' assessments and medium to high in significance to Bank Audi's economic, environmental and social impacts. We continue to exclude from the Report those aspects that were considered non-material, given their lower importance and/or their inapplicability to Bank Audi's operating context.

Considering that this reporting is restricted to Bank Audi Lebanon, the materiality process is relevant for all Lebanese subsidiaries, and the scope of the material aspects and their boundaries are focused on Bank Audi Group – Lebanon entity (Bank Audi sal and its Lebanon-based subsidiaries), hence excluding other entities listed in the Bank's 2017 Annual Report.

Materiality Matrix and Main Issues of Priority Concern for 2017

Importance to Stakeholders



Process of Defining Material Aspects and Boundaries

1 IDENTIFICATION OF CRITICAL ASPECTS

- Principle of Stakeholder Inclusiveness
- Principle of Sustainability Context

- Assessing relevant topics
- Identifying relevant aspects
- Assessing internal impact of aspects
- Assessing external impact of aspects

2 PRIORITISATION OF ASPECTS

- Principle of Materiality
- Principle of Stakeholder Inclusiveness

- Evaluating and prioritising relevant aspects and topics
- Assessing materiality of topics to stakeholders

3 VALIDATION OF ASPECTS

- Principle of Completeness
- Principle of Stakeholder Inclusiveness

- Validating the material aspects identified

4 REVIEW

- Principle of Stakeholder Inclusiveness
- Principle of Sustainability Context

- Reviewing material aspects of the Report



STAKEHOLDERS' CONSULTATIONS

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2016 AND THEIR IMPLEMENTATION IN 2017	ISSUES IDENTIFIED IN 2017 (Q4)
Internal	The largest number of beneficiaries who uphold and convey the Bank's image as they are the front liners in contact with external stakeholders. They also contribute to the decision-making process by being the major reporter of information.	• Newsletters. • Tailored surveys: 16% (541 out of 3,402) of employees answered. • Internal communication. • Stakeholder engagement panel.	• Conduct a feasibility study concerning the possibility of generating electricity needs from rooftop photovoltaic panels. • Sponsor sustainable eco-friendly projects. • Provide financial services to clients who can contribute to the SDGs. • Organise ethical and business conduct workshops for all employees. • Organise workshops addressed to customers. • Give clients the opportunity to participate in CSR events. • Include people with special needs in the workplace. • Make branches accessible to all. • Provide paid training opportunities at the Bank to underprivileged youth. • Engage women in leadership programs to prepare them for Management positions. • Provide low-interest loans for women empowerment and entrepreneurship projects. • Provide a day care centre for employees' children to help working mothers balance their jobs. • Provide retirement pension plans to employees. • Create an elderly day care where healthy elderlies can meet with their peers and share a meal. • Expand employee volunteering within our corporate culture. • Ask every employee to participate in at least one CSR activity per year as per the Bank's policy. • Organise a CSR event to which employees' children would be invited. • Steer the VP towards education.	• In progress – Laid over to 2018. • Sponsorships for NGOs that support environmental causes. • Introducing high level contacts to the Global Compact Network Lebanon (GCNL) for the uptake of the Sustainable Development Goals (SDG). • Under regular implementation. • Introducing high level contacts to the GCNL for the uptake of the SDGs. • Engaging "Springers" in the Volunteer Program (VP), conducting workshops for SMEs, and introducing high level contacts to the GCNL for the uptake of the SDGs. • GCNL special needs project under Human Rights: "Support the inclusion of employees with disabilities within organisations". • Delivered. Refer to "Financial Independence" – under Community Development in the 2017 CSR Report. • Training opportunities (no payments required) for the youth: Codi training. • Under regular implementation. • Microfinance loans through ADR to 304 female entrepreneurs representing 37.5% of the total beneficiaries. In addition, 9% of our SME clients are exclusively female. • Being researched. • Post-retirement health coverage was rolled out with more under research. • Collaborated with relevant NGOs through VP. • Engaged with departments and branches for recruitment and team building within our VP. • Under our CSR Committee's recommendation, we preferred to keep this purely voluntary. • Employees' children can be invited to the VP events. • Increased financial literacy programs by exclusively adopting Injaz's "More Than Money" module.
Employees				• Provide a retirement plan pensions to retired employees. • Create an advanced external and internal communication plan for the CSR activities. • Implement a solar system to generate electricity at branches, which will minimise power usage and decrease pollution and electricity cost. • Invite clients to participate in CSR projects. • Offer lower interests rates on environmental loans. • Give employees an option to give an amount of their bonus to a charity, which will be matched by the Bank. • Establish financial education programs for youth and entrepreneurs. • Offer more scholarships to students with outstanding performance who come from modest backgrounds. • Grant a loan to female entrepreneurs, with "easier" terms. • Ensure water consumption management. • Integrate a pop-up notification to Bank Audi's online application to trigger stakeholders' curiosity about CSR and its engagements, including a "did you know" notification. • Grant a short schedule to moms during the 2 months following their maternity leave. • Mentorship program to high school or university students by the Bank employees.

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2016 AND THEIR IMPLEMENTATION IN 2017		ISSUES IDENTIFIED IN 2017 (Q4)
Internal					
Management	One of the Bank's key pillars which includes decision-makers who set the overall strategic direction of the Bank and monitor its implementation. They are also the constituency accountable for repercussions of the Bank's contributions.	• Monthly meetings. • Workshops. • Stakeholder engagement panel.			
Shareholders	Investors who have a clear stake in the business and are important strategic financial contributors with commitments that ensure the financial health and viability of our business.	• Annual meetings. • Stakeholder engagement panel. • Annual reports.			
External					
Suppliers	Providers of services and raw materials with whom the Bank has a mutual-benefit relationship. We are keen on maintaining a close working relationship with key suppliers across different industries, and we acknowledge that our suppliers are also invariably affected by the Bank's operations and policies, especially with regards to quality and integrity standards.	• Meetings. • Stakeholder engagement panel.	• Align each of the pledged 5 SDGs to specific targets. • Vocational training that fills specific market needs, similar to Injaz modules and Roads for Life partnership. • Financial literacy: implement a ready-based online quiz module platform in English and Arabic. • Gender equality: ease new mothers' lives by making a deal with a nearby nursery. • Gender equality: allocate a private room for nursing mothers. • Anti-corruption initiatives. • Help SMEs access each other's services and benefit from networking opportunities. • Make one volunteering day per year mandatory for each employee. • Integrate employees in the VP Committee.	• Implemented and reported within the relevant activities of each pillar and tagged SDGs. • Codi and Roads for Life's nursing training. • Implemented an online interactive financial literacy quiz, "Let's Talk Money", currently under translation to Arabic. • Negotiated discounted rates with nearby nurseries. • Under research. • The CSR university awareness theme was "Anti-corruption". GCNL workshop on anti-corruption. • Laid over to 2018. • At the recommendation of our CSR Committee, we preferred to keep this purely voluntary. • Established a VP Committee with 6 employees.	• Furthering inclusiveness for persons with special needs. • Furthering communication on our CSR efforts. • Perceiving and tackling of human rights. • Promoting financial inclusion. • Supporting vocational training and human development in rural areas. • Furthering public/private collaboration. • Promoting education for the benefit of the community. • Conducting trainings to raise SMEs' awareness of Financial Management in times of crisis. • Financing and marketing researches and innovations in the university sector. • Conducting campaigns to decrease corruption and access to information. • Setting clearer KPIs. • Promoting Corporate Governance and transparency, and their spillover effect to other companies. • Supporting start-ups, social entrepreneurs, MMEs and SMEs. • Undertaking environmental initiatives.
Clients	Critical stakeholders for the Bank, who sustain its continued vibrancy and vitality. They are at the heart of the decision-making process in terms of operations, products issuance and services, and are the ones who benefit most from the Bank's services. They contribute financially by endorsing the Bank and making use of its services.	• Tailored surveys. • Meetings. • Stakeholder engagement panel.			
Regulatory bodies and industry-related associations	The official institutions that frame the regulatory boundaries of the Bank's legal operations. They are affected by the Bank's operations and manifold economic contributions. They also influence the way we frame our decision-making in relation to key aspects of our operations, including CSR.	• Meetings. • Stakeholder engagement panel. • Workshops.			

STAKEHOLDER GROUPS	BASIS OF SELECTION	CHANNELS USED	ISSUES IDENTIFIED IN 2016 AND THEIR IMPLEMENTATION IN 2017		ISSUES IDENTIFIED IN 2017 (Q4)
External					
NGOs	The most enduring partners of the Bank in the field of CSR, symbolising the channels through which we contribute to the community and sustain our scaling of social impact and our spill-over effect. They are chosen based on the congruence and compatibility of their mission and strategies with the Bank’s values and social orientation.	• Meetings. • Stakeholder engagement panel. • Various events. • Volunteer program.			
Competitors	Competing banks and financial institutions which are also collaborators in setting the operational, social, environmental and competitive standards. We also value our competitors in terms of helping promote and enhance CSR in Lebanon.	• Meetings. • Stakeholder engagement panel. • Workshops.			
Community Civil society	Local community stakeholders in various locations where our bank operates. We identify our well-being as closely tied to that of the community around us, and we seek to improve our external environment through various programs, events, activities and philanthropy.	• Events.			
Media	Various media groups and channels that transmit information and with which the Bank liaises to communicate in relation to various aspects of its activities, including CSR. Through the media, we stay in touch with the various external stakeholders around us, while conveying and sharing our identity, programs and activities.	• E-newsletters. • Interviews. • Events. • Newspaper. • Social media.			
Jury members	4 different stakeholders were selected to choose the best 4 initiatives proposed by university students in the context of the university awareness competition.	• Events.			

INTERNAL STAKEHOLDER CONSULTATION

This analysis illustrates the outcomes of the survey conducted internally to measure employees' knowledge and satisfaction on a number of materiality issues related to Corporate Social Responsibility at Bank Audi.

Results showed that respondents are equally gendered within the bulk of respondees aged 32 to 45, with a majority tenure at an average of 5 years.

3,402

Bank Audi employees were invited to participate

34%

of the respondents have been involved in a socially responsible component at Bank Audi

541

employees completed the survey, representing a participation rate of 16%

27%

have volunteered in a CSR initiative at the Bank

Employees ranked in **priority** the 5 Sustainable Development Goals (SDG) that Bank Audi has recently pledged to:



When consulted on material issues, employees responded that the Bank should mostly focus on:

1. Staff training, education and talent development (373 votes).
2. Promoting productive employment and decent work for all (240 votes).
3. Human rights (239 votes).
4. Diversity, inclusion and equal opportunity (228 votes).
5. Ethical conduct, anti-corruption and compliance (224 votes).
6. Awareness on resources usage (170 votes).
7. Environmental loans (159 votes).
8. Take urgent action to combat climate change (158 votes).
9. Environmental and Social Management System (140 votes).
10. Emissions, effluents and waste and energy consumption (138 votes).
11. Financial literacy for the community (125 votes).
12. Promote inclusive and sustainable economic growth (119 votes).
13. Foster innovation (113 votes).
14. External human development (105 votes).
15. Local community support, collaboration and development (101 votes).

Aggregating all the issues identified through the above mentioned means, we are confident that our materiality matrix organised within our pillars and aligned with the SDGs we have pledged for last year is still relevant and addresses the concerns of our stakeholders at large. We hence project these within the aspect boundaries where the impact is highest, as summarised in the below table.

	MATERIAL ISSUE	ASPECT BOUNDARIES										
		Employees	Management	Shareholders	Suppliers	Clients	NGOs	Regulatory Bodies	Competitors	Community/ Civil society	Media	
Corporate Governance 	Ethical conduct	•	•	•		•		•	•	•		
	Compliance	•	•	•		•		•	•		•	
	Environmental and Social Management System	•	•	•		•		•		•		
	Anti-corruption	•	•	•		•		•	•	•	•	•
	Human rights	•	•	•		•	•	•	•	•	•	
Economic Development 	Economic contribution	•	•	•	•	•		•	•			
	Indirect economic impacts	•	•	•	•	•	•		•	•	•	
	Market presence	•	•	•	•	•	•	•	•	•	•	
	Product responsibility	•	•	•		•		•	•			
	Product portfolio			•		•			•			
	Infrastructure investments	•	•	•	•	•		•	•	•		
	Inclusive and sustainable industrialisation			•		•	•	•	•	•		
	Innovation	•	•	•	•	•		•	•	•	•	
	Procurement practices		•	•	•	•	•	•				
Community Development 	Local community development	•	•	•	•	•	•	•	•	•	•	
	Local community support	•	•	•	•	•	•	•	•	•	•	
	Local community collaboration	•	•	•	•	•	•	•	•	•		
	Financial literacy	•			•	•	•	•	•	•		
Human Development 	Labour practices	•	•						•	•		
	Diversity, inclusion and equal opportunity	•					•	•	•	•		
	Training, education and talent development	•				•	•	•	•	•		
	External human development	•			•	•	•	•	•	•		•

	MATERIAL ISSUE	ASPECT BOUNDARIES										
		Employees	Management	Shareholders	Suppliers	Clients	NGOs	Regulatory Bodies				
Environmental Protection 	Emissions							•		•		
	Effluents and waste							•		•		
	Energy consumption		•	•				•		•		
	Environmental loans					•		•	•			
	Awareness on resources usage	•	•		•	•	•	•		•	•	

DISCLOSURE ON MANAGEMENT APPROACH

The material topics and their boundaries presented above form the essence of our entire materiality process. The two key challenges invariably encountered in relation to materiality include casting the net wide enough to capture important sustainability issues and corresponding risks and opportunities, yet not exceeding a reasonably small sub-set of material issues that really matter to the company and can be managed in a consistent way.

Defining these material issues and their boundaries is at the heart of our Disclosure on Management Approach (DMA). We exercise a rigorous and elaborate process in selecting materiality issues that matter the most to our stakeholders. We also assess each of these in terms of risks and opportunities for our business, our reputation and our finances.

Each of these issues is also evaluated annually in implications towards our business, taking into consideration the legal requirements, national priorities and international norms of behaviour within the scope of feasibility and implementation of the CSR initiatives pertaining to these material issues.

Both our DMA and our reporting are guided by the values of relevance, accuracy, timeliness, comparability, reliability, clarity, balance and completeness. All these principles ensure that our approach to CSR reporting is organic and advancing dynamically to meet the changing expectations surrounding us, and that we remain true to our most cherished guiding values pertaining to transparency and civic engagement. This report is thus intended to delineate the active steps we have taken to integrate sustainability in our business using our resources efficiently and responsibly, and respecting the precautionary principle in terms of minimising risks to our stakeholders and to the environment and society at large.

As part of our continuous improvement journey, we revisit our DMA every year, assessing its overall effectiveness, as well as potential gaps, weaknesses or shortcomings, and decide, in light of that, on any needed refinements or adjustments.

CORPORATE GOVERNANCE

Sustainable Finance

New Loans with Environmental and/or Social Benefits Provided during 2017*

PROJECT NAME/SECTOR	VALUE FINANCED (USD)		TYPE OF ENVIRONMENTAL/ SOCIAL BENEFIT
Commercial mall	969,450	3 loans	LED light
Cow farm	148,610	1 loan	Renewable energy: solar PV (grid)
Individuals	160,830	2 loans	R3E solutions; solar PV (pumping)
Industrial city	11,214,530	1 loan	Waste water management; landscaping
Industry: flour	380,780	1 loan	Renewable energy: solar PV (grid)
Industry: olive oil	595,070	1 loan	Energy efficiency
Industry: paper products	198,150	1 loan	Renewable energy: solar PV
Industry: pharmaceutical products	693,530	1 loan	LED light and photovoltaic system
Industry: printing	326,950	1 loan	Renewable energy: solar PV (grid)
Industry: wires and telecommunication cables	520,150	1 loan	Renewable energy: solar PV (grid)
Real estate	3,467,640	1 loan	Energy efficiency
Social services - NGO	1,769,000	2 loans	Development: educational, health and social services
Tourism	122,190	1 loan	Renewable energy: solar PV (hybrid)
TOTAL	20,566,880	17 loans	

* These financings constitute a particular financial product, namely "Green Loans" under the NEEREA and LEA mechanism, which are subsidised by the Central Bank of Lebanon (BDL). Such loans are submitted for review by the LCEC prior to their approval by BDL. The remaining loans, while not specifically Green Loan financial products, constitute financings provided with an environmental/social benefit.

Anti-corruption Related Training

Year on year, our employees and governance bodies attend anti-corruption related trainings.

		ANTI-CORRUPTION TRAINING	TOTAL EMPLOYEES ELIGIBLE FOR TRAINING	PERCENTAGE
2017	EMPLOYEES	298	2,503	12%
	MIDDLE MANAGEMENT	181	868	21%
	SENIOR MANAGEMENT	29	31	93%
	TOTAL EMPLOYEES	508	3,402	15%
2016	EMPLOYEES	1,133	2,603	44%
	MIDDLE MANAGEMENT	259	680	38%
	SENIOR MANAGEMENT	15	40	38%
	TOTAL EMPLOYEES	1,407	3,323	42%
2015	EMPLOYEES	1,009	2,511	40%
	MIDDLE MANAGEMENT	276	584	47%
	SENIOR MANAGEMENT	12	35	34%
	TOTAL EMPLOYEES	1,297	3,130	41%
2014	EMPLOYEES	1,205	2,434	49%
	MIDDLE MANAGEMENT	214	474	45%
	SENIOR MANAGEMENT	31	81	38%
	TOTAL EMPLOYEES	1,450	2,989	49%

ECONOMIC DEVELOPMENT

Economic Contribution*

	2014	2015	2016	2017
TOTAL NUMBER OF EMPLOYEES	2,989	3,310	3,323	3,402
TOTAL NUMBER OF OPERATIONS	47,225,446	52,309,613	55,697,141	62,175,796
TOTAL OPERATING INCOME	USD 689.6 million	USD 836.1 million	USD 1,159 million **	USD 871.1 million
TOTAL SHAREHOLDERS' EQUITY AND SUBORDINATED DEBT	USD 3.64 billion	USD 3.77 billion	USD 4.27 billion	USD 4.53 billion
TOTAL NUMBER OF PRODUCTS AND SERVICES	72 products 73 services	72 products 74 services	74 products 79 services	51 products 56 services**

* Excluding consolidation adjustments.

** This fluctuation is further explained in (Product Portfolio – Sale of EPCS).

Direct Economic Contribution*

	2014	2015	2016	2017***
TAXES	USD 52 million	USD 48 million	USD 63 million	USD 62 million
ECONOMIC SPONSORSHIPS (creating job opportunities/enhancing innovation/allowing local economies to prosper)	> USD 535,000	USD 920,990	USD 825,990	USD 520,450
ASSETS FOR LEBANON GROUP	USD 24.5 billion	USD 25.8 billion	USD 29.81 billion	USD 30.61 billion
ASSETS FOR LEBANON GROUP WHEN ACCOUNTING FOR FIDUCIARY DEPOSITS	USD 29.4 billion	USD 30.7 billion	USD 35.7 billion	USD 36.94 billion
TOTAL OPERATING EXPENSES	USD 372.6 million	USD 394.5 million	USD 462.5 million	USD 383.46 million
INCOME TAXES	USD 30 million**	USD 64 million**	USD 136 million**	USD 66.85 million
PERSONAL INCOME TAXES FROM EMPLOYEES' SALARIES	USD 13 million**	USD 18 million**	USD 18 million**	USD 21.35 million
EMPLOYEES' SALARIES	USD 90 million**	USD 101 million**	USD 123 million**	USD 150 million
SOCIAL SECURITY CONTRIBUTIONS	USD 14 million**	USD 14 million**	USD 16 million**	USD 18 million
TOTAL LOANS WITH LOW INTEREST RATES	USD 50.8 million	USD 49.2 million	USD 43.4 million	USD 43.3 million
TOTAL BENEFICIARIES OF KAFALAT LOANS	437	460	515	487
KAFALAT LOANS/YEAR	N/A	USD 11 million	USD 11.88 million	USD 9.16 million
BENEFICIARIES OF KAFALAT LOANS/YEAR	N/A	66	60	69
SANAD LOANS	USD 18 million	USD 15.4 million	USD 17.3 million	USD 16.3 million
BENEFICIARIES OF SANAD LOANS	149	163	110	117
TOTAL CONTRIBUTIONS OF LEBANON'S GDP	1.80%	1.81%	2.34%	2.20%
BDL CIRCULAR 331 COMMITTED INVESTMENTS	USD 11 million	USD 26 million	USD 41 million	USD 47.6 million
SUPPORT EVENTS AND ASSOCIATIONS	USD 265,431	USD 489,085	USD 548,000	USD 482,250

*Excluding consolidation adjustments.

** For Bank Audi sal.

*** Consolidated including Bank Audi Lebanon Group.

Infrastructure Investments

The following table exposes some of the internal infrastructure business investments made which will impact our support in services to the communities that are in the direct vicinity.

PROJECT	DESCRIPTION	COST	INVESTMENT
ABC Verdun branch	New e-branch	USD 151,000	Commercial
Saifi SME	New premises to cater for small and medium enterprises	USD 398,500	Commercial
Tyre branch	Renovation	USD 252,500	Commercial
Jnah CLD	Renovation	USD 369,500	Infrastructure
Gefinor branch	24/7 facilities	USD 92,000	Commercial
Verdun branch	Renovation and CBC extension	USD 1,900,000	Commercial
Mazraa branch	Renovation and 24/7 facilities	USD 219,000	Commercial
Khalde branch	Renovation, extension and 24/7 facilities	USD 566,000	Commercial
Novo City Mall branch	Renovation	USD 80,000	Commercial
Batroun branch	New branch	USD 900,000	Commercial
Ghazir branch	Relocation	USD 860,000	Commercial
Baabda branch	New branch	USD 773,000	Commercial
Tripoli Mina branch	Renovation	USD 126,000	Commercial
Zalka branch	Renovation	USD 162,000	Commercial
Khalde, BDL Hamra & Dekwane offsite ATMs	Updating	USD 12,000	Commercial
	TOTAL	USD 6,861,500	

COMMUNITY DEVELOPMENT

Local Community Support

	2014	2015	2016	2017
TOTAL CONTRIBUTIONS TO THE COMMUNITY	USD 4.7 million	USD 4.6 million	USD 5.1 million	USD 5.1 million
HEALTH	USD 557,000	USD 619,000	USD 773,693	USD 792,210
HUMANITARIAN AND SOCIAL	USD 2.5 million	USD 2.5 million	USD 2.5 million	USD 2.8 million
CULTURE	USD 1.47 million	USD 1.33 million	USD 1.70 million	USD 1.11 million
FULL COST OF TREATMENT FOR ONE SICK CHILD	USD 54,000	USD 50,000	USD 53,560	USD 116,000
EMPLOYEES' CONTRIBUTION	485	466	454	441
FACILITATED TREATMENT OF 20 CHILDREN WITH CONGENITAL HEART PROBLEMS	USD 150,000	USD 150,000	USD 150,000	USD 151,000
SPONSORSHIPS TO VARIOUS ORGANISATIONS	USD 55,000	USD 50,000	USD 50,500	USD 49,150
CALLS FOR BLOOD DONATION DRIVE	65	51	75	120
PURCHASE OF CORPORATE GIFTS FROM NGOs	USD 340,000	USD 275,000	USD 276,365	USD 266,746
EVENTS IN WHICH OUR E-PAYMENT CARD SERVICES PARTICIPATED	15	31	10	read more
DONATIONS RAISED VIA OUR GPRS MACHINES DEPLOYED AT THE EVENTS	USD 318,000	USD 990,000	USD 403,250	
COMMITTING TO NGOS THAT SUPPORT DISADVANTAGED PEOPLE	USD 74,000	USD 110,640	USD 113,217	USD 88,934
COMMITTING TO NGOS THAT SUPPORT DIFFERENT SOCIAL CAUSES	USD 80,000	USD 100,000	USD 90,000	USD 49,289
SPORTS ACTIVITIES SPONSORSHIP	USD 100,000	USD 115,000	USD 144,000	USD 270,990

Local Community Development

	2014	2015	2016	2017
BENEFICIARIES FROM PHILANTHROPIC CONTRIBUTIONS IN THE REALM OF CULTURAL DEVELOPMENT	Over 900,000	1,000,000	968,000	943,000
NUMBER OF BANK AUDI EMPLOYEES WHO PARTICIPATED IN THE BEIRUT INTERNATIONAL MARATHON (BIM)	500	400	488	380
NGOS SUPPORTED IN THE BIM	Brave Heart Fund	Kunhadi Association	Donner Sang Compter	himaya

Local Community Collaboration

VOLUNTEER PROGRAM	2014	2015	2016	2017	TOTAL (CUMULATIVE)
NGO PARTNERS	6	8	11	18	18
BENEFICIARIES	683*	1,792*	2,040*	2,815*	7,614
VOLUNTEERS	150	228	306	392	392
HOURS	530*	580*	1,804*	1,873*	4,907

* These figures are year-to-year and non-cumulative.
392 employees and an additional 59 interns volunteered in 2017.

HUMAN DEVELOPMENT

Training, Education and Talent Development

		2014	2015	2016	2017
AVERAGE EMPLOYEE TRAINING HOURS	EMPLOYEE	29.73	36.18	33.59	34.19
	MALE	25.12	32.13	27.14	29.17
	FEMALE	35.24	41.03	41.14	40.03
	FRONTLINE EMPLOYEE	27.04	36.09	32.37	34.06
	MIDDLE MANAGER	44.89	36.68	38.16	34.58
	SENIOR MANAGER	22.05	34.43	35.33	34.03

CAREER ADVANCEMENT PROGRAMS

- 14 – Branch Management Program (BMP): provides qualified employees with an equal opportunity to assume first line supervisory positions. It is designed to identify, train and develop the Bank's future branch managers and assistant managers through a one to three-year program exposing them to an intensive and learning environment.
- 153 – Certified in miscellaneous BDL modules.
- 27 employees benefited from the Bank's sponsorship grants as follows:
 - 13 advanced university studies.
 - 10 advanced certifications (CMA, CFA, CIA, SHRM CP).
 - 4 Executive Education (Harvard and INSEAD); banking studies.
- 90% received career development reviews:
 - 49.57% male employees
 - 50.43% female employees
- 22% Managers received career development reviews.
- 78% staff received career development reviews.

Diversity, Inclusion and Equal Opportunity**Employee Composition by Gender and Employee Category at Bank Audi Group Lebanon**

		% OF STAFF (below Grade 17)		% OF MIDDLE MANAGERS (Grade 17 to Grade 21 Inclusive)		% OF TOP MANAGERS (Grade 22 and above)	
		F	M	F	M	F	M
2017	BANK AUDI sal	37.76%	34.73%	11.81%	14.60%	0.14%	0.96%
	OTHER LEBANESE ENTITIES	21%	57.67%	9.17%	11.33%	0%	0.83%
2016	BANK AUDI sal	38.21%	37.23%	10.49%	12.77%	0.36%	0.94%
	OTHER LEBANESE ENTITIES	28.60%	46.32%	5.78%	14.45%	0%	4.85%
2015	BANK AUDI sal	38.98%	38.63%	9.35%	11.66%	0.38%	1%
	OTHER LEBANESE ENTITIES	30.34%	49.08%	4.44%	11.33%	0%	4.80%
2014	BANK AUDI sal	39.80%	39.60%	8.60%	11.30%	0%	0.60%
	OTHER LEBANESE ENTITIES	31.50%	50.40%	3.90%	11.30%	0%	3%

Employee Composition by Age Group and Employee Category at Bank Audi Group Lebanon

		% OF STAFF (below Grade 17)			% OF MIDDLE MANAGERS (Grade 17 to Grade 21 Inclusive)			% OF TOP MANAGERS (Grade 22 and above)		
		<30	BETWEEN 30-50	>50	<30	BETWEEN 30-50	>50	<30	BETWEEN 30-50	>50
2017	BANK AUDI sal	23.91%	37.44%	11.13%	0.21%	19.09%	7.10%	0%	0.39%	0.71%
	OTHER LEBANESE ENTITIES	19%	38.83%	20.83%	4.83%	7%	8.67%	0%	0.33%	0.50%
2016	BANK AUDI sal	21.63%	40.23%	13.57%	0.14%	17.80%	5.31%	0%	0.47%	0.83%
	OTHER LEBANESE ENTITIES	13.16%	40.70%	21.07%	0%	13.39%	6.84%	0%	2.42%	2.42%
2015	BANK AUDI sal	20.89%	41.71%	15.01%	0.08%	15.78%	5.16%	0%	0.50%	0.88%
	OTHER LEBANESE ENTITIES	16.89%	39.51%	23.02%	0%	11.96%	3.81%	0%	2.08%	2.71%
2014	BANK AUDI sal	22%	42%	15%	0%	15%	5%	0%	0%	1%
	OTHER LEBANESE ENTITIES	17%	42%	23%	2%	9%	4%	0%	3%	0%

Composition of Governance Body Committees by Gender and Age Group at Bank Audi as of April 2017

Board and Committees	Gender (%)		Age (%)		
	Males	Females	<30	30-50	>50
Board of Directors	82	18		9	91

NB: Senior Management positions are mostly occupied by employees who are older, and hence have more seniority, experience and tenure within the Bank.

Employee Distribution by Contract Type and Gender at Bank Audi Group Lebanon

					CONTRACT					
		TOTAL NUMBER OF EMPLOYEES	GENDER		LIMITED EMPLOYMENT CONTRACT		UNLIMITED EMPLOYMENT CONTRACT		COLLECTIVE AGREEMENT	
			F	M	F	M	F	M	% Covered	% Not Covered
2017	BANK AUDI sal	2,802	1,393	1,409	39	52	1,354	1,357	99.39%	0.61%
	OTHER LEBANESE ENTITIES	600	181	419	29	50	152	369	19.83%	80.17%
	TOTAL	3,402	1,574	1,828	68	102	1,506	1,726	85.36%	14.64%
2016	BANK AUDI sal	2,764	1,372	1,392	66	67	1,306	1,325	100%	0%
	OTHER LEBANESE ENTITIES	559	158	401	23	46	135	355	33.33%	66.66%
	TOTAL	3,323	1,530	1,793	89	113	1,441	1,680	88.78%	11.21%
2015	BANK AUDI sal	2,599	1,266	1,333	39	45	1,227	1,288	100%	0%
	OTHER LEBANESE ENTITIES	531	158	373	24	36	134	337	32.11%	67.89%
	TOTAL	3,130	1,424	1,706	63	81	1,361	1,625	88.48%	11.52%
2014	BANK AUDI sal	2,511	1,217	1,294	33	36	1,184	1,258	97.3%	2.7%
	OTHER LEBANESE ENTITIES	478	143	335	13	22	130	313	36.3%	63.7%
	TOTAL	2,989	1,360	1,629	46	58	1,314	1,571	88.48%	12.46%

*This table was updated from previously published due to calculation flaws.

LABOUR PRACTICES**New Employee Hires in Bank Audi Group Lebanon**

		TOTAL NUMBER OF NEW HIRES	TOTAL NUMBER OF NEW HIRES BY GENDER		TOTAL NUMBER OF NEW HIRES BY AGE		
			F	M	<30	BETWEEN 30-50	>50
2017	BANK AUDI sal	210	118	92	144	66	0
	OTHER LEBANESE ENTITIES	71	19	52	47	24	0
	TOTAL	281	137	144	191	90	0
2016	BANK AUDI sal	272	149	123	187	85	0
	OTHER LEBANESE ENTITIES	74	10	64	42	29	3
	TOTAL	346	159	187	229	114	3
2015	BANK AUDI sal	223	109	114	131	89	3
	OTHER LEBANESE ENTITIES	97	24	73	48	38	11
	TOTAL	320	133	187	179	127	14
2014	BANK AUDI sal	186	97	89	136	48	2
	OTHER LEBANESE ENTITIES	48	11	37	25	19	4
	TOTAL	234	108	126	161	67	6

Return to Work and Retention Rates after Parental Leave, by Gender

		TOTAL NUMBER OF EMPLOYEES WHO TOOK PARENTAL LEAVE		TOTAL NUMBER OF EMPLOYEES WHO RETURNED TO WORK AFTER PARENTAL LEAVE		TOTAL NUMBER OF EMPLOYEES WHO RETURNED TO WORK AFTER PARENTAL LEAVE ENDED AND ARE STILL EMPLOYED 12 MONTHS AFTER THEIR RETURN		RETURN TO WORK RATE		RETENTION RATE	
		F	M	F	M	F	M	F	M	F	M
2017	BANK AUDI sal	48	45	48	45	48	45	100%	100%	100%	100%
	OTHER LEBANESE ENTITIES	3	12	3	12	3	12	100%	100%	100%	100%
2016	BANK AUDI sal	56	55	56	55	54	54	100%	100%	96.43%	98.18%
	OTHER LEBANESE ENTITIES	4	14	4	14	4	14	100%	100%	100%	100%
2015	BANK AUDI sal	79	61	76	56	76	56	96.2%	91.8%	96.2%	91.8%
	OTHER LEBANESE ENTITIES	1	8	1	8	1	8	100%	100%	100%	100%
2014	BANK AUDI sal	81	51	75	51	72	47	96.5%	100%	96%	92%
	OTHER LEBANESE ENTITIES	6	10	5	10	5	10	89%	100%	100%	100%

Cost of Benefits to Employees

	2014*	2015*	2016*	2017
Salaries and benefits	USD 165 million	USD 170 million	USD 199 million	USD 198 million
Number of employees supported	888	940	970	1,219

*Previous years calculated for Bank Audi sal only. As of 2017 for Bank Audi Group Lebanon.

EXTERNAL HUMAN DEVELOPMENT

	2014	2015	2016	2017
Loans at preferential interest rates to university students	USD 3.9 million	USD 6.4 million	USD 6.5 million	USD 6.75 million
Number of beneficiaries from the university loans granted	238	373	371	413
Number of internships to university students	432	423	510	497
Cost of internships	USD 80,000	USD 163,000	USD 198,000	USD 148,000
Children's tuition fees	USD 4 million	USD 5.3 million	USD 5.4 million	USD 6.6 million
Support of key educational institutions through scholarships and donations	USD 640,000	USD 746,349	USD 961,045	USD 943,038

ENVIRONMENTAL PROTECTION

EFFLUENTS AND WASTE

Total Weight of Waste in Kg

YEAR	E-WASTE*	PLASTIC	METALS	PET BOTTLES*	PAPER	TREES
2012	–	30	4,740	–	51,770	1,102
2013	–	130	690	–	83,192	1,414
2014	–	157	–	–	103,722	1,763
2015	403	150	–	33	146,769 **	2,495
2016	2,124	196	54	1,518	111,080	1,888
2017	4,000	129	20,640 ***	1,005	92,600	1,574
TOTAL	6,527	792	26,124	2,556	589,133	10,236

*Initiated in 2015.

**Includes non-recurrent archive disposing.

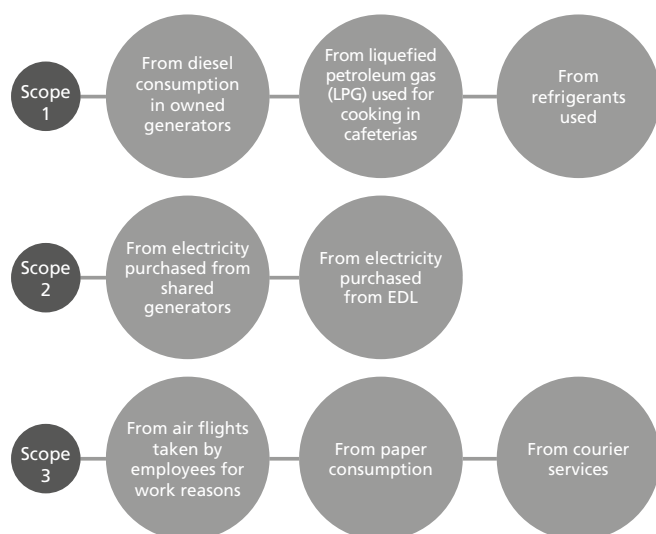
***Includes non-recurrent old ATMs disposing.

EMISSIONS

	2013	2014	2015	2016	2017
Total GHG emissions	21,309.8 tCO _{2e}	21,065.6 tCO _{2e}	21,738.2 tCO _{2e}	19,976.2 tCO _{2e} *	23,292.7 tCO _{2e}
GHG emissions per employee	7.68 tCO _{2e}	7.0 tCO _{2e}	6.9 tCO _{2e}	6.01 tCO _{2e}	6.88 tCO _{2e}
GHG emissions per m ²	0.220 tCO _{2e}	0.218 tCO _{2e}	0.225 tCO _{2e}	0.200 tCO _{2e}	0.205 tCO _{2e}
Total GHG emissions % from Scope 1	19.2%	21.3%	20.5%	38%	22%
Total GHG emissions from Scope 1	4,101.7 tCO _{2e}	4,486.2 tCO _{2e}	4,448.1 tCO _{2e}	7,668.2 tCO _{2e}	5,054.3 tCO _{2e}
Total GHG emissions % from Scope 2	75.1%	72.8%	72.1%	53%	73%
Total GHG emissions from Scope 2	16,003.9 tCO _{2e}	15,338.3 tCO _{2e}	15,672.4 tCO _{2e}	10,506.1 tCO _{2e}	16,993.7 tCO _{2e}
Total GHG emissions % from Scope 3	5.7%	5.9%	7.4%	9%	5%
Total GHG emissions from Scope 3	1,204.2 tCO _{2e}	1,241.0 tCO _{2e}	1,617.7 tCO _{2e}	1,801.8 tCO _{2e}	1,244.7 tCO _{2e}
Flight trips % of Scope 3	74.3%	68.4%	63.3%	66%	54%
Flight trips	894.9 tCO _{2e}	849.5 tCO _{2e}	1,024.5 tCO _{2e}	1,193.9 tCO _{2e}	670.5 tCO _{2e}
Courier services % of Scope 3	8.4%	8.2%	23.1%	21%	30%
Courier services	101.4 tCO _{2e}	101.4 tCO _{2e}	373.8 tCO _{2e}	373.8 tCO _{2e}	373.8 tCO _{2e}
Paper consumption % of Scope 3	17.20%	23.4%	13.6%	13%	16%
Paper consumption	209.7 tCO _{2e}	290.1 tCO _{2e}	219.4 tCO _{2e}	234.1 tCO _{2e}	200.3 tCO _{2e}

*it is worth noting that at reporting time, given the lack of official data, some estimations were made on our electricity consumption.

Bank Audi's Greenhouse Gas Emission Sources



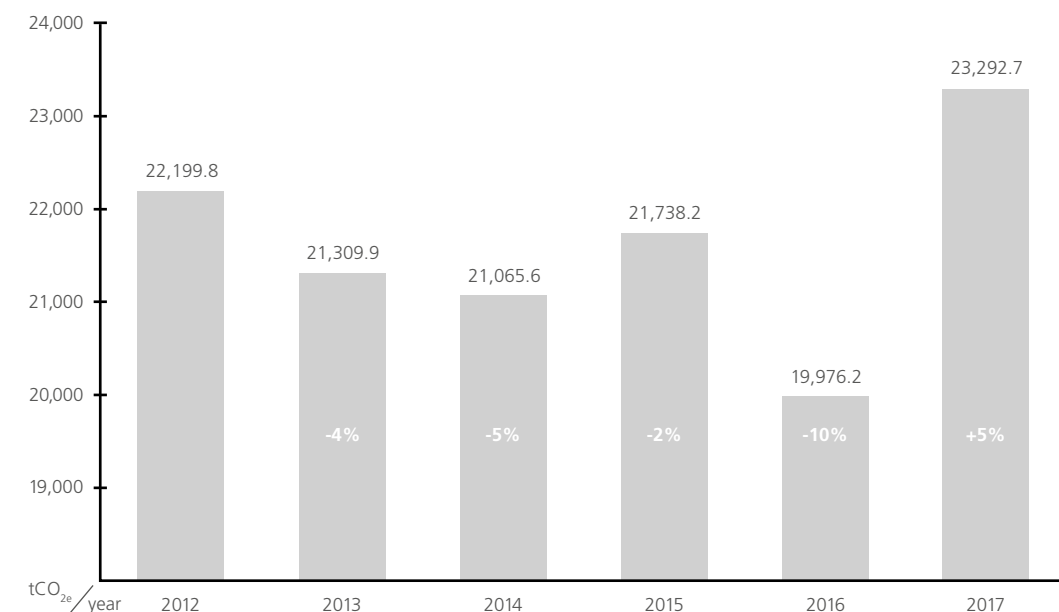
ENERGY CONSUMPTION

	2014	2015	2016	2017
Total fuel consumption	1,439,665.8 litres	1,402,789.8 litres	2,608,853.4 litres	1,477,862 litres
Total electricity consumption	23,922 MWH	23,745.1 MWH	17,489.4 MWH	24,176.3 MWH
% of electricity purchased from EDL	75.9%	73.4%	44.4%	66%
% of electricity produced by owned generators	12.7%	12.5%	31.6%	12.90%
% of electricity purchased from shared generators	11.4%	14.1%	24%	21.10%

Sources of conversion factors used are the same as those used in 2013*.

* 2013 CSR Report, Figure 20.

EMISSIONS



Percentages compared to baseline year, 2012.

Our Contribution to Reducing the Nation's Carbon Footprint

	2013	2014	2015	2016	2017
Total tCO ₂ saved due to environmental loans	158 tCO ₂	2,533 tCO ₂	12,771 tCO ₂	10,828 tCO ₂	23,023 tCO ₂

Bank Audi contributed to reducing the nation's carbon footprint through facilitating environmental loans granted by the Central Bank (Circular 236). In coordination with the Lebanese Centre for Energy Conservation (LCEC), as observed since 2013. These loans helped various residential, commercial and industrial projects emerge with reduced carbon emissions. Hence an overall saving of 23,023 tCO₂ in carbon footprint due to these loans using energy efficient, solar or photovoltaic solutions.

Emissions per Sources

As foreseen in our 2016 CSR Report (ref. Table 22: GHG Emissions) and due to estimations in electricity consumptions made at the time given the lack of official data, and as recommended by our consultants, we optimized the data collection in 2017 by computing monthly consumptions directly from our electrical meters (versus the billed consumption methodology). This reflected the real consumption and increased the reported data accuracy.

Therefore, in its 2017 GHG report, Bank Audi had a higher total GHG emissions (in tCO_{2e}) compared to its baseline year 2012. However, this report also shows a reduction of 10.8% when expressed in tCO_{2e} per m² when compared to the baseline year since the total area of the Bank has increased by 15% (96,579 m² in 2012 to 113,668 m² in 2017) requiring a higher demand of electricity.

Consequently, these results reflect the seriousness in reducing the Bank's environmental impacts.

Sources	%
EDL	45%
Shared generator	28%
Diesel consumption	17%
Refrigerant	4%
Flights	3%
Courier services	2%
Paper	1%

CONCORDANCE TABLE

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
UNIVERSAL STANDARDS					
102 - General Disclosures					
Organisational Profile					
102-1	Report the name of the organisation.	6.3.10. 6.4.1- 6.4.5. 6.8.5. 7.8.			P. 7
102-2	Report the primary brands, products and services.				P. 9, 48, 61
102-3	Report the location of the organisation's headquarters.				P. 7
102-4	Report the number of countries where the organisation operates, and names of countries where it has significant operations or that are specifically relevant to the sustainability topics covered in the Report.				P. 7
102-5	Report the nature of ownership and legal form.				P. 7
102-6	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).				P. 7
102-7	Report the scale of the organisation, including: - Total number of employees. - Total number of operations. - Net sales (for private sector organisations) or net revenues (for public sector organisations). - Total capitalisation broken down in terms of debt and equity (for private sector organisations). - Quantity of products or services provided.			SDG 8	P. 9, 15, 61
102-8	a. Total number of employees by employment contract (permanent and temporary), by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender. d. Whether a significant portion of the organisation's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries). f. An explanation of how the data was compiled, including any assumptions made.		Principle 6	SDG 5 SDG 8 SDG 10 SDG 16	P. 66
102-9	A description of the organisation's supply chain, including its main elements as they relate to the organisation's activities, primary brands, products, and services.			SDG 8	P. 22
102-10	Report any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain - Changes in the location of, or changes in operations, including facility openings, closings, and expansions. - Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations). - Changes in the location of suppliers and the structure of the supply chain, or in relationships with suppliers, including selection and termination.				P. 7
102-11	Report whether and how the organisation applies the Precautionary Principle or approach.			SDG 8 SDG 9 SDG 13	P. 11, 59
102-12	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.			SDG 8	P. 3, 4, 6, 8, 49
102-13	A list of the main memberships of industry or other associations, and national or international advocacy organisations.		Principle 3		P. 51

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
Strategy					
102-14	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy for addressing sustainability.	4.7. 6.2. 7.2. 7.4.2.			P. 3
Ethics and Integrity					
102-16	Describe the organisation's values, principles, standards and norms of behaviour.	4.4. 6.6.3.	Principle 10	SDG 8 SDG 16	P. 1
Governance					
102-18	The reporting organisation shall report the following information: a. Governance structure of the organisation, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social topics.	6.2. 7.4.3. 7.7.5.			P. 7 Annual Report 2017, p.13, refer to the website
Stakeholder Engagement					
102-40	Provide a list of stakeholder groups engaged by the organisation.	5.3.			P. 53
102-41	Percentage of total employees covered by collective bargaining agreements.	6.3.10. 6.4.1- 6.4.5. 6.8.5. 7.8.	Principle 3	SDG 8 SDG 10 SDG 16	P. 66
102-42	Report the basis for identifying and selecting stakeholders with whom to engage.	5.3. 6.7.1 - 6.7.2.			P. 53
102-43	Report the organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagements was undertaken specifically as part of the Report's preparation process.	6.7.6.			P. 53
102-44	Report key topics and concerns that were raised through stakeholder engagement, including: i. How the organisation has responded to those key topics and concerns, including through its reporting. ii. The stakeholder groups that raised each of the key topics and concerns."				P. 22, 53
Reporting Practice					
102-45	Report the following information: a. List all entities included in the organisation's consolidated financial statements or equivalent documents. b. Whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the Report.	5.2. 7.3.2. - 7.3.4.			P. 51
102-46	a. Explain the process for defining the Report's content and the aspect boundaries. b. Explain how the organisation has implemented the reporting principles for defining the Report's content.				P. 51, 52
102-47	List all the material topics identified in the process for defining the Report's content.				P. 51, 52
102-48	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.				P. 51
102-49	Report significant changes from previous reporting periods in the list of material topic and topic boundaries.				P. 51

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
102-50	Reporting period for the information provided.	7.5.3. 7.6.2.			P. 51
102-51	Date of most recent previous report (if applicable).				P. 51
102-52	Reporting cycle (such as annual or biennial).				P. 51
102-53	Provide the contact point for questions regarding the Report or its content.				P. 51
102-54	The reporting organisation shall report the following information: a. The claim made by the organisation, if it has prepared a report in accordance with the GRI Standards. Either: i. This report was prepared in accordance with the GRI Standards: Core option; or ii. This report was prepared in accordance with the GRI Standards: Comprehensive option.				P. 51
102-55	The reporting organisation shall report the following information: a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the Report. b. For each disclosure, the content index shall include: i. The number of the disclosure (for disclosures covered by the GRI Standards). ii. The page number(s) or URL(s) where the information can be found, either within the Report or in other published materials. iii. If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.				P. 71
102-56	The reporting organisation shall report the following information: a. A description of the organisation's policy and current practice with regard to seeking external assurance for the Report. b. If the Report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process. ii. The relationship between the organisation and the assurance provider. iii. Whether and how the highest governance body or Senior Executives are involved in seeking external assurance for the organisation's sustainability report.				P. 51
103 - Management Approach					
103-1	For each material topic, the reporting organisation shall report the following information: a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. Where the impacts occur. ii. The organisation's involvement with the impacts. For example, whether the organisation has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	5.2. 6. 6.3.6. 7.3.1. - 7.3.4. 7.4.3. 7.7.3. 7.7.5.			P. 57, 58
103-2	For each material topic, the reporting organisation shall report the following information: a. An explanation of how the organisation manages the topic. b. A statement of the purpose of Management's approach. c. A description of the following, if Management's approach includes that component: i. Policies. ii. Commitments. iii. Goals and targets. iv. Responsibilities. v. Resources. vi. Grievance mechanisms. vii. Specific actions such as processes, projects, programs and initiatives.				P. 58
103-3	For each material topic, the reporting organisation shall report the following information: a. An explanation of how the organisation evaluates Management's approach, including: i. The mechanisms for evaluating the effectiveness of Management's approach. ii. The results of the evaluation of Management's approach. iii. Any related adjustments to Management's approach.				P. 58

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE	
TOPIC SPECIFIC STANDARDS						
200 - Economic Standards						
Economic Performance						
201-1	Direct economic value generated and distributed.	6.8.1 - 6.8.3. 6.8.7. 6.8.9.		SDG 5 SDG 7 SDG 8 SDG 9 SDG 13	P. 9, 15, 27, 44, 61, 63	
Market Presence						
202-1	Ratios of standard entry level wage by gender compared to local minimum wage.	6.3.7. 6.3.10. 6.4.3. 6.4.4. 6.8.1 - 6.8.2.	Principle 6	SDG 5 SDG 8 SDG 10 SDG 16	P. 37	
Indirect Economic Impact						
203-1	Report the following information: a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.	6.3.9. 6.8.1 - 6.8.2. 6.8.5. 6.8.7. 6.8.9.		SDG 4 SDG 5 SDG 8 SDG 9	P. 18, 21, 27, 33, 39, 62, 63, 64, 68	
Procurement Practices						
204-1	Proportion of spending on local suppliers.	6.4.3. 6.8.1 - 6.8.2. 6.8.7.			P. 22	
Anti-corruption						
205-2	Communication and training about anti-corruption policies and procedures.	6.6.1 - 6.6.3. 6.6.6.	Principle 10 Principle 2		P. 11, 41, 60	
300 - Environmental Standards						
Energy						
302-1	Energy consumption within the organisation.		Principle 7 Principle 8 Principle 9	SDG 7 SDG 9 SDG 12 SDG 13 SDG 15	P. 47, 69	
Emissions						
305-1	Direct greenhouse gas (GHG) emissions (Scope 1).	6.5.5.			SDG 12 SDG 13	P. 46, 69, 70
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2).				SDG 12 SDG 13	P. 46, 69, 70
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3).				SDG 12 SDG 13	P. 46, 69, 70
305-4	Greenhouse gas (GHG) emissions intensity.				SDG 12 SDG 13	P. 46, 69, 70
Effluents and Waste						
306-2	Total weight of waste by type and disposal method.	6.5.3.		SDG 12	P. 46, 68	

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
400 - Social Standards					
Employment					
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	6.4.3.	Principle 6	SDG 4 SDG 5 SDG 8 SDG 10 SDG 16	P. 37, 67
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	6.4.4. 6.8.7.		SDG 8	P. 38
401-3	Report the following information: a. Total number of employees that were entitled to parental leave, by gender. b. Total number of employees that took parental leave, by gender. c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender. d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. e. Return to work and retention rates of employees that took parental leave, by gender.	6.4.4.		SDG 4 SDG 5 SDG 8	P. 38, 67
Training and Education					
404-1	Average hours of training that the organisation's employees have undertaken during the reporting period, by: i. Gender. ii. Employee category.	6.4.7.		SDG 4 SDG 5 SDG 8	P. 37, 64
404-2	Report the following information: a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	6.4.7. 6.8.5.		SDG 4 SDG 8	P. 64
404-3	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	6.4.7. 6.8.5. 6.4.3.		SDG 5	P. 64
Diversity and Equal Opportunity					
405-1	Report the following information: a. Percentage of individuals within the organisation's governance bodies in each of the following diversity categories: i. Gender. ii. Age group: under 30 years old, 30-50 years old, over 50 years old. iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: i. Gender. ii. Age group: under 30 years old, 30-50 years old, over 50 years old. iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	6.2.3. 6.3.7. 6.3.10. 6.4.3.		SDG 4 SDG 5 SDG 10 SDG 16	P. 9, 37, 65
405-2	Ratio of basic salary and remuneration of women to men for each employee category, by significant locations of operation.	6.3.7. 6.3.10. 6.4.3. 6.4.4.		SDG 5 SDG 8 SDG 10 SDG 16	P. 37
Human Rights Assessment					
412-2	Report the following information: a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations. b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.	6.3.5.	Principle 1 Principle 2 Principle 4 Principle 6	SDG 16	P. 11

GRI STANDARDS		ISO 26000	UN GLOBAL COMPACT	SDG	REFERENCE
Socioeconomic Compliance					
419-1	Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.	4.6.		SDG 16	P. 11
SECTOR SPECIFIC INDICATORS					
Local Communities					
G4-FS13	Access points in low-populated or economically disadvantaged areas by type.			SDG 8 SDG 16	P. 22
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.			SDG 8 SDG 9 SDG 11 SDG 16	P. 22
Product and Service Labeling					
G4-FS16	Initiatives to enhance financial literacy by type of beneficiary.			SDG 4 SDG 11	P. 31, 32
Product Portfolio					
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.			SDG 4 SDG 5 SDG 8 SDG 9 SDG 11 SDG 13	P. 22
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.			SDG 7 SDG 8 SDG 9 SDG 13 SDG 15	P. 44

*Principle 5: Child Labour, N/A.

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Protecting further our environment, we have opted to have a soft version only of our full-fledged 2017 CSR Report with an executive summary in print.