SUSTAINING
SHARED VALUE

Bank Audi

CSR REPORT **2015**
LEBANON

TABLE OF CONTENTS

Welcome 4
Introduction 8
Our Materiality Process 12
Our Updated CSR Strategy for 2015 16
Creating Value through Partnerships 17

Corporate Governance 20
Economic Development 26
Community Development 36
Human Development 48
Environmental Protection 60

Supplementary Information 68
Reporting and Ratings 70
Internal Audit 75
Appendices 76

LIST OF TABLES

Table 01 - Our Commitments and Outcomes 10
Table 02 - Basis for Internal and External Stakeholder Selection 12
Table 03 - Examples of Bank Audi's Membership in Industry Associations 17
Table 04 - Transaction E&S Risk Statistics 23
Table 05 - Anti-corruption Related Training 24
Table 06 - Bank Audi's Indirect Economic Impact 30
Table 07 - Surveys Conducted to Measure Customer Satisfaction as per our Quality Program Specifications 32
Table 08 - Summary of the Rewards Program Outcomes since 2012 40
Table 09 - Comparison of Employee Volunteerism: 2013, 2014 and 2015 44
Table 10 - Summary of Employee Training Hours 51
Table 11 - Employee Development Programs and Number of Participating Employees 51
Table 12 - Employee Composition by Gender and Employee Category at Bank Audi Group Lebanon 53
Table 13 - Employee Composition by Age Group and Employee Category at Bank Audi Group Lebanon 53
Table 14 - Composition of Governance Body Committees by Gender and Age Group at Bank Audi 53
Table 15 - Employee Distribution by Contract Type and Gender at Bank Audi Group Lebanon 54
Table 16 - New Employee Hires at Bank Audi Group Lebanon 54
Table 17 - Return to Work Rates after Parental Leave, by Gender, at Bank Audi Group Lebanon 56
Table 18 - Paper Recycling between 2012 and 2015 63
Table 19 - Total Weight of Waste by Type 63
Table 20 - Bank Audi's Greenhouse Gas Emissions between 2012 and 2015 65
Table 21 - Concordance Table Summarising GRI G4 Indicators, UNGC Principles and ISO 26000 Subjects as Observed by Bank Audi 70
Table 22 - Awards for Bank Audi Group Lebanon in 2015 74

LIST OF APPENDICES

Appendix 01 - Highlights of Code of Ethics and Conduct 76
Appendix 02 - Bank Audi's CSR Policy 76
Appendix 03 - Sampling of Bank Audi's Brands, Products and Services 77
Appendix 04 - Initiatives Endorsed by Bank Audi 77
Appendix 05 - Financial Literacy across our Products and Services 78

LIST OF FIGURES

Figure 01 - Our CSR Milestones 9
Figure 02 - Process of Defining Material Aspects and Boundaries 14
Figure 03 - Our Materiality Process in Summary 15
Figure 04 - Materiality Matrix and Main Issues of Priority Concern for 2015 15
Figure 05 - Bank Audi's CSR Pillars and Material Aspects for 2015 16
Figure 06 - CSR at a Glance at End 2015 18
Figure 07 - Our Multi-Faceted Corporate Governance Foundations 22
Figure 08 - A Spectrum of Community Development Initiatives 46
Figure 09 - Investing In Employee Training - A Continuing Top Priority 50
Figure 10 - Bank Audi's Employee Sponsorship Grants 52
Figure 11 - Workforce Composition with Respect to Gender in 2015 54
Figure 12 - Number of Trees Saved since 2012 64
Figure 13 - Total GHG Emissions per Year for Bank Audi 65
Figure 14 - Bank Audi's Greenhouse Gas Emission Sources 65
Figure 15 - Emissions per Sources in 2015 (%) 66

WELCOME

Statement of the Chairman and the Chief Executive Officer

Our nation's economy is witnessing a slow recovery, with unemployment and poverty remaining stubbornly high. As a leading financial institution in Lebanon, Bank Audi plays an important role in ensuring financial stability and driving growth and sustainable solutions. This is achieved by providing needed capital for business investments, diversifying risks, and introducing innovative financial solutions. We are confident that our corporate purpose is invariably balanced and sustained through our commitment to our social mission and our social objectives.

In fact, beyond the robust banking model that is at the heart of our business performance, Bank Audi has a long-standing commitment to working with and investing in our communities. Our Corporate and Social Responsibility activities extend to five core pillars: Corporate Governance, Economic Development, Human Development, Community Development and Environmental Protection. In 2015, we have further bolstered and reinforced our engagements under these five pillars in ways that will maximise positive spillovers to our stakeholders and to the larger community.

As disclosed in the enclosed report, key achievements for this year include further strengthening our materiality process by holding dedicated stakeholder engagement sessions to gauge the priorities of our internal and external stakeholders.

Accordingly, in 2015, we worked on strengthening our Environmental and Social Management System (ESMS). We also tried to amplify our direct and indirect economic spillovers, particularly in the domains of product responsibility and product portfolio, not only through remodelling our digital banking offerings and solutions, but working in parallel to make our services accessible to the more vulnerable and disadvantaged communities.

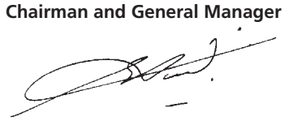
In the Community Development domain, we have further extended our humanitarian and social initiatives, and built new partnerships with the local community, with a particular focus on nurturing our employee volunteerism and engagement.
On the environmental side, we pushed ahead with the initiatives we have in place to minimise our negative environmental externalities, in line with the precautionary principle.

It is very heartening to see our progress in the CSR domain, and we consider it to be vitally important that we continue to work with internal and external stakeholders to ensure that our business practices excel in sustainability and have a positive impact on the communities around us. In this report, you will read about the different facets of our involvement with the community. In 2015, we made progress in ensuring the prosperity of our customers and communities, and we remain firmly committed to our mission of contributing to a sustainable future for all our stakeholders over the coming years.

In closing, we take great pride in expressing our gratitude to our employees who represent the driving force that helped move Bank Audi forward to the point where it stands today.

Sincerely,

Raymond W. Audi
Chairman and General Manager



Samir N. Hanna
Group Chief Executive Officer

Message of the Head of CSR

The 2015 CSR Report genuinely depicts how we view and live "Responsibility". It is the fifth CSR Report, marking the 5th anniversary of the CSR Unit at Bank Audi.

Evolving in this journey we have mapped for ourselves, guided by our long-standing core values, we have centred our CSR in the inclusion of our stakeholders. To this end, we have engaged them through a special yearly Stakeholders' Panel, a ritual meant to enrich our impact and understanding of the community needs. This helped us connect in an open dialogue with a wide range of stakeholders – from employees and customers to community representatives, and even other financial institutions – in order to foster understanding on topics of mutual interest. The issues identified during this special session alongside tailored surveys, miscellaneous events' feedback and interactions with our key stakeholders, help us gage our materiality context for significant matters. These issues are continuously assessed and contribute to refining our CSR strategy. In turn, we prioritise them according to feedback measured, and hence monitor and report our progress against forward-looking commitments across five areas.

Informed by these conversations, we have refined our material aspects to support SMEs, empower start-ups, encourage financial literacy, engage in vocational outreach, and enhance our corporate volunteerism. Through our economic success and competitive presence, we create value for our stakeholders at large. We also advocate a sustainable future for our community by upholding stringent environmental and social norms. Aiming to continuously improve our environmental protection, we seek to use resources efficiently and utilise environmentally friendly technologies.

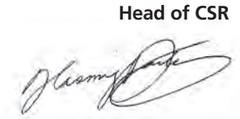
Acknowledging the cultural and social specificities of our region and applying high standards of ethics and integrity, we maintain wide parameters to include a scope of partners.

We value the diversity of our employees, promote equal opportunity, support their talents and offer an attractive work environment that provides the best possible work-life balance. In keeping with our corporate culture, our employees actively partake in a vast number of community projects which add value and enrich their lives. This is how we combine our performance culture with a culture of responsibility, and it is these factors that render our institution an employer of choice and keep our tenure at a minimum.

These actions during 2015 prompted the refinement of our CSR strategy from a philanthropic lens, while sharing true value. Together with the ten members of our CSR Committee representing the various departments of our institution, and led by our General Manager, our long-term objective is to encourage more players to engage in social responsibility, thus ensuring a better future for generations to come. We are cognisant that our success in spreading further awareness on the uptake of CSR will continue to expand through communication.

Responsibly,

Hasmig G. Khoury
Head of CSR



Current CSR Committee Members

Mr. Marc Audi	General Manager – Country Manager Lebanon
Mr. Farid Lahoud	Group Corporate Secretary
Mrs. Ghina Dandan	Network Manager – Corporate Banking
Mr. Jean Traboulsi	Head of Marketing & Communications
Mr. Youssef Nizam	Chief Investment Officer – Audi Private Bank sal
Mrs. Maya Younis	Corporate Credit Manager – Group Credit
Mrs. Aziza Noujaim	Head of Customer Acceptance & FI AML Relations Unit
Mr. Jad Ibrahim	Head of Internal Communication
Mr. Mohamad Chamseddine	Human Capital Manager
Mrs. Hasmig Khoury	Head of Corporate Social Responsibility

Consultant to the CSR Committee

Dr. Dima Jamali	Professor of Management – Kamal Shair Endowed Chair in Responsible Leadership American University of Beirut (AUB)

INTRODUCTION

Founded in Lebanon in 1830, Bank Audi has sustained its solid growth, building a strong legacy of excellence in banking. The Bank is headquartered in Lebanon, yet has successfully expanded to 11 other countries located across the Near East, North Africa, the GCC and Europe, namely Switzerland, France, Jordan, Syria, Egypt, Sudan, the Kingdom of Saudi Arabia (KSA), Qatar, Monaco, Turkey 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, international institutional 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, Investment Banking, and Islamic Banking within a wide range of industries including manufacturing, trading, contracting, real estate development, hotels, 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 outstanding 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 2015, the strong strategic orientations set by Management proved, once again, to reinvigorate the Group's readiness to seize opportunities for the development of activities and expansion while ensuring long-term added value to all stakeholders. Our Executive Management remains determined to further advance environmental and social goals and sustain the financial and business achievements that contribute to socio-economic growth and financial stability. In the future, we will continue to aspire towards remaining 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.

Accordingly, this year, we continued to bolster our Corporate Social Responsibility (CSR) strategy and advance our mission of being leaders in sustainability in the Lebanese context and beyond. As a central principle of the Bank's operating strategy, CSR has been embedded across various aspects of our retail and banking operations since 2010 through different milestones including the setting up of a stand alone CSR Unit, the establishment of a CSR Committee and a formal CSR policy in 2012, the piloting of ISO 26000 Guidance in 2012, as well as the delineation and further extension of our CSR strategy in 2013, revolving around five core pillars: Corporate Governance, Economic Development, Community Development, Human Development and Environmental Protection. In 2015, we took further steps to strengthen our involvement under each of these pillars and to steer forward by further integrating CSR at the heart of our business, demonstrating our unwavering commitment to conduct our business ethically and responsibly. Our approach to sustainability is therefore guided by the spirit and principles of continuous improvement, and is invariably grounded in a tactful balance between the triple bottom line "Ps" of Profit (economic), People (social) and Planet (environmental). This has translated into a continuous learning and improvement journey, and important changes to our business model and patterns of resource use that are more restorative and inclusive. Those patterns seek to make us a more sustainable business which contributes in a positive way to making a difference in relation to economic, social and environmental issues that are important in our particular context and community.

Key achievements for this year include strengthening our materiality process by continuing to work with internal and external stakeholders to ensure that our business practices are inspired and guided by the core tenets of sustainability and have a positive spillover effect on our employees, clients and communities. An example of our extensive stakeholder engagement initiatives for this year includes the dedicated stakeholder panel that was held on December 2, 2015, where we probed our various stakeholders on the most relevant, pressing and material CSR issues from their respective vantage points. The compiled and useful feedback helped us further improve what we do in the domain of CSR. Our stakeholder engagement process is invariably guided by the core values of the Bank, namely Transparency, Civic Role, Human Capital, Innovation, Heritage and Quality, and is anchored in broader stakeholder engagement principles pertaining to stakeholder inclusiveness. Our reporting is guided by the values of relevance, accuracy, timeliness, comparability, reliability, clarity 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, the environment and society at large.

Figure 1: Our CSR Milestones

The current annual CSR Report, for the reporting period covering 2015, is Bank Audi's fifth edition and sits along the Bank's 2015 Annual Report, with the most recent previous report being the 2014 CSR Report that was published in September 2014. The Report will flesh out the most relevant advances for this year, within the context of our expanded materiality exercise, and our comprehensive and integrated CSR strategy revolving around the five pillars including Corporate Governance, Economic Development, Community Development, Human Development and Environmental Protection. As this is our fifth CSR report, some information of great significance that was highlighted in previous reports may be featured again, while information deemed redundant or unnecessary was omitted to preserve the fluidity and coherence of the Report as a whole. We are confident that the discussion that follows will not only be engaging, but will also help capture our manifold positive impacts on people, society and the environment during 2015.

We have determined the content and structure of our CSR Report based on international standards and frameworks including the ISO 26000 guidance, the UN Global Compact (UNGC), and the Global Reporting Initiative (GRI). In this respect, we were fortunate to be the first bank in Lebanon to benefit from piloting ISO 26000 and integrating its guidance in the various aspects of our strategy and year on year reporting. Our report also addresses the 10 principles of the UN Global Compact of which we are a proud recent official signatory (May 2015). Our 2015 report is also prepared "in accordance" with GRI G4 Guidelines and the Financial Services Sector Disclosures, as a "core" application level, which implies that we report on practically every indicator that falls within the scope of any material issue for the Bank, and that we provide a useful guide at the end of this report, which can serve as a roadmap to the reader (Concordance Table). We are proud, in this regard, to be the first institution in Lebanon to adopt G4 Guidelines and stand by GRI's vision of responsible management and transparent reporting.

GRI GOLD Community Bank Audi 2016

ISO 26000 SOCIAL RESPONSIBILITY

THE GLOBAL COMPACT WE SUPPORT

While non-exhaustive, Table 1 provides a snapshot of some of our key achievements and outcomes in 2015, in the context of our constantly evolving CSR strategy and in relation to each pillar. This not only highlights our assiduous strategic planning, monitoring and implementation policies and processes in the field of CSR, but also sheds the light on our continuous improvement ethos and unwavering commitment to continue going the extra mile in institutionalising CSR and making significant progress.

Table 1: Our Commitments and Outcomes

PILLAR	WE PLANNED	WE ACHIEVED IN 2013	WE ACHIEVED IN 2014	WE ACHIEVED IN 2015
Corporate Governance	Further institutionalise CSR at the heart of the business		Implemented an Environmental and Social Management System (ESMS) which guides our approach for evaluating the environmental and social (E&S) risks	179 employees attended an ESMS training in 2015 Total of 616.5 training hours on ESMS
Economic Development	Improve our financial performance	Total revenue amounted to USD 640.5 million Total shareholders' equity and subordinated debt amounted to USD 2.90 billion	Total revenue increased to USD 689.6 million Total shareholders' equity and subordinated debt reached USD 3.64 billion	Total revenue increased to USD 836.1 million Total shareholders' equity and subordinated debt reached USD 3.775 billion
	Increase total number of operations	Total number of operations reached 98,205,129	Total number of operations increased to 117,599,198	Total number of operations increased to 131,205,788
	Increase our employee base	Number of employees was 2,890	Number of employees increased to 2,989	Number of employees increased to 3,130
	Increase branches equipped with ramps	Percentage of branches equipped with ramps was 71%	Percentage of branches equipped with ramps increased to 75%	Percentage of branches equipped with ramps increased to 78%
	Increase branches in remote areas	Percentage of branches in remote areas was 14%	Percentage of branches in remote areas increased to 15%	Percentage of branches in remote areas increased to 17.3%
	Increase ATMs located in remote areas	Percentage of ATMs located in remote areas was 15%	Percentage of ATMs located in remote areas increased to 17%	Percentage of ATMs located in remote areas increased to 19%
Community Development	Increase support to health-related causes	Support to health-related causes amounted to USD 520,000	Support to health-related causes increased to USD 557,000	Support to health-related causes increased to USD 618,792
	Enlighten children about donation	Value of points collected was USD 20,000, benefiting 12 NGOs	Value of points collected increased to USD 59,000, benefiting 18 NGOs	Value of points collected increased to USD 94,000, benefiting 18 NGOs
	Provide support to culture-related causes	Support to culture-related causes amounted to USD 530,000	Support to culture-related causes increased to USD 1,470,000	Support to culture-related causes reached USD 1,300,000
	Improve our employee Volunteer Program	Number of employee volunteers was 23 upon initiation of program Number of beneficiaries was 284	Number of employee volunteers increased to 150 Number of beneficiaries increased to 829	Number of employee volunteers increased to 228 Number of beneficiaries increased to 3,617
Human Development	Employee training	Total number of employees trained was 2,080	Total number of employees trained increased to 2,345	Total number of employees trained amounted to 2,230
	Increase programs aimed at supporting employee careers	Number of programs aimed at supporting employee careers was 22	Number of programs aimed at supporting employee careers increased to 24	Number of programs aimed at supporting employee careers increased to 26
	Increase value of employee benefit expenditures and wellness programs	Value of benefits and wellness programs offered to employees amounted to USD 18,469,000	Value of benefits and wellness programs offered to employees increased to USD 19,358,000	Value of benefits and wellness programs offered to employees increased to USD 20,634,341
Environmental Development	Promote products and services designed to deliver a specific environmental benefit	Monetary value dedicated to products and services designed to deliver a specific environmental benefit amounted to USD 30,464,100	Monetary value dedicated to products and services designed to deliver a specific environmental benefit increased to USD 52,433,458	Monetary value dedicated to products and services designed to deliver a specific environmental benefit amounted to USD 26,493,246
	Increase paper recycling and save trees	Paper recycling was 83 tons and the number of trees saved was 1,414	Paper recycling increased to 104 tons, thus increasing the number of trees saved to 1,763	Paper recycling increased to 147 tons, thus increasing the number of trees saved to 2,495
	Participate in plastic recycling	Recycled plastic was 130 kg	Recycled plastic increased to 157 kg	Recycled plastic reached 150 kg
	Reduce total greenhouse gas emissions	Previously reduced GHG emissions from 22,199.80 tCO_2 to reach 21,309.90 tCO_2	Reduced GHG emissions to 21,065.60 tCO_2 (5% decrease over 2 years)	Reduced GHG emissions to 21,738.20 tCO_2 (2.1% decrease over 3 years)
	Instil environmental awareness on both internal and external levels		Conducted internal and external environmental workshops	Engaged internal and external stakeholders in environmental initiatives

OUR MATERIALITY PROCESS

Our goal in this report is to address and reveal our progress in relation to important issues that our stakeholders care most about and to provide information in an accurate, transparent and accessible way vis-à-vis various aspects of our social engagement. Similar to 2014, we continue to take active steps to enhance our materiality process by further bolstering and enhancing our internal and external engagement processes. In fact, we take pride in being an institution that engages in open and constructive dialogue with its stakeholders and pays systematic attention to their feedback in refining its CSR strategy. This meticulous materiality exercise formed the basis for defining our report's content for 2015.

Building on the principle of stakeholder inclusiveness, we have expanded our engagement process and seek substantive and meaningful input from a variety of stakeholders. The identification and engagement of these ensure that our materiality process is as holistic as possible. We define stakeholders using the definition provided by GRI: "Stakeholders are entities or individuals that can reasonably be expected to be significantly affected by the organisation's activities, products and services, and whose actions can reasonably be expected to affect the ability of the organisation to successfully implement its strategies and achieve its objectives."

Engaging our stakeholders.

Table 2: Basis for Internal and External Stakeholder Selection

Stakeholder Groups	Stakeholders Included and Basis of Selection	Channels Used	Issues Identified
INTERNAL			
Employees	The largest number of beneficiaries who uphold and reflect 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 reporters of information.	- e-newsletters - Tailored surveys - Internal communication	- Promoting Green Tech start-ups - Securing an insurance program for Bank Audi employees to protect their retirement - Taking care of parents who can't afford their children's tuitions - Equipping the Bank properly to cater for the needs of physically disabled employees (special WCs, etc.) - Having every manager at the Bank mentor university students looking for a job - Encouraging diversity at the Senior Management level - Furthering a corporate Volunteer Program - Expanding collaboration with partners empowering the youth - Including CSR in the Talent Assessment Centre (TAC) passport - Delegating CSR champions at branches
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	

Based on this definition, we have engaged a range of stakeholders in our materiality process for this year, capitalising on different tools and communication processes as revealed in Table 2. Both sets of stakeholders are important from the Bank's perspective, and this feedback was in fact instrumental in helping us define and refine our CSR strategy and pin down our most salient and material issues for 2015, as well as the relevant aspect boundaries.

Additionally, we also consulted with key strategy setting officials and Bank Audi shareholders who have directed our attention to the continued importance of core governance-related issues, including extensive due diligence, compliance and risk management processes, ethical conduct, anti-corruption efforts, as well as further strengthening policies and processes relating to social and environmental risk assessment and protecting the sanctity of human rights. This feedback is very much consistent with what we obtained last year.

Stakeholder Groups	Stakeholders Included and Basis of Selection	Channels Used	Issues Identified
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 recognise 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	- Building further awareness on CSR both internally and externally - Financial literacy & microfinance - Job creation - Vocational training - Soliciting the BDL for health and safety regulations such as loans' regulations for fair competition - Energy efficiency collaborations - Building the capacity of NGOs and offering them guidance - Competition for NGOs - Guest-Speaker Program - Wheelchair Program - Eco-friendly car loan - Drug awareness - Earth Hour - Reverse vending for IT - Environmental loans
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 offerings.	- Tailored surveys - Meetings - Stakeholder engagement panel	
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 spillover 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	
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	
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 advance CSR in Lebanon.	- Meetings - Stakeholder engagement panel - Workshops	
Community and 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 various aspects of its activities, including CSR. Through the media, we stay in touch with the various external stakeholders around us and convey and share our identity, programs and activities.	- e-newsletters - Interviews - Events - Newspapers	
Jury members	Diverse stakeholders were selected to choose the best 3 initiatives proposed by university students in the university awareness competition.	- Events	

Beyond identification of core material issues and aspect boundaries, Bank Audi's CSR Committee then engaged in a process of assessment and prioritisation to revisit all the feedback and focus on mapping the issues raised to the GRI G4 Sustainability Reporting Guidelines. The entire materiality process is depicted in the flow chart (Figures 2 & 3). Moreover, this process has led to the materiality matrix (Figure 4) and is further mapped to the five pillars which serve as a basis for our reporting. The material aspects were in turn shared with Bank Audi's Executive Committee and Senior Management, including heads of Credit and Commercial Banking, Risk Management, Communications and Human Resources, and validated against scope, aspect boundaries and time. With the active involvement of Mr. Marc Audi, General Manager – Country Manager Lebanon, the CSR Committee confirmed that the material issues identified will serve as the basis for the Bank's Generic Disclosures on Management Approach (DMA) in 2015.

Emphasis in the 2015 CSR Report has thus been given to those aspects that were divided in three categories: very high importance, high importance, and medium importance by our internal and external stakeholders. We have excluded from the Report aspects that were considered non-material, given their lower importance and/or their inapplicability to Bank Audi's operating context. Considering that the materiality process was restricted to Bank Audi Lebanon, these material aspects are relevant for all Lebanese subsidiaries, and the scope of the Report and aspect boundaries are primarily focused on Bank Audi Group - Lebanon entity (Bank Audi sal and its Lebanon-based subsidiaries).

Figure 2: Process of Defining Material Aspects and Boundaries

Figure 3: Our Materiality Process in Summary

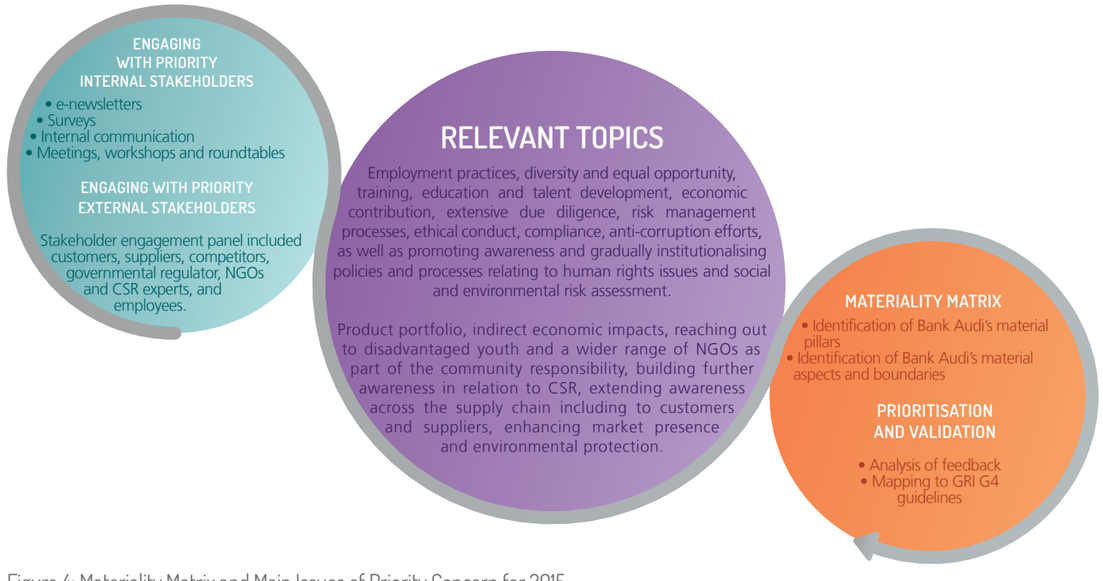


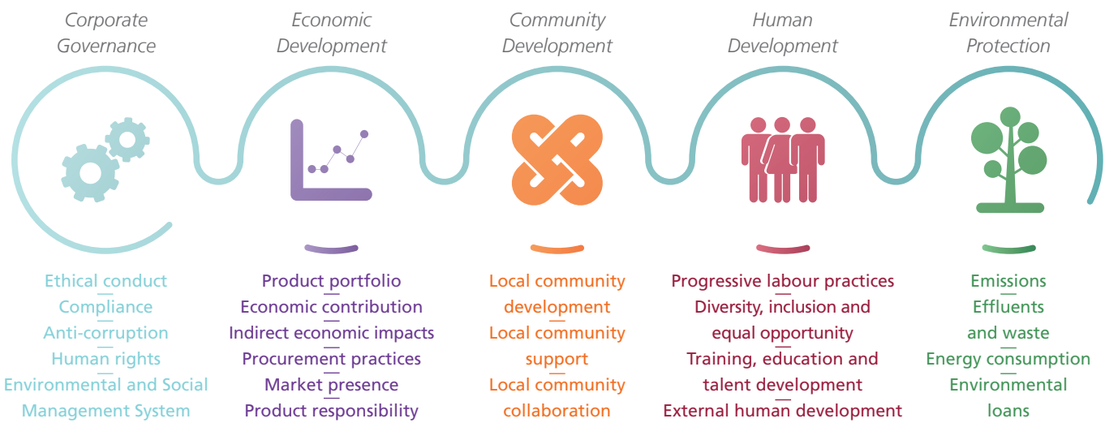
Figure 4: Materiality Matrix and Main Issues of Priority Concern for 2015

OUR UPDATED CSR STRATEGY FOR 2015

Our 2015 CSR strategy further reflected Bank Audi's commitment to responsible business performance as we continued to address priority thematic areas revolving around our five core pillars: Corporate Governance, Economic Development, Human Development, Community Development and Environmental Protection. All five pillars are interconnected, mutually reinforcing and reflecting priorities that are embedded in our day-to-day business.

These pillars, as illustrated in Figure 5 with corresponding material aspects, will be fleshed out with greater detail in the sections that follow. Taken together, they represent a consolidation of the areas where we believe we can make the most difference. They are at the heart of the CSR strategy of Bank Audi for 2015, which is fundamental to how we conduct our business as a premier banking institution. They also provide a platform for sustaining our leadership in CSR by helping us foster a sustainable ecosystem around us, within the scope of a delimited set of core material areas of intervention. Throughout the Report, we highlight the points of progress under each of the five pillars, as well as the material impacts identified.

Figure 5: Bank Audi's CSR Pillars and Material Aspects for 2015



CREATING VALUE THROUGH PARTNERSHIPS

Recognising that our resources are limited, it is hard to accomplish significant impact alone. The complexity of the issues of the regional context calls for joint action to achieve sustainable results. At Bank Audi, we believe that by developing strategic partnerships, we can maximise the impact of our CSR initiatives and achieve sustainable goals. Indeed, Bank Audi has formed partnerships with a wide range of global and local organisations which include multilateral organisations, governmental bodies, academia and NGOs, among others. Such cross-sector collaboration helps us harness experience, know-how and resources to extend the reach and scope of our CSR programs, thus creating shared value. Since we aim to maintain long-term relationships with our partners to create sustainable positive value for society, we seek partners that share our vision and values. Hence, we maintain our commitment to the philosophy of Collaborative Value Creation (CVC) and the realisation that partnerships invariably produce enduring benefits that accrue to organisations, individuals, and society. We intend to continue to leverage the power of networks and partnerships, and the coming together of perceptions of value to tackle common social issues of relevance to our business and our community, and that fall within the scope of our strategy. Beyond our partnerships, we are also members in various multi-stakeholder platforms and alliances (Table 3).

Table 3: Examples of Bank Audi's Membership in Industry Associations

Association des Banques du Liban (ABL)
Positions held :
1. Board of Directors: **Dr. Freddie Baz** (secretary)
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 Committee
10. Banking Terms and Conditions Committee
11. Islamic Banking Committee
12. Risk Committee

Figure 6: CSR at a Glance at End 2015

CORPORATE GOVERNANCE

Environmental and Social Management System (ESMS)

Further mainstreaming Human Rights

Collaborative Value Creation (CVC)

Further engaging stakeholders

Complying with local and international standards and best practices

ISO 26000

UN Global Compact

Global Reporting Initiative (GRI) Gold Community

Our Core Values

Transparency

Human Capital

Heritage

Quality

Civic Role

Innovation

Accountability

Commitment

Bank of the Year
(The Banker Magazine 2015)

Best Bank in Lebanon
(Global Finance 2015)

ECONOMIC DEVELOPMENT

1.81%
of Lebanon's GDP

3,130
employees

> USD 130 million
in taxes when accounting for income tax, municipal taxes, VAT, etc.

SEA award
for Innovation & Technology

93%
customer satisfaction

Contributing to economic growth and revitalisation

Creating new jobs and employment opportunities

Enabling small businesses to thrive

Allowing local economies to prosper

Developing financial literacy

Enhancing responsible lending

Increasing digitalisation

72
products

74
services

214
ATMs

75
branches

COMMUNITY DEVELOPMENT

> USD 4.6 million
total contributions to our community

> USD 600,000
on health

> USD 2.5 million
on humanitarian and social issues

USD 1.33 million
on culture

USD 115,000 on sports

≈ 1 million
beneficiaries

Volunteer Program:

3,617 beneficiaries **228** volunteers

HUMAN DEVELOPMENT

71%
of successfully trained employees

USD 2.8 million
in employee training for our employees

USD 8.9 million
in educational programs

325,144
beneficiaries

Training and development

Performance appraisal

Talent management

Diversity, inclusion and equal opportunity

Educational aid in community

Spreading CSR awareness

ENVIRONMENTAL PROTECTION

> USD 26 million
in environmental loans

"Grow Green"

Improving paper recycling by
300%
since inception

Reducing GHG emissions by
2.1%

Reducing paper consumption by
18.5%

Spreading environmental awareness in the community

Further mainstreaming paperless banking

Online banking

Measuring carbon footprint

1

Corporate Governance

CORPORATE GOVERNANCE

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 across various facets of our operations. We are convinced that good governance leads to better decisions and making informed choices that are in the best interest of our shareholders, and more broadly, of our stakeholders as well. Thus, we continued to be committed, in 2015, to a strong Corporate Governance foundation, with rigorous checks and balances we have put in place to ensure that the principles of integrity that are embedded in our strong compliance culture are infused into all our business practices.

The Board of Directors

Our Board of Directors continues to give a significant consideration to the Bank's Governance practices and plays an active and engaged role in keeping abreast of key developments and ensuring sound governance. Bank Audi is governed by a Board of Directors consisting of 10 members elected by the General Assembly of shareholders for a term of 3 years (our detailed Corporate Governance structure and guidelines are accessible on the Bank's website at www.bankaudi.com.lb).

Figure 7: Our Multi-Faceted Corporate Governance Foundations

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

We believe that having an insight into how our clients perform with regards to environmental and social issues should play an integral part in our customer due diligence process. We realise that a failure to manage these risks can impact on client operations, and hence their credit worthiness. It can also negatively affect the communities and environments in which we operate.

As reported in our 2014 CSR Report, our Group Risk Committee has taken active steps towards further institutionalising CSR at the heart of the business through the recent adoption of the International Finance Corporation (IFC) framework for the assessment of environmental and social risks and impacts. Hence, starting 2014, Bank Audi adopted and implemented an Environmental and Social Management System (ESMS) which guides our approach for evaluating the environmental and social (E&S) risks associated with our Corporate and Commercial Banking activities. Our ESMS contains a set of commitments, an internal process, and a dedicated team of ESMS officers to provide oversight and support to the E&S Risk Reviews associated with Corporate and Commercial Banking transactions. They ensure that specific review criteria are applied to transactions in order to determine whether an E&S Risk Review is required, and if so, the level of diligence that should be applied.

During the course of the E&S Risk Reviews, the Bank's teams, supported by the Group ESMS Office, may engage with clients and work with them to help identify and implement measures to address these risks and impacts, thereby helping enhance their operational performance. Through this engagement process, our goal is to work with the client to develop solutions and action plans aimed at addressing specific issues. In some cases, we may require clients to commit to implementing certain actions and recommendations, or even impose conditions in conjunction with the transaction. This may be done formally through loan documentation. Such actions are presented either during the Credit Approval for new transactions and renewals of existing facilities, or during annual credit reviews in which E&S Risk Reviews are evaluated, and follow-up actions (if any) are formally noted.

In 2015, 388 transactions (Table 4) met the requirement for E&S Risk Review and were subsequently approved.

Table 4: Transaction E&S Risk Statistics

E&S Risk Categorisation*	Number of Reviews
A	23
B	85
C	280
Total	**388**

**An environmental and social risk categorisation is assigned to a transaction, based on the understood magnitude of E&S impacts/risks associated with the client's sector and the specific transaction. Transactions are assigned a category A, B or C, in descending order of environmental and social sensitivity. Bank Audi follows the IFC definitions for E&S risk categorisations, namely:*

CATEGORY A: projects expected to have significant adverse social and/or environmental impacts that are diverse, irreversible or unprecedented.

CATEGORY B: projects expected to have limited adverse social and/or environmental impacts that can be readily addressed through mitigation measures.

CATEGORY C: projects expected to have minimal or no adverse impacts.

ETHICAL CONDUCT AND COMPLIANCE

Proper conduct and compliance with laws are fundamental aspects of our governance. To this end, our Code of Ethics and Conduct provides the foundational bedrock for all aspects of ethical behaviour within the Bank (Appendix 1). Our Code of Ethics and Conduct upholds the principle of non-discrimination and maintaining a violence-free and harassment-free workplace. Our compliance culture and processes are also reinforced every year, in line with the organisation's broader strategic goals. The most common compliance risks we face have to do with data privacy and corruption, and we manage those risks very closely. The stringent requirements, restrictions and guidelines we have in place are important to sustain the soundness and integrity of our financial system, and to maintain the cherished trust of our employees and customers. In this respect, we recently embraced BDL Circular 134 (came into effect as of October 2015) which emphasises the importance of transparency, one of Bank Audi's guiding core values. Circular 134 focuses on the customer's rights and duties, as an example, to provide feedback, be it positive or negative. While we collected customer feedback on a regular basis in 2015, we integrated new contact channels, incorporating complaints and suggestions drop boxes and forms in our 75 branches across Lebanon.

HUMAN RIGHTS

In 2015, we continued to bolster human rights processes and mainstream human rights issues further at the heart of the Bank's governance. Besides the fact that the respect of human rights is explicitly included in the Bank's Code of Ethics and Conduct, we continued building awareness and conducting regular trainings around human rights issues. 238 new hired employees attended, during the induction session, a presentation on human rights, translating into 119 total hours of coverage of human rights topics.

Introducing the UNGC ten principles.

We recognise the rights of each employee and the diversity of opinion represented by the communities we employ and serve. In general, 47% of Bank Audi employees attended training hours on human rights. Seeking to further involve our employees in all facets of responsible engagement, and given that we are a signatory of the United Nations Global Compact (UNGC) since May 2015, the CSR Unit, in collaboration with the Human Resources (HR) department – Training & Development, organised an introductory session on the "United Nations Global Compact (UNGC)" on November 25, 2015. The session, which targeted Senior Management representatives, shed the light on the UNGC ten principles, including human rights. 115 Relationship Managers and ESMS officers attended this session which was facilitated by Professor Dima Jamali, UNGC Lebanon Network Representative. Dr. Jamali explained the relevance of this commitment in regard to our Environmental & Social Management System.

ANTI-CORRUPTION

Another important pillar of our governance is our continued commitment to fight corruption in all its forms. Our Code of Ethics and Conduct makes our commitment to anti-corruption efforts clear, but we continue to enrich our policies and procedures every year in this respect. For example, in 2015, we made more effort to strengthen our various controls over operational, compliance, anti-money laundering and regulatory measures. Our Group's Anti-Money Laundering & Combating the Financing of Terrorism policy (AML/CFT) meets the principles and requirements set out in the AML/CFT laws and regulations of the various jurisdictions where the Group operates – these are of course mandatory at local level. We also strive to comply with the international standards and best practices set by the international organisations and recommendations placed by major global correspondent banks. The Central Bank's 2012 Circular 126 stipulates that we should be fully informed of the laws and regulations governing our correspondents abroad, and deal with the latter in conformity with the laws, regulations, procedures, sanctions and restrictions adopted by international legal organisations or by the sovereign authorities in the correspondents' home countries. In line with these efforts, we have also significantly increased the communication and training on anti-corruption aspects, as shown in Table 5.

Table 5: Anti-corruption Related Training

	Anti-corruption Related Training	Total Employees Eligible for Training	Percentage
Employees	1,009	2,511	40%
Middle Management	276	584	47%
Senior Management	12	35	34%
Total employees	**1,297**	**3,130**	**40%**

In 2015

179 employees attended trainings on environmental topics/issues.

616.5 training hours were spent on environmental topics/issues.

238 newly hired employees attended, during the induction session, a presentation on human rights, translating into 119 total hours of coverage of human rights topics.

1,297 employees received training on anti-corruption related topics.

As we pursue innovation and enlarge the scope for customer choice, we continue to enforce stringent governance standards, in such a way as to ensure that the Bank grows in a balanced and sustainable manner. Our governance is grounded in a system of policies, regulations, processes, checks and balances that makes us confident to deliver the highest levels of quality and accountability to clients, shareholders and stakeholders at large. In this respect, we are proud that the measures we have taken in relation to bolstering our Corporate Governance foundation pillar have contributed to earning us the international recognition of "Bank of the Year in 2015" by The Banker Magazine and "Best Bank in Lebanon in 2015" from Global Finance (Table 22). These honours reflect our undisputed commitment to act with courageous integrity and to continue to earn the respect and confidence of our international and external stakeholders. Our Corporate Governance foundation provides the baseline standard of behaviour across all our operations.

2

Economic Development

ECONOMIC DEVELOPMENT

Value creation for stakeholders and shareholders is intimately intertwined and mutually reinforcing. Our future financial success will also be determined by how we tackle environmental and social challenges. As one of the largest financial institutions in Lebanon, our ability to magnify our social impact is based upon leveraging the full power of our company to work with different stakeholders on constructing stronger communities and a more stable economy. We are also aware that we have major direct and indirect impacts on the Lebanese economy, whether through creating new jobs and employment opportunities, enabling small businesses to thrive, or helping our local economy to prosper. 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 strengthened various aspects of our economic involvement in 2015 and amplified the positive spillovers we have on different stakeholders.

ECONOMIC CONTRIBUTION

In 2015, assets for operations booked in Lebanon increased from USD 24.5 billion at end-December 2014 to USD 25.8 billion at end-December 2015, amounting to USD 30.7 billion when accounting for fiduciary deposits and assets under management. By end-December 2015, we were able to secure USD 836.1 million in total operating income, with total operating expenses at USD 394.5 million and total shareholders' equity and subordinated debt at USD 3.775 billion. This reflects a total number of transactions of 52,309,613, a total of 72 products, and a total of 74 services.

We comply with national and international regulatory and tax policies. For instance, we paid USD 64 million in income taxes on the Bank's profits for 2015, and withheld USD 18 million in personal income taxes from employees' salaries which we forwarded to the Ministry of Finance in 2015. We generated employment for 3,310 employees and contributed to the broader economy through the payment of USD 130 million in taxes. Between employees' salaries (roughly USD 101 million) and social security contributions (roughly USD 14.4 million), our total contributions amounted to 1.81% of Lebanon's GDP in 2015.

On a parallel note, we stimulate entrepreneurship and job creation through various tailored initiatives. In 2015, we provided loans with low interest rates for an amount exceeding USD 49 million. Many of our indirect economic programs specifically target small and medium enterprises (SMEs) which constitute a key player in the local economic ecosystem and a backbone of economic health in Lebanon. In this context, we have continued to offer Kafalat loans to SMEs operating in Lebanon, with innovative start-ups or environmentally efficient initiatives in energy intensive sectors (e.g. industry, agriculture, tourism, crafts and technology). 66 SMEs were supported through these loans (reaching 460 beneficiaries) which have low interest rates, with a total value of USD 11 million in 2015. The Bank's SANAD Fund for MSME (SANAD) loans were also contracted by 163 micro and very small beneficiaries for a total amount of USD 15,417,695. Additionally, the number of new clients at end 2015 compared to end 2014 represented 14% of our total portfolio. Founded in August 2011, SANAD provides medium and long-term debt and equity financing to commercial banks, microfinance institutions (MFIs) and other financial institutions in the Middle East and North Africa (MENA), with the intent of strengthening micro, small and medium-sized enterprises (MSMEs), as well as local financial markets. During 2015, we also jointly worked with the International Finance Corporation (IFC) to create a new business line covering all needs related to micro and small clients, including structured products (lending and non-lending). Clients will be served by our network all over the country starting mid-2016.

We are also contributing to the reshape of the start-up landscape in Lebanon with a very important involvement in the ecosystem through various initiatives. In this context, Bank Audi is a major contributor to the initiative launched by the Central Bank of Lebanon under Circular 331, which consists in creating financing opportunities for local start-ups to retain inward competencies and enhance economic and social growth in Lebanon. Bank Audi Group is the largest provider of capital under the Central Bank's Initiative, with USD 80 million of funds eligible to be directly or indirectly invested in financing local innovative and promising businesses, of which USD 40 million have been committed to date.

Bank Audi also contributes to the understanding and the assessment of domestic economic performances through a wide range of economic and sector reports considered a key reference source on the Lebanese economy and the Lebanese markets. Its research department, which just closed its 25th year, is widely quoted by international and regional institutions and agencies covering Lebanon.

INDIRECT ECONOMIC IMPACTS

Moreover, in 2015, Bank Audi maintained its support to the Bader Young Entrepreneurs Program. This program comprises three key components revolving around education (workshops) for young entrepreneurs, creating networking opportunities, and connecting with potential investors. In 2015, Bader cofounded Speed@BDD, alongside venture capital funds MEVP/Impact and Berytech, as well as the Lebanon For Entrepreneurs (LFE) initiative. Speed@BDD is a cutting-edge start-up accelerator that was launched in August 2015, filling a crucial need in the ecosystem to provide support for idea-stage tech start-ups by allocating significant cash and in-kind services to new entrepreneurs. Speed@BDD aims to attract and nurture the next top tech companies in the MENA region.

Winners of the Bader's Start-up Challenge

1st Prize - LifeLab

LifeLab is a design lab and workshop dedicated to designing and building automated, climate controlled, vertical hydroponic farms. Coupled with their own 3,000 m² model farm and armed with reliable distribution channels and facilitation partners, LifeLab will custom-design, build and operate farms of all sizes for clients across Lebanon (and later the MENA area) and sell the farm's produce through their distribution partners. By empowering their farmers to produce up to 10 times more crops from the same area of land with predictable, higher quality produce to rival imported goods, LifeLab can operate a highly profitable business and simultaneously boost export-quality Lebanese food crop production.

2nd Prize - Modeo Systems

Modeo Systems is a new modular furniture design experience. It's about creating your own furniture using modular parts: imagine you can build furniture just like playing Lego. The experience starts by designing your own models using our mobile app or download predefined ones, modify them to fit your needs and budget, then order them with a click of a button to get them delivered to your door in lightweight boxes. Finally, you can assemble/disassemble them very easily without complex tools.

Aiming to help the youth develop technical skills to comply with the demands of the current job market, Bader co-founded SE Factory, an intensive coding boot camp which trains young programmers to become professional software engineers. Additionally, in collaboration with the World Bank, Bader Young Entrepreneurs Program organised a Start-up Challenge allowing young entrepreneurs with innovative ideas to initiate their entrepreneurial journey with the mentorship of dedicated experts. Two winning start-ups got the opportunity to attend a one-week study tour in the UK and to participate in the London Technology Week.

Supporting the Bader Young Entrepreneurs Program.

Building awareness on financial and economic issues was also on the agenda in 2015, through taking part in and/or sponsoring core banking conferences in the country, as well as various banking and youth empowerment associations. An example of that is the sponsoring of Al Bank Wal Mustathmer's Conference, the Union of Arab Banks' Congress, the 2015 US Commercial Guide and World Fair Trade, ArabNet Beirut, First Protocol's Socio-Economic Awards, Al Iktissad Wal Aamal's conference, and the Lebanese International Finance Executives (LIFE). In 2015, USD 490,000 were allocated to support these events and associations, all of which have positive spillover effects on the Lebanese economy through promoting knowledge and building a more robust financial sector.

We maintain various other indirect economic impacts, through infrastructure investments within and outside the Bank, as illustrated in Table 6.

Table 6: Bank Audi's Indirect Economic Impact

Project	Description	Cost	Investment
Zaidanieh Branch	December 2015 saw the opening of a new lounge branch granting high-end customers in a relatively remote area access to financial services.	USD 1,300,000	Commercial
Tabaris Branch	September 2015 marked the relocation to a new branch with the new corporate identity highlighted.	USD 970,000	Commercial
Marjeyoun Branch	August 2015 marked a new landmark for Bank Audi: a stand alone branch in the Marjeyoun area that offers individuals and businesses access to a wide assortment of products and services.	USD 1,160,000	Commercial
Furn El-Shebbak Branch	Relocation to a new branch highlighting the new corporate identity.	USD 1,100,000	Commercial
Jezzine Garden	The municipal public garden needed a retention wall. An ATM was also included in this rural area.	USD 43,350	Pro-bono
Kfour Data Centre	Construction of a new data recovery centre.	USD 2,342,650	Infrastructure
Dar Assayad Training Centre	Internal fit-out works of a leased building to host an HR Training Centre.	USD 554,726	Infrastructure

Caring for Customers

On Labour Day, a special gesture was made to 73 low-income customers by randomly selecting and crediting their Personal Loan account with their monthly instalment. This initiative, which cost USD 12,600, involved various departments and showed our customers that we stand by them in hard times and that we acknowledge their labour.

Super Mommy Workshop

In line with the CSR strategy's Economic Development pillar and Bank Audi's commitment to spread financial literacy, the CSR Unit hosted, on February 5, 2015, "Super Mommy", a community that connects, educates and supports women of all ages and backgrounds, and inspires them to give back to their communities through mentorship, networking and volunteerism. 12 female social entrepreneurs who are launching their own start-ups were given financial, accounting and managerial guidance.

MICROFINANCE

Another example of our effort to strengthen the Lebanese economy is our extensive approach to support entrepreneurs and small businesses in remote and disadvantaged areas through microfinance loans, in close collaboration with various NGOs and non-profits that share our goals. In this respect, we sustained our support to the Association for the Development of Rural Capacities (ADR) by contributing to its microfinance loans programs which are 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. In 2015, our contribution had a growing visible impact, affecting the lives of over 477 beneficiaries compared to 327 beneficiaries in 2014.

Association Maak (NGO) also benefited from our support: micro-financing granted to 42 families, compared to 22 families in 2014, covering various economic sectors including farming, cattle and agriculture, tailoring, snacks, beauty services, and even scholarships (school and university), which went hand in hand with extending moral, technical and spiritual support to the various beneficiary households.

PRODUCT PORTFOLIO

With the rapid advances in technology, customer behaviour is witnessing rapid shifts, creating new customer demands and expectations. In 2015, Bank Audi continued to innovate with products and services that are in line with the latest trends in technology creating a cashless society. In collaboration with the Ministry of Telecommunications, we took the first steps towards implementing a new e-Government and e-Payment system in Lebanon, a first-of-its-kind service that facilitates the settlement of bills online, including public service monthly payments. Through this service, landline phone and Internet subscribers in Lebanon can settle their monthly local and international bills remotely through the Internet, simply by using their credit and debit cards (MasterCard and Visa) issued by local and international banks in Lebanon or abroad. The new e-Payment system has been operational since June 2014 and constitutes a first important step towards implementing e-Government and e-Payment systems at

the public administration level, thus simplifying life for everyone, including the population's disadvantaged and rural segments. The total number of e-Payment transactions increased 87.57% since inception, and the total volume increased by 130.52% over a period of 18 months.

Our "audimobile" application was Lebanon's most downloaded financial app in 2015, with over 10,000 daily interactions, making it a convenient way to bank since 2010.

Moreover and as part of its strategy set since 2011 to promote the "Tap2Pay" NFC Series of Contactless Payments in Lebanon and the region, Bank Audi introduced, in 2015, a wide range of wearable devices that were added to the Tap2Pay family, thus offering a large variety of contactless payment methods such as cards, mobiles, stickers, watches or bracelets. This NFC Series of Contactless Payments is intended to expose customers to the most innovative and secure payment methods and help them shift their mindset away from cash to less risky and more convenient ways to handle payments.

Over the past years, significant efforts were made to render our products accessible and convenient to all customers through enhanced services including ATMs, ITMs and NOVO branches which are all easily accessible. We were indeed the first bank to launch the NOVO interactive branches, a new evolution in the field of electronic banking, featuring online video conferencing with banking advisors. NOVO's main features and competitive edge are enhanced by extended banking hours which give customers the opportunity to process their operations swiftly and conveniently. Besides, with the advent of digital technology, we are looking to implement 24/7 self-service areas in all our newly opened branches, in addition to offering a variety of digital banking solutions in our existing branches, such as self-service and e-sections. These services will enable customers to complete their banking transactions anytime of day and without any assistance, and will ultimately reduce waiting times at counters and unnecessary delays.

All these efforts have translated in terms of increased customer satisfaction and loyalty. It is therefore not surprising that around 93% of our customers are satisfied with our products and services. Table 7 summarises key findings from these surveys.

As an additional gauge of satisfaction, Bank Audi recently introduced "Happy or Not" devices in its multiple branches. With the simple push of a button, the customer can express his/her level of satisfaction regarding the quality of our service. Besides helping the Bank improve service levels, customer satisfaction and customer loyalty, these devices also encourage and motivate branch employees to maintain and surpass their objectives, clearly improving performance levels.

Table 7: Surveys Conducted to Measure Customer Satisfaction as per our Quality Program Specifications

Surveying Tool	Percentage Satisfaction (2014)	Percentage Satisfaction (2015)
Phone survey (on daily basis to assess customer satisfaction)	95%	97.38%
In-branch survey (on daily basis via the "Happy or Not" tool)	83%	87.70%

Appreciating 25 Years of Customer Loyalty

Since 2013, twenty-five years of loyalty is appreciated at Bank Audi where we reward customers who opened an account with us 25 years ago. This year, we showed our gratitude to 372 customers.

PRODUCT RESPONSIBILITY

One of Bank Audi's main concerns has been to support the Lebanese currency and economy. Among the initiatives conceived to achieve this goal was the "Loubnani" card which was designed to empower the Lebanese Lira and limit the "dollarization" effect on the Lebanese economy. In 2015, we worked on enhancing its "Mizat Loubnani" program, mostly by adding new merchants to the discount network. This allowed our cardholders to benefit from special discounts and benefits at various outlets including restaurants, bars, clothing shops, sports clubs, festivals and cinemas, with up to 15% cash back, a concrete promotion of the "Let the Lira Have its Say!" slogan. While the "Loubnani" card represented 15% of the total card portfolio in 2015, current figures show that we have more than 27,000 cards in circulation and a total spending volume close to USD 300 million since inception in 2010.

In line with the Central Bank of Lebanon's requirements and to better serve the purpose of ensuring transparency and raising client awareness, Bank Audi also introduced in 2015 key fact statements (KFS) to include full details of the Bank's range of products and services. These KFSs aim at clearing all possible questions that a client might have on any product/service they are looking to purchase from the Bank.

Moreover, in trying to cater to different needs, we have adapted some of our facilities and servicing methods to disadvantaged or handicapped people. Accordingly, our Branch Network Management is in the process of adding ramps to branches and ATMs. In 2015, 58 branches (78%) and 84% of our ATMs are accessible to the disabled. This is also in line with feedback from our stakeholders to focus more on core CSR issues and make banking more accessible to disadvantaged communities.

MARKET PRESENCE

In an effort to increase our market penetration and accessibility of our services to all, we have been adding ATMs in various locations, in such a way as to accommodate customer needs in different geographical areas. In this context, 4 new ATMs were added in rural areas during 2015, totalling 41 (19%) out of 214 ATMs currently located in rural areas. These off-premises ATMs are not part of any specific branch, but are placed within building compounds, restaurant areas, malls and other populated venues. It is also worth noting that 17.3% of Bank Audi's branches (13 branches out of 75) are located in remote areas.

In 2015, considerable effort was invested in educating and training merchants, as well as in modernising the local infrastructure, by providing them with contactless readers. So far, Bank Audi successfully installed more than 3,500 Point of Sale (POS) machines. Since contactless payments are the worldwide trend, it is a priority for Bank Audi to create the most awareness and achieve substantial implementation in the local market.

Making our products accessible and convenient to all customers.

SUPPLY CHAIN AND PROCUREMENT PRACTICES

We manage our daily operations and supply chain in such a way as to minimise environmental impact, reduce inefficiency and enhance sustainable practices. The three vital partners of our value chain are our customers, our suppliers, and multilateral institutions. We aim to promote sustainability throughout our value chain by collaborating with these different players to improve their environmental and social performance.

Our suppliers include contractors, printing services, facilities suppliers, service suppliers, caterers and hospitality suppliers, academics, consultants, legal service providers, website developers, news agencies, as well as marketing and advertising experts. Implementation of our social commitment requirements is embedded into our internal and external procurement procedures that explicitly outline the rules and regulations governing the purchasing process, whereby all purchased goods and services should be acquired in a fair, transparent, competitive, timely and efficient manner. Knowing that the suppliers play an important role in maintaining our high ethical standards, we aim to create mutually beneficial supplier relationships across different industries to achieve environmental, social and governance objectives. Our Bank's policy also favours ethical and eco-friendly suppliers who, through their business practices, recognise and abide by the Universal Declaration of Human Rights, fight corruption, and generally aspire to adopt the ISO 26000 Social Responsibility Standard guidelines as part of their business strategy. Relationships with suppliers are managed by our expense managers and procurement channels, with various suppliers given equal opportunity to present quotations for provision of goods, services and assets necessary for the Bank's operation and satisfactory to our internal requestors' specifications. The estimated monetary value of payments made to suppliers amounts to over USD 220 million, purchases from local suppliers accounting for 90% of our total procurement budget.

Our customers are the main drivers of our organisation and we constantly strive to give them the highest priority with respect to our services and banking transactions. Our main role as a bank is to facilitate the flow of funds from depositors to investors and borrowers. The borrowers use the different forms of credit to buy goods or invest in businesses. By lending capital responsibly, we are therefore helping the economy to grow and prosper by converting short-term savings into long-term financing. We also want to build responsible customer relationships by adhering to commonly accepted principles of sustainable business conduct. Our commitment includes easy access to financial services, responsible investment and lending practices, as well as adequate and up-to-date information. In this respect, we have taken active steps during 2015 to pass on economic, social and environmental responsibility to our customers, insisting that they behave responsibly and adhere to commonly accepted principles of sustainable business conduct. As discussed in our Corporate Governance pillar, we have made consistent efforts to integrate the principles of responsible financing in our credit policies by developing an extensive environmental and social risk screening process for Bank Audi Group. We also endeavour to prevent credit facilities from being used in violation of internationally recognised standards in the areas of human rights, environment and anti-corruption.

Last but not least, we are engaged with multi-lateral agencies and export credit agencies such as the European Investment Bank, the Overseas Private Investment Corporation, Agence Française de Développement, 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.

Acting responsibly necessitates a balance between economic, environmental and social objectives. We believe that the responsible business initiatives we implemented in 2015 under the Economic Development pillar are an integral part of our CSR strategy and contribute in various ways to sustain and revive the Lebanese economy. As demonstrated here, we were able to finance and support various investments and innovations in 2015, that are likely to spur local economic growth and revitalisation. In cooperation with our partners, we have taken constructive steps to advance entrepreneurship and innovation around us, ultimately connecting small businesses with entrepreneurial support mechanisms, incubators and accelerators, and providing them with the physical, material and cognitive competencies needed to cultivate start-ups and businesses that drive growth and innovation.

SPECIAL FEATURE STORY

Bank Audi Pioneers Real-time Video Technology in Lebanon

Bank Audi has announced that it has chosen interactive video technology from NCR Corporation, the global leader in consumer transaction technologies, to deliver extended teller services to its customers in Lebanon. Bank Audi launched its first NCR Interactive Teller (ITM) at its NOVO Palladium branch in Bab Idriss - Beirut. Interactive tellers allow the Bank's customers to conduct transactions with a live, remote teller over an ATM.

With NCR Interactive Teller, customers can perform banking transactions, manage their accounts, deposit and cash cheques, deposit and withdraw cash, pay bills, transfer money to a Bank Audi account, and get live assistance through video conferencing with personal tellers.

"Customers always expect the best from Bank Audi, which is why we leverage state-of-the-art technology to optimise service quality and customer satisfaction," said Bank Audi Lebanon's General Manager.

NCR Interactive Teller enables a centrally located teller to take full remote control of all modules on the device while engaging the customer over two-way real-time video conversation, delivering a highly personalised experience. Video interaction and teller-assisted transaction processing can reduce operating costs by enabling tellers at a remote central location to operate units deployed across multiple sites. With Interactive Teller, bank employees connect with their customers in a face-to-face, highly personal engagement – often outside of normal banking hours.

"Bank Audi is taking an innovative approach to better service its customers by giving its branch employees disruptive technology that caters for deeper customer interactions and allows them to behave as financial consultants rather than spending most of their daily time on rudimentary items such as handling cash and cheques," said NCR Country Manager.

The objective is better customer servicing with more convenient banking hours extending over 7 days a week until 7:00 pm. At the same time, the efficiency and security created through the centralisation of tellers serving ITMs enable Bank Audi to deploy new branch network strategies and transform its branch locations into more effective service and sales environments.

3

Community Development

COMMUNITY DEVELOPMENT

Our Community Development pillar tackles key social issues in the areas of health, humanitarian and social support, culture, children development, as well as employee volunteerism and sports activities. Our commitment as a corporate citizen was reinforced during this reporting period by significant contributions to the community, amounting to USD 4.6 million, of which: USD 619,000 on health, USD 2.58 million on humanitarian and social issues, USD 1.33 million on culture, and USD 115,000 on sports. In addition to these direct contributions, we have developed opportunities to connect our customers and employees with social issues, stemming from our longstanding partnerships with various organisations to enhance our impact and help build stronger local communities. Our various efforts in this field demonstrate our commitment to be a good neighbour and a trusted community partner that can be counted upon to engage forcefully and wholeheartedly in making a positive difference in the communities around us.

LOCAL COMMUNITY DEVELOPMENT

Community Health

As part of our continuous effort to spread awareness, raise funds, and positively impact our community, we have sustained a number of key partnerships and initiatives in 2015. For example, we partnered with Heartbeat, in support of their "Heartbeat Box" campaign, one of the largest fundraising initiatives in Lebanon, which was held between February 1 and March 15, 2015. During that period, Heartbeat distributed 100,000 boxes all over Lebanon, encouraging children and adults to "Give and be a Hero". Maxime Chaya, a world-recognised hero, Bank Audi's Corporate Ambassador and Heartbeat's Ambassador, endorsed the project. The boxes were deposited at Bank Audi branches between March 9 and March 13, 2015. The public's response was heart-warming and impressive: donations reached a total of USD 150,000, a tremendous success for Heartbeat's 10th anniversary! These donations will help treat and save the lives of several children with congenital heart defects. Additionally and in keeping with tradition, we sponsored Heartbeat's 10th anniversary concert which gave 506 employees the chance to attend two memorable evenings of fun and music while serving a good cause. To date, Heartbeat's annual concerts have funded lifesaving surgery for more than 2,000 affected children.

Partnership with Heartbeat.

Blood Donations

On the occasion of World Blood Donor Day, Bank Audi welcomed with arms wide open the Donner Sang Compter (DSC) team for a blood drive on June 15, 2015. The event, which was organised in collaboration with the American University of Beirut Medical Center (AUBMC), aimed at sustaining commitment to the community. The DSC mascot visited employees at Bank Audi's headquarters, encouraging them to donate. 54 colleagues took part in this initiative and 35 units of blood were garnered, which means 105 lives saved.
This event served to raise awareness and motivate potential blood donors to support the DSC cause and promote a general culture of openness and giving.

Celebrating Blood Donor's Day.

During 2015

466 employees joined hands to collect USD 50,000 covering the full cost of treatment for one sick child.

USD 150,000 was donated for the treatment of 20 children with congenital heart problems.

>USD 55,000 in sponsoring health-oriented organisations such as Chronic Care Center and Skoun.

In addition to our support of the Lebanese Red Cross, we participated in various health initiatives, such as those launched by Donner Sang Compter and Hôpital Psychiatrique de la Croix.

We supported various hospitals in Lebanon including Hôtel-Dieu de France and St. George Hospital.

51 calls for blood donations were made by our employees to their colleagues and friends as part of a blood donation drive.

Humanitarian and Social Initiatives

In 2015, we sustained our active engagement in the support of various worthy humanitarian and social initiatives. What follows is a glimpse of our humanitarian and social engagements during the past year:

- Committing to various local non-governmental organisations (NGOs) that support disadvantaged people in Lebanon such as Dar Al Aytam Al Islamiyah, the Lebanese Welfare Association of the Handicapped, the Sidon Orphan Welfare Society, Sesobel, Al Younbouh and the Lebanese Autism Society. Total contributions in this area amounted to around USD 110,000.

- Committing to various local non-governmental organisations (NGOs) that support different social causes such as Himaya, an NGO with the mission to promote a global protection of innocence in danger; Tamanna, an NGO which aims at granting the wishes of children with critical illnesses; MySchoolPulse which brings school to hospitalised children undergoing treatment for life-threatening illness; OpenMinds which supports AUBMC's Special Kids Clinic and in general, helping the mentally challenged, disabled and autistic. Total contributions under this area amounted to over USD 100,000.

- Purchasing gifts for celebrations (Fitr and Christmas) from organisations such as Ahlouna, IRAP (Institut de Rééducation Audio-Phonétique), Sesobel and Message de Paix to support their respective missions pertaining to supporting disabled children, helping handicapped people and recovering substance abusers find new job opportunities, and enhancing sustainable educational and social services targeting women, youth, children, the elderly and disabled individuals. These gift purchases amounted to over USD 275,000.

- Committing to ensure road safety by supporting Roads for Life, the Talal Kassem Fund for Post-Accident Care. The organisation gives emergency physicians, nurses and Red Cross volunteers world-class training to help improve road victims' chance of survival in the 60 minutes following the crash, a critical period of time called the "Golden Period of Trauma", where proper care can help save lives or reduce disability.

- Encouraging our customers to donate their points to worthy causes. Since 2014, more than 1,000 customers donated around 2.9 million points (USD 153,000) to support 18 national humanitarian associations such as St. Jude, The Lebanese Red Cross, SOS, Balsam, Sesobel, Zakkat Fund, Heartbeat, AFDC, Jouzour Loubnan and Chance.

- Linking our business processes to community development efforts where our e-Payment and Card Services department participated in 31 events and raised over USD 990,000 of donations via our GPRS machines deployed at events' venues.

In 2015

Over **USD 618,000** to support health-related causes

Over **USD 1.33 million** to support cultural events

Over **USD 2.58 million** to support various social and humanitarian issues

Table 8: Summary of the Rewards Program Outcomes since 2012

	2012	2013	2014	2015
Number of subscribers	80,000	80,000	145,000	153,100
Points donated	399,000	395,000	1.2 million	1.7 million
Value of points	USD 20,000	USD 20,000	USD 59,000	USD 94,000
NGOs involved	12	12	18	18

LOCAL COMMUNITY SUPPORT

Financial Literacy

As a leading financial institution, we believe we are responsible for boosting financial literacy and educational innovation. Young children aged 5 or 6 commonly start asking questions about money habits and financial transactions. Hence our conviction that financial literacy starts at a young age and our renewed commitment to KidzMondo, initiated in 2013. KidzMondo gives young children the opportunity to familiarise themselves with banking basics, among others, in a motivational environment. It is a reproduction of a real city in downtown Beirut, where children play adult professional roles in preparation for the real world. Bank Audi's replica branch in KidzMondo aims at teaching children about the importance of working, earning a living, and spending wisely. It also introduces children to the world of banking including cash outs, deposits, savings, and the use of debit cards and ATMs. This is part of a broader sustainability goal for Bank Audi, pertaining to increasing financial literacy and extending across different pillars of our CSR strategy. This year, KidzMondo was able to attract more than 300,000 young minds from across Lebanon, the Middle East and many international countries.

When Bank Audi launched the "Kids Rewards" loyalty program back in 2011, its strategy consisted in educating new generations and teaching them about life's values. In 2015, the Bank decided to focus even more on promoting the "Kids Rewards" special option that allows the children to redeem their parents' accumulated points with a donation instead of a gift for themselves. Thus they would be putting the money to a better use and contributing to the community by improving the lives of underprivileged children.

Festive Season at KidzMondo.

Aiming to wish happy holidays to our customers and their children aged 4 to 10, Retail Lebanon's latest activity for 2015 was launched during the month of December. The latter were invited to celebrate the festive season at KidzMondo. A total of 220 children attended the event with their parents, to enjoy an engaging afternoon of "fun all the way"!

e-Gallery

Since its opening in 2013, the e-gallery aimed at giving its visitors (mainly school and university students from all over Lebanon) an insight on the latest payment technologies. In 2015, the e-gallery witnessed an increase in visits, bearing witness to people's interest in interacting with new payment technologies.
The e-gallery mainly serves as an educational venue for the youth, where university students are invited to attend workshops tackling the history of plastic money with a highlight on the revolutionary contactless payment techniques. Since its opening, the e-gallery has received more than 5,000 guests and 818 students (from 15 universities).

Bank Audi was the first Lebanese bank to organise a one-week activity targeting high-school students who spent "A Day At Bank Audi" between March 10 and 13, 2015. This initiative falls under the Bank's Financial Literacy Program for Youth and is part of the Global Money Week's "Save today. Safe tomorrow!". Global Money Week is a worldwide celebration intended to empower the next generation of financial actors to be confident, responsible and skilled economic citizens. Every year, entire communities jointly take action to reshape the financial landscape, and give young people the tools and inspiration they need to shape their own future. Global Money Week takes place every year during the second week of March. It is coordinated by the Child and Youth Finance International (CYFI) Secretariat, but the events themselves are organised by schools, universities, government ministries, central banks, financial institutions, members of the civil society and communities of active youth worldwide.

In light of the above, Bank Audi hosted more than 250 students from the Beirut Evangelical School for Girls and Boys, Saints Coeurs Ain Najm, Al Makassed Ali Ben Abi Taleb College, Al Makassed Khaled Ben Al Waleed College, Dhour Chweir Public High School, and Ghobeiry Public High School for Girls. The students attended presentations on basic banking concepts delivered by the joint efforts of colleagues representing the Retail, e-Payment Solutions and Card Services, and Compliance departments of the Bank. They also toured the Bank's Bab Idriss branch, the e-gallery and the NOVO branch. All students received certificates of participation.

Global Money Week "Save today. Safe tomorrow!"

Celebrating Couples

On Valentine's Day 2015, we surprised more than 50 couples who were out on a romantic evening, and treated them to their Valentine's dinner in 6 different restaurants across the city. When the couple ordered their bill and appeared to be paying with a Bank Audi card, they were offered their dinner courtesy of Bank Audi, with all the amorous exchanges of the day.

Celebrating Valentine's Day.

Celebrating Teachers

A new initiative for 2015 was recognising teachers as prominent members of our community. Our branch managers and staff visited around 50 schools across Lebanon and met with more than 6,000 instructors on Teachers' Day.

Celebrating Teachers' Day.

Culture

Several key cultural initiatives were sponsored by Bank Audi in 2015, including the Baalbeck, Jezzine, Jounieh, Beirut Chants, Beiteddine, Byblos, Zouk Mikael, Batroun and Al Bustan festivals. Culture was also on the agenda through our sponsoring of the book fair organised by the Antelias Cultural Movement, and the Bank's hosting of the annual "Prix Phoenix de la Littérature" which was granted to Lamia Ziadé for her book "Oh Nuit Oh mes Yeux" and to Zeina Abirached for her book "Le Piano Oriental". Our total philanthropic contributions in the realm of cultural development in Lebanon alone reached thousands of beneficiaries.

Sports

Our commitment to sports-related causes remains unchanged because we believe in the importance of sports as part of our employees' and communities' lives. Around USD 115,000 were therefore allocated to sponsoring sports activities in 2015, including marathons, Tripoli Bikeathon and fitness challenges, and bringing our support to Lebanese sports teams. Furthermore, over 400 Bank Audi employees, along with their families and friends, participated in the Beirut International Marathon in support of the Kunhadi Association which will use the funds raised for their "Safe Crossing" project which consists in creating safe passages in front of schools, and helping save kids' lives while crossing high traffic streets.

Our winning employees at the Beirut Corporate Games.

Employees participate in a marathon for a cause: "Run Fast for Safe Driving".

Employees participate in "My Schoolpulse" for schooling sick children.

Sports Achievements

- Basketball Inc. 2015 Tournament: 1st place in Basketball Inc. 2015 organised by Sport Evasion.
- Futsal: 1st place in the Inter-banks Futsal Tournament organised by the Lebanese Syndicate of Bank Employees.
- Table Tennis (Ping Pong): 1st place: Charbel Akl in the Table Tennis Tournament at Saint Joseph Beit El Kiko Club.
- Beirut Corporate Games: 1st place winners with 300 employees participating.

Sports Participations

- Audi Sports Day: various internal tournaments with 350 members of staff participating.
- Myschoolpulse Fun Run to support education of children with life-threatening illnesses, where 106 employees took part.
- Women's Race with the challenge taken by 22 ladies for the benefit of the National Commission for Lebanese Women (NCLW).

LOCAL COMMUNITY COLLABORATION

Employee Volunteerism

Aiming to complement our corporate philanthropic donations with a human touch, the "Be a Hero for a Day" Volunteer Program was initiated in 2013. The program encourages employees to engage and give back to their community, and raises their awareness on important social issues. In 2015, "Be a Hero for a Day" genuinely attested how, together with our employees, we embrace a culture of high engagement and responsibility. The Volunteer Program has significantly grown since its inception, namely as regards to the increasing number of partner NGOs and hence beneficiaries, the total volunteered hours, the number of volunteers, and the number of departments and branches involved in the program (Table 9). Such social investment programs have a significant impact on employees who find it fulfilling and rewarding to commit to these community outreach and volunteerism initiatives. Employees' involvement is determined by the local context's most pressing needs. The NGOs we have partnered with in 2015 include Ayadina Association (an organisation based in Nabaa and catering to deprived children and old persons), Assabil "Friends of Public Libraries", the Children's Cancer Center of Lebanon (CCCL), Kibarouna Association (cater to the elderly), SOS Villages d'Enfants (Home for Orphans), in addition to G (a non-governmental organisation specialised in green living), Orphan Welfare Society - Saida (OWSS) and Injaz (a non-profit non-governmental educational organisation dedicated to educating the youth on work readiness, entrepreneurship and financial literacy).

Table 9: Comparison of Employee Volunteerism: 2013, 2014 and 2015

2013	2014	2015
5 NGO partners	6 NGO partners	8 NGO partners
284 beneficiaries	2,788 beneficiaries	3,617 beneficiaries
23 volunteers	150 volunteers	228 volunteers
120 hours	530 hours	580 hours
Estimated 10% of departmental and branch involvement (4 departments and 1 corporate branch)	90% of departmental and branch involvement	98% of departmental and branch involvement

"Be a Hero for a Day" Volunteer Program Examples

CCCL
Children's Cancer Centre of Lebanon

- In collaboration with the puppet show of Assabil, volunteers presented a puppet play and various craft activities.
- Inviting and assisting children at KidzMondo.

G

- Raising awareness on environmental protection and recycling by hosting the Environment Day at BIEL.

Ayadina Association

- Handicraft.
- Inviting and assisting children at KidzMondo.
- Virtual travel with the community children (cultural and traditional introduction to various countries).
- IT support in establishing a computer lab for ease of communication between the Association's elderly and their relatives abroad.
- Surveying the elderly needs and status.
- Treating the elderly of Ayadina to a brunch at Assabil Library, Geitawi Garden – Ashrafieh, and organising chess, card and backgammon tournaments with 5 prepaid cards awarded to the winners.

Assabil

- Storytelling training, handicraft and various activities.
- Virtual travel with the community children (cultural and traditional introduction to various countries).
- Book donation to public libraries.
- Treating the elderly of Ayadina to a brunch at Assabil Library, Geitawi Garden – Ashrafieh, and organising chess, card and backgammon tournaments with 5 prepaid cards awarded to the winners.
- Establishing a chess club for the youth and children.

Injaz

- Training our volunteers on Injaz's different programs.
- Delivering a workshop on leadership at the SOS Beirut premises for the benefit of the youth.
- Giving business workshops to intermediate students in Beirut and Tripoli.

SOS
Villages d'Enfants

- Games and sports afternoons.
- Inviting and assisting children at KidzMondo.
- Delivering workshops on leadership and communication skills.

Kibarouna Association

- Hosting, serving and organising Grand Parents' Day celebration at the Palais des Congrès.
- An evening socialising, serving, dancing and singing with the elderly at the Kibarouna's camp.
- Website design.

OWSS
Orphan Welfare Society - Saida

- An afternoon with 120 children; 52 employees from the Retail Department delivered workshops about banking in a simplified and fun way, watched a movie and discussed its theme, shared dinner and organised a treasure hunt for the youngest orphans.

Participants of the CSR university competition.

For generations, we have been making a difference in the communities where we live and work. In 2015, we designed and implemented various programs that further augment our impact in relation to health, humanitarian and social causes in the local communities around us. Our collaborative efforts are important in this respect, especially with regard to keeping us informed of the conditions on the ground through finer grained, deeper information about the local contexts in which we operate. Together with our various partners, we were able to design effective solutions tailored to local community needs, influencing every aspect of the quality of life around us ranging from healthcare, to worthy causes, to sports and culture through our balanced Community Development portfolio (Figure 8). We truly believe that these efforts have strengthened both the fabric and the resilience of the community ecosystem around us while enriching our own lives.

Figure 8: A Spectrum of Community Development Initiatives

SPECIAL FEATURE STORY

CSR University Awareness & Competition

Lilian Abou Hamdan, Helena Kfoury and Ghiwa Dandach are the CSR heroes for 2014. Launched at end 2014, the "Responsible Youth" CSR University Competition gathered around 50 graduates from various Lebanese universities, with the aim to encourage them to explore their creativity and come up with feasible and impactful CSR projects.

In collaboration with an external jury composed of CSR experts, five submissions were shortlisted and evaluated by the Bank's CSR Committee during live presentations.

The top projects were:

- *Bank Audi Work Study Program whereby the Bank offers undergraduate students job opportunities to help them finance their education, and simultaneously trains them to become potential employees once they graduate.*
- *Solar Power Tree is the planting of "Bank Audi" branded trees in public places that are lit by solar panels so as to raise awareness on renewable energy and promote our green products such as environmental loans.*
- *Financial Institutions Innovate for Aging Societies aims at creating a community for the elderly, offering them facilities to ensure their welfare.*

Through this initiative, we motivated our youth to come up with more initiatives that benefit the community and set an example to peers.

4

Human Development

HUMAN DEVELOPMENT

Cultivating human talent is one of our top priorities at Bank Audi, being one of the largest private sector employers in Lebanon and reflecting our unwavering commitment to human capital, diversity and equal opportunity. We are thus committed to investing in the future through supporting human development at the internal and external levels. Internally, we seek to put our people first, to consider them our most vital asset, and to invest in our employees' well-being and skill development within a culture of continuous motivation and innovation. Our employees feel good about coming to work because this is a place where they are supported and appreciated, and where they can achieve, excel and grow. Externally, we seek to encourage and support the youth, and are thus strong advocates of education and youth empowerment.

TRAINING, EDUCATION AND TALENT DEVELOPMENT

Our human capital being our most important asset, our success as a bank is contingent on providing accessible and innovative training and development opportunities to our employees in order to help them progress in their jobs and continue to be rewarded for their achievements. These programs are designed to cultivate a high quality work environment where employees feel appreciated and rewarded and, in turn, responsibly drive our business and implement our strategy.

The development of employees is essential to acquire the technical and leadership skills needed to operate in a dynamic environment. By strengthening our employees' capabilities, we have seen significant improvement in service quality, retaining talent, and handling external environmental pressures relating to competition and change in work design. Consequently, we maintained our support to the three-tiered approach to employee development, an approach adopted in 2013 and founded on three inter-related priorities pertaining to training and development, continuous assessment, and coaching and mentoring.

In 2015, we invested more than USD 2.8 million in employee training and development. More than 113,000 training hours were deployed, covering a bulk of 2,230 employees almost equally split in terms of gender representation and targeting all levels of employment (Table 10).

Figure 9: Investing In Employee Training - A Continuing Top Priority

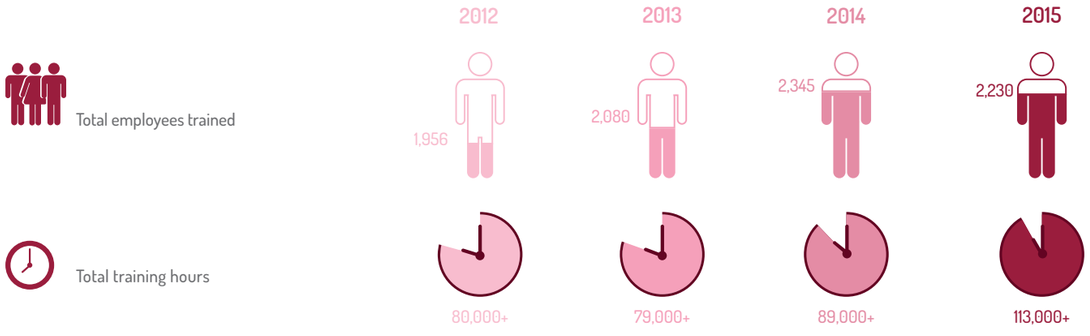


Table 10: Summary of Employee Training Hours

Employee Training Hours	Hours (2014)	Hours (2015)
Average training hours/Employee	29.73	36.18
Average training hours/Male	25.12	32.13
Average training hours/Female	35.24	41.03
Average training hours/Frontline employee	27.04	36.09
Average training hours/Middle Manager	44.89	36.68
Average training hours/Senior Manager	22.05	34.43

The learning programs implemented aim at assisting employees in upgrading their competence and abilities in areas related to technical skills, as illustrated in Table 11.

Table 11: Employee Development Programs and Number of Participating Employees

		Participating Employees
Branch Management Program (BMP)	This program provides qualified employees with an equal opportunity to assume first line supervisory positions. It is designed to identify, train and develop future branch managers and assistant managers through a 1 to 3-year program exposing them to an intensive learning environment.	52
Advanced Management Program (AMP)	This is a 30-day executive program delivered over 12 months and focusing on providing participants with tools to: • Effectively lead and manage people • Embrace and drive change initiatives • Create and deliver customer value • Gain the confidence to make decisions needed to succeed • Be exposed to different functional areas	43
Credit Training Program (CTP)	This program is designed for the Corporate, Commercial and Group Risk departments as a set of intermediate and advanced credit courses provided by international agencies.	33

These trainings have led to a ratio of successfully trained employees to total employees of around 71%. In 2015, we further developed our "Bank Audi Corporate Academy" portfolio of in-house training schemes aimed at nurturing skills and talent, and creating a culture of performance and continuous improvement. Over USD 20,000 were invested in the 2015 edition of the Corporate Academy. 3,966 training participants took part in the Bank Audi Training Academy courses that aim to enhance the skills and knowledge of existing branch employees on several banking topics, and to provide them with the opportunity to advance in their careers.

Our employee development approach is constantly under review as needs are assessed at multiple levels before training decisions are made. This assessment covers the requirements of the organisation, the prerequisites of the tasks involved, and individual level needs. Accordingly, in 2015, the plans for training activities and programs were based on our annual strategic plan drawing on our mission and vision: departmental requests based on meetings with line managers and recommendations provided by them, and individual competency-based trainings identified and compiled throughout the annual performance management

process. Furthermore, a comprehensive assessment phase follows the training stage to adequately measure the results of any training program. For technical trainings, our HR department's Training and Development unit runs post-course tests to ensure knowledge transfer; and for soft skills trainings, feedback is collected through evaluation reports and continuous follow-up.

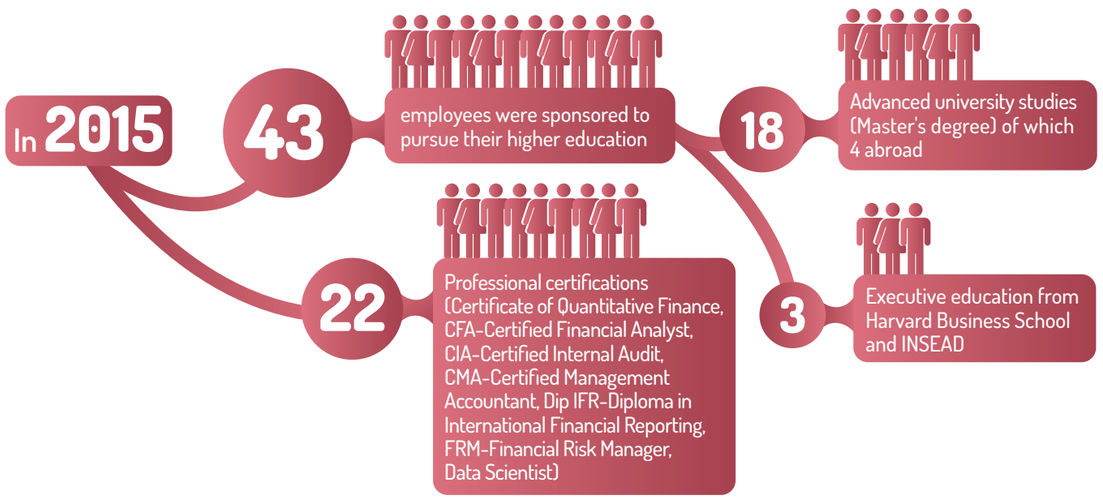
2015 also witnessed continued efforts to invest in our employees' higher education attainment. We invested over USD 812,000 in supporting the development of our employees, including advanced university courses, specialised banking studies and certifications, and executive education. We are very much aware that developing employees will reflect positively on their motivation and performance, particularly when these employees apply what they have learned in their current jobs. In 2015, 116 employees were certified in "Lebanese Financial Regulations". Furthermore, 43 employees benefited from the Bank's sponsorship grants, as detailed in Figure 10.

Enriching Employees' Lives

Aiming to enrich colleagues' lives, our Training & Development (T&D) unit held various internal awareness sessions on miscellaneous topics presented by expert colleagues or external speakers, such as:

- Lebanon's Economy and its National Currency: a Fundamental and Empirical Analysis
- Social Media
- Waste in our Society
- Rating and Assessing Financial Institutions
- Stress Testing
- Cyber Security
- The Basel III Pillar
- Risk Infrastructure

Figure 10: Bank Audi's Employee Sponsorship Grants



DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY

One of our core values is fostering a diverse and inclusive work environment. Accordingly, we strive to support diversity in the organisation and ensure equal opportunities to all employees without regard to religion, gender or nationality. For example, in terms of gender composition of our workforce, the percentage of our female employee representation reached roughly 45.5% of total employees in 2015 (1,424 female employees vs. 1,706 male employees). While initiatives to support women in managerial positions continue to thrive, the representation of women in the middle and upper echelons of the Bank and key committees remains on the low side (Table 12). Yet, we seek to alleviate the glass ceiling in all its guises as part of our commitment to diversity, inclusion and equal opportunity. In terms of age groups across different managerial levels, Senior Management positions are mostly occupied by employees who are older, and hence have more seniority, experience and tenure within the Bank. In general, we believe that a workforce with a variety of backgrounds reflecting our society's composition is an essential driver to stay competitive.

Bank Audi Corporate Academy.

Table 12: 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 Inclusively)		% of Top Managers (Grade 22 and above)	
	F	M	F	M	F	M
Bank Audi sal	38.98%	38.63%	9.35%	11.66%	0.38%	1.00%
Other Lebanese entities	30.34%	49.08%	4.44%	11.33%	0.00%	4.80%

Table 13: 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 Inclusively)			% of Top Managers (Grade 22 and above)		
	< 30	Between 30-50	> 50	< 30	Between 30-50	> 50	< 30	Between 30-50	> 50
Bank Audi sal	20.89%	41.71%	15.01%	0.08%	15.78%	5.16%	0.00%	0.50%	0.88%
Other Lebanese entities	16.89%	39.51%	23.02%	0.00%	11.96%	3.81%	0.00%	2.08%	2.71%

Table 14: Composition of Governance Body Committees by Gender and Age Group at Bank Audi

	Gender (%)		Age (%)		
	F	M	< 30	30-50	> 50
Board of Directors	20	80			100

In addition, 84% of Bank Audi Group Lebanon employees are covered by collective agreements. In 2015, Bank Audi Group Lebanon hired 320 employees, as illustrated in Table 16. These new hires invariably infuse considerable new blood into the organisation, and the breakdown is 58% males versus 42% females in 2015.
When considering the type of employment contracts given to our employees, all Bank Audi Group employees have full time employment divided as follows:

- Total number of employees under Limited Employment Contract ("contrat à durée déterminée" - CDD) is 144 of which 81 males and 63 females.
- Total number of employees under Unlimited Employment Contract ("contrat à durée indéterminée" - CDI) is 2,986 of which 1,625 males and 1,361 females.

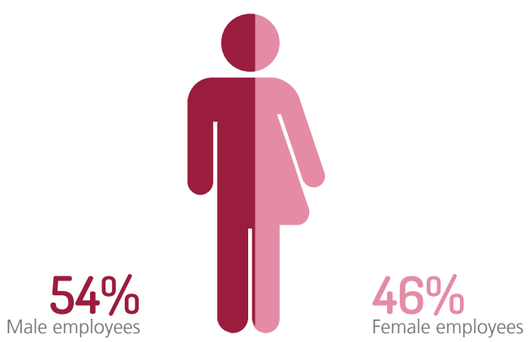
Table 15: Employee Distribution by Contract Type and Gender at Bank Audi Group Lebanon

	Total Number of Employees	Gender		Contract				Collective Agreement	
				CDD		CDI			
		F	M	F	M	F	M	% Covered	% Not Covered
Bank Audi sal	2599	1266	1333	39	45	1227	1288	100%	0%
Other Lebanese entities	531	158	373	24	36	134	337	67.89%	32.11%
Total	**3130**	**1424**	**1706**	**63**	**81**	**1361**	**1625**	**83.95%**	**16.06%**

Table 16: New Employee Hires at 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
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**

Figure 11: Workforce Composition with Respect to Gender in 2015



PROGRESSIVE LABOUR PRACTICES

Human Resource Planning

We continuously engage in Human Resource Planning (HRP) as we strategically plan our growth and various needs. In 2015, we made sure to be present in job fairs organised by various universities across Lebanon, such as the American University of Beirut (AUB), the Lebanese American University (LAU), the University of Balamand, Université Saint-Joseph (USJ), Notre Dame University (NDU) and Ecole Supérieure des Affaires (ESA). Furthermore, we offered internships to over 423 university students, amounting to over USD 163,000. Outstanding interns are flagged in our records for potential recruitment at the Bank.

Participation at USJ Job Fair.

Compensation and Benefits

We implement a clearly defined and documented compensation strategy which reflects our core values and beliefs, whereby we seek to offer our hardworking employees fair and highly competitive remuneration and benefits compared to starting market rates, specifically at a ratio of 1.48. Hence, salaries and benefits constitute our highest HR costs, exceeding USD 170 million in 2015. We also complement our pay schemes with various significant benefits including performance bonuses, medical insurance and coverage, paid leaves, life insurance, educational sponsorships, special loans facilities, insurance plans, work accident insurance, transportation allowance, family allowance, marriage allowance, child birth allowance, child tuition allowance, travel allowance, end-of-service indemnities and advantages such as an infirmary, a gymnasium and a music studio. In 2015, for instance, we invested over USD 5.3 million in support of 940 employees and their children's tuition fees (around USD 3,000/child). We also make it a point to maintain competitive and gender-balanced compensation schemes across the Bank.

In 2015, we also resumed arranging the Profamily celebration, a special award program organised by the Bank annually to reward employees' children for their outstanding academic performance in the Lebanese baccalaureate by sponsoring their future academic pursuits. Bank Audi's Training & Development unit held its annual Profamily celebration on September 14, 2015. For the eighth consecutive year, the sons and daughters of fellow employees were rewarded for their exceptional results in the Baccalaureate – Part II, an initiative meant to encourage teenagers to seek education and unrivalled performance, for ambitious careers and a brighter future. In 2015, Bank Audi awarded 17 qualified students. The amounts of prizes granted to the top four performers with distinction were respectively as follows: USD 20,000, USD 15,000, USD 5,000 and USD 5,000.

At Bank Audi, we are aware that top performing employees need to be identified and recognised for their hard work, commitment and efforts. We make sure to acknowledge the work of our top performers throughout our branch network on a monthly and yearly basis.

Moreover, in line with our annual end of year tradition, we continue to distribute gifts to our employees. In 2015:
- 3,462 5g gold units were offered to all Bank Audi employees, for an amount of USD 521,000;
- 3,171 10-liter gallons of olive oil were distributed to our employees, for an amount of USD 228,000.

ProFamily educational program awardees.

In 2015

940 Bank Audi employees were aided with their children's tuition fees, totalling USD 5.3 million.

> USD 170 million
invested as salaries and benefits, constituting our highest HR cost.

Employee Retention

We have succeeded in maintaining a very low human capital turnover rate of 5.6% in 2015 in Bank Audi sal. Looking closer, we also note that the female turnover rate (2.2%) is less than that of males (3.3%) in Bank Audi sal.

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

Table 17: Return to Work Rates after Parental Leave, by Gender, at Bank Audi Group Lebanon

	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
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%

Employee Wellness

We continue to promote a strong organisational culture of wellness and health which ensures that Bank Audi remains an employer of choice. Hence, we ventured to relieve our employees from work-related stress and encourage them to maintain a good work-life balance by joining Bank Audi group hikes to various scenic destinations in Lebanon. These adventures improve our group dynamics, as well as employee bonds and relationships within the Bank. On a similar note, we encourage our employees to engage in sports-related activities such as basketball, table tennis, ball-room dancing, sports tournaments, and special celebration concerts. In 2015, more than USD 62,700 were invested in employee wellness programs, thus increasing efficiency across all our bank's departments. Furthermore, six employee clubs are actively promoting a variety of interests: the Community Club; the Green Club; the Music Club featuring Band Audi, Audiyat and MelAudi; the Sports Club; the Toastmasters Club and the Travel Club.

Employee Health

We continued to implement wellness programs to promote employee health and well-being across the Bank. We are aware that promoting employee health leads to a creative and productive workplace with lower absenteeism and turnover rates. Consequently, at Bank Audi, we strive to maintain a healthy and supportive working environment. Along these lines, we continue to provide internal medical services to our employees through our infirmary located at Bank Audi Plaza, and have encouraged our employees to undergo free vaccination for common diseases such as the flu.

Members of the Toastmasters Club.

Proud of our winning team.

Bank Audi's "MelAudi" band.

Toastmasters

Toastmasters International is a non-profit educational organisation that operates clubs worldwide for the purpose of helping members improve their communication, public speaking and leadership skills. Toastmasters' members hone their speaking and leadership skills in a fun and friendly environment through attending meetings in one of the 14,650 clubs in 126 countries worldwide.
Bank Audi Toastmasters Club, the first and only corporate club in Lebanon since 2013, provides employees with the chance to improve their communication and leadership skills, and find the courage to change, empowering members to practice on stage with colleagues and guests. During 2015, a team from the club conducted a half day interactive training session addressing 20 children and adolescents from SOS Village d'Enfants on communication skills, providing them with hints on professional communication, as well as on how to answer impromptu questions, and the importance of body language and vocal variety.
Additionally, 5 members of Bank Audi Toastmasters Club competed against other clubs during the annual convention in February 2016. The winners of these competitions will participate in the regional speech contests against other Toastmasters members in the Middle East.

EXTERNAL HUMAN DEVELOPMENT

Educational Aid in the Community

Externally, human development continued to be an important priority, particularly with concern to investing in the future while empowering and supporting the youth. In 2015, we provided educational aid to various schools and universities across Lebanon, as well as student loans at preferential rates (around USD 6.4 million in loans to 373 university students). Our external human development efforts extended to support key educational institutions through scholarships and donations, amounting to USD 746,349.

Spreading Awareness on CSR in the Community

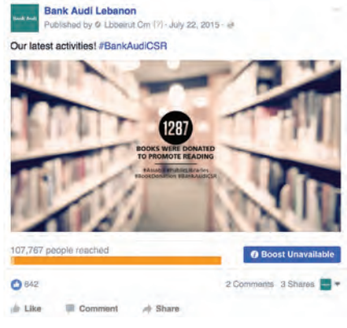
A stakeholder panel we conducted helped us identify the need to promote CSR and raise awareness on its importance in Lebanon. Systematic efforts were therefore made in 2015 to reach out to the youth with regard to building awareness and momentum on CSR. A Graduate Student CSR Competition was launched, whereby each student had to present a CSR-related project to Bank Audi after having attended an informative session on CSR. The winner was awarded an internship at Bank Audi to help implement their idea. The best three ideas were granted USD 750, USD 500, and USD 250 respectively. Also, under our external CSR umbrella, we participated in various CSR conferences and lectures to share the Bank's CSR journey with various audiences across universities and at business conferences both locally and regionally.

Using Social Media to Convey our CSR Impacts:

14 CSR posts on Bank Audi's homepage and the frequency of their interaction were analyzed in 2015 to attract an aggregated engagement of:

- Reach: 543,681
- Likes: 9,438
- Comments: 71
- Shares: 80

Top CSR post with the highest reaction: book donation post.



In 2015

USD 746,349 went towards scholarships and donations, as part of our external human development efforts to support key educational institutions.

Committed to be the workplace and employer of choice, and since this is one of our organisation's guiding principles, we insist on: an inclusive hiring philosophy, the way we treat our people, and the support and opportunities we create for our employees to help them "Grow Beyond their Potential". We are proud to build a workforce that is positively driven and hence sustainably more creative and productive. We also reach beyond the walls of the Bank to inspire youth and cultivate human talent in its various guises. Our human development efforts empower individuals internally and externally by providing them with the tools they need to develop their skills, competence, leadership potential, and to ultimately help them achieve their long-term career ambitions and aspirations.

Georges Audi Auditorium at ESA

«L'Ecole Supérieure des Affaires» (ESA) and Bank Audi inaugurated the Georges W. Audi Auditorium in October 2015.

A heartfelt tribute to Georges Audi, "the mentor of great wisdom, the man with remarkable intelligence and modesty, the inspiring guide, the leader, the strategist and the visionary", Mr. Samir Hanna spoke of the "good governance" which was strongly defended by Georges Audi who is surely behind "the identity and the values which constitute the Bank's foundations."
The construction of the Georges W. Audi Auditorium, a fascinating architectural and technical challenge, is characterised by its contemporary arrangements and sleek lines. The auditorium, which can accommodate up to 400 persons, looks out on the park which students and ESA guests can enjoy for meetings and relaxation.

Its high performance acoustics make it the perfect venue for conferences and round tables gathering speakers from a variety of backgrounds, as well as major cultural and musical events.

Some CSR Presentations

Materiality case study presented at **UNGC introductory meeting by CSR Lebanon**

AUB MHRM Presentation - March 20, 2015

NDU Business Ethics

Balamand University Business Ethics

Executive Panel on CSR - April 16, 2015
Mr. Marc Audi participated in the Executive Panel on CSR at the Olayan School of Business – AUB

AUB Presentation - April 30, 2015
Presentation at AUB on the 2nd NGO conference organised by the Community Centre

AUB EMBA Class - June 17, 2015

UNGC Launch Panel - September 3, 2015 and National Steering Committee Founding Member

Teach For Lebanon mentoring at the Saida Generation School

CSR Levant Summit 2015

Georges Audi Auditorium at ESA.

UNGC launch panel at AUB.

SPECIAL FEATURE STORY

IC Visits to Bliss Branch
February 10-11, 2015

Seeking a dual objective, namely creating financial awareness and career orientation, Bank Audi Bliss branch hosted the kindergarten sections of the International College, on February 10 and 11, 2015 for a "Visit to Bank Audi", as part of a series of initiatives promoting Youth Financial Literacy. Bliss branch colleagues and the CSR team welcomed 160 students and guided them through the premises where employees explained core operations and their role in day-to-day business. They were also introduced to the NOVO branch and ATM machines. Small souvenirs were distributed courtesy of the e-Payment Solutions and Card Services department. On this occasion, IC teachers underlined that it was a very positive experience as they felt their students were comfortable, carefully listening and came back to school with enriching knowledge about how the Bank works. The kids were also able to understand how Bank Audi serves the community. This initiative supports Bank Audi's belief that education of any kind, especially financial, must start at a young age.

IC's visit to Bank Audi's Bliss branch.

Below is an extract of the IC teachers' feedback:

To whom it may concern,
[…] The explanation was clear and the kids were able to comprehend the concepts tackled in our unit such as the function of the Bank as a system, the responsibilities of your members, and how the Bank serves our community. Our students were engaged as they were given the opportunity to ask their questions and were eager to hear your answers. We hope to repeat this experience next year […].

Regards,
KGIIMS Teachers
International College

5

Environmental Protection

ENVIRONMENTAL PROTECTION

We have forged our way on the path of promoting environmental sustainability by building on the momentum of the past three years. This expresses our perception of the importance of living in a healthy environment and the various initiatives we have undertaken to address environmental issues. In 2015, we advanced our environmental initiatives and were proud to receive, for the second year in a row, a certificate of acknowledgement from the Ministry of the Environment in Lebanon for being a leading institution in quantifying our Greenhouse Gas (GHG) emissions using an internationally certified tool with the mark "Built on GHG Protocol".

ENVIRONMENTAL AWARENESS AND ENVIRONMENTAL STEWARDSHIP

An important objective is to inspire our internal and external stakeholders by spreading environmental awareness and motivating them to protect the environment. Accordingly, we encourage our employees to act as good environmental stewards at work and at home through various workshops, activities and initiatives:

- Environmental awareness through internal communications aimed at encouraging employees to recycle and sort their waste. Employees were invited to bring their sorted waste from home and drop them in their respective bins.
- A presentation entitled "Waste in our Society" and given by a leading expert in Environmental and Industrial Engineering and one of Lebanon's green entrepreneurs, Ziad Abi Chaker, who tackled the current crisis and provided 90 employees with recycling solutions and a projection of what could be done.
- In celebration of Earth hour on March 28, we voluntarily joined the global initiative and turned off the lights in both Plaza and Palladium buildings for a whole hour, with the objective to raise awareness on climate change and protecting the environment.

Environmental protection and prevention management costs amounted to USD 9,340 in 2015.

Ziad Abi Chaker Introducing recycling solutions.

ENVIRONMENTAL LOANS

Externally, we proceeded with an effective path to promote environmental sustainability through our environmental loans, sponsorships, and for-cause or benefit sponsorships. For example, in 2015, we extended over USD 26 million of environmental loans subsidised by the Central Bank of Lebanon at preferential interest rates. These loans cover a spectrum of environment-friendly modifications from renovated lighting systems to the acquisition of photovoltaic panels, to landscaping implementations applied in private, residential or commercial buildings. We also extended more than USD 29,000 in sponsorships to various environmental and animal rights projects recommended by our different branches.

EFFLUENTS AND WASTE

MEASURING OUR ENVIRONMENTAL IMPACT

Solid Waste

We sustained our "Grow Green" program which encourages employees to recycle solid waste such as used paper, metal, plastic caps and PET bottles, and e-waste, at the 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 l'Association de l'Ecoute. In 2015, we persisted on tracking the impact of our "Grow Green" program since its inception in 2012, which led to:

6,774 trees saved.

467kg of plastic recycled.

300% improvement in paper recycling.

During 2015, we reduced our paper consumption by 18.5% due to the active steps taken in all our branches: all printers which have the option of printing on both sides were set to print on duplex mode by default.

Table 18: Paper Recycling between 2012 and 2015

Year	Kilograms of Paper Collected for Recycling
2012	51,770
2013	83,192
2014	103,722
2015	146,769

Table 19: Total Weight of Waste by Type

Waste Management per Category	Kg in 2015
Donated e-waste	403
Recycled paper	146,769
Recycled plastic	150

In line with our customer care initiatives and in celebration of Earth Day, we offered 70 randomly selected customers a Bonsai tree as a token of appreciation for their generous donations to environmental organisations and for their dedication to make planet Earth a better place.

GHG EMISSIONS

In partnership with a certified expert, we conducted a comprehensive audit of our carbon footprint by monitoring all our premises: branches, offices and warehouses. This process was launched in 2012, hereafter considered as base year, with a view to comply with the GRI G4 guidelines on environmental impact. We accounted for the total surface area occupied by Bank Audi in Lebanon, as well as the total number of persons employed. This organisational boundary was set by the Bank for two reasons: to conduct the Report using the equity share concept, and to develop an audit report to be used for operational management improvements.

Probing into our GHG emissions revealed a significant improvement trend since 2012. As per our GHG inventory based on the GHG-Protocol Corporate Standard, we have reported on the following seven Greenhouse Gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3).

Results revealed that GHGs are from several sources grouped into 3 scopes: Scope 1- from own generation of power and refrigerants; Scope 2- from purchase of electricity from Electricité Du Liban (EDL) and shared generators, and from selected indirect emission sources; and Scope 3- from paper consumption, flights undertaken for work reasons and courier services. The total GHG emissions from Bank Audi Group Lebanon in 2015 were 21,738.2 tCO_{2e}, equivalent to 6.9 tCO_{2e} per employee and 0.225 tCO_{2e} per m^2 when accounting for the employees and total space occupied by the Group's amenities respectively. It is important to note that this number has decreased when compared to 2012, the baseline year; all while acknowledging that the space occupied by our business has increased by 7.86% and employment by 11.40% (Figure 13). This increase is mainly due to the expansion of the Bank and to the increase of emissions in Scope 3. Scope 2 was responsible for 72.1% of the total GHG emissions (15,672.4 tCO_{2e}) where the GHG emissions from EDL electricity was the main contributor, accounting for 72.3% of the Scope 2 value. On the other hand, Scope 1 (4,448.1 tCO_{2e}) and Scope 3 accounted for the rest of the total GHG emissions (1,617.7 tCO_{2e}), 20.5% and 7.4% respectively. Flight trips for business purposes constitute the core components of Scope 3 and are responsible for 63.3% (1,024.5 tCO_{2e}) of total indirect emissions in this scope. Courier services account for 23.1% (373.8 tCO_{2e}) of total Scope 3 emissions, and paper consumption constitutes 13.6% (219.4 tCO_{2e}).

Figure 12: Number of Trees Saved since 2012

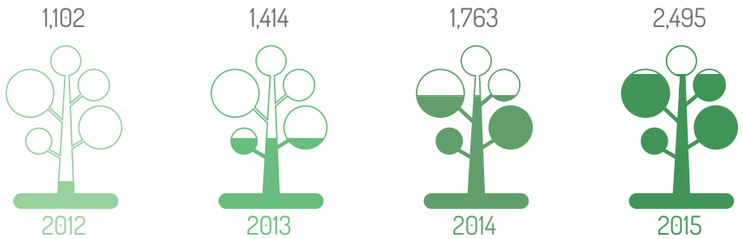


Figure 13: Total GHG Emissions per Year for Bank Audi

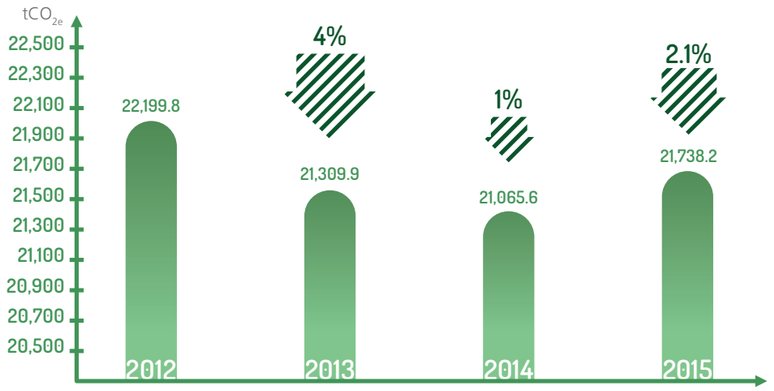


Table 20: Bank Audi's Greenhouse Gas Emissions between 2012 and 2015

	2012	2013	2014	2015
Total GHG emissions	22,199.8 tCO_{2e}	21,309.9 tCO_{2e}	21,065.6 tCO_{2e}	21,738.2 tCO_{2e}
GHG emissions per employee	8.0 tCO_{2e}	7.7 tCO_{2e}	7.0 tCO_{2e}	6.9 tCO_{2e}
GHG emissions per m^2	0.230 tCO_{2e}	0.220 tCO_{2e}	0.218 tCO_{2e}	0.225 tCO_{2e}

Figure 14: Bank Audi's Greenhouse Gas Emission Sources

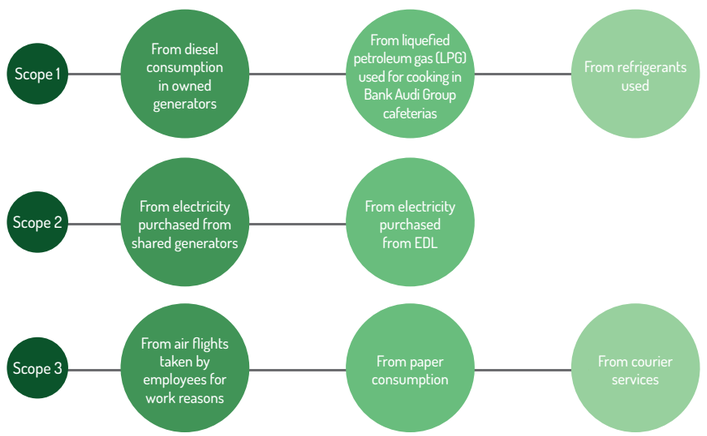
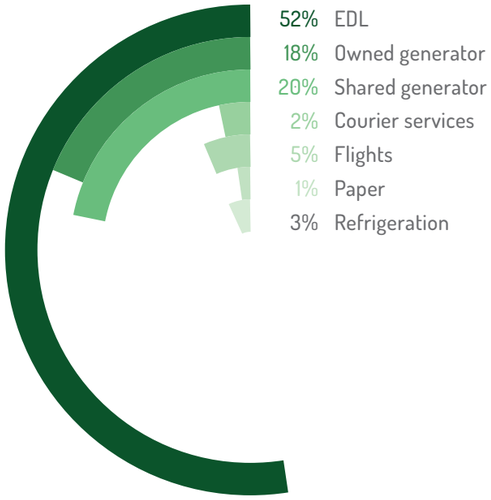


Figure 15: Emissions per Sources in 2015 (%)



With respect to the GHG emissions intensity ratio for Scopes 1, 2 and 3, the study revealed that in 2015, each employee at Bank Audi Group Lebanon was responsible for 6,945.1 kg of CO_{2e} and total emissions were 224.9 kg of CO_{2e} per m^2. If we compare 2012 to 2015, there is an overall decrease of 2.1% of total GHG emissions, and an increase in occupied space and in the number of employees. 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 for the standardisation of the procedures and calculations, which is key in order to quantify and compare emissions accurately. In addition, we applied the most up-to-date emission factors to ensure the transparent calculation of a reliable footprint. Because every GHG assessment is different, it was crucial to modify existing tools in order to come up with accurate results. The calculation of the emission factors and the global warming potential (GWP) rates used is 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

Quantifying the energy consumption within Bank Audi Group Lebanon revealed that the total fuel (Diesel) consumption is 1,402,789.8 litres; total electricity consumption is 23,745.1 MWH among which 73.4% was purchased directly from EDL, while the rest was either produced by owned generators (12.5%) or purchased from shared generators (14.1%). Sources of conversion factors used are the same as those used in 2013*.

** CSR Report 2013, Figure 20.*

SPECIAL FEATURE STORY

Bank Audi Contributing to Reducing the Nation's Carbon Footprint through Environmental Loans

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 for 2013, 2014 and 2015. These loans helped various residential, commercial and industrial projects emerge with reduced carbon emissions. Hence an overall saving of 12,771 tCO_2 in carbon footprint due to these loans using energy efficient, solar or photovoltaic solutions.

In 2013, an initial saving of 158 tCO_2
In 2014, an accumulated saving of 2,533 tCO_2
In 2015, an overall saving of 12,771 tCO_2
spanned over the years of measurement.

Supplementary Information

REPORTINGS AND RATINGS

This Report complies with a number of external reporting guidance and standards. Primary among these is the ISO 26000 Social Responsibility Guidance. In 2012, Bank Audi was the first banking institution to pilot the ISO 26000 Social Responsibility Guidance in Lebanon. Accordingly, the Report addresses the seven core subjects of responsibility defined in the ISO 26000 Standard. It also addresses many of the guidelines and indicators set out in the Global Reporting Initiative (GRI), and is prepared "in accordance" with GRI G4 Guidelines, as well as with the Financial Services Sector Supplement, at a "core" application level. GRI is an internationally recognised voluntary guideline which defines principles and indicators that companies can use to report on the triple bottom line. GRI is currently observed by thousands of organisations in 90 countries. The Report also complies with the principles defined by the UN Global Compact (UNGC), of which we are proud signatories and members of the Local Network Steering Committee.

Table 21: Concordance Table Summarising GRI G4 Indicators, UNGC Principles and ISO 26000 Subjects as Observed by Bank Audi

GRI G4		UN Global Compact	ISO 26000	Reference
General Standard Disclosures				
			7.2. The relationship of an organisation's characteristics to social responsibility	P. 8 - 17
Strategy and Analysis				
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.		4.7. 6.2. 7.4.2.	P. 4
Organisational Profile				
G4-3	Report the name of the organisation.		6.3.10. 6.4.1. - 6.4.5. 6.8.5. 7.8.	P. 8
G4-4	Report the primary brands, products and services.			P. 77 Appendix 3
G4-5	Report the location of the organisation's headquarters.			P. 8
G4-6	Report the number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the Report.			P. 8
G4-7	Report the nature of ownership and legal form.			P. 8
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).			P. 8
G4-9	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.			P. 28

GRI G4		UN Global Compact	ISO 26000	Reference
G4-10	a. Report the total number of employees by employment contract and gender b. Report the total number of permanent employees by employment type and gender c. Report the total workforce by employees and supervised workers, and by gender d. Report the total workforce by region and gender e. Report whether a substantial portion of the organisation's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	Principle 6		P. 53 & 54, Table 12
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	Principle 3		P. 54, Table 15
G4-12	Describe the organisation's supply chain.			P. 34
G4-13	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, the structure of the supply chain, or in relationships with suppliers, including selection and termination.			Table 6 AR[1] P. 12 & 17
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation.			P. 9
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.			P. 24 Appendix 4
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organisations in which the organisation: - Holds a position on the governance body - Participates in projects or committees - Provides substantive funding beyond routine membership dues - Views membership as strategic.	Principle 3		P. 17 Table 3
Identified Material Aspects and Boundaries				
G4-17	a. List all entities included in the organisation's consolidated financial statements or equivalent documents. b. Report 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. 10
G4-18	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. 13, Figure 2 & 3
G4-19	List all the material aspects identified in the process for defining the Report's content.			P. 14, Table 2
G4-20	For each material aspect, report the aspect boundary within the organisation.			P. 14
G4-21	For each material aspect, report the aspect boundary outside the organisation.			P. 14
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.			P. 14
G4-23	Report significant changes from previous reporting periods in the scope and aspect boundaries.			P. 14
Stakeholder Engagement				
G4-24	Provide a list of stakeholder groups engaged by the organisation.		5.3.	P. 12, Table 2
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.			P. 12, Table 2
G4-26	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.			P. 12, Table 2
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.			P. 12, Table 2

[1] *AR: Annual Report*

GRI G4		UN Global Compact	ISO 26000	Reference
Report Profile				
G4-28	Reporting period (such as fiscal or calendar year) for information provided.		7.5.3. 7.6.2.	P. 9
G4-29	Date of most recent previous report (if any).			P. 9
G4-30	Reporting cycle (such as annual, biennial).			P. 9
G4-31	Provide the contact point for questions regarding the Report or its content.			P. 73
G4-32	a. Report the "in accordance" option the organisation has chosen. b. Report the GRI Content Index for the chosen option. c. Report the reference to the External Assurance Report, if the Report has been externally assured. GRI recommends the use of external assurance, but it is not a requirement to be "in accordance" with the Guidelines.			P. 9
G4-33	a. Report the organisation's policy and current practice with regard to seeking external assurance for the Report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organisation and the assurance providers. d. Report whether the highest governance body or Senior Executives are involved in seeking assurance for the organisation's sustainability report.			P.64 Applicable only for our carbon footprint assessment by contracted consultant.
Governance				
G4-34	Governance structure of the organisation, including committees under the highest governance body.		6.2. 7.4.3 7.7.5	P. 22 AR P. 12
Ethics and Integrity				
G4-56	Describe the organisation's values, principles, standards and norms of behaviour, such as codes of conduct and ethics.	Principle 10	4.4. 6.6.3	P. 76, Appendix 1
Generic DMA	Why the aspect is material, the impacts that make this aspect material, and the evaluation of Management approach. How the organisation manages the material aspect or its impacts.		6. 7.3.1. 7.4.3. 7.7.3. 7.7.5.	P. 12
Category: Economic Economic Performance				
G4-EC1	Direct economic value generated and distributed.		6.8.1. - 6.8.2. 6.8.3. 6.8.7. 6.8.9.	P. 28, 33, 38, 39, 40, 55, 57 & 63
Market Presence				
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage.	Principle 6	6.3.7. 6.3.10. 6.4.3. - 6.4.4. 6.8.1. - 6.8.2.	P. 55
Indirect Economic Impact				
G4-EC7	Development and impact of infrastructure investments and services supported.		6.3.9. 6.8.1. - 6.8.2. 6.8.5. 6.8.7. 6.8.9.	P. 30, 31, 43, 44 & 57, Table 6 & 9
Procurement Practices				
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.		6.4.3. 6.6.6. 6.8.1. - 6.8.2. 6.8.7.	P. 34
Category: Environmental Energy				
G4-EN3	Energy consumption within the organisation.	Principle 7 Principle 8 Principle 9	ESMS	P. 66, Figure 15
Emissions				
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).		6.5.5.	P. 63 & 66
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).			P. 63 & 66
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).			P. 63 & 66
G4-EN18	Greenhouse gas (GHG) emissions intensity.			P. 63 & 66
Effluents and Waste				
G4-EN23	Total weight of waste by type and disposal method.		6.5.3.	P. 63, Table 19
Overall				
G4-EN31	Total environmental protection expenditures and investments by type.		6.5.1. - 6.5.2.	P. 63

GRI G4		UN Global Compact	ISO 26000	Reference
Category: Social - Labour Practices and Decent Work Employment				
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	Principle 6	6.4.3.	P. 54 & 56, Table 16
G4-LA2	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.	P. 55 & 56
G4-LA3	Return to work and retention rates after parental leave, by gender.		6.4.4.	P. 56, Table 17
Training and Education				
G4-LA9	Average hours of training per year per employee by gender, and by employee category.		6.4.7.	P. 50 & 52, Table 10
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		6.4.7. 6.8.5.	P. 51, Table 11
Diversity and Equal Opportunity				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.		6.2.3. 6.3.7. 6.3.10. 6.4.3.	P. 53, Table 12, 13 & 14
Equal Remuneration for Women and Men				
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.		6.3.7. 6.3.10. 6.4.3. 6.4.4.	P. 55
Category: Social - Human Rights Investment				
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Principle 1 Principle 2 Principle 4 Principle 6	6.3.5.	P. 24
Category: Social - Society Local Communities				
G4-FS13	Access points in low-populated or economically disadvantaged areas by type.			P. 32 & 33
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.			P. 33 & 41
Anti-corruption				
G4-SO4	Communication and training on anti-corruption policies and procedures.	Principle 10 Principle 2	6.6.1. - 6.6.2. 6.6.3. 6.6.6.	P. 24, Table 5
Compliance				
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		4.6.	P. 23
Category: Social - Product Responsibility Product and Service Labeling				
G4-PR5	Results of surveys measuring customer satisfaction.		6.7.1. - 6.7.2. 6.7.6.	P. 32, Table 7
G4-FS16	Initiatives to enhance financial literacy by type of beneficiary.			P. 33, Appendix 5
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.			P. 32, 33, 40 & 41, Table 8
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.			P. 63

** Principle 5: N/A*

For information about the Report, please refer to: Bank Audi's CSR Unit csr@banqueaudi.com Bank Audi Palladium – Bab Idriss; Beirut Lebanon

AWARDS AND RECOGNITION

In 2015, we were honoured by a variety of organisations for our innovative banking practices and our progressive employment policies. We are proud to highlight some of the key awards and recognitions received by our Bank in 2015.

Table 22: Awards for Bank Audi Group Lebanon in 2015

Euromoney Award for Excellence	Best Bank in Lebanon
The Banker Magazine Award	Bank of the Year
Banker Middle East Product Awards	Best Bank in Lebanon
Global Finance Award	Best Bank in Lebanon
The Asian Banker	Strongest Bank in Lebanon
Middle East Investor Relations Society	Best Company for Investor Relations for the Levant (Lebanon, Syria, Jordan)
First Protocol	Social Economic Award for the "Innovation and Technology" category
Ministry of the Environment	Recognition for reporting Greenhouse Gas Emissions
National Commission for Lebanese Women (NCLW) & the Beirut Chamber of Commerce	Gender Parity Prize
Euromoney Award for Excellence	Audi Private Bank sal: Best Private Bank for Commercial Banking Capabilities in Lebanon Best Private Bank for Net-Worth-Specific Services – Super Affluent Clients in Lebanon
The Banker & Professional Wealth Management Magazine	Audi Private Bank sal: Best Private Bank in Lebanon
Global Finance	Audi Private Bank sal: Best Private Bank in Lebanon

INTERNAL AUDIT

OBJECTIVE

Review and evaluate the development of the Corporate Social Responsibilities activities Report in line with ISO 26000 Standards, Global Reporting Initiative (GRI – G4), United Nations Global Compact (UNGC) Principles and best practices.

EXECUTIVE SUMMARY

Group Internal Audit conducted a review over Bank Audi's 2015 Corporate Social Responsibility (CSR) activities and report based on the objective outlined above.

The Bank is continuously exerting efforts toward enhanced CSR business processes. Management continues to further develop the operating reporting mechanism, which was voluntarily initiated few years ago, in line with best practices and international standards (e.g. Global Reporting Initiative Guidelines (GRI-G4), International Standards (ISO 26000), and United Nations Global Compact (UNGC) principles).

We conducted a review of CSR significant activities and processes and performed as well verification procedures on test basis. Based on our review, 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.

We observed improvements in the CSR internal management system; nevertheless, certain areas of activities require Management's attention such as:

- The need to formalise, consistent with the CSR policy, an all encompassing CSR operating procedures that include the various processes and sub-processes.
- Further improve the existing process of data collection and reporting mechanism taking into consideration the effectiveness of controls in place, as well as the accuracy, reliability, traceability, timeliness and quality of the reported CSR information.
- Continue efforts to further boost the reporting mechanism and shed light on the Bank's forward looking CSR plans and their expected societal impact.
- Continue efforts to further standardise align and integrate CSR activities and processes within the Bank's decision making and business processes.
- Continue efforts to raise awareness and build competency for social responsibility, and to engage the Bank employees at various levels toward applying and promoting the Bank's CSR principles.

Mahmoud Majzoub
Head of Group Internal Audit

005

APPENDICES

Appendix 1: Highlights of the Code of Ethics and Conduct

Compliance with laws, rules and regulations: "It is the Group's objective to comply with all applicable laws, rules and regulations in all localities where it does business."	
Raising ethical issues: "All of the Group's representatives, including Directors and employees, are expected to consider compliance with ethical standards as a vital element of their responsibilities."	
Guiding Ethical Principles	Commitment to honesty, integrity and trustworthiness Commitment to fair competition Adherence to local and international standards
Fostering a Professional Conduct	
Supporting a Positive Work Environment	Violence and harassment free workplace Discrimination free workplace Alcohol and drug free workplace Smoke free workplace
Acting Responsibly	Respect of working hours Use of Group property Use of telephones, internet and email Personal belongings Political and religious affiliations Betting and gambling Workplace proper etiquette Communication with the media and the public
Ensuring Mutual Security	Secure workplace Access to Group premises
Managing Information	External activities Personal relationships Personal finances Gifts and benefits
Being Good Global Citizens	Involvement in social responsibility Respect of human rights
Reporting Concerns	
Investigations	
Administration of the Code	Violation of the Code Review and amendments of the Code

Appendix 2: Bank Audi's CSR Policy

Proactive, cooperative and collaborative commitment to integrate social and environmental concerns in business operations and contribute to the well-being of the society.

- Integrity and open communication in interacting with internal and external stakeholders
- Integrity in business
- Human development, valuing teamwork and talent rewarding
- Role model for socially responsible behaviour in Lebanon
- Positive influence on our value chain to abide by socially responsible guidelines
- Minimizing the negative impacts of our activities on the environment
- Accountablility for decisions and actions we take
- Consciousness and corporate citizenship
- Diversity and equal opportunity among all employees
- Civic behaviour and sense of belonging
- Promoting healthy ecosystems, social equity and good organisational governance
- Abide by ISO 26000 Guidelines
- Alleviate challenges related to human rights as per the Universal Declaration of Human Rights

Appendix 3: Sampling of Bank Audi's Brands, Products and Services

Business Lines
- Personal Banking
- Business Banking
- Private Banking

Accounts
- Sight deposit account
- Payroll account
- Spring account
- Wedding account
- Current account
- Deposit account

Loans
- Home Loan
- Car Loan
- Personal Loan
- Generic personal loan
- Public sector
- Teachers' loan
- Doctors' loan
- High tech loan
- University loan
- Schooling loan

Cards
- Debit Card
- Credit Card
- Installment Card
- Charge Card
- Corporate Card
- Co-Branded Card
- Prepaid Card
- Tap2Pay NFC series of contactless payments

Services
- Audimobile
- PinPay
- ADSL service
- Calculator
- Bill domiciliation and payment
- Audi Online
- Safe deposit box
- Car Tax Payment
- SMS service
- E-statement
- IAPA
- Priority Pass
- Priority Traveler
- Insurance Programs
- Event Club
- Audi Assist

Loyalty Programs
- Audi Rewards
- Travel Rewards
- Kids Rewards
- Cedar Miles
- Air Time
- Cash Back
- Gift Voucher

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
- Smartcare

Appendix 4: Initiatives Endorsed by Bank Audi

Examples of Initiatives Endorsed by Bank Audi
Cultural festivals
Various business forums
Multitude of educational institutions
Roads For Life: post-accident care
Open Mind Fund: community awareness and education, and clinical services for families in need
Himaya: child abuse prevention, rehabilitation, and social reintegration of victims
Kunhadi: youth awareness on road safety
Children Cancer Center of Lebanon (CCCL): children's health care
Ayadina Association: help for underprivileged children and the elderly
Assabil: public library for the underprivileged
SOS: children's orphan village
Injaz: motivational and entrepreneurship
Heartbeat: children with heart diseases
Orphanage Welfare Society of Saida: care for orphans
G: raising awareness on environmental protection
My School Pulse: running for a cause
Beirut International Marathon: running for a cause
Kibarouna: care for the elderly

Appendix 5: Financial Literacy across our Products and Services

Initiative	Target Group	Category	Goal	Subject Area	Activity-related	Beneficiary	Language	Information Material
Spring Account	Youth (18-23 year-olds)	All youth	Practical access to money and special services	Promotion	Campaigns, 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 Assurance Account	Parents	Each age group has its own formula	Help parents ensure their children's schooling fees	Promotion		Parents and Children	Arabic	Brochures
Housing Assurance Account	All	All	Insure house against accidents	Promotion		All	Arabic	Brochures
Life Assurance	All	All	Insure individuals against accidents	Promotion		All	Arabic	Brochures
University Studies Insurance	Parents	Youth	Insure university studies fees	Promotion		Youth	Arabic	Brochures
Personal Loan	All	Low-income individuals	Assist in spending	Promotion		All	Arabic/English	Online and brochure
Transparency Banking Tips	All	All	Inform clients about car loans	Informative		All	Arabic/English	Online and brochure
Grow My Business	All	Micro businesses	Encourage small businesses	Promotion	Competition and award winning	Businessmen	Arabic/English	Online and brochure
Wedding Account	All	Newly weds	Help newly weds guarantee their future	Promotion		Newly weds	English	Online and brochure
Housing Loan	All	Low-income individuals	Help individuals buy houses	Promotion		All	Arabic	Online and brochure
Visa Business Debit Card	All	Businessmen	Help businessmen control their internal spending	Promotion		Businessmen	Arabic/English	Online and brochure
All you need to know about "Chip" cards	All cardholders	All	Educate cardholders on the evolving "chip" technology that was introduced to their card 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 "Pay Pass" contactless payment technology, a new feature that makes their purchases much 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	Summarize Bank Audi cards split by chip type: "Chip & PIN" or "Chip & Signature"	Comprehensive		All	English	Brochures

ACKNOWLEDGEMENTS

For this report all departments, branches and numerous individuals have made a significant contribution. We would like to thank them all, as well as employees and stakeholders who have participated in the assessment process, providing feedback and helping our continuous improvement. We would also like to thank our consultants for their comments and suggestions which have contributed to our efforts to integrate best practices in this report.

The paper used for the print version of this report is from sustainable sources, largely recycled and abides by guidelines for responsible forestry.
It is completely biodegradable and recyclable.