



CORPORATE SOCIAL RESPONSABILITY

2020

Letter from the Chairman and General Manager

Dear Stakeholders,

In the course of 2020, serious efforts were performed by the Lebanese Banking sector to face & manage the impact of the national financial crisis. The severe changes in the economy forced the banks cope with unique challenges.

Despite the social and political unsteadiness, our top priorities remained Responsible Banking and Sound Corporate Governance, the cornerstones of our business and the purpose of achieving our sustainable goals while contributing to the society and economic growth.

This Corporate Social Responsibility report highlights our commitments to our stakeholders and provides a vibrant statement of our four main strategic axes: our business, our environment, our community and our people.

Empowering Women and SMEs became an integral part of our DNA. On one hand, our Women Empowerment Initiative (WE) offered a unique value proposition providing financial and non-financial services, on the other hand, our SME banking strategies went beyond providing simple banking services and focused on enhancing women managerial skills aiming at wider growth and expansion.

Moreover, we are continuously aiming to support innovative projects with environmental and sustainable impacts and our commitment to constant development molded our electronic delivery channels to be reference for digital customer service especially among youth. In addition to providing financial services, we strongly believe in contributing to our society and local community as a core value embedded in our culture.

Finally, we truly wish that the whole country can overcome today's hardship and that the banking industry regains its role in shaping a glorious Future.

Yours responsibly,

NADIM KASSAR

Chairman and General Manager

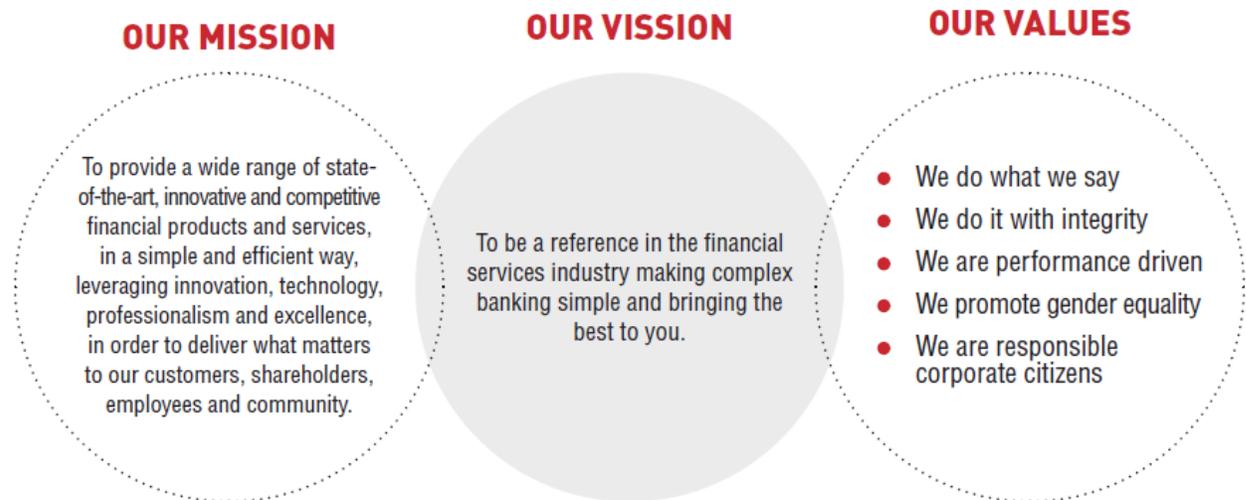
SUSTAINABILITY REPORTING AT BLC BANK

WHO WE ARE

We believe that our role isn't only a financial services' provider, yet we have a distinctive contribution to our community, environment and employees.

We are keen in providing products tailored for all customers' need from personal to enterprise and SMEs banking. Besides, we partnered with several organizations in different regions on several social projects which made us key elements in our community.

THE VALUES WE LIVE BY



OUR CSR REPORT

Our report represents an overview of all the corporate responsibility & sustainability activities taken place throughout the year covering the four main axes:

- **Our Business**
- **Our Environment**
- **Our Community**
- **Our People**

In compliance with the core option of Global Reporting Initiative (GRI), our report reflects reliable comparable figures to be used in our Communication on Progress to the UN Global Compact (UNGC) where we yearly report on our commitment to the Sustainable Development Goals (SDGs) and the UN principles.

The content data and facts are BLC Bank's figures for the year 2020 in addition to others presented in BLC Bank's 2020 Annual Report.

All our CSR & Sustainability activities are public on our CSR webpage:
<https://www.blcbank.com/csr/>

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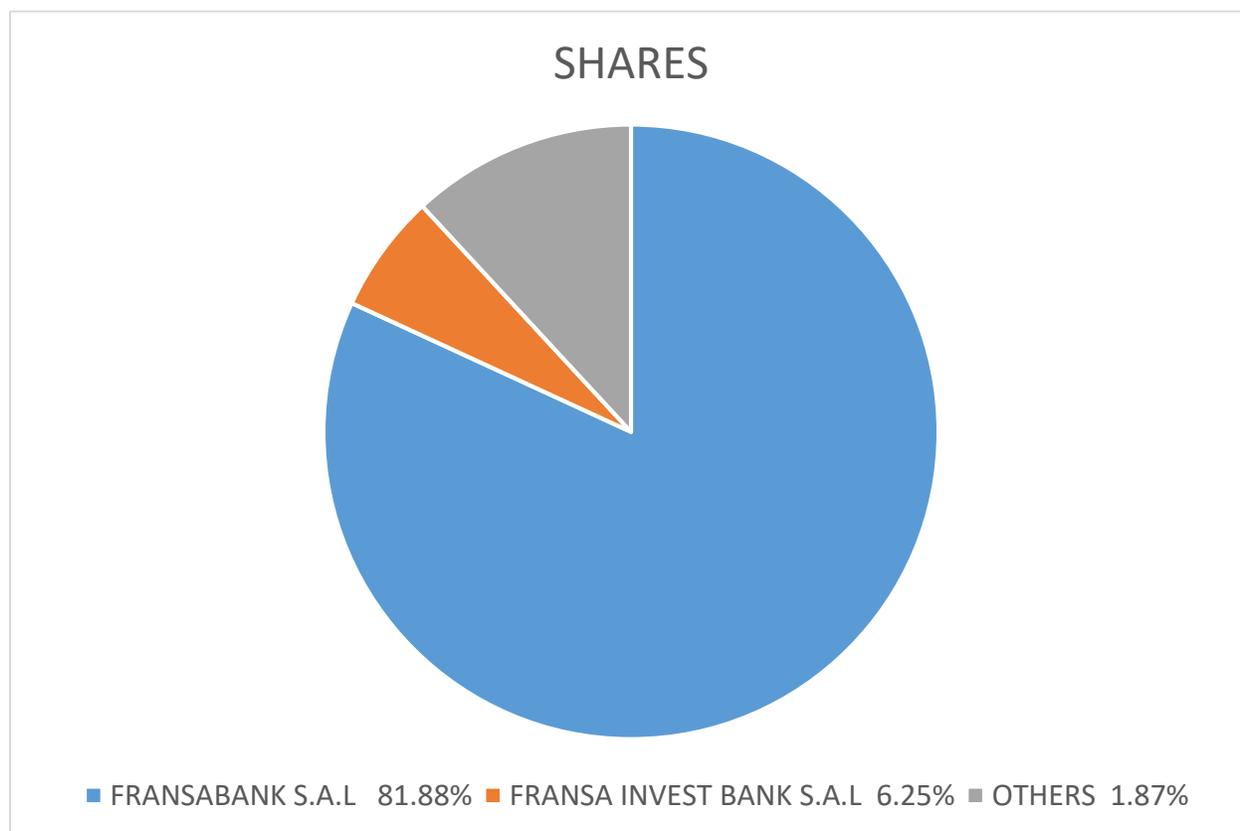
OUR PEOPLE

INTRODUCTION



OUR BUSINESS OVERVIEW

OUR MAIN HOLDERS OF COMMON SHARES as on 2020



OUR NETWORK

Our network is consisted of 34 Branches distributed on 5 regions as the below:

- Adlieh.
- Beirut 1 & south: 8 Branches.
- Beirut 2 & Baabda: 8 Branches.
- Bekaa: 5 Branches.
- Mount Lebanon & South: 12 Branches.

In 2019, we started operating our new E-branch. This branch provides clients with instant virtual assistance on all products and services. Unfortunately it was damaged on the 4th of August due to port blast.



Our ATMs network covers **42** ATMs across all our branches:

- Adlieh: 3 ATMs.
- Beirut 1 & south: 10 ATMs.
- Beirut 2 & Baabda: 8 ATMs.
- Bekaa: 7 ATMs.
- Mount Lebanon & South: 14 ATMs.

Our Representative Office in Abu Dhabi performs advisory and consultancy services to our Private Banking clients as well as other banking operations.

Our aim is to maintain our customer service standards in terms of assisting and satisfying our clients in a transparent and responsible approach by offering a wide range of personal and business products and facilities. We are keen to provide tailored customer experiences for a stronger and healthier evolution.

Our CSR 4 AXES: Our Business, Our Environment, Our People and Our Community are the main basis of our strategy shaping our responsible banking approach.

BLC Bank - Financial Highlights at the end of December 31, 2020 are:

- **Total Assets:** \$ 3,987,756.79 of 137,211 Accounts.
- **Total Customers' Deposits:** \$ 3,074,378.71
- **Net Profit:** \$ (18,179)
- **Total number of Customers:** 77,241
- **Net Loans and Advances to Customers:** \$ 910,780

Note: Amount in \$'000*

PRODUCTS & SERVICES

RETAIL BANKING

- SME Financing (Koudourat, LEEP Program, ESFD Dutch, LEEREF)
- Payment Cards
- Accounts (Current accounts, Individual salary domiciliation account, Group Salary Domiciliation Offer, Special Accounts for Incoming Transfers...)
- Loans (Personal loan, Land Loan, Housing loan, Car loan offers, Car loan offer for electric cars,
- Saving & Insurance
- Internet and Mobile banking services

PRIVATE BANKING

Brokerage /Trading Execution including: Equities, FX, Commodities, Derivatives, Fixed Income...

PRIVATE BANKING - SALES ADVISORY

- Client Relationships & Customer Service
- Financial Advisory
- Private Banking Sales

CORPORATE BANKING

- Working Capital Financing
- Medium & Long Term Loans
- Venture Capital Funds
- Overdrafts

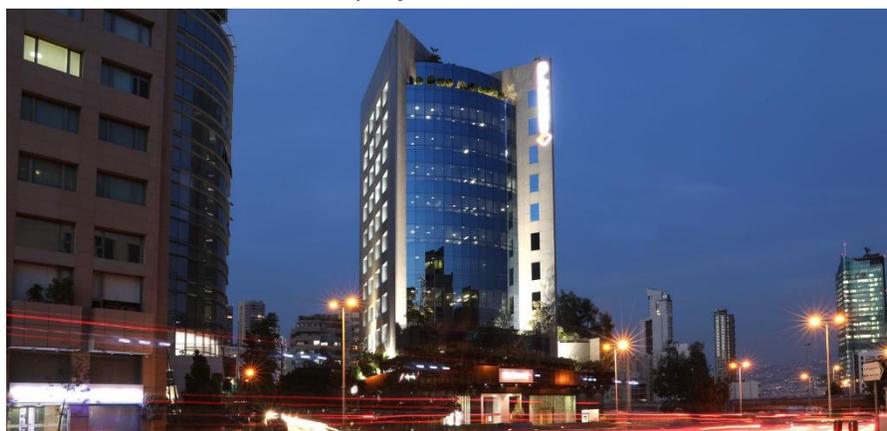
WEALTH MANAGEMENT

- Mutual Fund and Structured Products Management
- Portfolio Management (non-discretionally)
- Financial & Economic Research
- Financial Products Management

Corporate Social Responsibility at BLC Bank

Corporate Social Responsibility has always been BLC Bank's main source to achieve a wide-ranging strategy engaging all stakeholders towards responsible banking.

Our commitment to CSR aims to meeting all our stakeholders' needs while maintaining a sustainable impact. We seize every opportunity to find common ground between our business, our environment, our people and our community. We are keen to responsibly select our partners in order to insure successful sustainable projects.



OUR STRATEGY

FUNDAMENTALS

BLC Bank's mission, vision and values

PURPOSE

Responsible Banking and Economic Growth

THE 4 AXES

1. **Our Business:** Our commitment to ethical and responsible banking drives us to aspire to be our clients' chosen continuing partner for sustainable business.
2. **Our Environment:** BLC Bank's commitment to the environment is translated through the Bank's public Corporate Environmental Policy, Code of Conduct and Corporate Lending Policy. In this framework, BLC Bank altered its Procurement Policy to include requirements that help us make a wide environmental impact on stakeholders and involve them in our initiatives.
3. **Our People:** Our commitment to our people lies at the core of our business strategy. The people who join us, represent us and by extension values we uphold, as such, we make sure they enter a safe, inclusive and socially conscious workplace. This is done by ensuring a healthy environment with the necessary structure, policies, programs and opportunities in order to thrive.
4. **Our Community:** As responsible citizens, our commitment is not only to finance the economy but also to invest in the community we serve through other means. Our aim to impact the society inspires us to support many local organizations we believe in their causes for a better country.

We are accountable to effectively implement our 4 pillars and spread the CSR culture across the bank. We are keen to continuously assessing and evaluating our projects with a constant reporting to our top management.

Our partnership with international organizations are key to back our responsible services, therefore we are proud to support the United Nations Global Compact 10 principles and the UN 17 Sustainable Development Goals.

Our contribution to the SDGs comes from our commitment to responsibly connect all stakeholders. We try to contribute to as much SDGs as possible every year.

THE SDGs WE STAND BY

GOAL 3: GOOD HEALTH AND WELL-BEING

GOAL 4: QUALITY EDUCATION

GOAL 5: GENDER EQUALITY

GOAL 8: DECENT WORK AND ECONOMIC GROWTH

GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

GOAL 10: REDUCED INEQUALITIES

GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

GOAL 12: RESPONSIBLE PRODUCTION AND CONSUMPTION

GOAL 13: CLIMATE ACTION

GOAL 15: LIFE ON LAND

GOAL 16: PEACE, JUSTICE AND STRONG INSTITUTIONS

GOAL 17: PARTNERSHIPS FOR THE GOALS

OUR INTERNATIONAL COMMITMENT



WE SUPPORT:

UN Global Compact (UNGC)

BLC Bank became an active participant in the UN Global Compact in 2013. The UNGC is a leadership platform for the development, implementation and disclosure of responsible and sustainable corporate policies and practices. Inspiring change, it develops innovative solutions to address global issues. Endorsed by chief executives, UNGC aims at creating a better world by supporting companies to do business responsibly and take strategic actions to advance broader societal goals.



The UN Global Compact is the world's largest corporate sustainability initiative gathering around 13,000 corporate participants and other stakeholders over 170 countries. We hold onto our commitment to the UNGC's 10 Principles as a cornerstone to our strategy and culture.

The Sustainable Development Goals are closely related and in order to highlight the 360 approach of our CSR activities, we have decided to reflect on the link between our actions and various Goals and targets.

WOMEN'S EMPOWERMENT PRINCIPLES (WEPs)

Our association with the Women's Empowerment Principles Leadership Group (WEPs LG) symbolizes our true commitment to support the economic empowerment of women. The Women's Empowerment Principles are a set of Principles for business offering guidance on how to empower women in the workplace, marketplace and community.



Our commitment and achievements will help shedding the light on Lebanese women and their capacities which have led them to excel in numerous domains whether economic, financial or social.

Financial ALLIANCE FOR WOMEN

The Global Banking Alliance for Women is a group of financial institutions of 53 member countries driving women's wealth creation by providing institutions such as BLC Bank with global industry best practices and peer learning, keeping them ahead in serving their women customers.



BLC Bank was the first bank in the MENA to become a member of the Global Banking Alliance for Women. Through GBA, BLC Bank helped to reshape societies by sharing knowledge and expertise. We assisted other institutions to support women and foster their contribution through numerous mentorships, effective trainings and insightful sessions.

UN Global Compact (UNGC) Network Lebanon

Launched in September 2015, Global Compact Network Lebanon (GCNL) and the UNGC Headquarters work relentlessly to provide opportunities for learning, policy dialogue, and partnership on the Ten Principles and Sustainable Development Goals (SDGs). The Global Compact Network's Steering Committee, of which BLC Bank is a founding member, is composed of leading organizations covering different industries and sectors across Lebanon and is growing with business and non-business participants joining from different sectors.



Network Lebanon

BLC Bank has been playing an important role in the GCNL's activities, sharing best practices during conferences and helping advance the network sustainable agenda.

Events, Webinars & Online Workshops

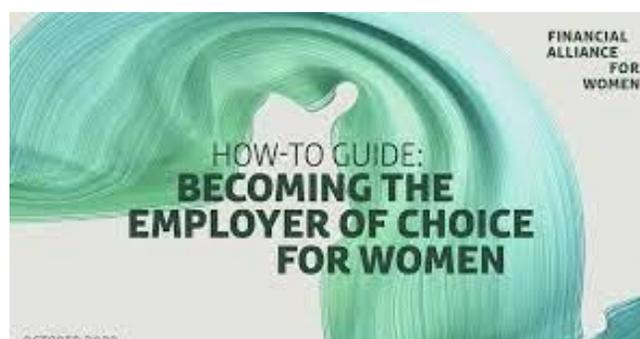
Ask the Expert: Business in Times of Crisis, Financial Alliance for Women – July 2020:

It's not business as usual. With lockdowns and quarantines affecting our day-to-day productivity, with retailers and mom-and-pop shops shutting their doors, with entire companies operating remotely, how do we keep businesses going? In such unprecedented times, how can financial institutions support their clients, particularly businesses owned by women? What kind of rescue plans can they put in place to support (W) SMEs and individual's post-COVID-19?



How-to Guide: Becoming the Employer of Choice for Women, Financial Alliance for Women – September 2020:

The Alliance's "How-to Guide: Becoming the Employer of Choice for Women" combines Mercer's leading-edge research with our members' real-world experiences. The result is a set of practical tools for enhancing and measuring gender D&I strategies and getting more women into leadership positions. The guide offers these tools in the context of building a holistic women-centered strategy and examines how blending enhanced internal gender D&I with a strong female customer value proposition can better equip FSPs to tap into the female economy.



VIRTUAL AGRI-FOOD INNOVATION DAY 2020, Berytech:

In Lebanon, the agri-food sector has long suffered from lack of support and good governance that would have created a vision and strategy for its growth. It remained left out from major economic restructuring and growth plans and incapable of accompanying the growth and evolution of other sectors, locally and worldwide. The economic crisis and impending pandemic have just come as the tip of the iceberg, unveiling a worsened situation. The sector needs a new positioning that reinforces national pride.

The vision is to achieve a vibrant, growing, and sustainable agriculture sector that offers improved livelihoods for rural and urban communities, not only in Lebanon but in the whole region.

This panel will bring national and international speakers, highlighting a unified vision for the agriculture sector among different stakeholders, improving food security, and optimizing practices for sustainability and innovation in the sector.

With the unwavering support of the Kingdom of the Netherlands, this event is organized as part of Berytech's mission to promote the agri-food sector in Lebanon and its commitment to applying the Sustainable Development Goals.



Crisis Management Program For Women-Led Businesses, Mashreq Gender Facility (MGF) World Bank – IFC Initiative:

The World Bank Group has partnered with Berytech and the Lebanese League for Women in Business (LLWB) to provide capacity building in times of crisis for women who want to grow their businesses and enhance their business model, marketing, financing, and networking opportunities, as well as learn how to be resilient in the face of crisis.

Berytech and LLWB will provide women business owners with the needed understanding of the crisis mechanism and the required tools and frameworks to help them understand the crisis impact on their business, and to help them develop adequate mitigation plans to navigate the repercussions of the current crises and ensure sustained operations.

This program, produced as part of the Mashreq Gender Facility (MGF), supports the economic mobility of women in Lebanon, helping them to grow sustainable businesses that are market-oriented, profitable, scalable, and which will facilitate job creation or maintain existing jobs.



Our commitment to our Stakeholders

Providing our employees, customers and community with the opportunity to connect with us is very important. This report is one of the communication means that we use to publically communicate with our stakeholders. Here's a list of our stakeholders' core commitment tools:

- Annual & CSR Reports
- Regulatory Announcements & Financial Disclosures
- Publications, reports, press releases, media monitoring
- Workshops, trainings, events and conferences
- Quality Control, Satisfaction Surveys & Focus Groups
- Delivery Channels (digital & call center)
- Meetings & Performance reviews
- Regular communication campaigns via intranet, e-mails, e-newsletters
- Central Bank's systematic reporting
- Periodic Audits
- Community partnerships and collaborations
- Employee volunteering

Meet our Stakeholders:

- Our employees
- Our Clients
- Our Shareholders
- The Central Bank & Regulatory Authorities
- Our CSR Partners
- The Local Community
- The Media
- Our Suppliers

Weighting Materiality

Abiding by the GRI reporting standards and our stakeholders' materiality matrix, this report highlights our CSR projects and activities as per their weighted relevance for every stakeholder. Weighting and assessing materiality depends on continuous communication between BLC Bank and all stakeholders in order to identify the relevance of projects and initiatives.

The materiality analysis is built around a surveys, focus groups and external stakeholders meetings. Our main stakeholder groups are defined as the following:

- Our business (e.g. customers, suppliers, business partners...)
- Our community & environment (e.g. NGOs, governments, information sources, consulting agencies and the media) from a societal perspective
- Our people (e.g. our co-workers, managers, executives and staff)

BLC Bank's Material Focuses:

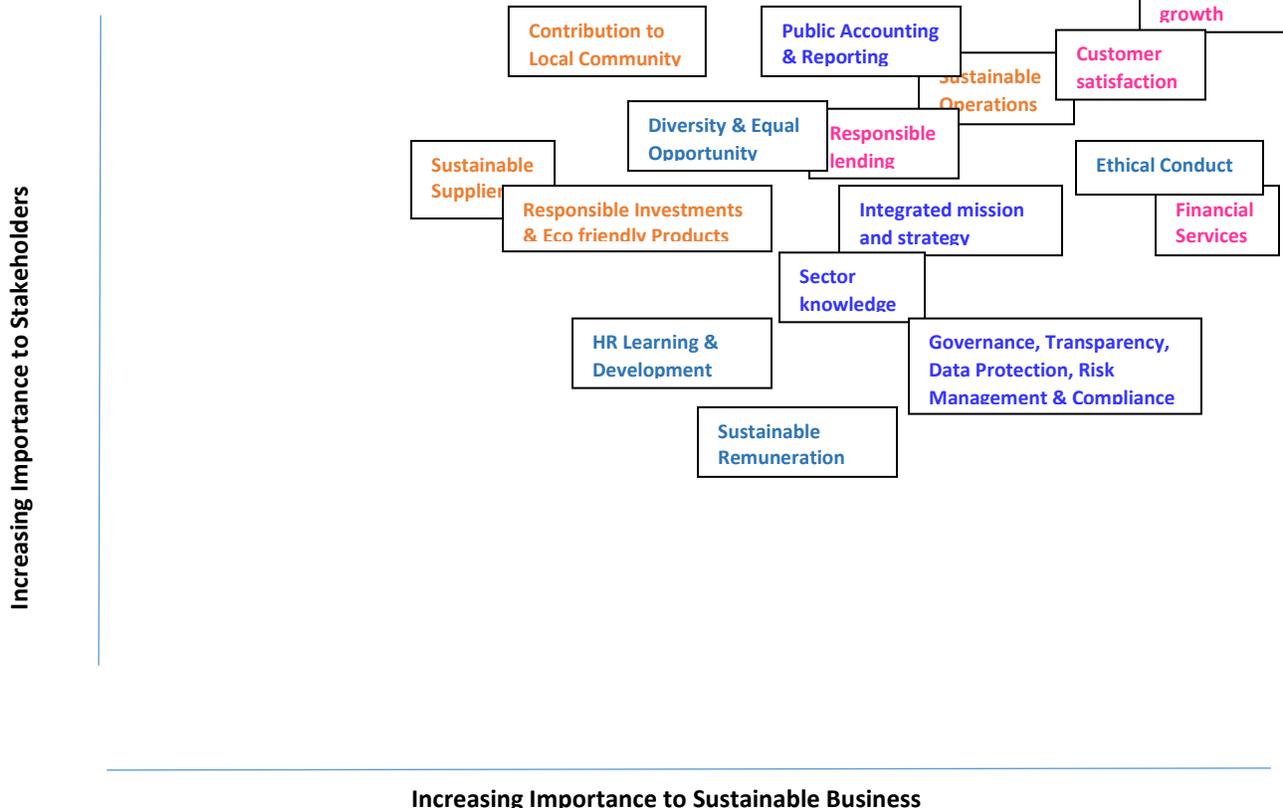
- **Sustainable Suppliers**
- **Responsible Investments & Eco friendly Products**
- **Sustainable Operations**
- **Contribution to Local Community**

- **Financial Services**
- **Responsible lending**
- **Economic growth**
- **Customer satisfaction**
- **Our Economy: internal & external boundaries (employees, clients, local market and community)***

- **Public Accounting & Reporting**
- **Integrated mission and strategy**
- **Sector knowledge**
- **Governance, Transparency, Data Protection, Risk Management & Compliance**
- **Our Corporate Governance: internal & external boundaries (clients, shareholders, employees, BDL & regulatory authorities, Lebanese Law & social norms)***

- **Sustainable Remuneration**
- **Ethical Conduct**
- **Diversity & Equal Opportunity**
- **HR Learning & Development**
- **Our Human Resources: internal & external boundaries (employees & labor law)***

MATERIALITY MATRIX



*Our reporting boundaries are mentioned depending on the materiality and their related internal and external impact.

2020 Highlights

Our commitment to ethical and responsible banking drives us to aspire to be our clients’ chosen continuing partner for sustainable business. Since we aim at irreproachable conduct and wish the strong set of values that fuel each and every one of our actions to reflect in the people we offer our services to, we only accept to lend money to people and institutions that think like we do and respect the principals we hold dear. In this vein, the approval of credit lines has to go through different committees and levels of authorizations, thus insuring thorough examination and objective decisions. Moreover, our Credit Lending policy restricts us from financing any company suspected to be involved in money laundering, child labor, weapon traffic or any illegal activity that is not in line with the respect of human rights.

Our Business



Our aim is to maintain our positive impact on our stakeholders, to insure a trustworthy culture, sound corporate governance and to boost continuous innovation contributing to the country's economic development.

Corporate Governance

The commitment and objectivity of BLC Bank's Board of Directors and Committees reflect our responsible corporate governance in full compliance with BDL basic circular 106 dated on 26 July 2006 specifically article 2.1 and 2.2, and its amendments, drawing on the principles set forth by the Basel Committee on Banking Supervision as documented in the Corporate Governance Principles for Banks published by the Bank for International Settlements (BIS) in July, 2015. BLC Bank's corporate governance framework promotes accountability and transparency to ensure good governance culture across the bank. The Governance Structure includes the General Assembly of shareholders; the Board of Directors; the Chairman; the Deputy Chairman; the various committees, control functions; the external auditors; general and senior management.

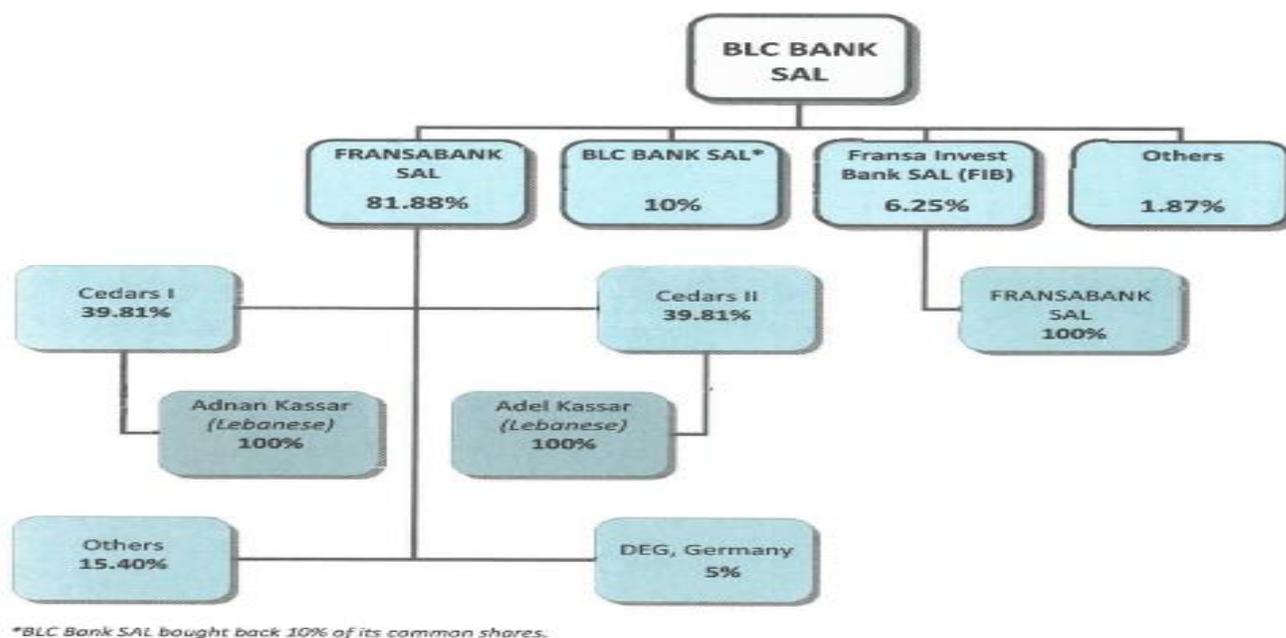
Board of Directors

BLC Bank's Board of Directors comprises ten members, elected by the General Assembly. The Chairman is appointed by the Board of Directors.

Our Board of Directors:

- Mr. Nadim Kassar (Chairman)
- Mr. Nabil Kassar (Vice Chairman)
- Mr. Adnan Kassar (Member)
- Mr. Adel Kassar (Member)
- Me. Walid Daouk (Member)
- Mr. Nazem El Khoury (Member)
- Mr. Mansour Bteish (Member)
- Mr. Mohamad Ali Beyhum (Member)
- Mr. Henri de Courtivron (Member)
- Mr. Sarkis Yoghourtjadian (Member)

Shareholders Structure



Charter of Board and Management Committees

Corporate Governance Committees:

- **Structure:**

Non-Exclusive Board member: Walid Daouk, Chairperson & Voting Member

Independent Board member: Henri de Courtivron, Voting Member

Non-Executive Board member: Nabil Kassar, Voting Member

Chief Risk Officer: Carlos Lebbos, Non-voting Member – Secretary

- **Purpose:**

The Corporate Governance Committee promotes the fair and transparent relationship between the Bank, its Management, its Board of Directors, its Shareholders, customers, employees and any other Stakeholder, in line with BDL directives especially circular no. 106 & 118.

- **Roles & Responsibilities:**

Item (1) of the Corporate Governance Committee's mission is inspired by the OECD principles.

The Committee:

- 1- Ensures the existence of a corporate governance framework that protects shareholders' rights by:
 - a. Insuring the equitable treatment of all shareholders including minority and foreign shareholders.

- b. Insuring that timely and accurate disclosure is made on all material matters regarding the Bank, such as, but not limited to, financial situation, performance, risks, and ownership.
 - c. Insuring the strategic guidance of the Bank, the effective monitoring of management by the Board, and the Board's accountability to the Bank and its shareholders.
- 2- Ensures the existence of corporate governance policies and guidelines that are duly and transparently published.
 - 3- Approves all public dissemination of Corporate Governance policies and guidelines.
 - 4- Reviews and updates the Corporate Governance Policy especially the Charter of Committees in order to avoid conflict of interests and unhealthy concentration of power.
 - 5- Reports its work to the BOD after any amendment to the policies under its purview.
 - 6- Reports to the BOD deviations from sound Corporate Governance practices as stipulated by the Bank's policies and guidelines.
 - 7- Recommends candidates for the BOD membership for the Board consideration.

- **Scope:**

BLC Bank S.A.L, BLC Invest S.A.L.

- **Meetings:**

- Frequency:

AT the discretion of the Committee, but at least 2 times a year upon the request of any of its members

- Agenda circulation:

One week prior to regular meetings

48 hours prior to exceptional meetings

- Minutes:

The minutes of the Committee meeting must be circulated to the BOD and made available to the BCC on request.

- **Quorum & Voting Mechanism**

- Quorum:

The Committee is validly convened in the presence of three voting members provided the Chairperson is present.

- Voting:

Decisions are taken if approved by the majority of the present voting members provided that the Chairperson is one of the approving members.

STRENGTHENING CONTROLS

Our business approach in diversification of risk, fighting against money laundering and funding terrorism and criminal activities are at the core of our main values. Our AML CFT policy thus helps ensuring that BLC Bank is in line with the requirements of legislations in the jurisdictions in which it operates. By making sure policies are always up-to-date, promoting a know-your-customer culture, and providing staff with the necessary trainings and tools to prevent any mishap, not only do we stay one step ahead of any risk, we also fulfill our promise of providing a safe, reliable and sound experience to clients and partners alike.

The evolution of the banking industry leveraged by a remarkable advance in modern technology raised the bar of the challenges that the financial industry is facing with money laundering activities and the financing of terrorism. In this regard, BLC Bank has developed an AML/CFT Policy aiming at setting, within the Bank, the essential standards for preventing the misuse of its facilities for the laundering of money or for the purpose of financing terrorist activities. BLC Bank is committed to full compliance with all applicable international and local laws and requirements related to the prevention of money laundering and terrorist financing.

RISK AND COMPLIANCE AWARENESS APPROACH

As responsible bankers, we are keen to maintain our risk awareness approach in terms of credit, market, operations, information technology security, liquidity risk, and reputational risk. Protecting the integrity, confidentiality and availability of information, its supporting processes, systems and networks from both external and internal threats has become a necessity at the core of our responsibility. Continuous risk awareness and information security sessions were taking place during 2020, and we kept promoting an information security culture across the Bank by setting security policies and procedures and overseeing their proper implementation, putting in place manual and automated controls to mitigating IT risks, and investigating incidents and making sure that measures are taken to prevent their threats.

With an ever-increasing number of regulations, compliance is our main accountability as responsible bankers. Our Compliance Department ensures that BLC Bank complies with applicable laws, regulations and rules, and it has a crucial role in preserving the integrity, reliability and reputation of the bank.

Legal Compliance Unit at BLC Bank worked in a partnership with business lines, covered elements of advisory, monitoring and control of regulatory risk. The dramatic rise in Local and international regulatory requirements and the continuous evolving in complex legislation over the last 3 years, led to exercise a high degree of vigilance. Consequently, more attention was given to Legal Compliance to ensure that operations conducted at the Bank comply with the relevant regulations and international standards. The Legal Compliance unit resorted to a risk-based monitoring program to assist Senior Management for effectively managing compliance risks.

Anti-Corruption, Anti-Money Laundering, Countering Financing of Terrorism, and Tax Information Exchange (FATCA and CRS)

BLC Bank's Anti-Money Laundering and Counter-Financing of Terrorism Policy consist of measures for customer due diligence, recording & reporting, controls and communications banning corruptions. The Law No. 44 (2015) highlights the importance of such crimes i.e.: human trafficking, tax evasion, extortion, bribes, and corruption. The AML/CFT Compliance Department not only ensures that compliance obligation is respected but also provides training sessions to spread the compliance culture among BLC Bank's employees.

Moreover, we make sure that our employees receive specialized Compliance Trainings i.e.: Anti-Money Laundering (AML), Combatting Financing of Terrorism (CFT), Sanctions, Tax Information Exchange (FATCA & CRS) and General Data Protection Regulation (GDPR) procedures and Know Your Customer (KYC) due diligence measures. Whenever we face high risk customers, Enhanced Due Diligence (EDD) take place i.e.: Politically Exposed Persons (PEP), Off-shore companies, Non-profits organizations, Precious stone dealers, Embassies, Casinos or High cash return professions.

The recent acquisition of an international financial crime management solution is implemented in 2020 will enable the Bank's financial crime investigation to easily adapt to continuously changing financial crime and sanctions environments.

We rely on DNFS (Designated Name Filtering System) for our screening process.

DNFS is a Windows based client-server application specially designed to fulfill the needs of financial institutions. The software compares names, countries or full text messages against unwelcome lists such as the one provided by UN, OFAC, EU, HM Treasury, Interpol, specific Bank lists, or any other listing of names/countries specified by the user. The system is an automated and efficient tool that can scan and provide alerts to detect and prevent doing business with individuals or entities of questionable reputation, or countries of restriction. DNFS uses an extremely sophisticated and flexible engine which is able to scan lists created in a wide variety of formats (Text, Excel, Access, Dbase, MS SQL Server, SWIFT, FED, etc.) and find matches despite misspellings, typographical errors, various foreign transliterations, varying word order, compound words, abbreviations, and initialization.

As for monitoring, we rely on Anti-money laundering (AML) software, a type of computer program used by financial institutions to analyze customer data and detect suspicious transactions. Once the software has mined data and flagged suspect transactions, it generates a report. AML/CFT team will investigate and evaluate flagged transactions.

In 2019, a new BDL Intermediary circular no# 523 for fighting money laundering and combatting terrorist financing was issued on August 7th, 2019 to amend the provisions of BDL Basic circular 83/2001. The amended requirements can be summarized as follows:

- Forbid any dealing with shell banks.
- Conduct enhanced due diligence on customers having direct access to the account of the correspondent bank. Banks must be ready to provide relevant and reliable information to the correspondent bank if and when requested.
- Refrain from opening and/or retaining anonymous bank accounts.
- Conduct Customer's due diligence procedures that include a proper verification of his identity whenever repetitive transactions are being carried out on a single or different accounts for a total amount that may exceed USD10,000 or its equivalent. Similar procedures will apply regardless of the total deposited amount in case of suspicion involving a money laundering or terrorist financing offense.
- Retain information on the customer & the beneficial owner at least for five years after closing the account or ending the business relation. Record keeping will include the exchange of correspondences with the customer, studies and analysis made on his accounts.
- Apply enhanced due diligence procedures to numbered accounts. Accounts will be identified exclusively by letters and/or numbers
- Refrain from pursuing the AML/CFT investigation and notify immediately the SIC whenever the Bank realizes that a possible tipping-off to the customer may jeopardize the implementation of the EDD procedures.
- Apply enhanced due diligence measures in the following cases:
 - Operation carried out in complicated circumstances
 - Operation has no economic or legitimate purpose
 - Customer is born or resident in a non-cooperative country (NCCT)
- Adopt FATF definition for politically exposed persons (PEPs)
- Implement enhanced monitoring and control procedures and processes on customers, beneficial owners identified as PEPs. These procedures will apply to their family members and close associates.
- Develop and implement AML/CFT programs at group level. AML/CFT program must cover foreign branches and companies.
- Ensure that Incoming electronic transfers include sender's and beneficiary's name
- Conduct periodic visits to debtor and creditor customers (mainly those classified as High risk under AML/CFT) .Relevant reports that reveal AML/CFT doubts must be sent to Compliance for necessary action.
- Assess the ML/TF risk associated with new products and services.

LEGAL COMPLIANCE

CARRIED OUT SINCE JANUARY 2018 A NUMBER OF REGULATORY RISK-BASED ASSESSMENTS I.E.:

On-site test review missions conducted on high risk departments.

High-level regulatory assessment on medium risk departments.

Discussion of the results of the mission with concerned business functions.

Besides, ongoing missions were conducted throughout the year in order to ensure a complete legal compliance especially in terms of Compliance with BCC circular no#291/2017 when it comes to BDL subsidized and Kafalat loans, Compliance with circular no#124/2010 & BCC circular no#273/2012 in terms of Credit Transparency, Rules & Conditions, Compliance with BDL circulars no#23/1996 and BCC circular no#287/2017 in terms of Direct Participation in Startups, Accelerators and Venture Capitals, Compliance of Human Resources in terms of qualification and Performance Evaluation System.

On the other hand, BLC Bank started to operate in compliance with GDPR - General Data Protection Regulation in 2018 as well as Law 81 - Electronic Banking & Data Protection granting clients more power over their data while ensuring further transparency in terms of data collection, processing and management.

GDPR GENERAL DATA PROTECTION REGULATION:

CAME INTO EFFECT IN 25 MAY 2018

The General Data Protection Regulation 2016 is a regulation in EU Law on data protection and privacy for all individuals within the European Union.

GDPR gives people greater power over their data and make companies more transparent in how they deal with people's data.

LAW 81/2018 ELECTRONIC BANKING & DATA PROTECTION:

CAME INTO FORCE IN JANUARY 2018

Law 81/2018 sets the guidelines for the collection and processing of personal information of individuals within Lebanon, and the principles for data management and the rights of the individual.

BDL BASIC CIRCULAR NO#146/2018:

ISSUED ON 13 SEPTEMBER 2018

The new circular required banks to define the measures and actions initiated in respect of GDPR requirements.

PERSONAL DATA MUST BE:

- Processed in a fair, transparent and lawful way
- Used for specific and limited purposes
- Accurate and up-to-date as possible
- Kept for the minimum possible time
- Handled with care and in a safe and secure manner
- Not transferred outside its jurisdiction without proper and adequate protection

LEGAL BASIS FOR PROCESSING DATA

- Consent
- Performing of a contract/agreement
- Legal obligation
- Protect vital interest
- Public interest
- Legitimate interest (business relationship)

DATA PROTECTION OBJECTIVES

- Identify and make an inventory of personal data to manage compliance requirements
- Remove unnecessary personal data to mitigate data breach and consumer reputation risk
- Periodic business process re-engineering in light of threats and cyber security best practices
- Enforce a retention policy without impacting existing business processes
- Respond to changing compliance/regulatory requirements impacting personal data

In addition to awareness sessions which were delivered by the Legal Compliance team to Senior Officers at the Head Office.

BLC Bank's Code of Ethics

During 2020, our updated corporate code of ethics was finalized and communicated to all employees along with an online quiz covering the main topics.

- The main areas of focus were:
 - BLC Bank's code of conduct
 - BLC Bank's responsibility towards its clients
 - Preventing corruption at the workplace
 - Preventing conflicts of interest
 - Rules of corporate communication
 - BLC Bank employees' responsibility towards BLC Bank and its management

- Responsible human resources management & policies
- BLC Bank's responsibility toward our environment and community
- Abiding by the rules and regulations
- Compliance and fighting corruption
- Abiding by international commitments and obligations.
- The whistle blowing policy
- The responsibility of Bank towards clients dealing with banknotes
- Authorizations and Sanctions

RESPONSIBLE LENDING POLICY

Since we aim at irreproachable conduct and wish the strong set of values that fuel each and every one of our actions to reflect in the people we offer our services to, we only accept to lend money to people and institutions that think like we do and respect the principals we hold dear. In this vein, the approval of credit lines has to go through different committees and levels of authorizations, thus insuring thorough examination and objective decisions.

Moreover, our Credit Lending policy restricts us from financing any company suspected to be involved in money laundering, child labor, weapon traffic or any illegal activity that is not in line with the respect of human rights.

INSURING CUTOMER CARE & QUALITY ASSURANCE

Customer Care & Quality Assurance worked hard to ensure total compliance with BDL and BCC requirements in terms of products, advertisement campaigns, direct communication with clients and information tools (calculators, KFSs, fact finders). They also developed BLC Bank Business Ethics and Customer Protection policies and procedures. They deliver as well quarterly induction trainings for new recruits about the Principle of Banking and Financial Operations with Customers and the Quality Service Standards.

Our Accountability

We abide by the laws and regulations protecting the rights and duties of our clients, we are keen to know our clients and their respective businesses in order to prevent any corruption violating the human rights. We are keen to maintain continuous development in terms of transparency policies through different platforms i.e.: BLC Bank's official website, our internet and mobile banking services, our social media platforms, complaint boxes available across the network and our 24/7 contact center service.

On another hand, we are conscious to partner with sustainable initiatives in terms of social development, cultural heritage, advancing education, health and safety programs, sports and

many others. And we make sure to select compliant suppliers with local laws and regulations with respect to the environment and the community at large.

As for our employees, BLC Bank is bound by The Lebanese Labor Law, The Collective Labor Agreement, The Universal Declaration of Human Rights, The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, The United Nations Global Compact (UNGC), principle on Human Rights, The IFC Performance Standards II.

In addition, **BDL Circular #458** for disabled people was implemented, whereby we reached: **95%** Branch accessibility **93%** ATM accessibility **100%** ATMs off-premises accessibility,

Besides, BLC Bank has drafted a:

HANDBOOK ON HOW TO DEAL WITH CLIENTS WITH DISABILITIES.

The handbook covered topics such as:

CODE OF BLC BANK COMMITMENT TO CUSTOMERS:

A purpose of making banking simple and easy for all clients especially with disabilities.

BLC BANK MODEL CUSTOMER RIGHTS POLICY

i.e.: Right to Fair Treatment, Right to Transparency and Honest Dealing, Right to Suitability, Right to Privacy.

The United Nations Convention and Protocol on the Rights of Persons with Disabilities (UNCRPD CONVENTION):

An international instrument that provides them with the same human rights as everyone else.

Law 220/2000 (Lebanon):

A major step forward for disability rights in Lebanon and the wider Middle East region. It invoked the international standards of the time – the Standard Rules – adapting them into a Bill of Rights for persons with disabilities in Lebanon.

CIRCULARS BDL 134, BDL 458 & BCCL 281:

Offering bank facilities to persons with disabilities assuring branches/ATMs accessibility such as equipping all ATMs with ramps.

PROCEDURAL GUIDELINES FOR BANKING FACILITIES TO VISUALLY IMPAIRED PERSONS:

Including Opening of Bank Accounts, Withdrawal of cash / Checkbook facility, Credit Cards / Debit Cards, -Online Banking / Mobile Banking and Tele Banking/Phone Banking, Lockers/Safe Deposit Boxes and Loans.

Data Protection

As BLC Bank continuously strives to strengthen its information and cyber security posture against an ever-growing and ever-more sophisticated threat landscape, it leverages all available means to achieve this goal by hardening and monitoring its existing security tools, acquiring state-of-the-art solutions as well as improving its internal policies and procedures.

In this respect, we have focused on fine tuning our Security Information and Event Management Solution (SIEM) to enhance event data correlation and the early detection of complex cyber-attacks allowing for timely action and remediation. We have also integrated security intelligence feeds from reputable sources to keep up with the wide spectrum of threats exponentially increasing on daily basis.

Additionally, we have implemented an enterprise mobility management solution to secure users' remote access to corporate emails.

Moreover, we have acquired and implemented one of the top-ranking Vulnerability Management solutions allowing the Information Security department to scan the bank's cyber assets for the continuously evolving array of security vulnerabilities as well as assessing their security configuration for alignment with known benchmarks and best practices and reporting on discrepancies, including their criticality and optimal remediation path.

Furthermore, we have updated the information and cyber security policies to comply with new regulations such as GDPR and Law 81, BDL circular 144 as well as the SWIFT customer security controls framework.

Last but not least, raising the level of awareness among employees and customers is one of our top priority as we believe that people are the most important link in the security chain. Consequently, we have sent an awareness email to all customers informing them of the major signs of fraudulent emails and advising them on actions to be taken in case they are the target of such malicious attempts. Also, as usual, we have sent awareness emails to employees whenever a new threat arose, we provided awareness sessions to new recruits and we have submitted employees to a security survey in order to test their understanding and knowledge of security policies.

Contributing Internationally:

CEO ROUNDTABLE – CHAMPIONING THE FEMALE ECONOMY: THE NEW NORMAL.

The 2020 Annual Summit kicked off with a closed-door convening of C-Suite leaders from twenty-eight Alliance member institutions across five continents, at our CEO Roundtable. While acknowledging the real challenges facing businesses and women around the world, the leaders shared a sense of optimism about how the crisis can accelerate women’s financial inclusion and independence—particularly in light of the rapid digital transformation and increase in public-private partnerships. The conversation was moderated by Tanya Tarr, Senior Contributor at Forbes.

Annual Summit CEO Roundtable
Championing The Female Economy
 Organized by The Financial Alliance For Women October 6-8 2020

Mr. Nadim Kassar BLC Bank Chairman-General Manager was invited to attend this prestigious meeting on October 6th,2020. Due to COVID-19, the meeting was held via Zoom.

The virtual roundtable tackled the role of the private sector in championing the female economy & leading through these unprecedented times & beyond.

Mr. Kassar intervention focused on the challenges that BLC Bank is facing especially that the Bank is based in the MENA region where the socioeconomic status is still scoring low & how to continue being as leader in the Women’s Market.



Mr. Kassar added: *“BLC Bank is proud to be the First Bank in the Middle East to sign the UN’s Women’s Economic Empowerment Principles. Our persistence & serious efforts has pushed us to succeed regarding the women in business.”*

BLC Bank, Champion of the Female Economy Award 2020 – Data Award:

BLC Bank Champion of the Female Economy Awards

The Financial Alliance for Women announced during the “**Annual Summit Shifting the Paradigm**” held on **October 8, 2020** the champions of the Female Economy Awards, given each year to outstanding Alliance member institutions that are working to better serve their women customers by providing them with holistic solutions that meet their needs. This year’s Female Economy Champions reflect the global nature of the Alliance’s work, hailing from diverse markets across six different regions.

BLC Bank -Lebanon is the recipient of the 2020 Data Champion Award for providing the most complete data set as well as highlighting segments served.



**“10 years ago, when we first joined the Alliance, BLC Bank could never have imagined that serving Women can be so rewarding.*

The Award we are receiving today shows once again that BLC Bank is highly committed toward women empowerment and will not spare an effort to fully support women in business”

*Statement of Mrs. Nancy Sayegh Head of Small and Medium Enterprises Department who represented BLC Bank during the Zoom Award ceremony on 08/10/2020.

**CHAMPIONING
THE FEMALE ECONOMY
AWARDS**

Data Champion

BLCbank
FRANSABANK GROUP

**FINANCIAL
ALLIANCE
FOR
WOMEN**

OCTOBER
6-8
2020 | **Annual
Summit**

2020 Credit Highlights

Microcredits - Outstanding by end of 2020 were:

Female Microcredit Loans (< \$10K)			
Age Bracket	# of clients	# of accounts	Loans Granted in k\$
18 - 30	2	2	\$18
31 - 40	1	1	\$4
41 - 50			
51 - 60	2	2	\$12
> 60	1	1	\$4
Corporate			
<u>Grand Total</u>	<u>6</u>	<u>6</u>	<u>\$38</u>

Male Microcredit Loans (< \$10K)			
Age Bracket	# of clients	# of accounts	Loans Granted in k\$
18 - 30	11	15	\$41
31 - 40	9	14	\$48
41 - 50	11	17	\$87
51 - 60	10	15	\$57
> 60	1	1	\$5
Corporate	2	4	\$25
<u>Grand Total</u>	<u>44</u>	<u>66</u>	<u>\$263</u>

Our Outstanding & Production amount of SME loans (end of 2020) were:

SMEs Outstanding loans 2020		
Regions	Accounts' number	Amount in \$K
Adlieh	90	\$5,179
Baabda	211	\$10,906
Beirut-I	115	\$5,719
Beirut-II	206	\$10,939
Bekaa	262	\$14,797
Mount Lebanon	477	\$23,097
North Lebanon	233	\$11,276
South Lebanon	294	\$18,148
<u>Total</u>	<u>1888</u>	<u>\$100,061</u>

SME Production's amount of 2020 portfolio		
Regions	Accounts' number	Amount in \$K
Adlieh	22	\$646
Baabda	48	\$2,193
Beirut-I	9	\$410
Beirut-II	52	\$1,301
Bekaa	36	\$1,030
Mount Lebanon	86	\$1,916
North Lebanon	39	\$1,246
South Lebanon	42	\$1,915
<u>Total</u>	<u>334</u>	<u>\$10,657</u>

Housing Loans

For home buyers, the primary purpose of a loan is to facilitate the purchase of a house or to finance the construction of one. A home is the biggest investment most people will ever make and BLC Bank offers a wide range of housing loans facilities.

During 2020:

	Nbr of Accounts	Male	Female	Amount in \$K	
Housing Loans	5,953	5,167	786	\$300,517	PERFORMING
	414	367	47	\$20,615	NPL (NET)
	6,367	5,534	833	\$321,132	TOTAL

ECO FRIENDLY & GREEN PROJECT

Trend in \$K	2020	
	Count	Amount
Eco Friendly Loans	26	\$44,502
Solar Energy Loans	67	\$441

Insuring Customer Care & Quality Assurance

Customer Care & Quality Assurance worked hard to ensure total compliance with BDL and BCC requirements in terms of products, advertisement campaigns, direct communication with clients and information tools (calculators, KFSs, fact finders).

They also developed BLC Bank Business Ethics and Customer Protection policies and procedures. They deliver as well quarterly induction trainings for new recruits about the Principle of Banking and Financial Operations as regulated by the Central Bank of Lebanon Circular No 134 with Customers and the Quality Service Standards.

Customer's Rights

- To be aware of the terms, conditions, and details of the product or service, and to request ample explanations to be sure that he/she has understood them and can abide by them

- To obtain from the concerned employee a clear, ample and simplified explanation about the financial services and products with different risk levels
- To obtain from the concerned employee a professional and clear answer to any question concerning an ambiguous clause or condition
- To request the use of Arabic in any document, correspondence or transaction with the Bank
- To request to read and obtain in advance a copy of each document and text referred to in any contract to be signed with the Bank
- To obtain and retain a copy of the contracts and documents signed by the customer, without bearing any additional cost
- To request the Bank to determine the actual cost of the product or service, including the actual insurance cost and the computational method of the lending or deposit interest rate
- To choose freely an insurance company among, at least, five companies that are accepted by the Bank or financial institution and mentioned in a written list, in case obtaining the product or service is contingent upon the submission of an insurance policy to the Bank
- To obtain any product or service, provided it is suitable with the customer's request, profile and perception of the likely financial risks associated to the product or service
- To obtain, for each product or service, a periodic detailed statement of account
- Refuse to sign a blank or incomplete Form and make sure all the required fields and figures in the Form to be signed by the customer are correct and complete
- To submit a claim about any service or product, and request from the Bank an explanation on the claim submission procedure, the time needed to be notified of the claim outcome limited to 15 days renewable once for the same period and the mechanism applied to submit the claim to other authorities whenever is not convinced of the claim outcome

Customer's Duties

- Provide true, complete and accurate information when filling out any Form provided by the Bank and refrain from providing any false information
- Disclose all financial obligations when applying for a product or service, without prejudice to the rights conferred to customers by the Banking Secrecy Law
- Update the personal information submitted to the Bank on a continuous basis and whenever required to do so

- Comply with the terms and conditions governing the chosen service or product
- Promptly notify the Bank of any unknown operation on his/her account
- Provide the bank with his/her home address, work address, email, ordinary mail, and telephone number, and report any change in this information to enable the Bank or financial institution to contact the concerned customer personally and thus guarantee the privacy of information
- Sign all the documents related to the new legislation enacted in the United States of America known as Law “Fatca” (tax laws and regulations)
- Sign the KYC document (Know your Customer) requested by Banque du Liban in order to provide the Bank with all personal information
- The powers of Attorney he grants to third parties on his own accounts should be clear and accurate, including expressly the kind of the prerogative requested by virtue of this power of attorney

Instructions to the Customer

- Do not provide any other party, under any circumstances, with any details about your bank account or any other banking or critical personal information
- Whenever facing financial difficulties preventing you from meeting your obligations or paying your installments in due time, refer to the Bank in order to find out the best option, including the rescheduling of obligations
- Be careful when granting a proxy to a third party to complete your banking and financial transactions, by clearly determining the powers delegated under this proxy

Convenience

We make sure to serve our customers not only in branch but also through our 24/7 Call Center or our diverse digital platforms offering all products and services as well as all the bank's news and updates. All BLC bank's issued cards are chipped with Contactless features operating worldwide.

BLC Bank's Internet Banking & Mobile Banking allow clients to perform transfers, accounts checking, mobile recharging, requesting a check-book and many other services.

Our ATM network reached 42 including Smart ATMs across the country.

Our digital platforms made our customer experience more efficient and interactive. We are keen to share all the bank's updates, news, events, collaborations, promotions, products and services on our social media platforms. Here's a glimpse from our social media highlights:

- 16.1K followers on LinkedIn account, a slight increase from 2019

- 3.6K followers on Instagram page
- 1,7K followers on Twitter account
- 90K fans on Facebook page, almost unchanged from 2019

2020 Key Figures:

- Our Internet Banking users are: 49,282, increase of 2.31% from 2019
- Our e-banking Transactions are: 337,261, decrease 15.5% from 2019
- Our mobile banking users are: 13,023
- Our mobile banking transactions are: 59,279

Our 24/7 Contact Center

A total of 93,308 outbound & inbound calls were handled by our contact center.

Our Campaigns

We rely on our national and tactical campaigns to enhance our communication with our customers and always enhance our brand awareness. Our communication is always clear, reliable and accountable in order to reflect trust and responsible banking especially within the period of the pandemic including in our branches network.

Economic & Financial Studies

Our Treasury & Financial Markets Group perform continuous researches and studies covering the market news, technical figures and other financial highlights. Here are some examples of our periodicals:

- Daily Highlights: a technical report representing Reuters' figures on the local and global economy & financial performances. This report is shared with our clients, employees and other subscribed people.
- Weekly Market Report: covering the local & international markets' news. This report is shared with our clients, employees and other subscribed people.
- Monthly Fixed Income Report: covering global fixed income updates, interest rates, yields in the market, credit ratings and a special section for Lebanon's related figures.
- Publishing on BLC Bank's website: all factsheets for all our products & services (individual, business & private banking)

OUR ENVIRONMENT



BLC Bank's commitment to the environment is translated through the Bank's public Corporate Environmental Policy, Code of Conduct and Corporate Lending Policy.

As a part of our SDG 7 fulfillment, BLC Bank is keen to offer environmentally friendly products and eco-loans covering a wide range of fields among which: water heating, solar energy generation, pollution abatement, solid waste and waste water treatment, recycling, landscaping, and eco-tourism.

Our eco-friendly products are tailored to both individuals and businesses. To name a few products: Solar Water Heater Loan, Small Energy Loan, Non-Subsidized Energy and Non-Energy Related Eco-Loans, BDL Subsidized Energy and Non-Energy Related Eco-Loans, Green Kafalat Loans: Kafalat Energy A, Kafalat Energy B, Kafalat Energy C, Kafalat Trees and Kafalat Small Farmers.

Trend in \$'000	2018		2019		2020	
	Count	Amount	Count	Amount	Count	Amount
Eco Friendly Loans	23	52,404	33	53,640	26	44,502
Solar Energy Loans	283	900	98	664	67	441

BLC Bank has always been a leading bank in eco-friendly financing and green projects. Besides, our green projects cover several sectors i.e.: industry, renewable, energy efficiency, water projects, environmental, F&B, healthcare, education...

LEEREEFF Loans

The "Lebanon Energy Efficiency & Renewable Energy Finance Facility" LEEREEFF is created with the support of the Banque du Liban, European Investment Bank (EIB) and Agence Française de Développement (AFD), to provide credit facilities at low cost to small, medium and large enterprises in Lebanon, willing to invest in sustainable energy projects such as but not limited to Renewable Energy, (including Wind, Biomass, Hydro Power, Solar and Geothermal Energy), General energy efficiency investments in industrial and commercial companies, Green Buildings (Commercial), District Heating and Cooling Systems and Co-generation of Heat and Power.

MAXIMUM AMOUNT

- Project cost: starting USD C/V of €40,000, up to USD C/V of €15,000,000.

- Financing: up to 80% of project cost, min. USD C/V of €32,000, max. USD C/V of €12,000,000.

Loan Duration including Grace Period

- Financing period: up to 15 years, including a grace period of up to 4 years.

Features

- Currency: USD
- Sectors that can benefit from LEEREFF
- **Agriculture**
- **Hospitality & Leisure**
- **Catering**
- **Food & Beverage Production**
- **Small Workshops, Crafts & Services**
- **Healthcare**
- **Retail**
- **Textiles and Leather**
- **Industrial Sectors**

Who is eligible for LEEREFF?

LEEREFF provides credit facilities to all private enterprises formed under the laws of Lebanon and operating in Lebanon, such as:

- Production companies (ranging from large factories through to bakeries, small technical and crafts workshops)
- Service businesses (ranging from media and tourism companies to hair dressing salons and dry cleaners)
- Sole proprietors

Any other private legal entities, including Energy Service Company (ESCO). ESCOs should ensure that the energy performance contract includes a guarantee for a certain percentage of energy savings and that the loan incentives made available to the ESCO are at least partially passed on to the end-user.

LEEREFF Program

**CONSUME LESS.
CONSERVE MORE.**

Preferential Interest Rates
up to 2.25%

LEEREFF European Investment Bank AFD BANQUE DU LIBAN LCEC

1510 | Terms & Conditions Apply - www.blcbank.com

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Reducing Our Environmental Impact

During 2020, we reported our carbon emissions to the ministry of environment while implementing additional measures to minimize these emissions coming from the heating oil & gas, electricity, generators and many others...

Our premises have been equipped with energy saving lighting fixtures and water saving fixtures as well as low emitting paint and lighting system controls through sensors in bathroom areas.

We have committed ourselves to preserve the environment by carrying out and promoting actions that guarantee sustainability. In this vein, we have embraced a Green Culture and have become the ambassadors of the eco-friendly corporate model in Lebanon. Our Corporate Environmental Policy encourages our employees and the Lebanese community alike to walk the green path.

The eco-friendly culture is now imbedded in our procedures and way of thinking, since we prioritize recyclable and reusable consumables, pay attention to energy consumption and make a responsible use of paper in our offices and branches.

Procurement Policy

BLC Bank altered its Procurement Policy to include requirements that help us make a wide environmental impact on stakeholders and involve them in our initiatives. On one side, BLC Bank always gives priority to local suppliers with established Corporate Social Responsibility strategies. On the other side, BLC Bank opts for products and services that are certified as eco-friendly by governmental or other recognized authorities.

Here are some steps taken at our premises:

- All purchased A4 papers and envelopes are PEFC (or equivalent) certified as sourced from sustainably managed forests.
- The Bank uses recycled corrugated archive boxes and its letterheads are 100% recycled too.
- Single-use Carton cups have been replaced with glass mugs and cups.
- Premises have been equipped with energy saving lighting fixtures and water saving fixtures as well as low emitting paint and lighting system controls through sensors in bathroom areas.

OUR COMMUNITY



COMMITTED TO A DYNAMIC LEBANON

OUR COMMUNITY MATTERS

As responsible citizens, our commitment is not only to finance the economy but also to invest in the community we serve through other means. Our aim to impact the society inspires us to support many local organizations we believe in their causes for a better country.

ROADS FOR LIFE

As a strong believer in Roads For Life's mission and vision, BLC Bank is proud of this partnership affiliated with the World Health Organization, The G4 Alliance, and International Road Victims partnerships.

Thanks to Roads For Life's commitment, thousands of trauma victims in Lebanon were spared unnecessary deaths and permanent disabilities.



OUR PEOPLE



COMMITTED TO A BETTER WORKPLACE

Our commitment to our people lies at the core of our business strategy. The people who join us, represent us and by extension the values we uphold, as such, we make sure they enter a safe, inclusive and socially conscious workplace. This is done by ensuring a healthy environment with the necessary structure, policies, programs and opportunities in order to thrive.

A RESPONSIBLE WORKFORCE

1. A FAIR APPLICATION PROCESS

We are committed to providing all job applicants with equal opportunities. Welcoming all differences builds a more diverse and engaging environment, reflecting the essence of our bank and staff. It is therefore our duty to make sure each and every person who has the required capacities to join the BLC Bank team has the chance to prove their worth and evolve in an anti-discriminatory workplace that puts their merit above their gender, age, religious affiliation, sexual orientation or disability.

Job applicants thus go through a series of tests and meetings that aim to guarantee we are giving the right job to the right person and that each person is being treated and assessed fairly.

2. INSURING EQUAL OPPORTUNITIES

We at BLC Bank believe that diversity builds a more engaging and prosperous environment. It is therefore our duty to make sure that every person with the required capacities to join the BLC Bank team has an equal chance to prove their worth and evolve in an anti-discriminatory workplace. This is why we commit to provide all job applicants with equal opportunities. In fact, all job applicants go through rigorous tests and interviews and are assessed fairly with the guarantee that we offer the right job to the right person.

3. A PIPELINE OF FUTURE RECRUITS

At BLC Bank, we highly encourage undergrad university students to complete internships at the Bank. In this vein, the Learning

A NONDISCRIMINATORY WORKPLACE

A COMPREHENSIVE REMUNERATION SCHEME

BLC Bank is governed by the Collective Labor Agreement, which is common for all banks in the country. The bank considers this agreement as the minimum benefits that employees are eligible for. All employees have compensated work contracts with the bank and are enrolled in the National Social Security Fund (NSSF). Seeing the importance of granting our employees benefits related to their health and well-being as outlined in SDG3, we offer them private insurance for them and their families as well as meal allowances for themselves and tuition allowances for their kids...

- 629 Employees are part of the collective agreement
- 19 Jobs Created
- 55% of BLC Bank employees are Females
- 21 Women were given a Parental Leave with 100% retention
- 584 Children benefiting from the schooling fees
- LBP 3,147,605,004 were disbursed for schooling
- 619 employees benefiting from our life insurance program
- All women employees were granted a post-maternity part time schedule with 2 full paid months.

A TRANSPARENT COMMUNICATION

Employees at BLC Bank can be sure their voice is well heard and their opinions truly matter especially if they have any doubts or concerns regarding a specific situation.

- The “Whistle blowing” initiative lets employees speak up in a confidential way and raise any concern regarding business behavior and compliance or ethics as well as matters which impede the bank’s code of conduct or undermine the bank’s values.
- The grievance policy confirms each employee is safe from any harm, whether it be physical or moral, giving each and every one the ability to voice out their discomfort if a colleague or superior acts in an unscrupulous manner.

CONTINUOUS LEARNING AND DEVELOPMENT

Providing our employees with top trainings & opportunities lies at the core of how we view development at BLC Bank.

We are keen to provide our employees with the most effective trainings:

A total of **78** employees received specialized trainings in 2020.



A SAFE ENVIRONMENT

Because safety of our employees is our top priority, BLC Bank was the first institution in Lebanon to carry out a full **Emergency Response Plan (ERP)**, similar to those implemented in the oil and gas industry. Moreover, wardens who received first rescue trainings and very detailed security policies are present on each floor.

This planning aims to put into effect policies and procedures designed to alleviate the effects of any incident that has the potential to injure people, damage property, interrupt business operations, or harm the environment. Starting off with the head office, emergency response readiness has become a core and essential part of BLC Bank's proactive and responsible culture.

In addition to the training booklet and visuals related to the pandemic to increase the prevention and safety of the employees, also the rotation shifts to decrease to risk of infection and insure business continuity.

BLC BANK IS PROPERLY PREPARED TO

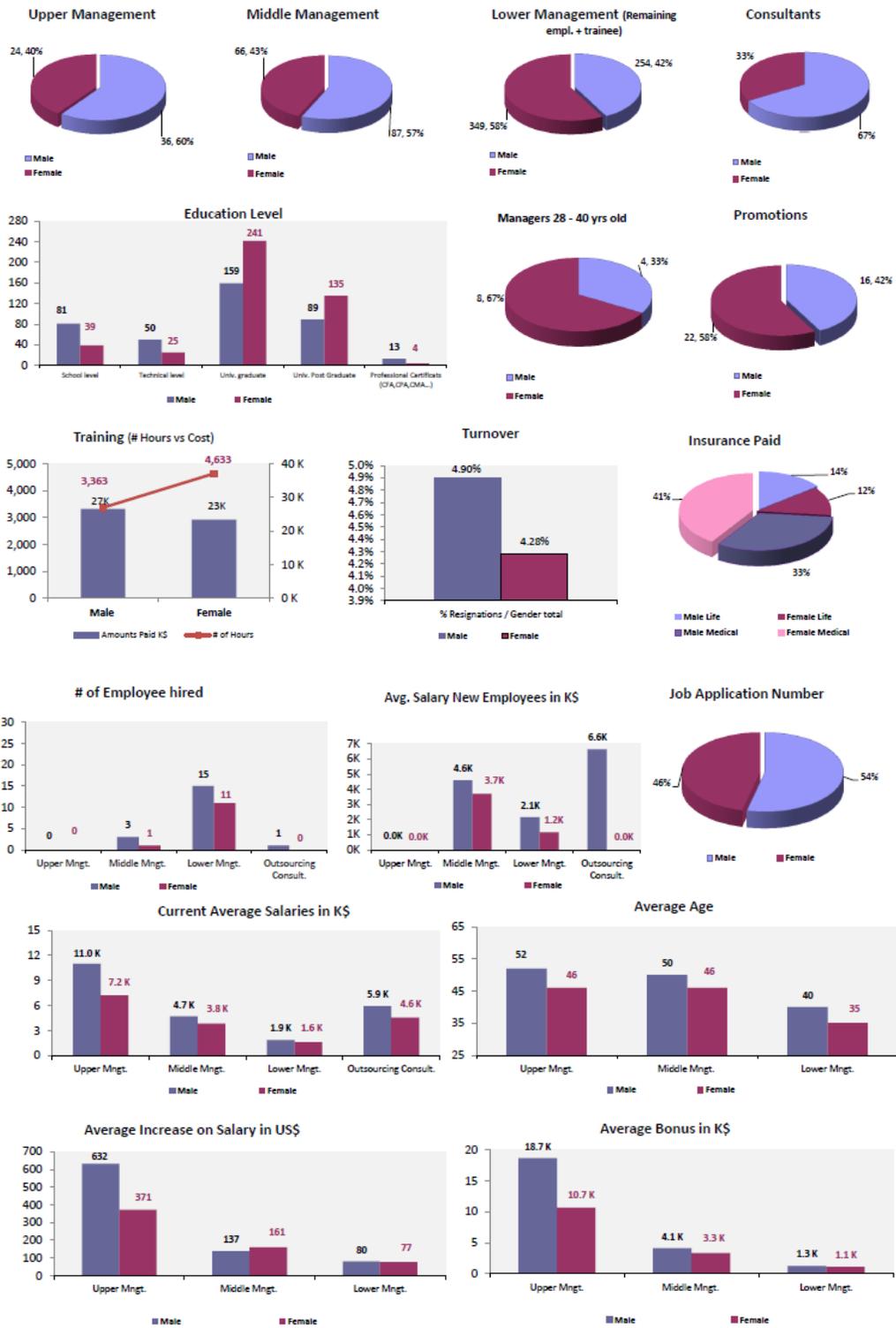
- Recognize threats and determine protective actions
- Identify key emergency roles and responsibilities
- Establish strategies that allow to resume normal functions after emergency conditions subside
- Maximize the use of combined resources of the Bank, regulatory agencies and other outer services
- Develop and maintain effective communications with all parties
- Provide adequate information to news media right on time
- Preserve relevant records for the subsequent inquiry into the cause of the emergency

OUR EMERGENCY RESPONSE PLAN

THE COVERED RISKS ARE: FIRES, SEVERE WEATHER, EXPLOSIONS, HAZARDOUS MATERIAL RELEASED, SABOTAGE, ARSON, DEATH, EXTENDED POWER OR UTILITIES OUTAGES, FLOODS, NATURAL DISASTERS (EARTHQUAKES, HURRICANES, TORNADOES), INJURY/ILLNESS, ELEVATOR BREAKDOWN, NEARBY EMERGENCY, WATER LEAKS, CRIMINAL ACTIVITY INCLUDING BRANCH HOLDUP, TERRORISM, BOMB THREAT, WAR.

SINCE 2016, IN THE SECOND PHASE OF THE ERP, THE PROJECT WAS EXTENDED TO ALL OF BLC BANK'S PREMISES.

Diversity & Inclusion – Key Figures





**MAKE IT
A BETTER
PLACE.**

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