



# **CORPORATE SOCIAL RESPONSIBILITY 2019**

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## Message from the Chairman

Dear Stakeholders,

In the course of 2019, the banking sector has performed strenuous efforts to face the national financial strains. The aggregate changes in the economy as well as the emergence of protesting movements made the banks cope with unique challenges.

Notwithstanding the social and political unsteadiness, BLC Bank achieved to carry resilient results during this year. 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 will highlight our commitments to our stakeholders and will provide a vibrant statement of our four main strategic axes: our business, our environment, our community and our people.

Empowering Women and SMEs became a 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 their 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 are determined to keep building a bank of reference in a fast-moving world while keeping our strong drive to achieve positive waves for a brighter future and more sustainable ecosystem.

Yours responsibly,  
NADIM KASSAR  
Chairman and General Manager

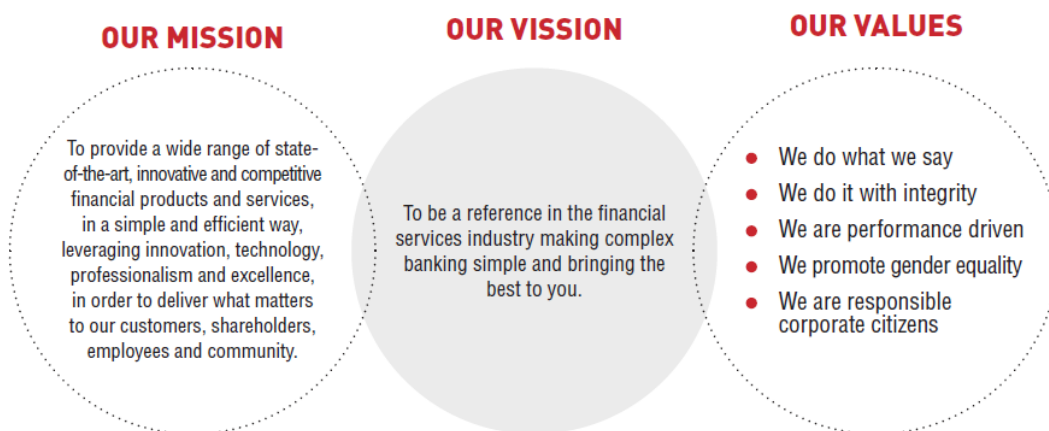
## SUSTAINABILITY REPORTING AT BLC BANK

### 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

BLC Bank's CSR 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 2019 in addition to others presented in BLC Bank's 2019 Annual Report.

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

### Contact

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Head of CSR & Sustainable Development  
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Corporate Responsibility & Sustainability  
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## OUR BUSINESS OVERVIEW

OUR MAIN HOLDERS OF COMMON SHARES as at March, 2019

**FRANSABANK 81.89%**

**FRANSAINVEST BANK 6.25%**

## OUR NETWORK

BLC Bank's network is continually increasing in Lebanon, and by the end of 2019 our network was reflected in **42 BRANCHES** as per the below:

### GREATER BEIRUT

Adlieh  
Aisha Bakkar  
Hamra  
Mar Elias  
Mazraa  
Achrafieh  
Bourj Hammoud  
Dekwaneh  
Dora  
Furn El Chebbak  
Mar Mikhael  
Tabaris

### BEQUAA

Chtaura  
Hermel  
Zahle

### BAABDA

Aley  
Baabda  
Chiah  
Ghobeiry  
Hadath  
Hazmieh  
Sin El Fil

### NORTH LEBANON

Batroun  
Becharre  
Chekka  
Kousba  
Tripoli Mina  
Tripoli Tell

### MOUNT LEBANON

Antelias  
Beit Chabeb  
Bikfaya  
Jal El Dib  
Jbeil  
Jounieh  
Mazraat Yachouh  
New Jdeide  
Zouk  
Zouk Mosbeh

### SOUTH LEBANON

Nabatieh  
Saïda  
Sarafand  
Tyr

In 2019, we started operating our first e-branch in the country. This branch provides clients with instant virtual assistance on all products and services and allows them to perform all banking transactions that do not require any physical presence at the branch.



Our ATMs network covers **54** ATMs across all our branches including off-premises ATMs at Hopital Libano-Français - Zahlé & Dar El-Amal Hospital – Baalbak. Besides, 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, 2019

<p>Total Assets:</p> <p><b>\$ 4,527,066,000</b></p>	<p>Net Profit:</p> <p><b>\$ 838,000</b></p>
<p>Total Customers' Deposits:</p> <p><b>\$ 3,522,728,000</b></p>	<p>Net Loans and Advances to Customers:</p> <p><b>\$ 1,394,000,000</b></p>

## 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 COMMITMENTS





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)**

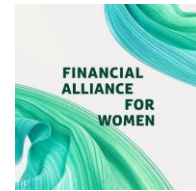
Our association with the Women's Empowerment Principles Leadership Group (WEPs LG) symbolizes our true commitment to support the economic empowerment of women. The Women's Empowerment Principles are a set of Principles for business offering guidance on how to empower women in the workplace, marketplace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

## GCNL Activities 2019

### COMPETITIONS

**SDG Pioneer:** Every year, the United Nations Global Compact (UNGC) celebrates a group of worldwide individuals who are doing an exceptional job in advancing the Sustainable Development Goals (SDGs) in their countries. This year, the Global Compact Network Lebanon (GCNL) voted for Marc Torbey Helou, as SDG Pioneer Lebanon, as he advances SDGs in the country, mainly SDG 1 (No poverty), SDG 3 (Good health and wellbeing) SDG 4 (Quality education) and SDG 10 (Reduced inequalities), and inspires others to do so as well.

**THE  
2019  
SDG  
PIONEER**

**SDG Milestone Awards:** In its second edition, the SDG Milestone Competition aims to recognize organizations and businesses doing exceptional work to integrating policies and advancing concrete action towards the 17 Sustainable Developmental Goals. These accomplishments were published in GCNL's booklet "Zooming on SDG Trends in Lebanon" which showcases the best practices of GCNL's Network Members throughout the year.



**Sustainable Minds Competition:** In its third edition, Sustainable Minds is a nationwide competition organized for 10th and 11th grade students enrolled in both public and private school with an objective of cultivating the youth's understanding of the 10 UN Principles and the 17 Sustainable Developmental Goals (SDGs), whereby Ms. Youmna Ziade Karam represented BLC Bank among the jury members. In specific, the competition invites students to form teams of 2-5 members (up to 5 teams per school) responsible of submitting a video that demonstrates their understanding of the SDGs.



### ONGOING PROGRAMS

**Young SDG Innovators Program (YSIP):** YSIP is an accelerator to engage your company's brightest and best talent in not only advancing your sustainability efforts but also driving innovation and delivering tangible solutions with potential market value for your company. During the YSIP, young professionals in Global Compact companies work in teams to explore new innovations and learn how to identify opportunities and develop solutions that are relevant to their companies and advances the SDGs. Companies are able to take advantage of the UN Global Compact's global-local structure, teams will have the opportunity to work with and learn from other young professional teams and leading sustainability and innovation thinkers in their country and



BLC Bank's Champion was:

**MS. YOUNNA ZIADE KARAM**  
(Head of CSR & Sustainable Development)



The Innovators were:



**SARY KHACHOUF**  
(Corporate Responsibility & Sustainability)



**YASMINA KHALAF**  
(Marketing and Products Division)



**RABIH CHAHINE**  
(Small & Medium Enterprises)





## Events & Workshops

### ‘Ring the Bell’ featuring WEPs:

On the occasion of International Women’s Day March 8th, Lebanon hosted the first edition of “Ring the Bell” ceremony to raise awareness on the pivotal role of the private sector in advancing gender equality and reinforcing women empowerment. The event was organized among the followings partners: the Global Compact Network Lebanon (GCNL), the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), the International Finance Corporation (IFC), Beirut Stock Exchange (BSE) and the Canadian Embassy in Lebanon. ‘Ring the Bell’ introduced the business case for gender equality; highlighting how private sector leaders are taking concrete steps to invest in women’s welfare in the workplace, marketplace and community. Most importantly, we signed the Women’s Empowerment Principles (WEPs) during the ceremony and incorporated the initiative in our 2020 internal agenda across the world.



### Lebanon Collaboration for the SDGs | 5th Edition:

GCNL hosted the fifth edition of the Lebanon Collaboration for the SDGs on May 29, 2019. The conference addressed ongoing national initiatives dedicated for the Sustainable Development Goals (SDGs) in Lebanon with a special focus on Environment & Anti-Corruption, through a line-up of highly acclaimed stakeholders. The first panel on Environment revolved around the ways companies can implement climate change actions in their sustainability plan through sustainable architecture, sustainable investments targeted for the environment, in addition to many initiatives taken at an individual level that both forges a belonging to the environment and influences positive changes to consumption patterns and habits.

### ABLE Summit (Accessibility for a Bolder Learning Experience):

In April, the Global Compact Network Lebanon joined the ABLE initiative created by the Office of Information Technology (IT) in collaboration with the Student Affairs Accessible Education Office at the American University of Beirut (AUB). During the summit that took place on April 12th, GCNL assumed responsibility of the Governance & Regulations track which showcased two panels “Governmental Policies & Institutional Policies” and “Challenges & Priorities”.



### Accelerating Action Towards

**SDG 13:** On August 21 and 22, Global Compact Network Lebanon (GCNL) in partnership with the United Nations Development Programme (UNDP), Green Mind and Lebanon Climate Act (LCA) hosted a workshop on SDG 13 to raise awareness on the destructive effects of climate change and encourage network members especially the private sector to engage in climate action. The objective was to help our members understand how businesses can benefit from prosperous projects that address climate change.



**SDG Reporting Workshop:** On September 6, Global Compact Network Lebanon conducted a technical workshop for network members on why it is important to report on the Sustainable Development Goals (SDGs), and how the reporting should be accomplished. The workshop addressed both COP and the COE reporting to guide companies and organizations on how to effectively measure then report on impact and progress.



**Outcome of the SDG Research:** On September 17, the American University of Beirut (AUB) hosted in collaboration with the Global Compact Network Lebanon (GCNL) the closing ceremony of a two-year ongoing program which supervised the development of research projects focused on the Sustainable Development Goals (SDGs) by AUB experts. The first year (2018) revolved around analyzing several proposals from AUB Faculty Members to choose the winning teams eligible for the generous financial sponsorship provided by GCNL. In the second year (2019), the designated teams invested in comprehensive and elaborate research to support the manifestation of SDG projects that have practical and tangible applications. Finally, on September 17, the teams proudly presented the findings of their valuable research in an informative event held at AUB.

### YSIP Kick-Off Workshop:

On October 8, the YSIP program was officially inaugurated and the selected teams were given the opportunity to meet one another to discuss and align their expectations of the program. This introductory session explained the different responsibilities of the Innovators, Champions, and Mentors; additionally, an overview was provided regarding the five innovation camps that stretch out the entire year.



**Making Global Goals Local Business Middle East** Organized by GCNL, the annual forum brought together regional and global leaders from business, civil society, government, and Global Compact Local Networks in the Middle East to catalyze a collective action affecting the Ten Principles of UN Global Compact and the 17 Sustainable Development Goals (SDGs). The event introduced a Zero Plastic campaign, an initiative on gender equality, a campaign on poverty by GCNL's SDG Council, honored the Milestone Award Winners, and released the newly published book "Zooming on SDG Trends in Lebanon".





**Power Breakfast Meeting:** On October 15, GCNL hosted a Power Breakfast Meeting with the Board of Directors to discuss how to strengthen recruitment of corporations to our Local Network. Our guest speaker who came all the way from the New York, Ms. Susan Allchurch the Chief, Outreach and Engagement Officer of the United Nations Global Compact (UNGC) emphasized the importance of widening our local network and inviting more companies to join, as a means to raise awareness on our common mission of achieving the Sustainable Development Goals (SDGs).



**YSIP Challenge Identification Camp** On November 21, our YSIP innovators met at the first Innovation Camp to brainstorm, analyze and identify challenges in their companies, which the later stages will devise practical solutions for these challenges based on the Sustainable Development Goals (SDGs). The innovators sat in different groups to share knowledge about sustainable strategies, and addressing business challenges through innovation. This camp was a vibrant guide to young professionals who were empowered to develop skills in communicating SDG business challenges and opportunities to different stakeholders.



**YSIP Challenge Definition Camp:** On December 16 and 17, the Challenge Definition Camp handled the process of defining and refining challenges of the private sector. It builds on the first camp which mainly concentrated on discovering a company challenge that can be addressed through the Sustainable Development Goals (SDGs). The second camp introduced the SDG Ideation Tools and Methods in addition to Breakthrough Business Models.



## **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

## **Weighing 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)



- Sustainable Suppliers
- Responsible Investments & Eco friendly Products
- Sustainable Operations
- Contribution to Local Community
- Financial Services
- Responsible lending
- Economic growth
- Customer satisfaction
- Public Accounting & Reporting
- Integrated mission and strategy
- Sector knowledge
- Governance, Transparency, Data Protection, Risk Management & Compliance
- Sustainable Remuneration
- Ethical Conduct
- Diversity & Equal Opportunity
- HR Learning & Development

## Sustainable Suppliers

## Responsible Investments & Eco friendly Products

## Sustainable Operations

## Contribution to Local Community

## Financial Services

## Responsible lending

## Economic growth

## Customer satisfaction

## Public Accounting & Reporting

## Integrated mission and strategy

## Sector knowledge

## Governance, Transparency, Data Protection, Risk Management & Compliance

## Sustainable Remuneration

## Ethical Conduct

## Diversity & Equal Opportunity

## HR Learning & Development

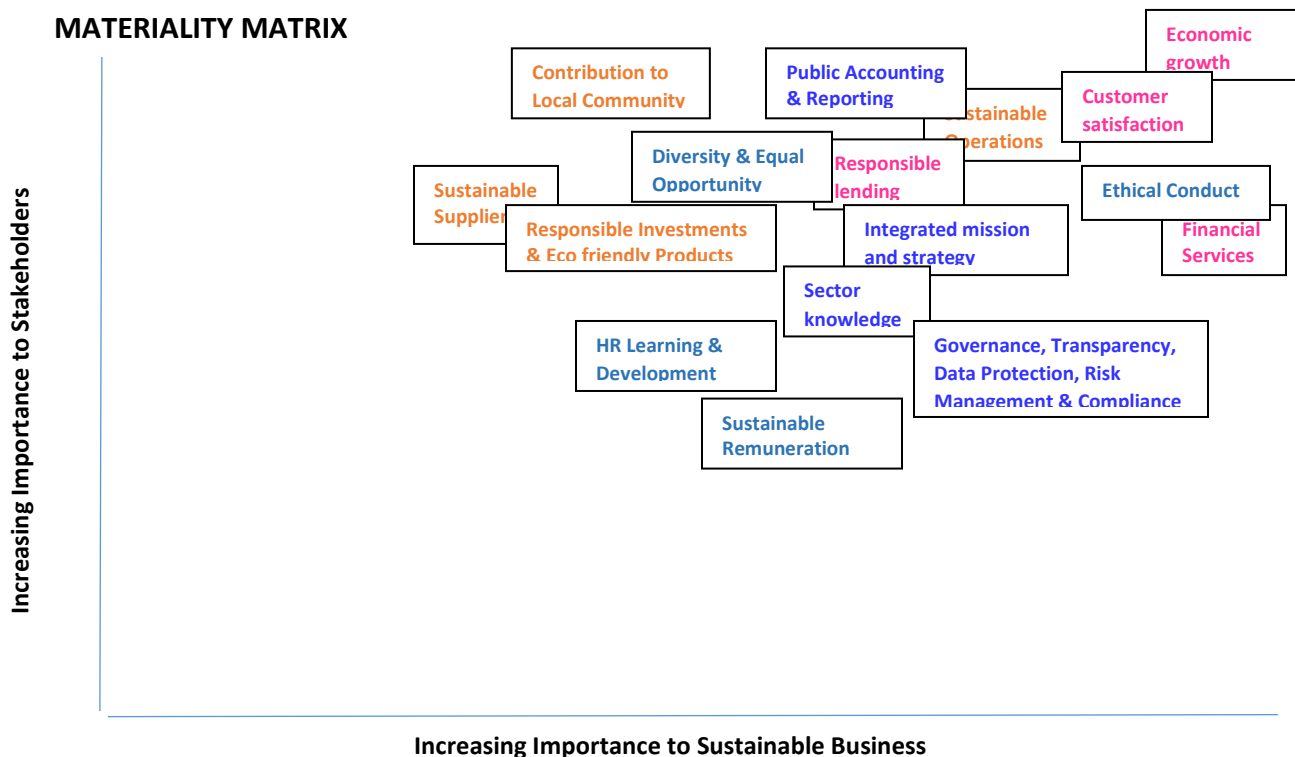
Our Corporate Governance: internal & external boundaries (clients, shareholders, employees, BDL & regulatory authorities, Lebanese Law & social norms)

### Our Human Resources: internal & external boundaries (employees & labor law)

**Our Environment & Community:** internal & external boundaries (employees, clients, local communities, NGOs)

**Our Economy: internal & external boundaries (employees, clients, local market and community).**

## MATERIALITY MATRIX



### Increasing Importance to Sustainable Business

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

## 2019 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.

### Key Figures

Total number of customers <b>98,386</b>		Net Loans <b>\$1,394,000</b>	Microcredits over past 3 years were <b>\$1,861,000</b> among <b>485</b> clients	
Women total loan value reached <b>\$167,763,000</b> among which <b>\$109,456</b> were for individual purposes.		YOUTH & WOMEN MICROCREDIT BENEFICIARIES (aged between 18 to 30 years) constituted <b>\$123,000</b> in 2019 among which <b>58%</b> dedicated to the commerce sector and <b>16%</b> to services.		Women entrepreneurs benefited from <b>12.63%</b> of outstanding performing loans. Our Women Empowerment’s client definition was based on having more than <b>50%</b> ownership of women shareholders and/or having women in senior managerial functions.
The total outstanding amount of SME loans by the end of 2019 were <b>\$182,116,000</b>		Our International Financing amount for SMEs were segregated i.e.:  <b>Arab Trade Financing Program (ATFP):</b> special loan for businesses involved in trading or industry. It facilitates trading between countries in the Levant, MENA region, GCC and KSA with assistance of up to <b>\$3,000,000</b> . The ATFP is a specialized multi-Arab financial institution that promotes Arab trade (import and export) and increases the competitive capabilities of Arab producers and exporters. This loan is ideal for businesses in Lebanon and Iraq. BLC Bank has facilitated through ATFP projects amounting <b>\$263,671</b> during 2019. <b>Global Trade Finance Program (GTFP)</b> through the International Finance Corporation (IFC): Through the GTFP bank network, local financial institutions can establish working partnerships with a vast number of major international and regional banks in the program, thus broadening access to finance. BLC Bank has facilitated the financing of projects amounting <b>\$10,158,688</b> during 2019. Besides, BLC Bank has a Risk Sharing Facility (RSF) with IFC and AFD, an unfunded revolving instrument covering up to 50% of the credit risks of BLC’s RSF portfolio of eligible Small sized loans, with a maximum Portfolio Balance of <b>\$10,000,000</b> .		
BLC Bank committed total of <b>\$5,000,000</b> to <b>4 Venture Capital (VC) funds</b>				
In 2019, <b>273</b> employees completed <b>496</b> compliance training hours				
Our total projects reached <b>\$59,718,000</b> for a total of <b>248 projects</b> i.e.: > <b>Eco-friendly projects,</b> > <b>Energy projects,</b> > <b>Tree Loans</b>		<b>752.52 tons</b> of total direct <b>CO2 emissions</b> among all BLC Bank’s network & Headquarters.		<b>8%</b> annual increase in e-banking transactions, and BLC Bank’s users reached <b>38,860</b> users
				<b>9.475 tons</b> of paper were recycled in 2019
				<b>135 Kgs</b> of plastics & cans were recycled in 2019 <b>38,860</b> users
We support sustainable energy projects not only with our products and financial lines, but also with our ongoing partnerships with environmental organizations i.e.: - Our CSR team works continuously with UNDP on the GHG emissions. - We partnered with NGOs i.e.: Arcenciel, Lebanon Mountain Trail Association, Jouzour Loubnan, FabricAid...				

**53.8%** women employees

**42.3%** new women recruits

**40%** women at senior management

**43.13%** women at middle management

**27** mothers benefited from the flexible working schedule post-maternity

**71** welcomed internship students

**712** employees' children benefited from the support of schooling fees reaching  
**LBP 3,065,800,006**

**Educational loans**  
total outstanding amount reached **\$7,745,000**

**47.35%**  
Employees' seniority with over 10 years of service

**100%** return to work rate after parental leave

**633** employees received specialized trainings in 2019; being **77%** of the workforce; an average of **4.98 hours/employee**

BLC Bank Lebanese financial regulation exam coverage ratio reached

**77.72%**

**8.9%**  
Employee turnover rate

Our employees donated more than **500 kgs** of clothes to FabricAID and contributed to Amour et Partage NGO in charge of elderly.

Our employees distributed **200 Kg** of apples across the network during the national apples day

Our employees honored our natural heritage and participated in the inauguration event of Afqa-Akoura hiking trail in collaboration with Lebanon Mountain Trail Organization.

We invested more than **USD 37 thousands** to more than **12** selected organizations covering environment, education, culture and social & health initiatives. Besides, a part of our budget was dedicated to philanthropic partnerships through sustainable sponsorships.

**100%** of corporate clients **did not face problems** when dealing with BLC Bank

**342** complaints were received during 2019 among which 17% were reporting positive feedback

**136** branch inspection visits were carried out during 2019

## 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.

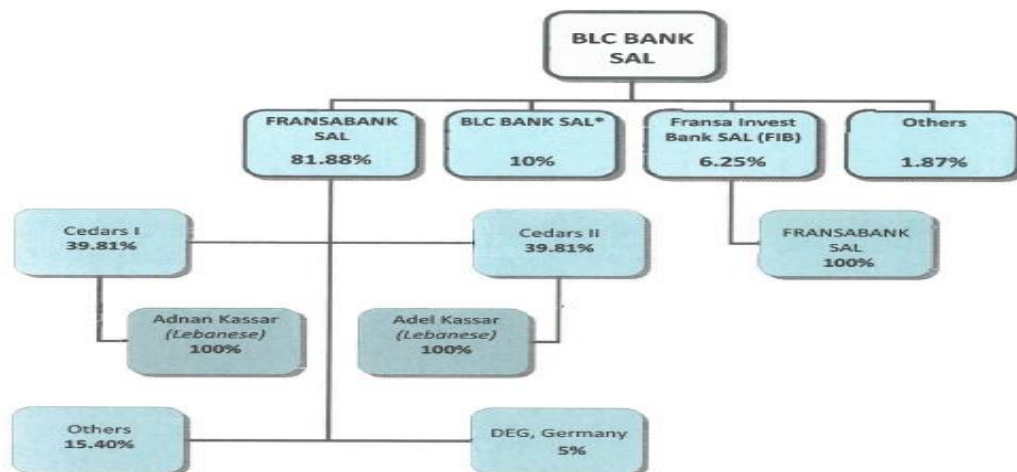
## Board of Directors

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



\*BLC Bank SAL bought back 10% of its common shares.

## 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:

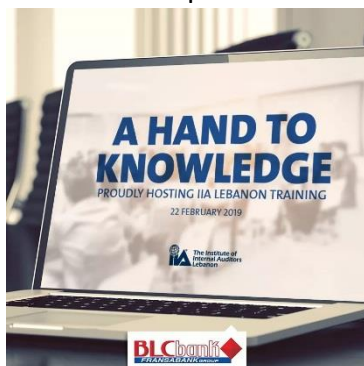
Decisions are taken if approved by the majority of the present voting members provided that the Chairperson is one of the approving members.

## **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.

**Institute of Internal Auditors (IIA) Event:** BLC Bank hosted this edition of the Home Court Initiative, an initiative by the IIA on February 22. This session, Financial Market Activities: Risks & Controls was presented by Mr. Michel Saliby, Senior Trader at BLC Bank and was viewed by more than 40 audit professionals.



## **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 2018, 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 2 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.

### **IT training Topics:**

- BDL SeBIL Portal presentation
- CCNAX
- CDR Application Training
- Empowering Your Business with Digital Identities
- ETHIX Net Retail & Corporate Customer Site and Back office and ETHIX Mobile
- Neumann Hands-On Training
- NEWMANN Platform Hands-On
- Proflex ATM Back office Training
- SuperCluster Training

### **Risk Mgt Training topics:**

- Basel III Final post-crisis reforms of December 2017 (So-called Basel IV) seminar
- BDL-CDR Session 3
- Best Practices in Operational Risk Management
- BMB & Kaspersky Event
- CIEL conference
- Cybersecurity: Trends, Risks, Measures and Challenges
- GDPR GROUPTHINK
- Groupthink on Law 81
- IIA Home Court Initiative

- It's Time for Human-Centric Cybersecurity
- It's all about Risks, Threats & Identities
- Regulatory Update : Major Changes in Lebanese Banking Regulations in 2018/2019
- Security Awareness Training
- SIEM Training
- SWIFT Roles & Privileged Access

### **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 to be 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 7<sup>th</sup>, 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 N° 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 2018 /81 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 # 2018/146:**

#### **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.**

## **Compliance Training**

273 employees attended Compliance Trainings over 496 hours covering:

AML Awareness Session

General Data Protection Regulation Awareness - GDPR

Implementing the international AML/CFT Standards

Investigating suspicious money laundering operations (case studies)

SIC Discussion & Feedback Workshop

The General Data Protection Regulation

## **BLC Bank's Code of Ethics**

During 2019, 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.

### **Finance training topics**

- Digital Financial Services Workshop
- Fintech and Digital Banking
- Supply Chain Finance Workshop

### **Trade finance**

- 2019 ICC Opinions & Interesting practical cases
- Certificate of International Trade and Finance Workshop - CIFT
- INCOTERMS 2020 The new revision of the international trade terms – ICC Rules

## **INSURING QUALITY CONTROL**

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 biddable by The Lebanese Labour Law, The Collective Labour Agreement, The Universal Declaration of Human Rights, The International Labour 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.

## AWARDS:

**Women's Market Champion Outstanding Engagement Award – Paris, June 2019:** BLC Bank's CGM, Mr. Nadim Kassar received the "Women's Market Champion Outstanding Engagement Award" during the FA Summit in Paris. During the award ceremony, Mr. Kassar received the trophy for Women's Market Champion Outstanding Engagement Award. This award represents the commitment and participation in the sharing of knowledge through the Financial Alliance for women programs and services in the past year.



**Arab Banks Awards & Commendations of Excellence – Beirut - July, 2019:** BLC Bank was honored by the World Union of Arab Bankers, where Dr. Joseph Torbey, Chairman and Mr. Wissam Fattouh, Secretary General of the WUOAB handed the award "Excellence in Diversified Banking Services & Products" to Mr. Joe Baddour, AGM-Head of Corporate Banking Group, during a ceremony held at the Seaside Pavillon – Beirut's New Waterfront on the 5<sup>th</sup> of July.



**SME finance award – Beirut – October, 2019:** We are proud to receive the first of its kind Gold level award “Women-Owned SME Bank of the Year 2019” during the Global SME Finance Awards ceremony that took place on October 7 in Amsterdam. This high-level global award is given to the financial institution that works hard in providing outstanding achievements in providing finance and delivering an exceptional program to their Women-Owned SME clients over the past few years and we have been selected from a competitive pool of 144 applicants. Mrs. Carine Fersan, Head of Brand Management received the award on behalf of BLC Bank.



#### **Bronze Award | Pikasso D'Or – Beirut – February, 2019**

BLC Bank received the Bronze Award by the Pikasso D’Or Awards for our personal loan advertisement that was communicated in May 2018.





## **CONTRIBUTING TO THE ECONOMY**

OUR CONTRIBUTION TO THE ECONOMY IS BEYOND PROVIDING FINANCIAL SERVICES. BLC BANK DELIVERS NUMEROUS NON-FINANCIAL SERVICES ENSURING THE NECESSARY TOOLS AND GUIDANCE. OUR 360-DEGREE APPROACH OFFERS A WIDE RANGE OF PROGRAMS AND INITIATIVES SUPPLYING THE NEEDS OUR CLIENTS AND THE COUNTRY AT LARGE.

We provide long standing lending services in individual retail, SMEs and corporate profiles, thus we are keen to scientifically evaluate clients' situations and we are keen to lend credits with impact aligned with our CSR strategies especially when it comes to eco-friendly loans or SME facilities.

### **Small & Medium Enterprises**

As part of our Full-fledged Business Solution to SMEs, we asked them about their challenges and obstacles and relentlessly listened to them. In this framework, BLC Bank wanted to be their partner and support them in all their needs so we launched our strategy that goes beyond providing financial and simple banking services to fulfill their business needs to help them better manage, grow and expand their business. We have realized thus that non-financial services play a crucial role in fostering the Lebanese ecosystem.

As the SME partner, we developed a 360-degree Business Solution allowing them to:

- GROW THEIR EXPERTISE
- INCREASE THEIR EXPOSURE
- GET CONNECTED
- GET FINANCED
- BRILLIANT LEBANESE AWARDS

BLC Bank offers learning and development opportunities through trainings, workshops, roadshows, as well as guidance and advisory with the help of mentors and experts, and a rich resource center to consult: [www.we-initiative.com](http://www.we-initiative.com), creating sustainability and growth opportunities.

Additionally, the BLC Bank and We Initiative websites as well as related social media platforms offer SMEs the necessary tools to learn how to deal with every aspect of launching, running and expanding a business. We also launched our very own monthly business power sessions, bringing together experts from a wide variety of domains and entrepreneurs who wish to gain more insights on how to run a successful and sustainable business.

### **THE 2019 BUSINESS POWER SESSIONS INCLUDED (43, by the end of 2019)**

**Public Finance for SMEs: TAX & VAT – March 9, 2019** in collaboration with Institut Des Finances, delivered by Mr. Roger Lahoud director of administrative affairs in the Ministry of Finance. The training covered all taxes obligations in addition to the VAT tax concept and principles.

**Creative Thinking – April 6, 2019** delivered by Mr. Naji Boulos, founder of Jicébé, creative consultancy firm. The session covered ways to foster creativity and to handle mental blocks that hinder our creative thinking.

**Networking for Business – May 18, 2019:** delivered by Ms. Allyson Croft Jerab, managing director of “Momice Middle East. The session covered the basics of networking and its role in helping individual’s growth in the business.

**The Art of Storytelling – June 8, 2019:** delivered by Ms. Rhéa Chedid, Founder of the podcast production company Reyzin Media and Story Producer. The session revolved around the art of storytelling and its role in shaping our daily lives.

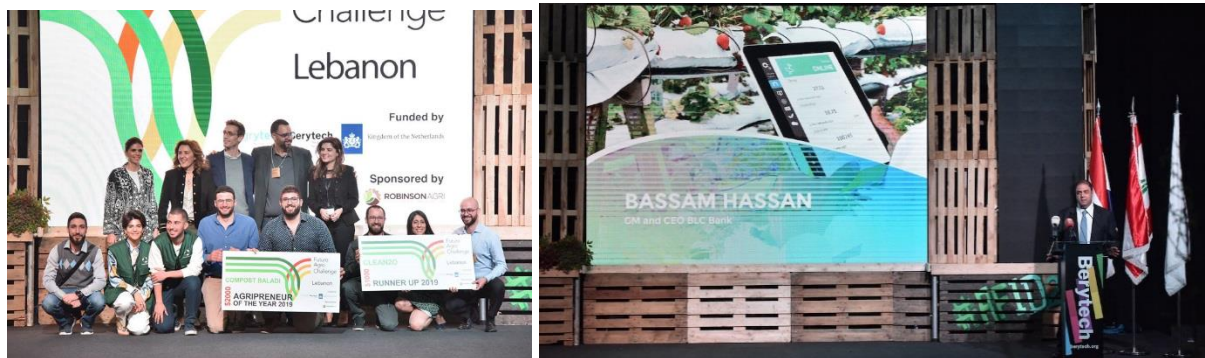
**Taxation For Business – September 14, 2019:** delivered by Dr. Manal Abdel Samad Najd, Head of VAT, Audit and Tax Refund Department at the Ministry of Finance. This session covered the basics of taxation, Tax Procedure Law and the latest Tax Updates.



## SME ECOSYSTEMS

### Agri-food Innovation Day – 05 February, 2019:

In partnership with BLC Bank and the Embassy of the Netherlands, Agrytech organized the first AGRI-FOOD innovation day, at the BIEL Furn El Chebbak. The conference gathered entrepreneurs and business people from start-up to large companies in agri-food technology. Mr. Bassam Hassan, CEO of BLC Bank, delivered a keynote speech in addition to a special access to finance workshop delivered by Ms. Nancy Sayegh Head of SMEs, Mr. Hani Hoyek Deputy Head of Business Development and moderated by Ms. Soumaya Merhi, owner of Taqa and previous Brilliant Lebanese Awards finalist.



**Road Shows:** As part of our Customer Value proposition to SMEs and women in Business supporting them to “Grow their Expertise” and “Get Connected”, BLC Bank SME team organized two road shows during 2019, sharing financial literacy and technical knowledge to entrepreneurs in rural areas:

- **22 March, 2019 - Roadshow Hasbaya:** BLC Bank joined forces with LARI (Lebanese Agricultural Research Institute) in delivering a special learning and development roadshow providing agri-preneur in Hasbaya region with the needed tools to expand and grow their business from LARI’s technical perspective and BLC Bank’s full-fledged services to support this growth.



- **30 March, 2019 - Roadshow Salhieh:** In this same framework, BLC Bank organized a special financial literacy road show in Salhieh Saida for the south Region.

- **8 May, 2019 - Roadshow Hadath:** in collaboration with the association of merchants in Hadath
- **11 May, 2019 - Roadshow Zahle:** in collaboration with the Chamber of Commerce for Industry & Agriculture in Zahle and Bekaa
- **18 May, 2019 - Roadshow Mresteh:** in collaboration with Mresteh municipality & the Chouf Cedar reserve
- **14 June, 2019 Roadshow Nabatieh:** a roadshow around “Financing solutions for SMEs” in partnership with the Association of Merchants of Nabatieh, to promote the Bank’s comprehensive range of SME products and services.

**Discussing Local Economy on LBCI – 18 July, 2019:** CEO of BLC Bank, Mr. Bassam F. Hassan was featured on the 18<sup>th</sup> of July during LBCI Lebanon evening news, discussing the latest news related to the Banking sector and the Economy in Lebanon.

**Agrytech Hackathon – 25 August, 2019:** For the third year in a row, BLC Bank participated in the Hackathon as a true believer in Agrytech mission as a promoter and accelerator of new and innovative startups in the Agri-Tech Business in Lebanon. BLC Bank’s Head of Brand was among the jury panel during the Agrytech’s Hackathon at Berytech Innovation Park in Mar Roukoz.



**Berytech Finance Friday – 20 September, 2019:** Head of SME Business Development and Support at BLC Bank delivered the “Building a Banking Relationship” session to the attendees of the Berytech Finance Friday event held at the Berytech Innovation Park. This session explained how one can benefit from the LEEP grant with BLC Bank, and tackled various subjects such as: access to finance, banking facilities, credit file preparation and much more, providing entrepreneurs with advice on how to optimize and organize their finances.





**Akkar Expo LEEP Participation – 26 September, 2019:** BLC Bank participated in an expo done in partnership with UKAID, to promote the LEEP program in Akkar. This program provides SMEs in Lebanon with financial and technical support to help expand their teams and further the businesses.



#### WE INITIATIVE - AN INITIATIVE FOR WOMEN EMPOWERMENT

In 2012, BLC Bank was the first financial institution from the MENA to commit to the UN Women Empowerment Principles and to create a unit exclusively dedicated to supporting and serving women. The “WE Initiative” (Women Empowerment Initiative) is inherent to the way BLC Bank conducts its business and benefits all of the bank’s stakeholders as it relies on an exhaustive approach that targets employees and customers as well as suppliers. From shaping internal culture to influencing the business world, We Initiative played a key role in molding the society, resulting hence in receiving valuable awards.

**BLC BANK’S WE INITIATIVE TARGETS ALL WOMEN FROM ENTREPRENEURS, PROFESSIONALS, EXECUTIVES TO MOTHERS SEEKING SOLUTIONS FOR THEIR CHALLENGES AND CONCERNS, AIMING TO UNLEASH THEIR POTENTIAL AND ENHANCE THEIR PROFESSIONAL AND PERSONAL LIVES.**

The Initiative offers a unique customer value proposition that comprises exhaustive financial and non-financial services, ranging from learning and development to market exposure, information and guidance and comprehensive financial schemes. In addition to the comprehensive range of accounts, lending solutions and financial services, BLC Bank introduced the Mother-Child Account: Lebanese women cannot open accounts for their children without the consent of the child’s legal guardian, namely the father

#### HIGHLIGHTING SDG5 INTERNALLY

Train staff to eliminate conscious & unconscious bias

Track our work through numerous KPIs using a gender lens

Reduce female turnover & push women to occupy more key positions

Give women suppliers’ equal opportunities

#### EXTERNALLY

Reached more than 20,000 women through the Woman Empowerment Initiative (We Initiative)

Ran nationwide campaigns against women stereotypes

Trained financial institutions in more than 65 countries, helping them create women empowerment programs across the globe

As a bank of reference in the empowerment of the key actors of change, BLC Bank's role goes beyond offering the right services. We have used our expertise to play our part in awareness raising process and have flown to all four corners of the world in order to learn from our peers and share best practices.

Because BLC Bank believes in Women Empowerment and in her incredible contribution to the society, we decided to make March the women month. Gender stereotyping, wage gap, and under-representation of women in leadership positions influence how girls view their own potential and professional aspirations.

### Locally

#### **ARAB Private Sector Forum – 16 January, 2019**

In line with Arab summit that happened in Lebanon, the “Arab private Sector Forum” happened with the aim to highlight the role the private sector is playing in the sustainable development and reconstruction in the region. Mr. Nadim Kassar, Chairman and General Manager of BLC Bank was the only speaker from the private sector to take part in the panel around “Arab Women and Economic Empowerment” highlighting the pivot role of women in achieving the sustainable development goals.



**High-Level Mashreq Gender Conference: Women's Economic Empowerment – 19 January, 2019:** This conference was held at the Grand Serail in Beirut, under the patronage of PM Saad Hariri and co-organized by the Government of Lebanon, the World Bank Group, the IFC and the Government of Canada. The purpose was to enhance the women's economic empowerment in the Mashreq region (Lebanon, Iraq and Jordan) thereby impacting the countries' economies. Mr. Nadim Kassar, Chairman and General Manager of BLC Bank, was the only Key Note speaker from the private sector in Lebanon, for being the only pioneer and expert in this field since 2012. His high-level speech focused on providing recommendations and suggestions to the government and the central bank for reforms and policies that will help advance this agenda.



**LLWB (Lebanese League for Women in Business) Personal Loan – March, 2019:** along with LLWB, BLC Bank launched a special Personal Loan for LLWB. It's a product designed to finance the cost of the Program for Corporate Certification given by IFC and Tamayyaz Team.

**Women on the Front Lines Conference – 6 March, 2019:** CGM Mr. Nadim Kassar represented BLC Bank in the Women on the Front Lines Conference organized by the May Chidiac Foundation. Mr. Kassar's intervention revolved around the BLC Bank's We Initiative program and the importance of empowering Women in Business and provided policy recommendations moving forward the agenda to reach parity.



**“Ring The Bell for Gender Equality” event – 7 March, 2019:** As the first institution in Lebanon and MENA to adopt the 7 UN Women Empowerment Principles and a key player in the momentum for gender equality in MENA, BLC Bank participated in the “ UNGC – Ring the Bell” event on March 7 that aimed at advancing gender equality and sustainable development goals. Mr. Kassar was a keynote speaker emphasizing the Bank’s activities and achievements in the Women segment.



**“A Step Towards Equality” Conference – 3 May, 2019:** BLC Bank hosted a conference entitled "A Step Towards Equality – in Pay Financing and Corporate Representation” at the Kempinski Summerland Hotel and Resort in Beirut, in collaboration with Alumni Central and under the patronage of Minister of Economy and Trade His Excellency Mr. Mansour Bteish, which was attended by over 100 participants and represented by the CEO of BLC Bank Mr. Bassam Hassan.

**Women in Business Program – 1 to 5 July, 2019:** We Initiative and BLC Bank launched the “Women in Business Program”, a new non-financial solution dedicated to women growing a business in Lebanon with a business age up to 5 years and still not formalized. It includes women who have their own business and are looking to expand, women working from home who have a hobby or a talent and want to turn it to a formal business and women who have the business idea but lack the basics of turning this idea into a business. The Women in Business program is a toolkit, providing women with all the needed information and strategy to reach their goals; and it is a program that will be delivered in different regions all over Lebanon, to be able to cover all different needs (rural and urban entrepreneurs).





**Women in Business Closing Ceremony – September 12, 2019:** The first session of this program was done in collaboration with VIDES, an Italian NGO working on the economic empowerment of women, at the Don Bosco Cultural Center in Kahale. It was concluded with a certificates ceremony on Thursday September 12. Mrs. Nancy Sayegh, Head of SMEs represented BLC Bank and reconfirmed the strategic position of the Bank and We initiative vis-à-vis SMEs and women entrepreneurs.



**A series of trainings and workshops were organized by LLWB in collaboration with BLC Bank:**

- **Public Speaking – September 3 to 5, 2019:**

The session was given by Dr Ziad Nehme, at the Syndicate of Lawyers in Tripoli on September 3, 4 & 5 September.

- **Banking Awareness – September 16, 2019:**

Training workshop on banking awareness with Rabih Abi Ammar, Head of Credit Management Group at BLC Bank and expert in finance Dr. Lara Macaron from LLWB at the Chamber of Commerce for Industry & Agriculture in Tripoli.

- **An introduction to Craft Industries – September 28, 2019:**

Workshop done in Bekaa discussing the various craft industries



## Internationally

**“UNWEPS CEO roundtable - New York”- 14 March, 2019:** BLC Bank was once again part of the UN WEPS event organized by UNGC and UN Women in New York, represented by BLC Bank’s board member Mr. Sarkis Yoghourtdjian speaking at the CEO roundtable on advancing progress on Gender Equality responding to Backlash and Resistance. Mr. Yoghourtdjian also shared the We Initiative journey and the efforts deployed in serving the women market in Lebanon.



**We Initiative Study Tour – 8 to 9 May, 2019:** BLC Bank hosted a We Initiative Study Tour for two international banks: “National Development Bank PLC” from Sri Lanka and “Banque de L’Habitat” from Tunisia, in collaboration with the International Finance Corporation – IFC. This study tour focused on the Bank’s journey in the development and success of the We Initiative program as we represent a learning opportunity to help international banks develop effective women’s programs in their own markets or take their early-stage programs to the next level.



**International Day of the Girl Child – 11 October, 2019:** On the occasion of International Day of the Girl Child, a young lady, Cynthia Ghaloujian visited our premises on October 11 and spent the day with Chairman and General Manager of BLC Bank Mr. Nadim Kassar. Mr. Kassar took the time to mentor her and she visited some departments of the bank. This mentorship initiative took place in partnership with Teach for Lebanon, the Embassy of Canada to Lebanon and the Ministry of State for Economic Empowerment of Women and Youth.



## FINANCIAL ALLIANCE FOR WOMEN

The Financial Alliance for Women (previously known as GBA – Global Alliance for Women) is a non-profit organization working as an international consortium of financial institutions interested in championing the female economy

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 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.

**GBA Roundtable – New York - 14 March, 2019:** In light with the international women's day initiative, BLC Bank's Head of Marketing Group participated in a GBA roundtable discussion about the worldwide opportunity of serving the women market. The discussion covered how BLC Bank understood the opportunity in 2010 and recognized its potential as a differentiator making it the Bank of Choice for women in Lebanon and a model for banks around the world.

**GBA - All Stars – Cairo – 24 to 28 March, 2019:** The GBA All-stars academy took place for the first time in MENA region in Cairo – Egypt, attracting 64 attendees from 35 international banks and finance institutions from around the world. BLC Bank's Head of Brand Management, shared the Bank's journey to becoming the first Bank in MENA with a dedicated holistic Women's Market program, and how we have developed a strong business case as a Bank of Reference for women in Lebanon.



**FA summit – Paris, 17 to 19 June, 2019:** Chairman & General Manager of BLC Bank, Mr. Nadim Kassar participated in the Financial Alliance for Women summit, previously known as Global Alliance for Women (GBA), held in Paris on June 17, 18 and 19, along with the corporate leaders and members of the Alliance. Mr. Kassar received the “Women’s Market Champion Outstanding Engagement Award”. Mr. Kassar, reaffirmed BLC Bank’s commitment to supporting all initiatives aimed at empowering women economically and providing all facilities to obtain equal opportunities in the labor market and in leadership. Mr. Kassar took part in the main panel, "The Decision Makers: A Conversation with Women’s Market Leaders", whereby he shared BLC Bank’s strategic vision for serving the Women’s Market, the challenges faced along the way and the importance of personal leadership in this journey, through the example of the We Initiative. During the award ceremony, Mr. Kassar received the trophy for Women's Market Champion Outstanding Engagement Award. This award represents the commitment and participation in the sharing of knowledge through the Financial Alliance for women programs and services in the past year.

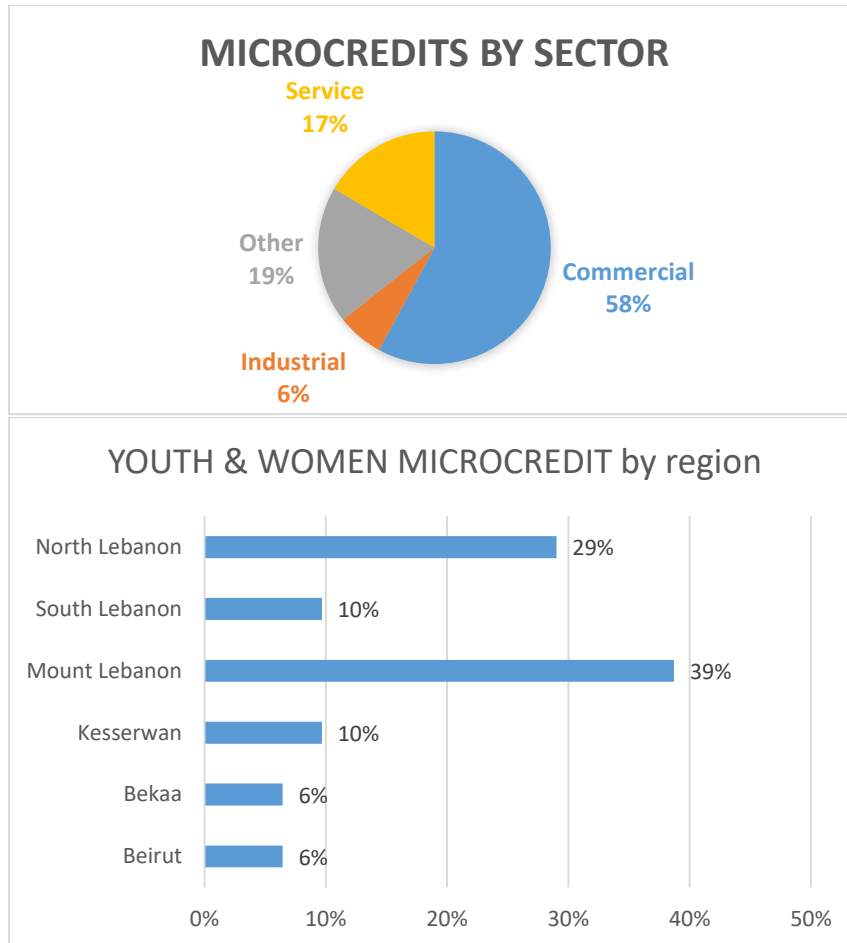




## 2019 Credit Highlights

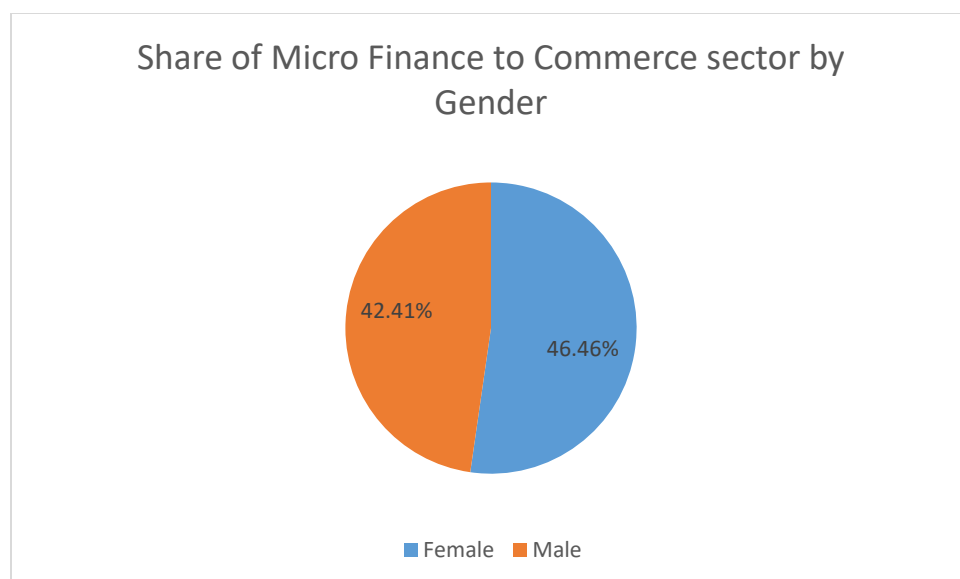
### Microcredits - Outstanding by end of 2019

Outstanding Microcredits by the end of 2019 were \$1,861,000 for a total of 485 beneficiaries.



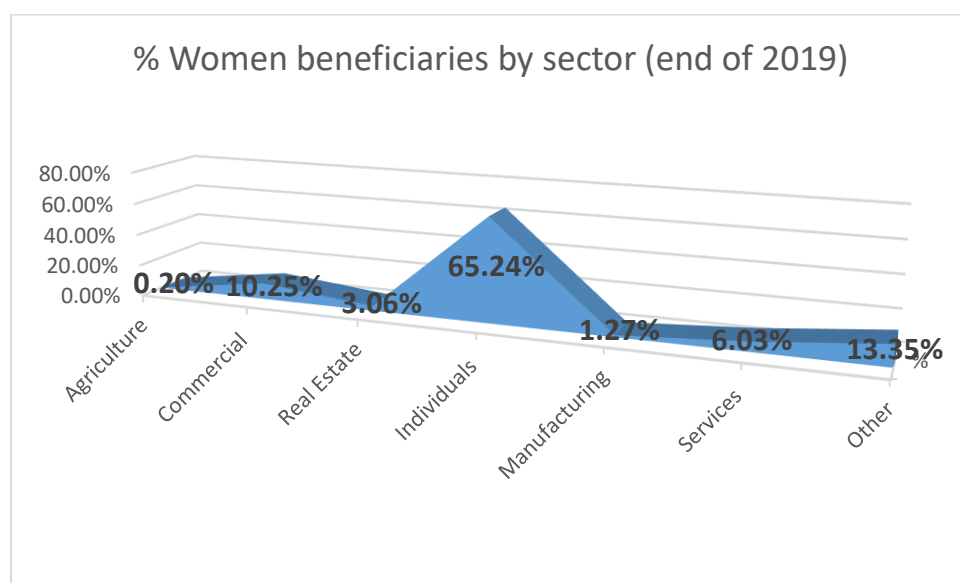
The Outstanding Balance of our Youth Commercial portfolio was \$102,001,000 out of a total Total Commercial portfolio of \$751,652,000

Young entrepreneurs (18 to 30 years old) consist 13.57% of our portfolio amount  
43.44% of our micro finance directed to the commerce sector (2019):



Women entrepreneurs consisted 12.63% of outstanding performing loans. "WE" client definition was based on the criteria of having more than 50% ownership of women shareholders and/or having women in senior managerial functions (decision maker)

2019 total loan value of women clients (2019) was \$167,763,000



Our Outstanding amount of SME loans (end of 2019) \$182,116,000

Our International financing for SMEs & Corporate Clients until the end of 2019 was:

ATFP (Arab Trade Financing Program) \$263,671.36

IFC's GTFP (Global Trade Finance Program) \$10,158,688.31

## Start-Ups

In compliance with the Central Bank's 331, BLC Bank became a real economy investor in Startups. Our partnerships with the majority of startups consists of having a mission and vision aligned with our CSR strategy. BDL supports startup businesses through Lebanese banks given that their projects are innovative, sustainable, generate employment, and contribute to the community...

Our Venture Capital (VC) funds:

BLC PARTICIPATIONS UNDER BDL Cir.331						
Venture Capital Funds						
AS at 31/12/2019						
VC Name	Fund Size	Fund Objective	BLC Total Commitment	Form of Participation	Capital Called & Paid by BLC	BLC Stake (@commitment)
Berytech Fund	\$51,500,000	Invest in early growth, maturing Lebanese startups whose business is mainly focused on Information and Communications Technology (ICT) sector in Lebanon.	\$ 1,500,000	Equity: \$582 Shareholder Loan: \$1,498,650	\$ 1,310,082	2.9%
B&Y Fund	\$46,000,000*	Invest in Lebanese startups and foreign companies in the ICT sector with a focus on seed, late-seed and early stage companies.	\$ 1,500,000	Equity	\$ 1,081,967	3.3%
Azure Fund	\$22,800,000	Invest in Lebanese startups with a focus on ICT and creative knowledge design business and luxury fashion. The Fund invest in seed, early and expansion stage startups.	\$ 2,000,000	Equity:\$1,748 Shareholder Loan: \$1,998,252	\$ 664,694	8.7%

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\*hybrid Fund of which \$32.3M falls under BDL Cir.331m and \$13.7M private funds.

## 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 2019, a total amount of \$12,500,000 housing loans was granted to 88 clients.



### ECO FRIENDLY & GREEN PROJECT

During 2019, BLC Bank invested an amount of \$59,718,000 in 248 eco-friendly loans and green projects.

The respective average of energy saving reached 70% during 2019.

**LEEREFF Agreement:** BLC Bank represented by Mr. Elie Tabet, Head of International Banking Relations, signed on the 11<sup>th</sup> of July, 2019 the agreement with BDL representative Mr. Wael Hamdan, Executive Director & Head of the Financing Unit of Banque Du Liban, at Phoenicia Hotel Beirut. LEEREFF, Lebanon Energy Efficiency & Renewable Energy Finance Facility, is a EUR 80 million global loan provided by the European Investment Bank and the Agence Française de Développement to support investments in energy efficiency, renewable energies and Green Buildings by private companies in Lebanon.



### **Insuring Quality Control**

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.



And we made sure all our SMEs and corporate clients benefit from our VISA Corporate Credit Card to make commercial transactions and business travels easier and come convenient.



Our ATM network reached 54 including 50 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:

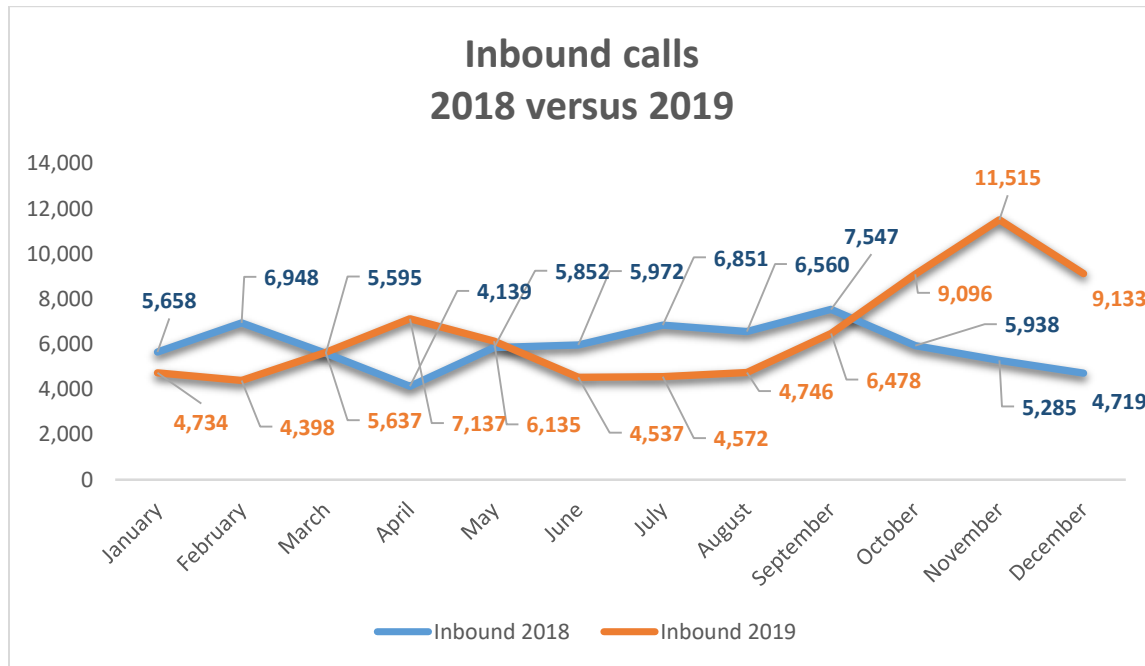
- 15,900 followers on LinkedIn account, an increase of 59% from 2018,
- 3,766 followers on Instagram page, an increase of 84% from 2018
- 1,752 followers on Twitter account, an increase of 17% from 2018
- 91,351 fans on Facebook page, almost unchanged from 2018.

### **2019 Key Figures:**

Our Internet Banking users were	25,815
Our e-banking Transactions were	56,010
Our mobile banking users were	13,045
Our mobile banking transactions were	101,547 with an increase of 8% vs. 2018.

## Our 24/7 Contact Center

A total of 92,885 in call center outbound & inbound calls in 2019 with a 6% annual increase



Our Inbound calls have increased in 2019 by 10% in comparison with 2018, from 71,064 calls (2018) to 78,118 (2019) due to the high inflow of calls in the last quarter of 2019, due to the unexpected country crisis that started as of October 17th. As for the Outbound calls, it decreased by 10% in 2019, from 16,404 calls (2018) to 14,767 (2019) due to the lack of outbound calls within the last quarter (after October 17th) due to the current situation as well.

Our total number of ATM transactions during 2019 reached 1,262,875

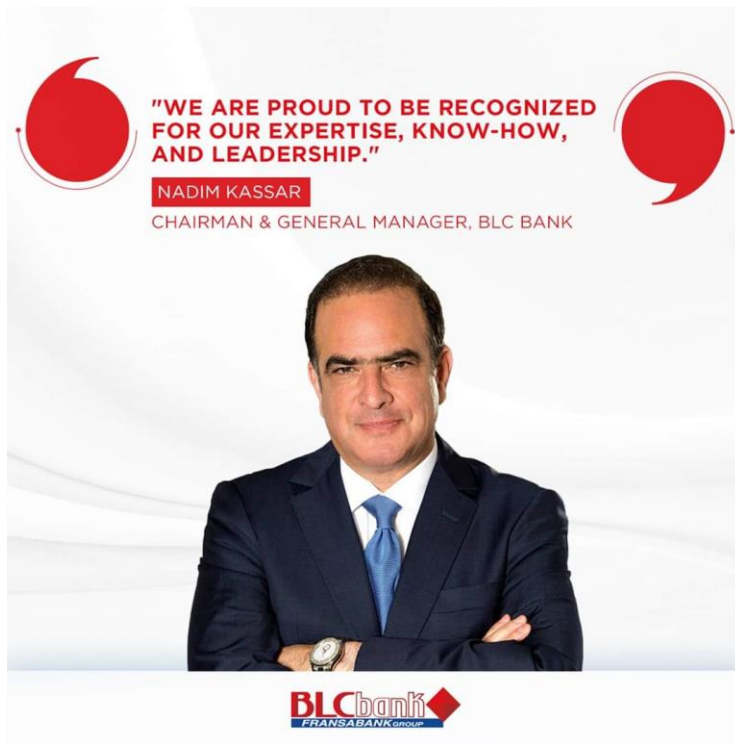
Our total number of online transactions during 2019 reached 217,253

## 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.

Our credit cards' cash-back rewards are active throughout the year, yet we always provide double cash-backs during special occasions and events.

BLC bank's CGM, Mr. Nadim Kassar, was elected on June 29, 2019 as Vice – Chairman of the Association of Banks in Lebanon.



Besides, our credit cards' usage campaigns offered a wide range of rewards i.e.: travel packages, local tourism packages, cash prizes draws...

19 clients won a stay at Mzaar Intercontinental during our February campaign.

10 clients won a trip & stay for 2 to Turkey during April-May 2019

46 clients won \$1,000 cash each during our Cash Prizes Draw in June-September 2019

Three promotional banners for BLC Bank credit cards. Each banner features the "C1510 Credit Cards" logo at the top. The first banner, "TRIP ON US. SOUVENIRS ON YOU.", shows a couple taking a selfie and lists rewards like a trip to Turkey, a weekend in Mzaar Intercontinental, and \$1,000 cash. The second banner, "ONE TRIP LEADS TO ANOTHER!", features a collage of world landmarks and offers a chance to win 1,000\$ worth of airline tickets. The third banner, "SPEND 500\$ &amp; WIN!", shows a gold credit card and offers a weekend in Mzaar Intercontinental for spending over 500\$. All banners include the BLCbank logo and Mastercard logo at the bottom.



Our marketing materials are always reviewed by the Quality Assurance department in order the compliance of our products with applicable laws as per the Central Bank of Lebanon Circular 134 regulations.



### 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)

### 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.

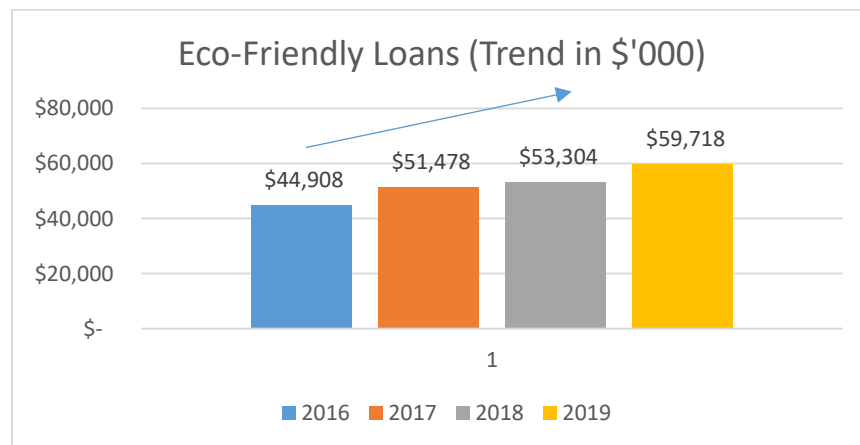
## OUR ENVIRONMENT

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.

**\$59,718,000 WERE DISBURSED FOR ECO-FRIENDLY LOANS DURING 2019**



**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...**

### **LEEREFF Loans**

The “Lebanon Energy Efficiency & Renewable Energy Finance Facility” LEEREFF 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%

1510 | Terms & Conditions Apply - [www.blcbank.com](http://www.blcbank.com)

Logos: LEEREFF, European Investment Bank, AFD, Banque du Liban, LCEC, BLCbank, FRANSABANK GROUP

#### Reducing Our Environmental Impact

During 2019, 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.

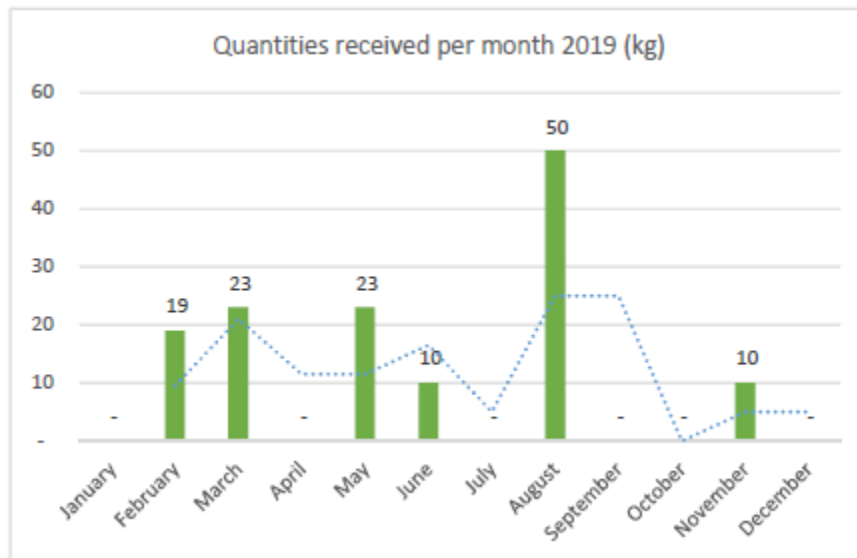
## WASTE MANAGEMENT & RECYCLING

DURING 2019, 9.48 TONS OF PAPER WERE SHREDDED AND RECYCLED.



### RECYCLING WITH ARCENCIEL

In collaboration with Arcenciel, BLC Bank recycles plastic and cans. Through 2019, we were able to collect **135 Kgs** of waste including Aluminum, Metal, Bottle Caps, Water Bottles and Nylon.



### CLOTHES DONATION INITIATIVE WITH FABRIC AID



We have launched a clothes donating program in collaboration with FabricAID, winners of the UN Young Champion of the Earth 2019.

FabricAID collects, sorts, and redistributes clothes to disadvantaged communities at micro-prices (ranging from 0.3\$ to a maximum of 2\$). Our goal is to deliver good quality clothing into the hands of people who need them, while also reducing fabric waste. During 2019, Amour Et Partage was our selected NGO to benefit from the outcome. This initiative helps protecting the environment, supporting our local community and engaging with our employees.

BLC Bank's contribution during 2019 was 725 kg of clothes

FabricAID's key figures during 2019

68,100 CLOTHES COLLECTED (KG)

65 Markets

12,620 Beneficiaries

3 Shops Opened | Lebanon

65,410 Items Sold

77 CLOTHING BINS



#### **“WASTE STUDIO” FUNDED BY OUR VENTURE CAPITALS**



In compliance with BDL 331, BLC Bank became a real economy investor in Startups. Our partnerships with the majority of startups consists of having them socially responsible with an added value to our community and environment i.e.:

Waste Studio: created by designers seeking innovation and sustainability by manually producing reused and recycled material to be transformed into urban and classic bags, accessories, and furniture.



## ENVIRONMENTAL PARTNERSHIPS

### PRESERVING LEBANESE NATURAL HERITAGE WITH LEBANON MOUNTAIN TRAIL ASSOCIATION



The Lebanese Mountain Trail – LMT was recognized by the Lebanese Presidency as a “National Trail to be Protected”, and BLC Bank is proud to partner with the LMT Association. On March 28, we have adopted Section 11 of the trail, a 20-km section that goes from the east of the village of el Aaqoura following the cliffs before reaching Afqa plateau.

BLC Bank, the Lebanon Mountain Trail Association (LMTA), and the local community, came together on Sunday, September 29, to celebrate the inauguration of section 11 of the LMT (el Aaqoura - Afqa), in the district of Jbeil, North Lebanon. BLC Bank adopted section 11 under the LMTA’s Adopt a Trail Program. This section of the LMT connects el Aqoura with Afqa and follows majestic cliffs, climbing up to a high altitude along the ridge line and an area covered by juniper trees and orchard cultivation. Under the program, the 21.4km section was deviated, cleared, cleaned and marked. Signage was also installed to guide the hikers on the trail. The program also supported the implementation of the LMTA’s Trail to Every Classroom program in the Qartaba Public School. Forty students, aged between 13 and 16 years engaged in environmental education activities at school and in the field. The education program also provided educators of four classes with tools for activities to raise awareness and conservation ethics about water conservation, cultural and natural heritage, promoting best practices among the young generation and future stewards of the trail and the environment. To celebrate the day, BLC bank staff, hikers, and participants hiked the extra mile, discovered part of the trail and unveiled the info panel in Mnaitra. Key notes followed, and the attendance enjoyed a rural reception at Guita Bed and Bloom in Majdel Aqoura. We organized the inauguration ceremony of BLC Bank’s adopted Section 11 of the Lebanon Mountain Trail. To celebrate this partnership, 35 employees from all departments joined a prearranged hiking event with the presence of LMT board & local communities’ representatives.



### CONTINUOUS SUPPORT TO REFORESTATION WITH JOUZOUR LOUBNAN

Throughout the years, we have worked hand in hand with Jouzour Loubnan in order to plant change across Lebanon and increase the country’s woodland areas.

**BLC Bank has achieved to plant more than 12,600 trees in various regions of Lebanon with a survival rate of over 90%.**

- Our sponsorship to Jouzour Loubnan provided us visibility in their magazine’s back cover – the featured ad was the latest CSR visual “Make it a Better Place”



## **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.

#### **PREHOSPITAL TRAUMA LIFE SUPPORT (PHTLS) FOR THE LEBANESE RED CROSS:**

The Pre-Hospital Trauma Life Support (PHTLS) is an international course recognized worldwide as the "leading continuing education program for pre-hospital emergency trauma care". The program is a holistic approach to the complete and safe care of a trauma patient.

MORE THAN 650 Lebanese Red Cross paramedics have been trained and dispatched all over Lebanon.

In 2019, 2 courses were held for the Lebanese Red Cross, and 60 paramedics were certified in Prehospital Trauma Life Support. The program is based on a philosophy stressing the treatment of the multi-system trauma patient as a unique entity with specific needs. PHTLS promotes critical thinking as the foundation for providing quality care

600 total Trained in 2019 (50 paramedics in PHTLS, 100 officers in First Responder, 450 Officers in Stop the Bleed)



RFL has reached more than 21 out of 32 Red Cross Centers throughout Lebanon, and a total number of 670 ISF Officers trained from all major districts since 2017.



### **FIRST RESPONDER (FS) FOR THE INTERNAL SECURITY FORCES:**

This course, which was launched in 2017, is aimed at the Internal Security Forces, who are often some of the first people to reach the area of an accident. The course gives them the necessary set of skills to provide the basic medical care interventions that will help save an injured responder's life until EMS practitioners can safely enter a tactical scene. During 2019, 4 courses were held for the Internal Security Forces, and 100 officers were certified as First Responders. First responders are the earliest healthcare workers to arrive at an accident or scene of a medical emergency. As a crucial part of the emergency medical assistance team, a first responder quickly assesses emergency situations, calls an ambulance, and administers first aid.



**Stop the Bleed:** a course that trains, equips, and empowers citizens to help in a bleeding emergency before professional help arrives.

During 2019, 6 courses were held for the Internal Security Forces and 450 officers were certified in Stop the Bleed.



**Tribute to Mr. Kassar – June 28:** Chairman & General Manager of BLC Bank, Mr. Nadim Kassar received a tribute of appreciation on June 28, 2019 for all the support and contributions in training and graduating the Lebanese Internal Security Forces in ISF First Responder course through Roads For Life and with the support of the Lebanese Red Cross. This program is essential because Police Officers are usually the first people at the scene of an accident and play a major role in establishing a safe scene prior to the arrival of paramedics. This represents BLC Bank's support for Roads For Life and ISF training, reaffirming BLC Bank's relentless efforts towards saving lives of road victims since 2012.



### Ongoing support to the Children Cancer Center

As a token of our commitment & contribution to the Children Cancer Center's mission and values, the CCCL hanged a wishing star in the presence of BLC Bank's representatives, Mrs. Tamara Kassar, Mrs. Youmna Ziade Karam and Ms. Ghina Achkar. This contribution made a difference in the life of a child.



Eat Out for Life with CCCL: BLC Bank was the Gold sponsor for the Children Cancer Center campaign "Eat Out for Life" from the first until the 31<sup>st</sup> of July. It is a special and unique campaign, launched in 2011, whereby a percentage of the dining bills at the participating restaurants is donated to CCCL. BLC Bank's exposure was through CCCL's TVC broadcasted on major local televisions, flyers over the major participating Lebanese restaurants and social media (BLC Bank & CCCL).



Gold Sponsor



Silver Sponsors





## Partnership with ASSAMEH – BIRTH & BEYOND



BLC Bank is proud to support ASSAMEH – Birth & Beyond, a non-profit organization specialized in the rehabilitation of pediatric wards in governmental hospitals across Lebanon. The purpose is to ensure that deprived Lebanese children receive the level of medical care they deserve, as well as new medical units, newborn machines, pediatric and surgical equipment. Our babies deserve the right of birth, to live healthily and enjoy life like all other young citizens. BLC Bank participated in the ASSAMEH annual event as part of the continuous support to this NGO who has equipped the pediatric ward of the Beirut Governmental hospital in Quarantina and has treated more than 2000 patients.

ASSAMEH's main achievements during 2019:

- ASSAMEH treated 983 patients in 2019 including 29 patients who did not have legal documents.
- 24% in admission between 2018 and 2019
- EQUIPMENT ACQUISITION:
  - A fully equipped pediatric intensive care mobile unit Ambulance
  - A complete medical and surgical Endoscopy system
  - An Aerogen Nebulizer
  - An HFO servo, High frequency ventilator
  - Two high flow oxygen machines



## Celebrating the World Humanitarian Day



On the occasion of World Humanitarian Day, we have visited Amour & Partage, an NGO in charge of elderly people, on the 19th of August and delivered the LBP 638,250 cheque on the behalf of BLC Bank with the presence of reps from BLC Club. This initiative was in partnership with FabricAID whereby our employees' clothes donation were cashed into a different donation to Amour & Partage.

## The Lebanese Apples Day at BLC Bank

We coordinated the National Apple Day, on the 11<sup>th</sup> of September, among our network by supporting our SME clients dealing with apple farming highlighting the apple production chain.







### Blood Drive with Donner Sang Compter

As per yearly practice, our collaboration with Donner Sang Compter, a blood donation NGO, goes beyond philanthropic support. On April 8, 2019 BLC Bank organized a Blood Drive at the Head Office in the occasion of World Health Day. In partnership with Donner Sang Compter and AUBMC, we were able to collect 23 blood units with the help of the BLC Bank employees and Club. This blood will be donated to the children in need at the Children Cancer Center Lebanon.



World Blood Donor Day – June 14: In light of World Blood Donor Day, on June 14, an awareness campaign was launched on the Bank's social media platforms. An interview was held with the Communication Manager at Donner Sang Compter Mr. Abdo Saad, concerning blood donation steps, donors eligibility and the importance of this topic for donors and patients simultaneously. The activation highlighted BLC Bank's commitment to the community, shedding light on blood donation day that took place on April 8 at our premises, where units were collected for Children Cancer Center of Lebanon (CCCL).

**Highlighting the World Autism Day:** On April 2, World Autism Awareness Day, BLC Bank head office building was lit in blue as part of our commitment to our community and solidarity with this cause and the “Light it Up Blue” movement. We have also engaged with Sesobel and the Lebanese Autism Society (LAS) to raise awareness and empower the mothers of autistic children through sharing different experiences on our social media platforms.



#### **Back-to-school initiative with BASSMA**

We took the initiative to support Bassma NGO in charge of children in need especially during Back-to-school period, whereby BLC Bank’s employees will be donating new/pre-owned school supplies to be delivered by the 1<sup>st</sup> week of October.



[www.bassma.org](http://www.bassma.org)

[f/bassma](https://www.facebook.com/bassma) [t/bassmalb](https://twitter.com/bassmalb) [@bassmalb](https://www.instagram.com/bassmalb) [bassma.org/DonateNow](https://bassma.org/DonateNow)

### Preventing Violent Extremism

We launched “Preventing Violent Extremism” campaign which was recommended by the Council of Ministers & BDL. The campaign was running internally (through consultation forms filled with HR support) & externally (website & social media).



### Breast cancer awareness campaign

Highlighting the effect of breast cancer on 1 in 8 women by launching an awareness digital campaign focusing on consciousness and prevention.



### Our campaign of HOPE

BLC Bank communicated hope in a national campaign given the circumstances in which all the banking sector went through.



## **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

& Development team has accommodated in 2018:

**OVER 70** INTERNSHIP STUDENTS WERE TRAINED ACROSS BLC BANK'S NETWORK OF BRANCHES AND HEAD OFFICE.

**15** SECONDARY SCHOOL STUDENTS FROM Collège Notre-Dame de Jamhour, Collège des Sœurs des Saints-Cœurs AND Grand Lycée Franco-Libanais ATTENDED BANKING ORIENTATION AT BLC BANK OFFICES AND BRANCHES.

#### **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...

- 814 Employees are part of the collective agreement
- 27 Jobs Created
- 316 Jobs Sustained
- 42.3% of the New Hires are Females
- 53.8% of BLC Bank employees are Females
- 27 Women were given a Parental Leave with 100% retention
- 712 Children benefiting from the schooling fees
- LBP 3,065,800,006 were disbursed for schooling
- 814 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

**633** employees received specialized trainings in 2019 covering **77%** of BLC Bank’s workforce with an average of **4.98 hours/employee**

**A total of 109 specialized trainings were offered, over 105 hours covering** Accounting & Finance, Banking Operations, IT, Marketing, Personal Development, Product Knowledge, Regulatory and Sales.

**BESIDES, WE HAVE LAUNCHED OUR LIBRARY IN APRIL 2018 INCLUDING 238 BOOKS**





## **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.

## **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.

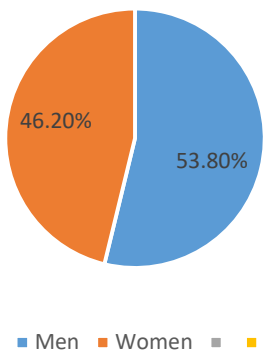
**SINCE 2016, IN THE SECOND PHASE OF THE ERP, THE PROJECT WAS EXTENDED TO ALL OF BLC BANK'S PREMISES.**



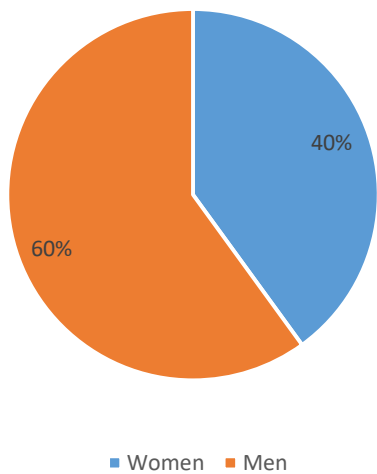


Diversity & Inclusion – Key Figures

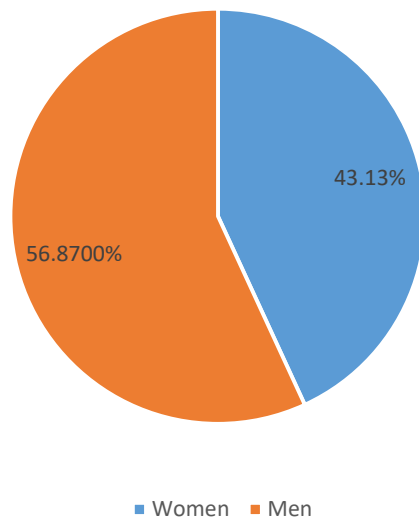
Employees Gender Distribution



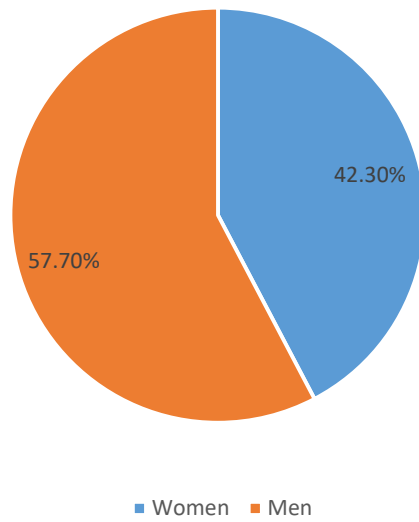
Women at Senior Management Positions



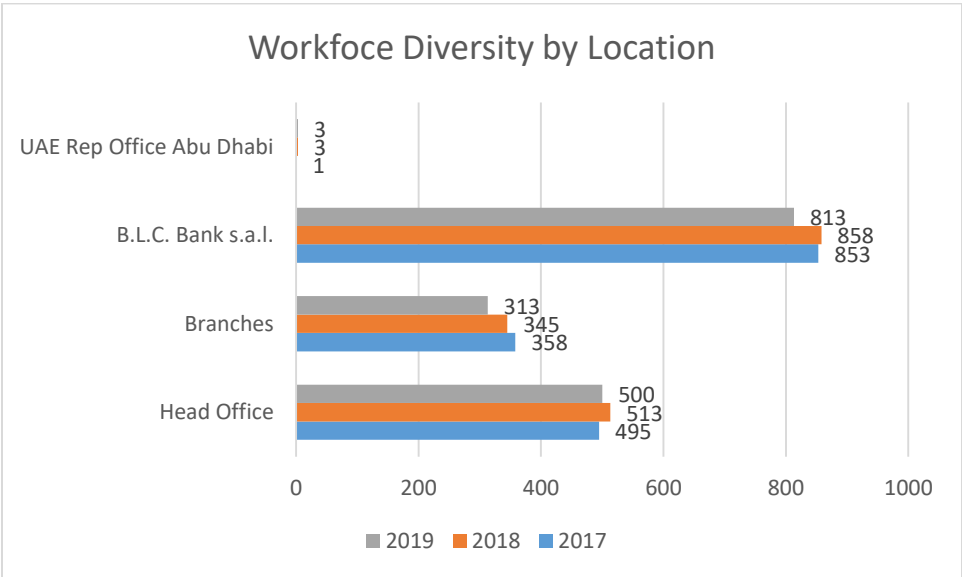
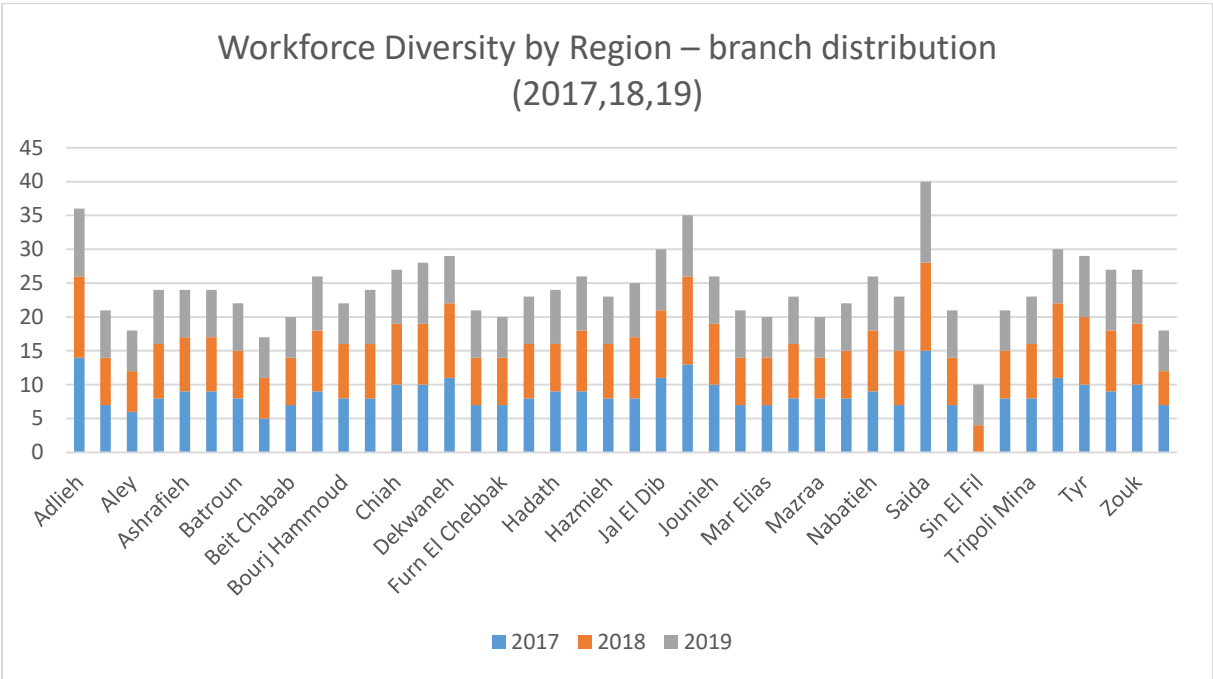
Women at Middle Management Positions



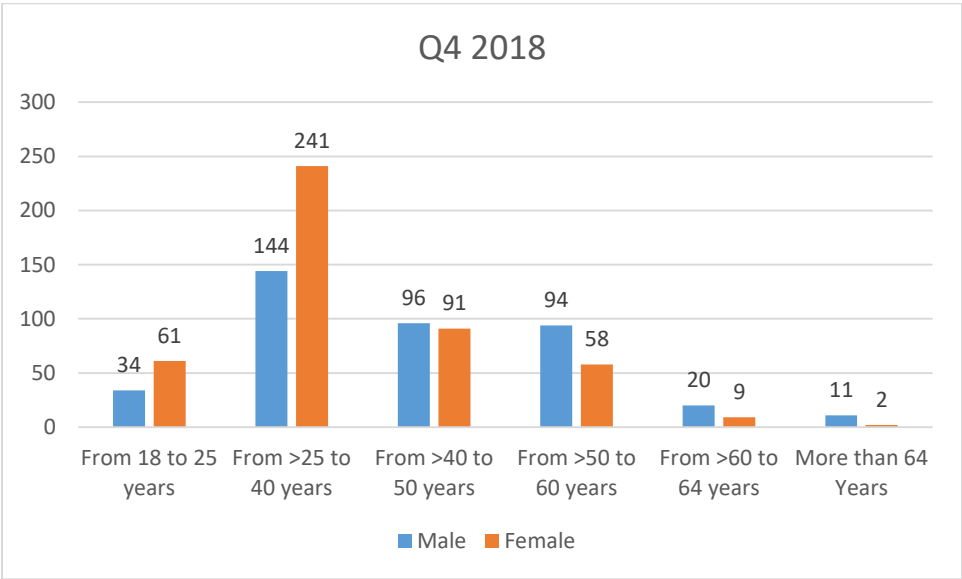
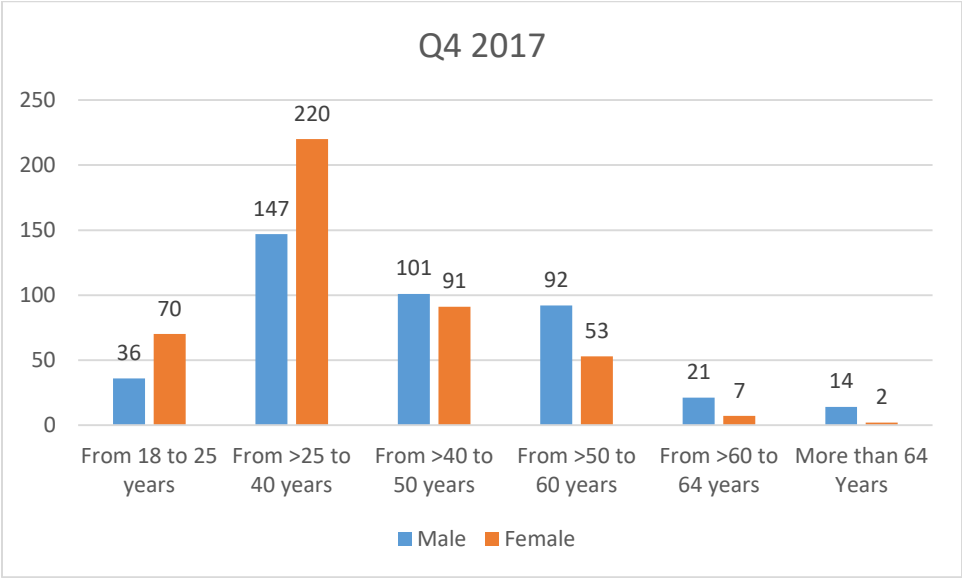
% Women New Recruits

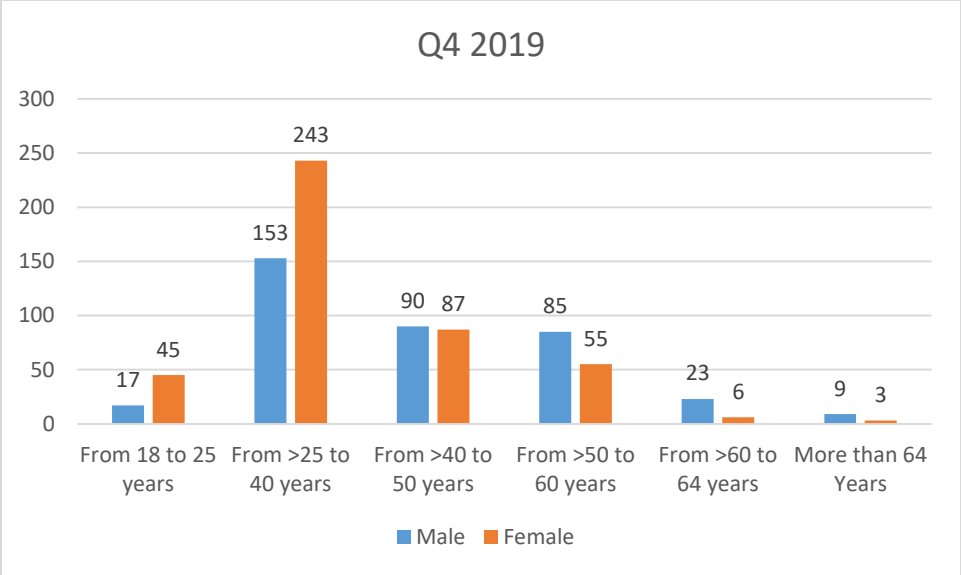


Our Workforce diversity trend by region – branch distribution

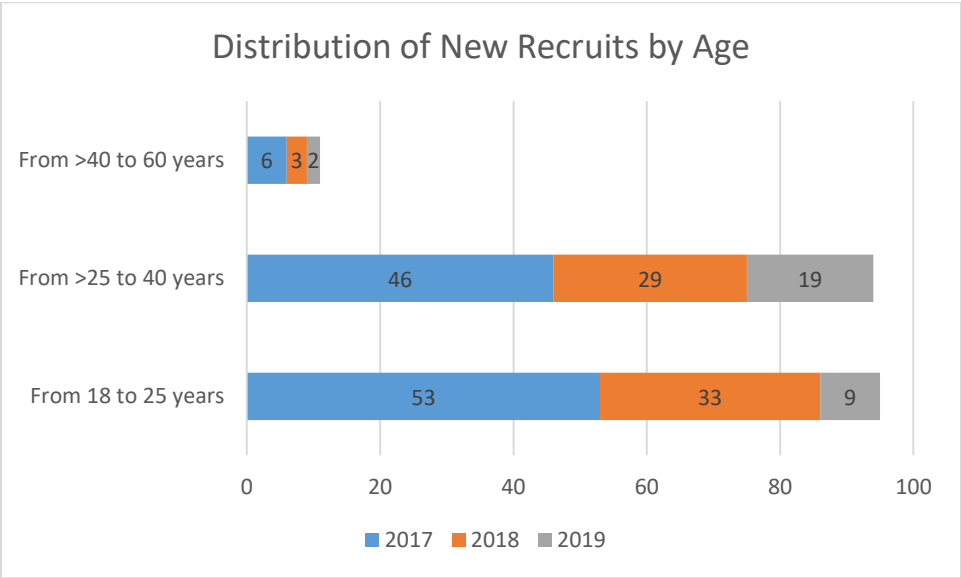


Our workforce diversity trend by age and gender

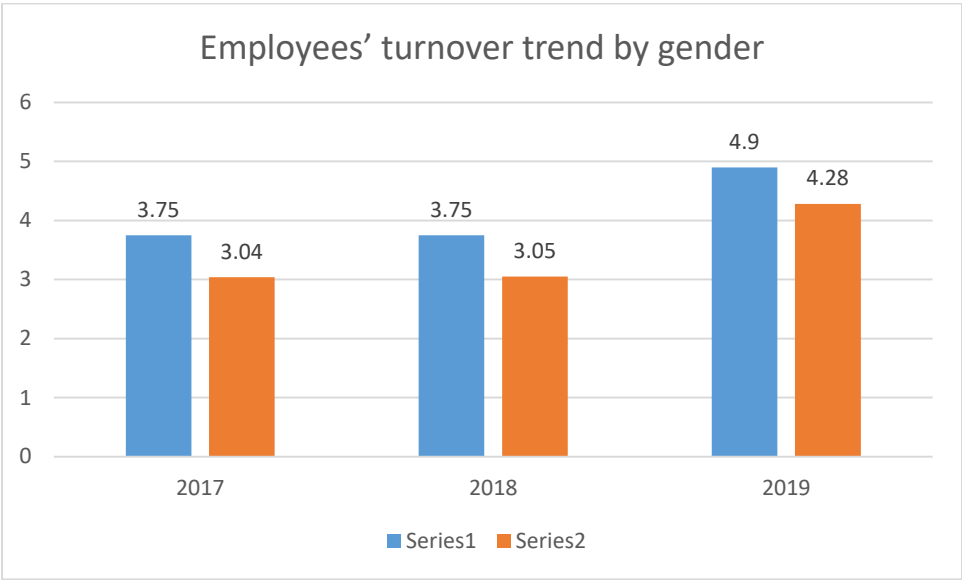
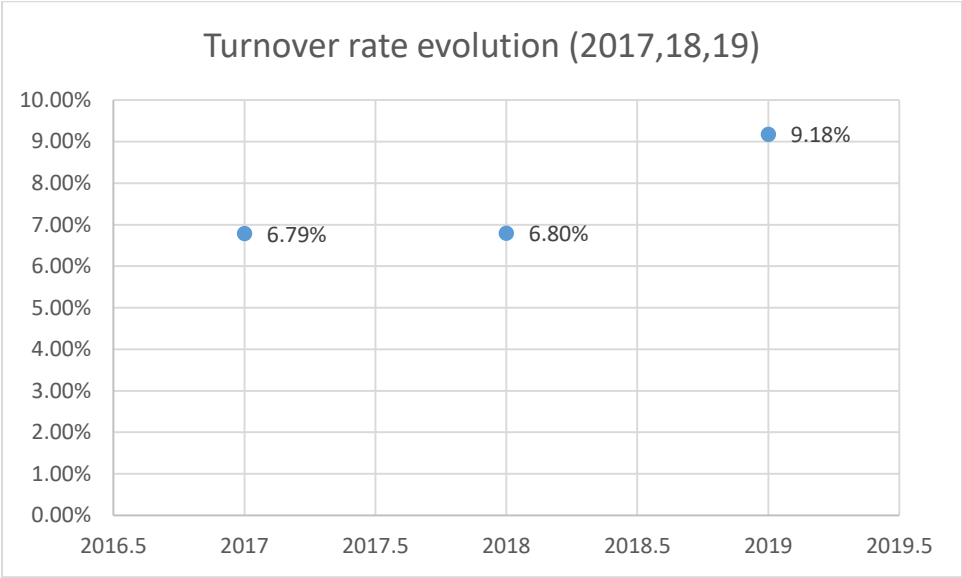




**Our New Recruits Trend**



Turnover rates and evolutions





### Our employees' distribution by contract type

Distribution by Contract Type / Gender	2019	2018	2017
<b>Female</b>	<b>53.8%</b>	<b>53.7%</b>	<b>52.0%</b>
Contractual	2.8%	2.8%	4.8%
Permanent	50.5%	50.3%	47.1%
Probation	0.1%	0.1%	0.1%
Retired	0.4%	0.5%	0.0%
<b>Male</b>	<b>46.2%</b>	<b>46.3%</b>	<b>48.0%</b>
Contractual	2.6%	2.2%	5.7%
Permanent	41.5%	42.5%	42.0%
Probation	0.6%	0.1%	0.2%
Retired	1.5%	1.5%	0.0%
<b>Total</b>	<b>816</b>	<b>861</b>	<b>854</b>

### Learning & Development

71 welcomed internship students

712 employees' children benefited from the support of schooling fees reaching LBP 3,065,800,006

633 employees received specialized trainings in 2019; being 77% of the workforce; an average of 4.98 hours/employee

BLC Bank Lebanese financial regulation exam coverage ratio reached 77.72%

8.9% Employee turnover rate

47.35% employees' seniority with over 10 years of service

100% return to work rate after parental leave

Educational loans total outstanding amount reached \$7,745,000

Two BLC Bank employees from the CSR & Financial reporting departments attended the GRI Reporting Standards training (International Sustainability Reporting) which took place in Larnaca.

## TEAM BUILDING ACTIVITIES

### BLC Bank Employees' Event

BLC Bank's employees and management team attended our annual gala dinner that took place at Seaside Arena. The event included senior employees' recognitions and distribution of appreciation honors as well as a musical performance and entertainment activities.



### Employees' Hiking Day with Lebanon Mountain Trail Association

To celebrate the inauguration of section 11 of the LMT (el Aaqoura - Afqa), in the district of Jbeil, North Lebanon, where BLC Bank adopted section 11 under the LMTA's Adopt a Trail Program, BLC bank staff, hikers, and participants hiked the extra mile, discovered part of the trail and unveiled the info panel in Mnaitra. Key notes followed, and the attendance enjoyed a rural reception at Guita Bed and Bloom in Majdel Aqoura.

35 employees from all departments joined a prearranged hiking event with the presence of LMT board & local communities' representatives.





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A BETTER  
PLACE.**

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