

CORPORATE
SOCIAL
RESPONSIBILITY

Report 2019

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INTRO

Pursuing CSR projects reflects Saradar Bank's intent to make a real difference at the workplace and to create a positive impact on society.

Saradar Bank CSR program involves a range of activities such as strengthening relationships with colleagues, collaborating with civil society organizations and developing green practice initiatives for environmental preservation. Consolidating and sustaining our social responsibility efforts while innovating are key elements in the long-term process engaged by Saradar Bank, showcased in this 2019 report.

- 1.1. Team Building Activities
- 1.2. Gender Equality in the Workplace
- 1.3. Career Development
- 1.4. Maternity Schedule

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HUMAN CAPITAL



Enabling potential
equally

At Saradar Bank, we strongly value our human capital.

WE BELIEVE

that building a healthy environment is key to our success.

WE PROMOTE

gender equality in the workspace.

WE PROVIDE

trainings for career development and internships to young students.

WE ORGANIZE

team-building activities to enhance cooperation and teamwork.

HUMAN CAPITAL

1.1 Team Building Activities

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1.1.1. Ask your Leadership Team Sessions

Ask your Leadership Team Sessions continued in 2019. Mr. Mario Saradar, Chairman-CEO, along with the Banks' leadership team made themselves available, to answer the employees' questions and tackle various issues.

Their visits to branches and Head Office departments led to very successful series of Q&A sessions, during which colleagues had the opportunity not only to voice their concerns, but also to present ideas and propose solutions where needed. Several sessions were held to make sure all colleagues were given an opportunity to express themselves.

1.1.2. Saradar Rally Paper

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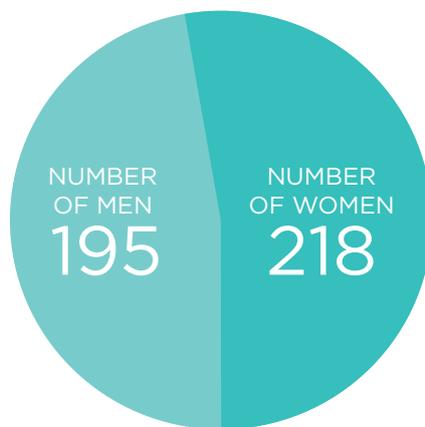
The Saradar Rally Paper is a yearly event that promotes workmates interaction and cooperation. It helps create successful team dynamics. The 2019 edition saw a record participation of more than 130 colleagues who tested their knowledge and skills during a day full of challenges.



HUMAN CAPITAL

1.2 Gender Equality in the Workplace

We promote gender equality in the workplace.



TOTAL EMPLOYEES: 413

1.3 Career Development

We provide trainings for career development and internships to young students.

During 2019, we provided:



HUMAN CAPITAL

1.4 Maternity Schedule

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A new “Maternity Schedule” for nursing mothers has been implemented since September 2019.

Moms will benefit from a 1-hour reduction from their work schedule, either in the morning or in the afternoon for a period of 6 months following their Maternity Leave. Our main objective is to provide our colleagues with a supportive environment and comfortable work conditions.

- 2.1 Sports Activities
- 2.2 let'S run
- 2.3 Supporting Lebanese Athletes

WELLBEING & SPORTS 02



Moving and making
ripples

WELLBEING AND SPORTS

2.1 Sports Activities

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2.1.1. Saradar Bank Women's Race

31st of March 2019



Saradar Bank Women's Race, a Beirut Marathon Association event, returned in 2019 to Beirut on the 31st of March, under the message "Draw Your Path", a call to action for all women in Lebanon to keep moving forward, and rise to the challenges of every day, no matter how big or small.

The Beirut Marathon Women's Race was launched in 2013 with the goal to empower women through running. Women from all walks of life, all ages, and all backgrounds participate in this race designed specifically for them. By committing to run 10K for herself, her cause, her health, her loved ones and her future, every woman realizes that she is capable of much more, be it by breaking her own record or completing the distance for the first time, this is her race to celebrate, compete, and achieve.

The involvement of the Bank in the Women's Race for the third consecutive year is aligned with our corporate culture, as we believe in women empowerment and the positive effects of sports on the community. We actively seek to consolidate women's role in the advancement of society and to strengthen their integration in the workplace, hence contributing to women's wellbeing and development.

WELLBEING AND SPORTS

Heavy rains did not prevent thousands of participants – women, men, and children – from donning their running shoes and gear, and showing up for their race to defy the elements in the Port of Beirut.

More than 250 colleagues of the Saradar Group took part in this event. Lea Iskandar, a member of Let'S run club, won the 10K race for the fourth year in a row, and broke her personal record by completing the 10K in 37'39". Other women from let'S run finished among the top 10 in the race: Nada El Kurdi and Jasmine El Achkar. In the 10K para-athlete race, French athlete Marie-Noelle Japy set a new personal record of 25 minutes and 30 seconds in the hand cycle category. In addition to the 10K race, this year's event included a 5K fun run, and a 2K run with parents.



WELLBEING AND SPORTS

2.1.2. MySchoolPulse 5K

4th of August 2019

Myschoolpulse is a non-profit organization, bringing school to hospitals in Lebanon. To date, it has catered to the education of 583 children aged between 5 and 18 years, and suffering from a life-threatening illness, enabling them to continue their education during their long treatment away from school and friends. 2000 runners participated in the 10th edition that took place in Faqra Club. Medals and gifts were awarded to 5K winners in twelve age categories and to 1K winners in two age categories. The overall 5K winners are Racheem Baghdad (16'45") and Nadia Nehme (22'20").



WELLBEING AND SPORTS

2.2 let'S run

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let'S run is one of the most recognized official road running, track and field clubs in Lebanon with promising athletes mainly:

NADER JABER

(Lebanese champion for 5K and 10K)

PIA NEHME

(Former Lebanese Champion for 21K and 42K)

SANDY KARAM

(Lebanese Champion for race walking 21K)

LEA ISKANDAR

(Lebanese Champion for 10K)



WELLBEING AND SPORTS

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let'S run welcomes all athletes, with different levels and different objectives to join the daily training. The total number of athletes reached more than 200 in 2019.

On top of the participation in all national races, the Beirut Marathon, Paris Half-Marathon, the Marathon of Rotterdam and the Marathon of Hamburg, let'S run took part in the following official competitions in 2019:

- Lebanese Open Cross Country Championship
- Asian Indoor Athletics Championship
- Lebanese Team Cross Country Federation Cup
- Lebanese Athletic Federation Cup

During this season, many trophies and podiums were earned, personal records as well as new National Records were broken, thanks to the hard work of our athletes and dedication of our coaches Pia Nehme, Rached Baghdad and Daoud Moustafa.

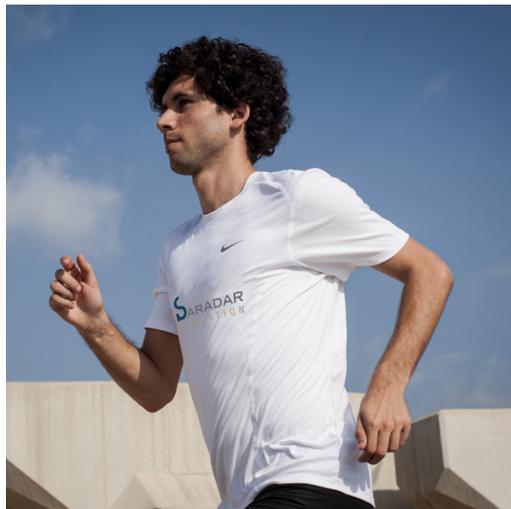
WELLBEING AND SPORTS

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2.3 Supporting Lebanese Athletes

We support young Lebanese athletes through Fondation Saradar.

Our continuous support to young Lebanese athletes through Fondation Saradar includes runners such as Pia Nehme, Léa Iskandar and Nader Jaber, as well as horseback rider Yasmina Bocti.



NADER JABER - RUNNER

Nader's major achievements in 2019

Cross-country Lebanese Championship 10K

1st place (31min25)

Qualification to the Cross-country World Championship

Ranking: 123/150

Meeting qualification Club Championship France 3K

1st place (8min44)

Lebanese Championship by category (senior) 5K

1st place (14min57)

Lebanese Championship

5K: 1st place (14min55)

10K: 1st place (31min25)

Lebanese Open Club Championship

5K: 1st place (15min22)

10K: 1st place (32min04)

Half marathon Lebanese Championship

3rd place (1:11:50)

New race record at the Half marathon of the 3rd Radisson Blu Larnaka International Marathon

(1:10:55)

WELLBEING AND SPORTS

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LEA ISKANDAR - RUNNER

For the second year in a row, Léa Iskandar won the first place overall Lebanese in the Saradar Bank Women's Race 10K organized by the Beirut Marathon 2019 edition.



YASMINA BOCTI - HORSEBACK RIDER

Yasmina Bocti was able to qualify in the top 10 in the French National Junior Riders and has scored great results in many international shows in summer in Belgium mainly.

In October she participated in the French team selection for the national training in preparation for next season 2020. Finally, in December she participated in the Longines Masters de Paris, the most prestigious horse competition in the world.

ARTS & CULTURE



Seeking genius.
Sharing it

ARTS & CULTURE

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3.1 Fondation Saradar Learning Programs

Integrating Arts and Culture into Education



Backed by Saradar Bank and in association with Saradar Collection, Fondation Saradar persevered in its commitment to promote Lebanese art heritage amongst the young generation throughout 2019.

The “Traveling Art®” project raised sincere interest, strong motivation, wide enthusiasm reflected by the serious efforts from school administrations and students alike, to implement successfully this unprecedented art educational project.

During the project’s pilot round, from October 2018 to May 2019, 43 classes from Jesus & Mary School (Rabweh) and “Paradis d’Enfants” (Ghadir & Haret Sakher), representing a total of 1,401 students benefited from 246 sessions including 110 visits to the mobile art school.

To consolidate and optimize this art initiation program, 1,503 “Traveling Art Books®” and 6,175 artwork reproductions were handed out to participants as supporting learning tools.

ARTS & CULTURE

Summer recess was no break for the Caravan. Integrating the “Institut Français du Liban” summer courses and workshops provided a new opportunity for the “Traveling Art®” project to widen its scope and extend its activities to new audiences. During the months of July to August, 153 young participants from different schools and backgrounds enrolled in Fondation Saradar art program.



The last quarter of 2019 was dedicated to Collège des Sœurs des Saints-Cœurs (Ain Najm), where 29 classes were registered for the art initiation program, involving 966 students, aged from 8 to 15 years old.

From October 7, 2019 to January 21, 2020, modern and contemporary Lebanese artists were presented through ten different curated themes, supported by a wide range of educational activities.



Students have been invited to submit their own art productions within a school exhibition that will complete the initiation cycle.

3.2 Saradar Collection

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3.2.1 Saradar Publication books

Continuing its commitment to research, critical thinking and exposure of Lebanese artwork, Saradar Collection collaborates with art publisher Kaph Books to present in-depth publications of artists, artwork or genres related to the collection.

The first book to be published was dedicated to Seta Manoukian. Born in Lebanon in 1945, Seta Manoukian is a painter. Her early drawings reveal a sense of composition, a strong artistic hand and an original talent. She was teaching at Lebanese University when the Civil War began in 1975. After 10 years of war in Lebanon, she had to flee to LA defeated by war, where she still lives today, as a Buddhist nun. This publication looks back at Manoukian's work, focusing on the 70s and 80s periods of her practice. It includes essays by Gregory Buchakjian, Kristine Khouri and Aline Manoukian.

The second book 'Black on White' was published in 2019 in the Saradar Collection x Kaph Books series and was dedicated to Laure Ghorayeb. The self-taught artist was born in 1931 in the picturesque village of Deir al-Qamar. She first started out as a cultural journalist/critic and a poet. Her works have featured in several magazines including Shi'r, L'Orient Le Jour and Annahar. Currently known for her intricate and detailed ink drawings, Ghorayeb's work represents chronicles of her life as well as events such as the Lebanese civil war and family members that have left an impact on her. 'Black on White' looks back on her transition from writer to painter. The publication includes texts by Venetia Porter and Dr. Maha Azizé Sultan as well as a conversation with her son, the comic book artist, Mazen Kerbage.

COMMUNITY ENGAGEMENT 4



Creating positive
impact

COMMUNITY ENGAGEMENT

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4.1 Solidarity Programs

4.1.1. Giving Back for the Holidays

This program was launched in 2018 to provide essential food items for less fortunate families. As the feedback was extremely positive, it was renewed in 2019. This voluntary-basis initiative took place from November 26th to December 10th across all the Bank's departments and branches. A list of non-perishable foods was disseminated among colleagues, in order to collect and distribute the products to disadvantaged families. Indeed, the spirit of the holiday season allowed us to lend a hand to 86 families. On December 18th, the food boxes were delivered to Les Restos du Cœur, a charity organization that supports the Lebanese elderly by offering them hot meals and groceries.

4.1.2. Closet Detox

The purpose of this new initiative is to donate unwanted clothes to charity organizations. It took place from the 6th until the 20th of May 2019. Colleagues sent their unwanted clothes in good condition to the Communication Department. Colleagues volunteered to help arrange the clothes by gender and age in order to dispatch them to AFEL "Association du Foyer de l'Enfant Libanais". AFEL is a non-political, non-religious NGO committed to protect, nurture and rehabilitate children suffering from abuse and delinquency.



COMMUNITY ENGAGEMENT

4.1.3. Saradar Rally Paper

29th of September 2019

The Saradar Rally Paper always includes a CSR related activity. During the 2019 edition, the participants were asked to bring along with them school bags and supplies. The items were sorted and donated to the AFEL “Association du Foyer de l’Enfant Libanais”.

4.1.4. Supporting NGOs

Committed to giving back to the community, we support non-profit civil society associations by participating to the sponsorship of their fundraising events and by supporting their projects through charitable donations, some on a yearly basis. These NGOs mainly work in the fields of health, culture, education and environment, focusing primarily on children, women and disabled persons.

MICROFINANCE



Taking promising
dreams to fruition

MICROFINANCE

5.1 VITAS

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Introduction

Microfinance has been at the core of social responsible activities since its conception. A catalyst to individuals with the will to improve their socio-economic status, it has, and continues to, tend to the financial needs of the marginalized segments of society through supporting their businesses, endorsing entrepreneurial initiatives, with attention given in particular to women and youth, in addition to assisting the overall development of communities they reside in.

For Lebanon, and in addition to the above, microfinance has also proven to be increasingly associated with the development of the economy through enhancing economic indicators which include economic security through maintaining and enhancing business, financial inclusion to otherwise “un-bankable” individuals and job sustainability for both the business owners and their respective employees, to name a few.

Therefore, and since a major part of CSR is incorporating social concerns in the business operations of companies, making microfinance a part of CSR activities, with the values it represents and its positive socio-economic impact, is a seemingly natural fit.

Saradar Bank has provided a fund to Vitas s.a.l, where the latter has used it to provide loans to 2,095 individuals representing a total of USD 5,656,931 during 2019.

These loans are analyzed in the below charts, starting with the overall analysis of the total portfolio provided by this initiative in terms of economic sectors funded, beneficiaries' geographical allocation, and social indicators such as gender and youth.

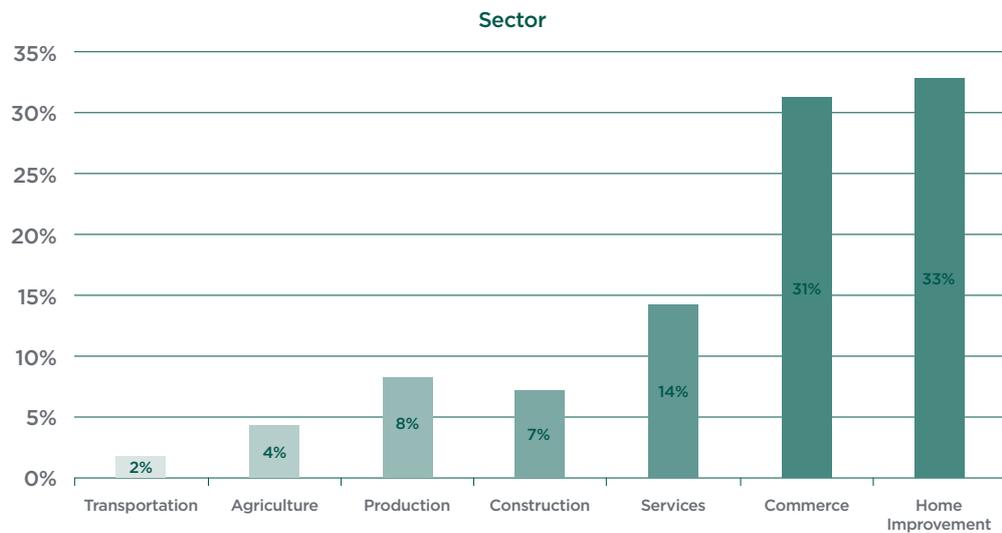
MICROFINANCE

Overall Portfolio Analysis

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Allocation by Economic Sector

The loans disbursed were utilized in every sector of the economy as per the graph below:



As indicated in the above chart, borrowers of all sectors have benefited from loans through Vitas s.a.l., with the Home Improvement (33 %) and Commerce (31%) sectors constituting more than half of the borrowers, reflecting the Lebanese economy where these two sectors dominate.

Allocation by Gender

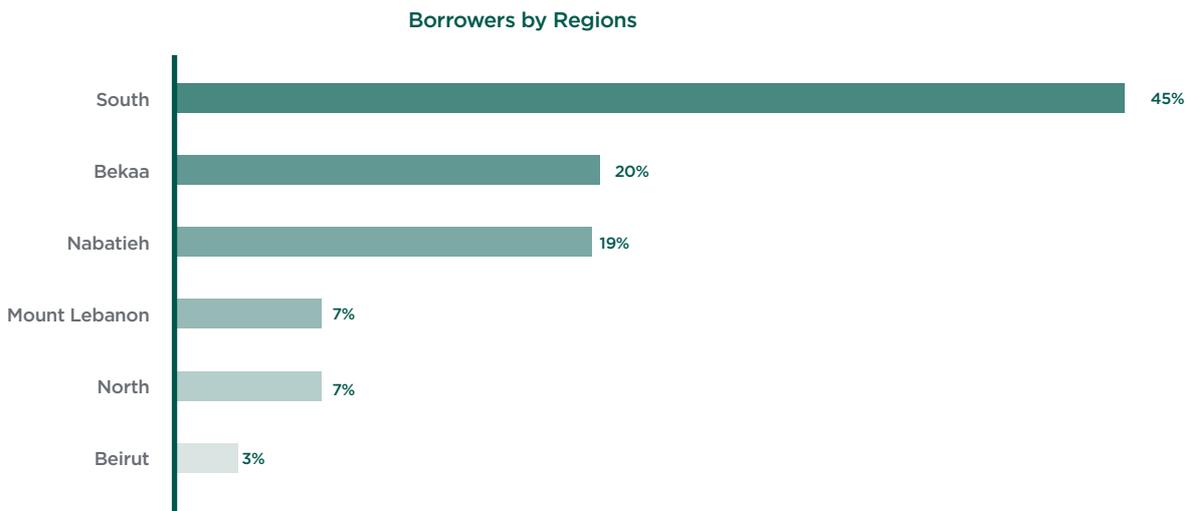
Women empowerment, their financial inclusion and overall satisfaction of their financial needs are an important aspect that Vitas s.a.l. focuses on, as the chart below indicates, 38% percent of the borrowers benefiting from loans through this fund were women, while 62% were men.



MICROFINANCE

Allocation by Geographic Region

These loans have assisted the borrowers' financial needs across all regions in Lebanon. As shown in the below chart, South has the highest percentage of (45%) followed by Bekaa (20%) while Nabatieh was at (19%)



Jobs Sustained

Through this fund, and during 2019 alone, the business loans given have contributed to the sustenance of 2,353 jobs across all sectors and regions in Lebanon.

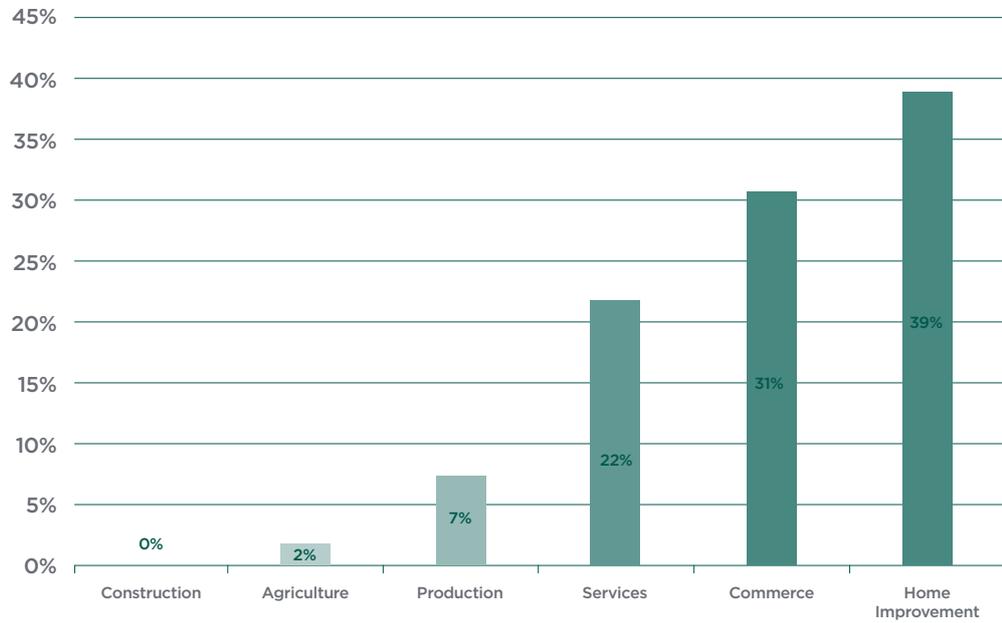
Loans to Women

Allocation by Economic Sector

799 women were financed through these loans and had their financial needs satisfied. The following chart indicates the different sectors that were financed, with Housing (39%) and Commerce (31%) being the highest.

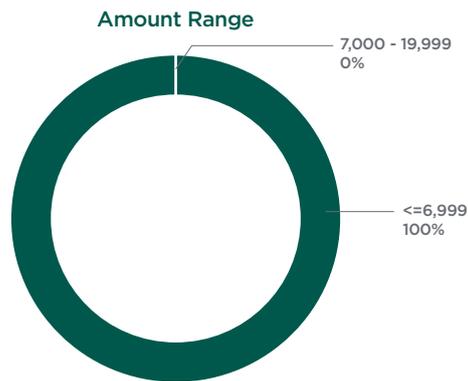
MICROFINANCE

Women Borrowers by Sector



Allocation by Loan amount

Loans to women were given in accordance to their need and ability, their allocation by loan amount is presented in the below chart:

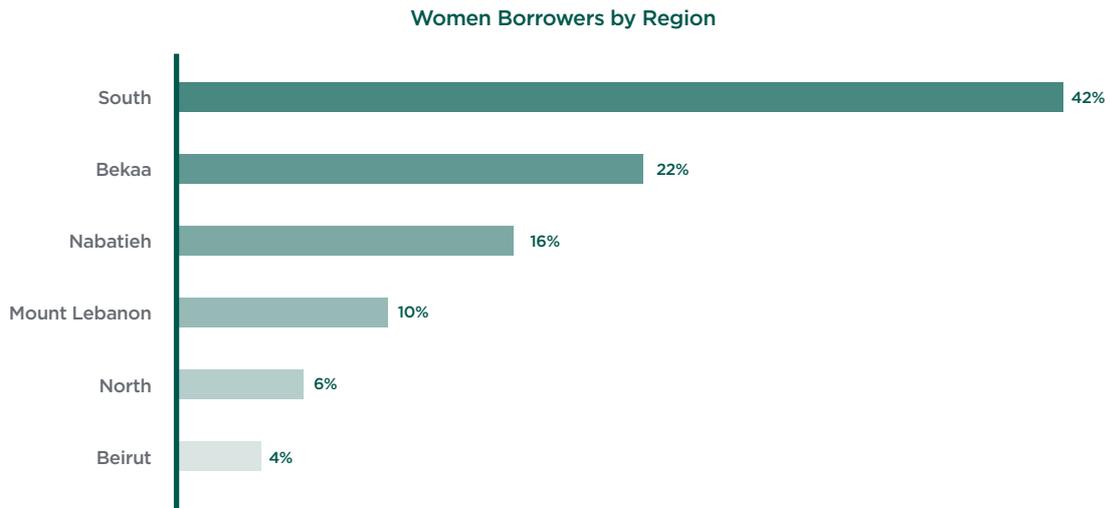


All of the 799 loans given to women amounted USD 6,999 and less.

MICROFINANCE

Allocation by Geographic Region

Loans provided to women are compatible with the geographic allocation of the total portfolio, South (42%), Bekaa (22%) and Nabatieh (16%) constituting combined, 80% of the borrowers.



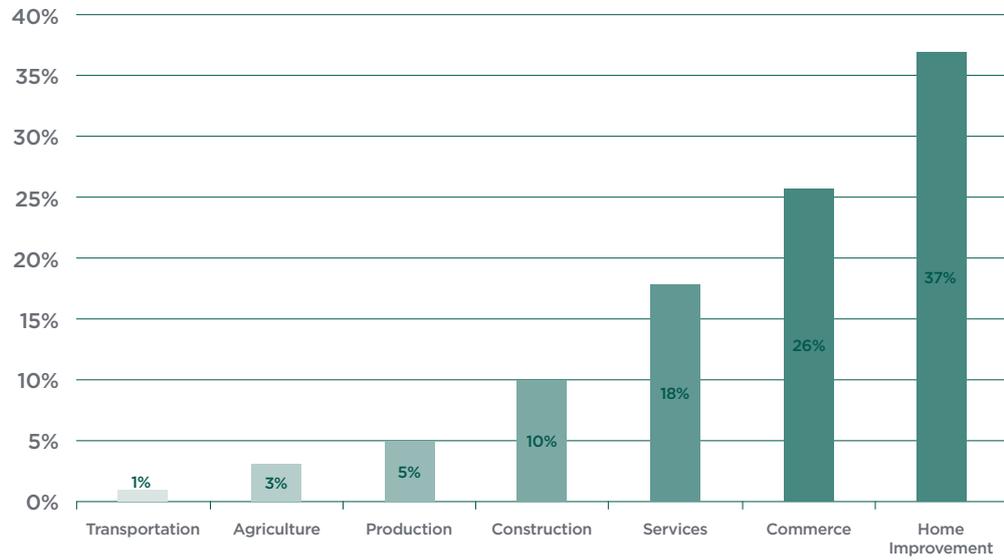
Loans to Youth

Allocation by Economic Sector

Through these loans, 738 youth borrowers aged from 18 to 30 years were provided with a loan that satisfied their financial need. The following chart indicates the different sectors that were financed, with Home Improvement (37%) and Commerce (26%) being the highest.

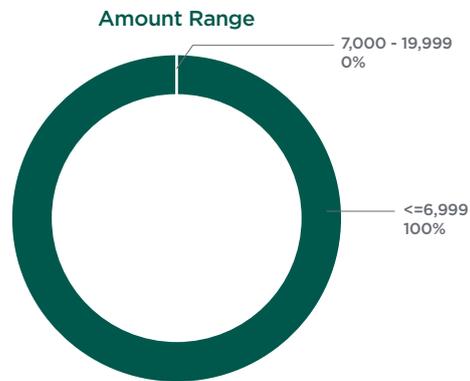
MICROFINANCE

Youth Borrowers by Sector



Allocation by Loan Amount

Loans to youth borrowers were given in a manner that is proportional to their ability to repay and their need. The Loan amount range is presented in the below chart:

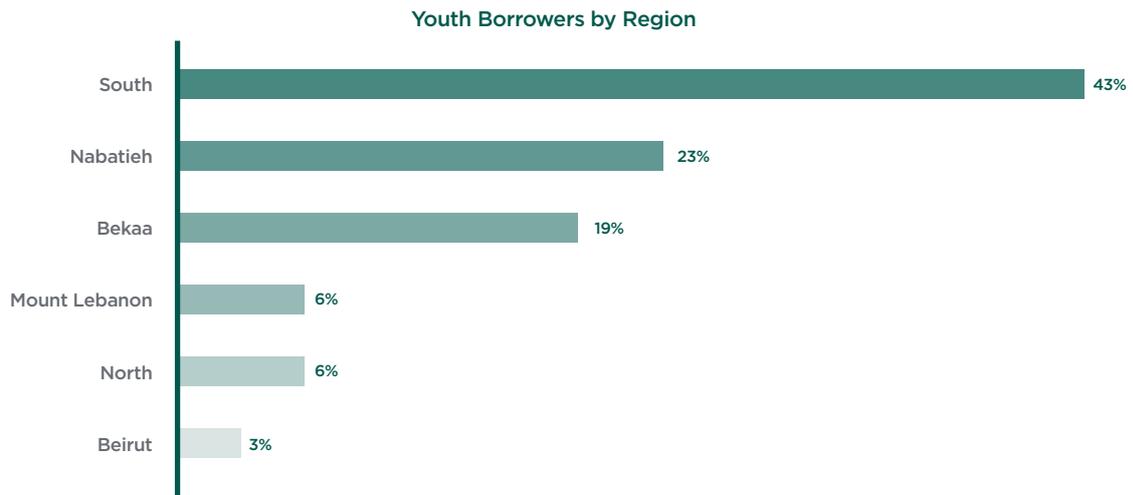


All of the 738 loans given to youth borrowers amounted USD 6,999 and less.

MICROFINANCE

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Loans provided to youth clients are similar in their geographic allocation with results shown in both the total portfolio and women’s portfolio with the highest region being South at 43%, Nabatieh at 23% and Bekaa at 19%.



MICROFINANCE

5.1 VITAS Stories

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Name: Naji Gergi Ephrem
Gender: Male
Age: 55
Marital Status: Married
Business: Recycling wood
City: Brahel - Keserwan
Client since: 2010

Naji's success story

When Naji's furniture manufacturing business started suffering several years ago, he decided to transform it into a wood recycling plant that produces wood shavings and excelsior from deadwood and old furniture.

Naji has been a Vitas borrower since 2010, he used the loans he received to purchase wood chipping machinery and necessary tools for the business. Naji managed to transform a non-performing business into a successful one allowing him to continue supporting his family. He still aims to improve his business through purchasing additional machinery to dry and sterilize the wood shavings, and further enhance the quality of his products.

MICROFINANCE

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Name: Khalil Semaan Al-Hayek

Gender: Male

Age: 55

Marital Status: Married

Business: Organic farming

City: Torzaya - Jbeil

Client since: 2004

Khalil's success story

Khalil is a seasoned farmer who started reclamation of a piece of land he owned back in 2000. His purpose was to produce healthy organic fruits and vegetables without the use of any pesticides, insecticides or artificial fertilizers as organic produce can generate higher profits due to their high demand.

In 2004 Khalil applied for a loan from Vitas in order to install an irrigation system and conduct maintenance work to the fieldstone enclosures. The easiness and speed of the loan process at Vitas has made Khalil a recurrent and loyal customer. Khalil wants to improve production by renewing his equipment and installing a more advanced irrigation system.

MICROFINANCE

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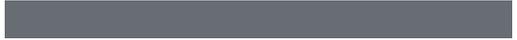
Name: Mariam Mahmoud Nazha
Gender: Female
Age: 56
Marital Status: Married
Business: Farming
City: Nabi Othman - Baalbeck
Client since: 2010

Mariam's success story

Mariam benefited from a small loan from Vitas back in 2010 to cultivate the land she owned at her home village in Nabi Othman-Bekaa, and support her family of seven members that include her husband and five children.

Mariam's land produces several types of seasonal fruits and vegetables used to make homemade food preserves and pickled goods. All of Mariam's products are purchased by the village's residents, and she supplies the local grocery shops with her products as well. Mariam's business is performing well, and she aims to expand her farmland and diversify its crops through the utilization of greenhouses. This will allow her to generate a round the year income.

ENVIRONMENT



Because “there’s no Planet B”

ENVIRONMENT

6.1 Recycling

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After the plastic recycling initiated in 2017, and the paper-recycling program, we persevered in sustaining our environmental efforts in 2018 in our head office buildings. In September 2019, we began replacing the plastic cups with paper cups to reduce the environmental impact of plastic, thus contributing to a cleaner environment.



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