

DRIVING POSITIVITY IN
OUR COMMUNITY

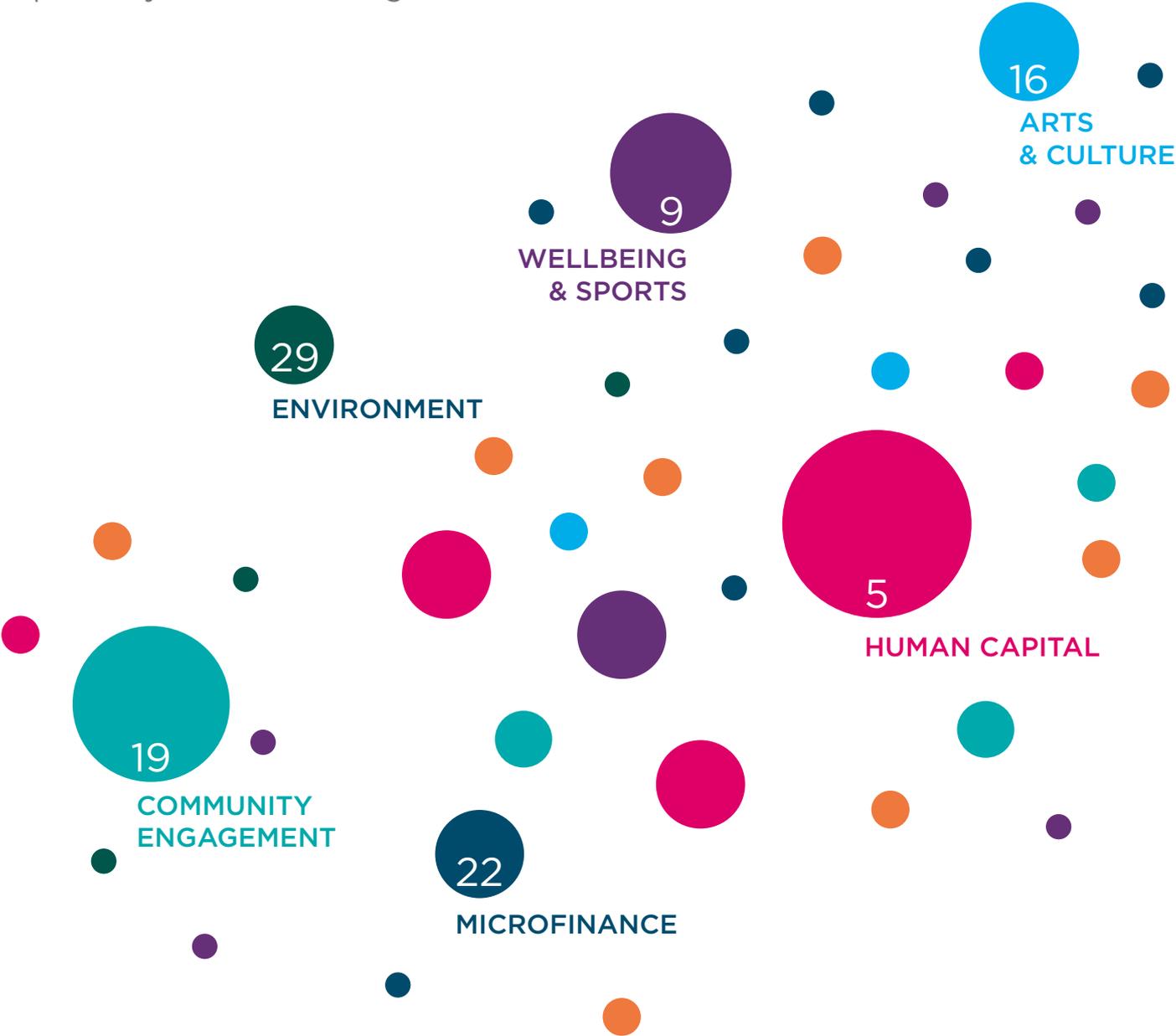


CORPORATE SOCIAL RESPONSIBILITY

REPORT 2018

TABLE OF CONTENTS

The pillars of our CSR engagement focus primarily on the following:



SUSTAINING DEVELOPMENT REMAINS AT THE CORE OF SARADAR BANK'S CONCERN AND ENDEAVORS

to improve the well-being of individuals and the growth of the community, at economic, cultural and environmental levels alike. Because addressing diverse social issues and responding to their pressing needs require an outstanding commitment and a lot of creativity, Saradar Bank has deployed this year remarkable efforts to implement CSR initiatives and innovate.

1.

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.

- 1.1 Team Building Activities
- 1.2 Gender Equality in the Workplace
- 1.3 Career Development

1.1 TEAM BUILDING ACTIVITIES

1.1.1 SARADAR BANK DAY

20th & 27th of July 2018

We launched this year the first edition of “Saradar Bank Day”. The purpose of this event is to bring all colleagues together to discuss what has been achieved during the year, as well as the strategy and the vision of the Bank.

The main focus on that day was our Core Values. For they shape our culture and are the reference point that guides us throughout our journey at the Bank.

The “Saradar Bank Day” ended with an interactive game, designed to bring forward the colleagues’ unique abilities and fuel the Saradar spirit even further.



1.1.2 ASK YOUR LEADERSHIP TEAM SESSIONS

Saradar Bank has been through important transformations since it was established.

Therefore, the leadership team of the Bank has decided to listen to all the employees' concerns and unanswered questions, and organize the "Ask your leadership team sessions."

Mr. Mario Saradar, Chairman-CEO and Mr. Sami Abou Jamous, Chief Strategy and Planning Officer, along with other Senior Managers made themselves available, on several dates, to visit some branches and head office departments for what turned out to be a very successful series of Q&A sessions. Colleagues took this opportunity to address their concerns, share ideas and present propositions and solutions where needed.

1.1.3 SNOWSHOEING



Approximately 40 colleagues participated in this outdoor excursion. The snowshoeing event took place in Faraya. The challenges that this activity entails brought team members closer to each other, prompting contacts, creating bonds.

1.2 GENDER EQUALITY IN THE WORKPLACE

We promote gender equality in the workplace.



1.3 CAREER DEVELOPMENT

We provide trainings for career development and internships to young students. During 2017, we provided:



2.

WELLBEING & SPORTS

MOVING AND MAKING RIPPLES

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

2.1 SPORTS ACTIVITIES

2.1.1 SARADAR BANK WOMEN'S RACE

22nd of April 2018



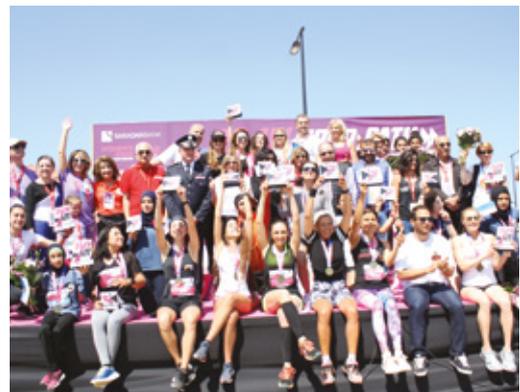
Saradar Bank Women's Race, a Beirut Marathon Association event, returned in 2018 to Beirut on the 22nd of April, under the message "Draw Your path", a call to action for all women in Lebanon to keep moving forward, and rise to the challenges of every day, no matter how big or small.

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 10 KM for herself, her cause, her health, her loved ones and her future, a 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 second 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 well-being and development.



This year, approximately 4350 runners participated in the race, which is the highest participation rate so far. More than 30 women of the Saradar Group took part in this event. Lea Iskandar, a member of let'S run club, won the 10K race for the second time, and broke the event course record with 38'41".



2.1.2 MYSCHOOLPULSE 5K

Myschoolpulse is a non-profit organization, bringing school to hospitals in Lebanon.

To date, it has catered to the education of 535 children suffering from a life-threatening illness, enabling them to continue their education during their long treatment away from school and friends. The 9th edition that took place in Faqra Club saw a record participation of 2144 runners.



40 persons from the Group, supported by the Bank, ran during “Myschoolpulse Pulse 5K”, which ended with the outstanding victory of Imad Jizzini 16’56 “and let’S run athlete Léa Iskandar 19’35”.

2.2 let'S run



let'S run turned from being an informal running group with 5 members in 2015, to one of the most recognized official road running, track and field clubs in Lebanon with promising athletes mainly:

NADER JABER

Lebanese champion for 5 KM and 10 KM

PIA NEHME

Former Lebanese Champion for 21 KM and 42 KM

SANDY KARAM

Lebanese Champion for race walking 21 KM

KRISTEL SANEH

Lebanese Champion Long Jump and Hurdles

LEA ISKANDAR

Lebanese Champion for 10 KM

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 2018.

On top of the participation in all national races, the Beirut Marathon, the London Marathon, and Chicago Marathon, let'S run took part in the following official competitions in 2018:

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

11 trophies earned and more than 50 podiums.

4 let'S run athletes represented Lebanon in the 4th edition of the Open West Asian Championship 2018. They earned 3 trophies and broke national records.

Lebanese national records under let'S run:

During this season, Kristel Saneh broke twice her own national record: first at the Indoor Athletics meeting in Istanbul, then at the Open West Asian Championship.

Sandy Karam broke the 10KM Road Race Walking National record in Italy.

2.3 SUPPORTING LEBANESE ATHLETES

We support young Lebanese Athletes through Fondation Saradar.

NADER JABER

RUNNER

Nader's major achievements in 2018:

LIFA League, France
5K: 2nd place (15min17)

Limassol Race, Cyprus
10K: 1st place (32min50)

Doha, Qatar
5K: 3rd place (15min30)

Lebanese Federation Cup
10K: 1st place (31min40)
5K: 1st place (15min22)

Beirut Marathon
10K: 4th overall
1st amongst Lebanese runners
1st age category
(20-34 years old)

YASMINA BOCTI

HORSEBACK RIDER

Yasmina is the actual Lebanese champion in the senior A series, winning this title at only 15 years old.

Yasmina has qualified to participate in 3 world championships from July to September 2018.

LÉA 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.

PIA NEHME

RUNNER

Her sport specialty being distance running, Pia Nehme has achieved many outstanding records locally and internationally since 2005.

Today she is aiming at:

- Improving further national records already established
- Representing Lebanon in regional and international championships
- Training intensively to qualify at the 2020 Olympic Games in Tokyo.

3.

ARTS

& CULTURE

SEEKING GENIUS. SHARING IT

3.1 FONDATION SARADAR LEARNING PROGRAMS

Integrating Arts and Culture into Education

For the past three years now, Fondation Saradar has been developing a very ambitious and challenging cultural project, an unprecedented initiative in Lebanon and in the region.

Preserving our artistic heritage is paramount, more particularly in these difficult times of political, economic and security uncertainty. More than ever, the role of Culture and Art is fundamental in consolidating social bonds through education.

Backed by Saradar Bank and in association with Saradar Collection, the foundation's new outreach program aims at disseminating information for the understanding and appreciation of modern and contemporary Lebanese art in schools; at promoting Lebanese art, amongst the new generation, as an important element of knowledge, as well as an essential pillar of our cultural heritage.



This activity is also catered by Fondation Saradar's Mobile School, a self-contained mobile art workshop equipped with a demountable ramp that facilitates the access of physically disabled persons.

The mobile art workshop started its journey, at Jesus & Mary School (Rabweh) on October 22, 2018, until March 7, 2019.

33 classes representing 556 students have enrolled in the "Traveling Art®" program that is delivered free of charge to children and teachers alike, by an art instructor.



A special teaching manual including different tailored topics, supported by a themes-related brochure, were developed by art specialists exclusively for Fondation Saradar. In addition, a wide variety of custom-designed educational activities and tools are delivered in classrooms and supported by the caravan, through a very innovative approach. More than an exhibition space, the caravan is a facility where kids will be exposed and introduced to Lebanese art in a challenging and interactive way.

Other schools will follow during the next academic years.

This new project illustrates once again the successful bi-sector partnership between civil society organizations and the private sector in initiating creative educational programs, highlighting the important role of Arts and Culture in social development.

4.

COMMUNITY ENGAGEMENT

CREATING POSITIVE IMPACT

- 4.1 Solidarity Programs
- 4.2 Sponsorships & Donations

4.1 SOLIDARITY PROGRAMS

4.1.1 FABRICAID AND AFEL



We started this year a collaboration with FabricAID, a social enterprise that collects used clothes from academic institutions, businesses, municipalities and NGOs.

For every kilogram of clothes collected, \$0.5 is forwarded to a charity of the donor's choice. The Bank chose the "Association du Foyer de l'Enfant Libanais" (AFEL). AFEL is a non-political, non-religious NGO committed to protect, nurture and rehabilitate children suffering from abuse and delinquency.

The collected clothes are aggregated at FabricAID's warehouse where it's graded, sorted and cleaned to be sold at extremely affordable prices to marginalized communities through thrift shops.

In this respect, we have placed a specially designed bin, at the entrance of Saradar Building parking in Ashrafieh and encouraged all the colleagues to drop regularly their old clothes, shoes and accessories.

4.1.2 GIVING BACK FOR THE HOLIDAYS

This program was launched in 2018 to provide essential food items for less fortunate families. 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. The feedback was extremely positive from the outset and throughout. Indeed, the spirit of the holiday season allowed us to lend a hand to 88 families. On December 18th, the food parcels were delivered by Saradar Bank colleagues who wished to share festive moments with families gathered at Les Restos du Coeur, a charity organization that supports the Lebanese elderly by offering them hot meals and groceries.



4.2 SPONSORSHIPS & DONATIONS

4.2.1 SPONSORSHIPS

Committed to giving back to the community, we support non-profit civil society associations by sponsoring 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.

4.2.2 DONATIONS

In line with its corporate values and practices, Saradar Bank pursues its support to the community in various ways, including in-kind donations. This year, as part of the refurbishing works initiated in some branches, the Bank solicited non-governmental organizations to benefit from the surplus of office furniture available for distribution. Three active associations (AFEL, Sesobel and Voix de la Femme Libanaise) were able to choose tens of pieces, such as, chairs, armchairs, tables, desks and cabinets.

5.

MICROFINANCE

TAKING PROMISING
DREAMS TO FRUITION

5.1 VITAS

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 social indicators, 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.

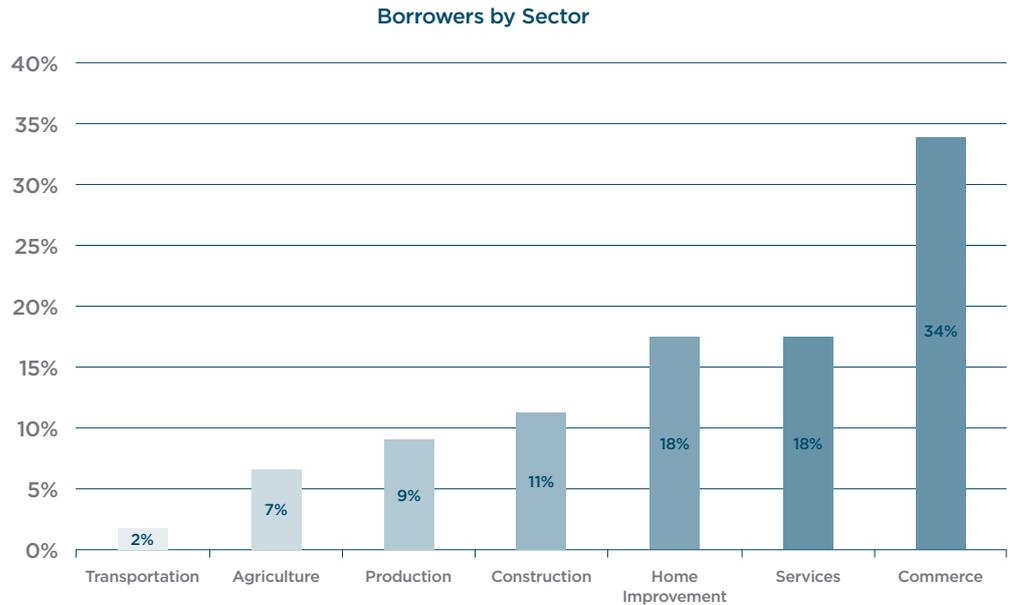
Therefore, and since a major part of CSR is incorporating social concerns in the business operations of companies, making microfinance a part of CSR activities, with the values it represents and its positive socio-economic impact, is a seemingly natural fit.

Saradar Bank has provided a fund to Vitas s.a.l, where the latter has used it to provide loans to 5,357 businesses representing a total of USD 13,638,130. 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.

Overall Portfolio Analysis

Allocation by Economic Sector

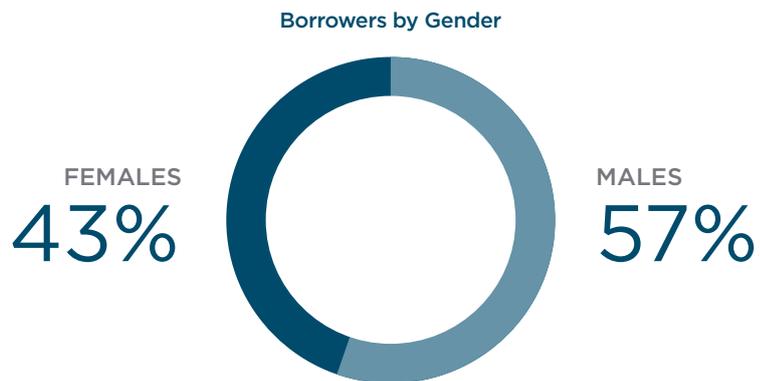
The loans disbursed were utilized in every sector of the economy as per the graph below:



As indicated in the above chart, borrowers of all sectors have benefited from loans through Vitas s.a.l., with the Commerce (34%) and Services (18%) sectors constituting more than half of the borrowers, reflecting the Lebanese economy where these two sectors dominate.

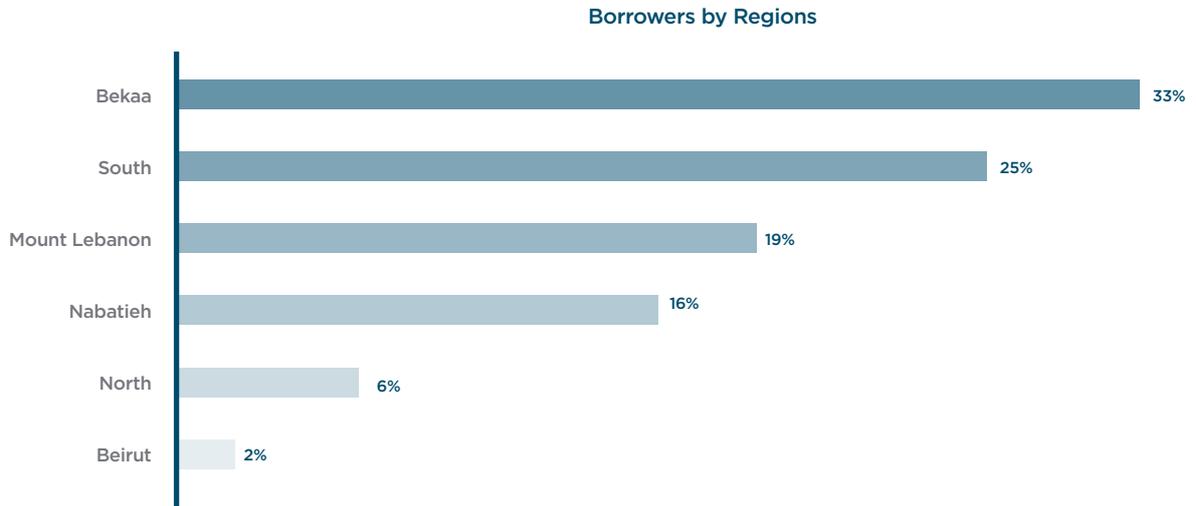
Allocation by Gender

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, 43% percent of the borrowers benefiting from loans through this fund were women, while 57% were men.



Allocation by Geographic Region

These loans have assisted the borrowers' financial needs across all regions in Lebanon. As shown in the below chart, Bekaa has the highest percentage of (33%) followed by South (25%) while Mount Lebanon was at (19%)



Jobs Sustained

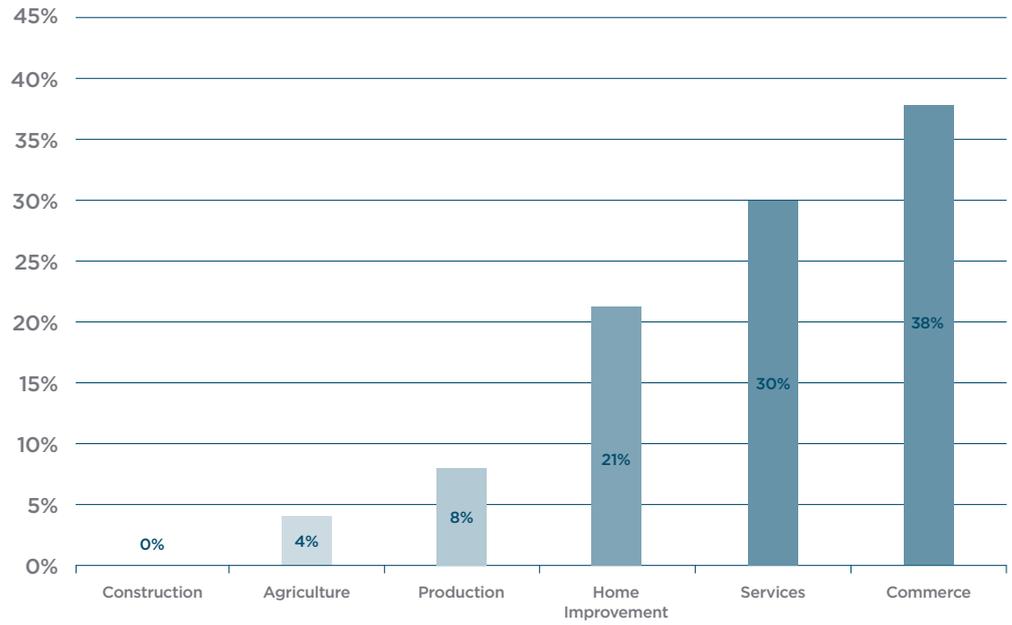
Through this fund, and during 2018 alone, the 5,357 loans given have contributed to the sustenance of 7,292 jobs across all sectors and regions in Lebanon.

Loans to Women

Allocation by Economic Sector

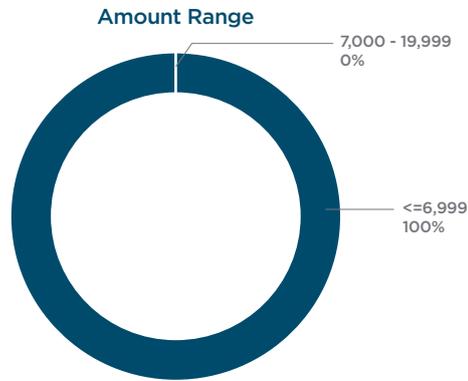
2,305 women were financed through these loans and had their financial needs satisfied. The chart below indicates the different sectors that were financed, with Commerce (38%) and Services (30%) being the highest.

Women Borrowers by Sector



Allocation by Loan Amount

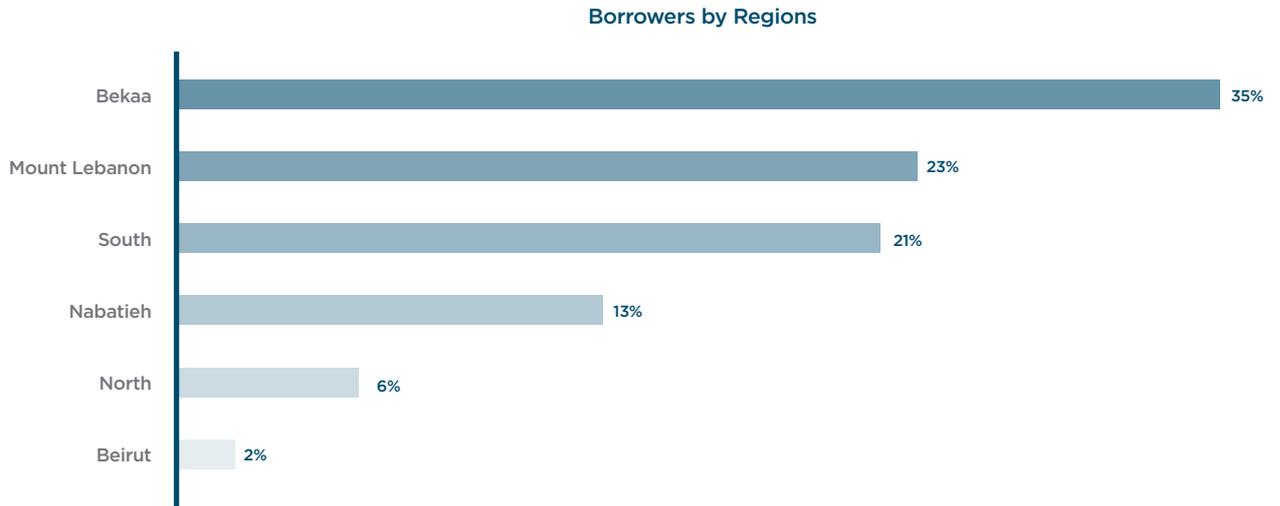
Loans to women were given in accordance to their need and ability, their allocation by loan amount is presented in the below chart:



Out of the 2,305 loans to women, two were eligible for loans ranging between USD 7,000 and USD 19,999, while the remaining 2,303 received loans of USD 6,999 and less.

Allocation by Geographic Region

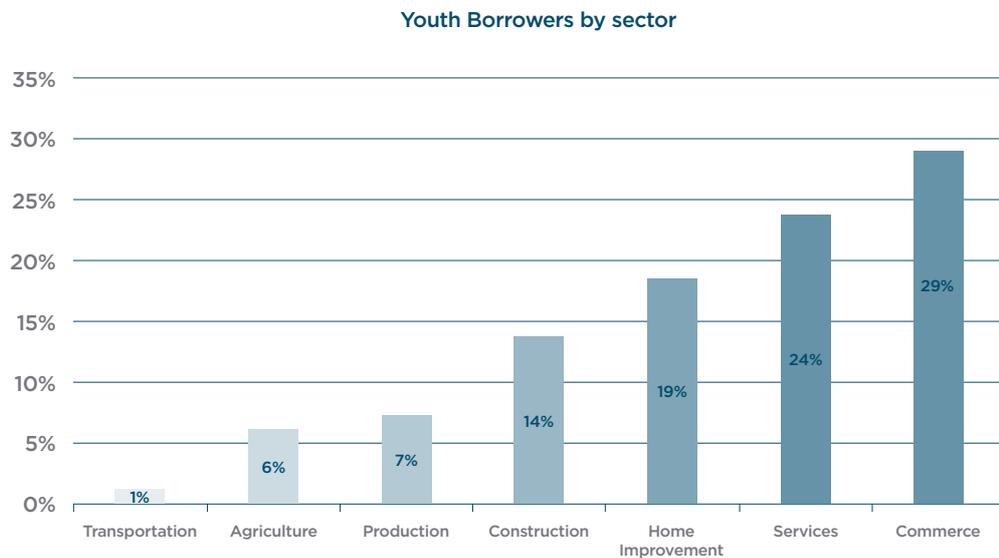
Loans provided to women are compatible with the geographic allocation of the total portfolio, Bekaa (35%), Mount Lebanon (23%) and South (21%) constituting combined, 79% of the borrowers.



Loans to Youth

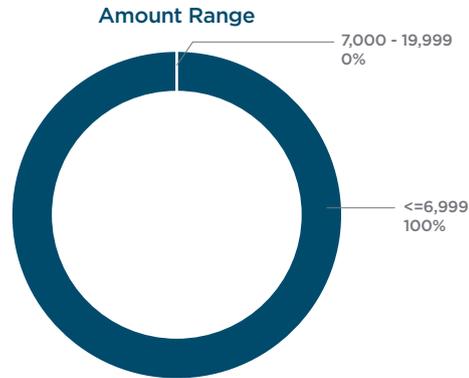
Allocation by Economic Sector

Through these loans, 2,002 youth borrowers aged from 18 till 30 years were provided with a loan that satisfied their financial need. The chart below indicates the different sectors that were financed, with Commerce (29%) and Services (24%) being the highest.



Allocation by Loan Amount

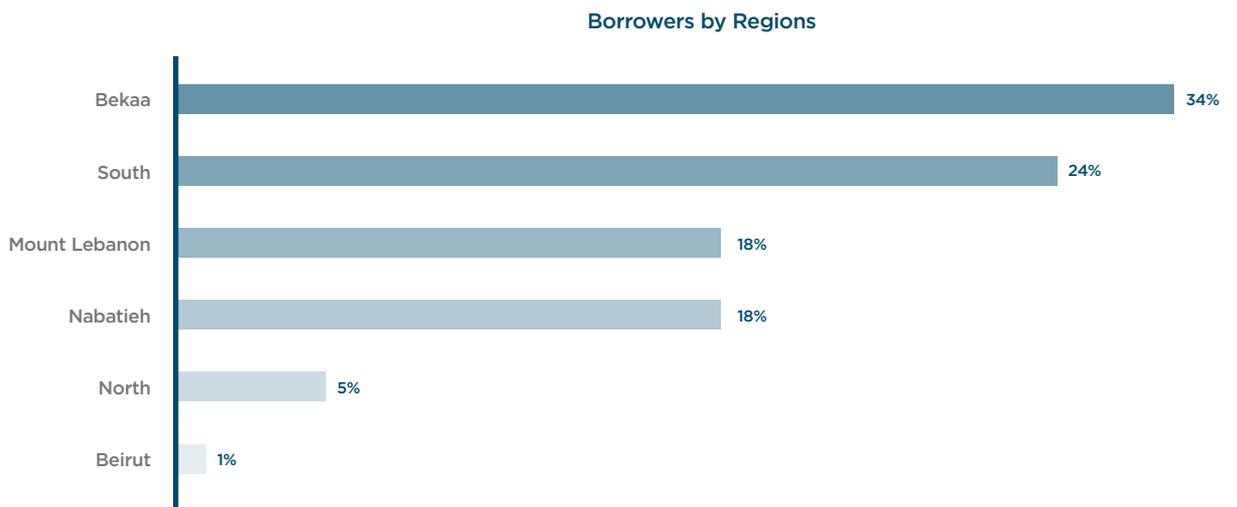
Loans to youth borrowers were given in a manner that is proportional to their ability to repay and their need. The loan amount range is presented in the below chart:



Out of the 2,002 youth borrowers funded, 2 were eligible for loans ranging between USD 7,000 and USD 19,999, while the remaining 2,000 received loans of USD 6,999 and less.

Allocation by Geographic Region

Loans provided to youth business owners are compatible in their geographic allocation with results shown in both the total portfolio and women’s portfolio with the highest region being Bekaa at 34%, South at 24% and Nabatieh at 18%.



6.

ENVIRONMENT

BECAUSE “THERE’S NO PLANET B”

6.1

RECYCLING

After the plastic recycling initiated in 2017, we persevered in sustaining our environmental efforts. In June 2018, we launched our paper-recycling program in our head office buildings in cooperation with Gemayel Frères. Cardboard bins were deployed across the different floors of the buildings and colleagues were encouraged to recycle paper and carton in order to create a healthier workplace, thus contributing to a cleaner environment.



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