

CORPORATE SOCIAL RESPONSIBILITY REPORT

2020-2021





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INTRODUCTION

2020 and 2021 were challenging years for Lebanon, due to the economic crisis, Covid-19 pandemic and Beirut blast. During these difficult times, we pursued our CSR initiatives, which played a crucial role, as people were trying their best to get through this tough period. We adapted our workplace to the situation, and were strongly engaged in collaborating with civil society organizations.



01

HUMAN CAPITAL

- 1.1. Gender Equality
- 1.2. Career Development
- 1.3. Coronavirus Pandemic
- 1.4. Young Leaders Program



01. HUMAN CAPITAL

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. GENDER EQUALITY

Number of women
182

2020
TOTAL
EMPLOYEES

326

Number of men
144

Number of Women
143

2021
TOTAL
EMPLOYEES

257

Number of men
113

1.2. Career Development

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

INTERNSHIP PROGRAMS 2020-2021

12

In 2021

100

Students at the
Young Leaders program

EXTERNAL TRAININGS 2020-2021

Number of topics

29

In 2021

63

In 2020

Number of attendees

127

In 2021

380

In 2020

INTERNAL TRAININGS 2020-2021

Number of topics

2

In 2021

4

In 2020

Number of attendees

41

In 2021

545

In 2020

1.3. Coronavirus Pandemic

As a result of the emergence of the coronavirus, 2020 was a year filled with challenges and drastic changes, especially in regards to the working life.

Indeed, the majority of the Bank's employees adapted to a completely new environment, while working from home for several months along the year. Work from Home tips were shared on a weekly basis to help employees find the proper work-life balance during these difficult times.

Moreover, to help colleagues stay in touch with each other and ensure unity and the Saradar Spirit, they received weekly newsletters, comprised of fun activities to do from home, as a family and between colleagues. These activities ranged from cooking and baking with renowned chefs and virtual concerts to home workouts with Saradar's very own instructor, Netflix parties and children storytelling.

In addition, some colleagues planned activities such as a virtual rally paper and online board games.

After several months of lockdown and working from a distance, employees returned to the offices where Covid-19 safety measures were put in place. In addition to preventive measures, fabric face masks were distributed in order to stop the spread of the virus in the workplace. The distribution of masks was also an opportunity to help local businesses and contribute to the fight against Coronavirus, as parts of the proceeds went to the support of front line nurses at designated medical centers treating Covid-19 patients.

1.4. Young Leaders Program

In 2020, Saradar Bank launched the Young Leaders Program in collaboration with ESA Business School.



Indeed, the online training program welcomed 100 young leaders, between the ages of 16 and 25, offering them an opportunity to leap into a digital learning experience, comprised of 10 live workshops.

Topics such as Basics of Banking, Blockchain, Fintech and several others conducted by experts in the field, helped students boost their financial knowledge and learn how to communicate in a digital world.



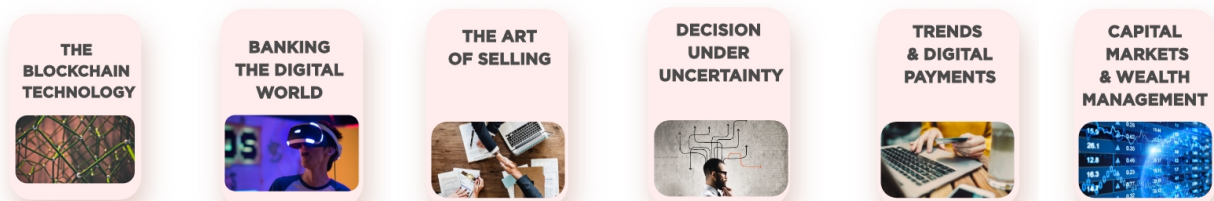
Upon completion of the training, participants were given a certification from ESA Business School and the top 20 students received a 20% discount from the renowned institution.



In response to the success of the Young Leaders Program in 2020, Saradar Bank announced the relaunch of the 2021 edition that took place between July and August.



Similarly to the previous year, 100 young leaders took part in this distinctive digital learning experience and explored numerous topics from Banking, Digitization, to Insurance and Technology.



New features to encourage participation and interaction were added to the program, such as the introduction of the ambassadorship program, where participants were chosen to become professional Ambassadors with exclusive privileges and dedicated trainings to sharpen their selling skills.



02

WELLBEING & SPORTS

2.1. 2021 Women's Race Training

2.2. Let's run

2.3. 10K Race



2.1. 2021 Women's Race Training

With the purpose of encouraging our colleagues to engage in a healthy activity and exercise, we launched a training program initiative for the Women's 10K race. Training sessions took place in small groups in the afternoon, three times per week, as of March 23, 2021, for a period of 2 months. The purpose of this structured progressive training for all levels was aimed at getting the runners ready to participate in the 10K race.

The Women's race took place on Sunday May 23, 2021, and the colleagues who participated in the training were able to successfully complete the 10K race.



2.2. Let's Run

More than 200 runners are part of Let's run, among them 25 elite runners closely followed by 3 professional coaches. Our runners compete in numerous road and trail races every year, from local races and meetings to international marathons and championships. Our mission is not only to focus on elite runners, but to also develop a running community with shared values and a healthy spirit, while spreading the running culture across Lebanon.

During the year 2020, many of Let's run athletes ran virtual marathons and races due to the Coronavirus pandemic. On the 1st of November 2020, we organized a 10k race for Let's run team exclusively, to motivate our runners and help them achieve their goals. We also participated in all the races and meetings organized by the Lebanese Athletics Federation. We sponsored many athletes in different regions of Lebanon, such as Tyre and Akkar, and helped them improve their performance.



2.3. 10K Race

On September 5, 2021 Let's run organized the first edition of its 10K race, Let's run for Beirut. The race was a huge success, with outstanding performances recorded by Let's run's athletes. More than 450 runners were registered to run together towards a better future.

We trusted 5 out of 6 podium places in the overall results in the women's category. With the exception of the Women's 50-54 and the Men's 55-59 categories, there was a runner from Let's run on each of the 18 podiums!

Amazingly, 11 out of the 18 gold medals awarded ended up hanging around the neck of a Let's run runner! 24 out the 54 medals were won by Let's run.

03

ARTS & CULTURE

3.1. Saradar Collection



3.1. Saradar Collection

During the past years, Saradar Collection pursued its engagement in art and culture in Lebanon, and its support to Lebanese artists, despite the severe and challenging crises in the country. Adapting to the situation, the collection is exploring new perspectives to preserve, study, and share modern and contemporary art from Lebanon. The artworks of Saradar Collection are included on the website of the collection, along with related documents such as interviews, videos and published texts.

www.saradarcollection.com



04

COMMUNITY ENGAGEMENT

- 4.1. Fondation Saradar
- 4.2. Solidarity Programs
- 4.3. Let Us Join Hands
- 4.4. Sponsorships & Donations
- 4.5. I have Learned Academy Webinars



4.1. Fondation Saradar

This year marked the 20th year of Fondation Saradar. We have been committed to diversity, equity and inclusion in all our work and operations. Our mission has constantly evolved throughout the years. Contributing to the sustainable human development of the Lebanese community and talents has always been our core driving principle. Throughout the years, we have expanded our field of action to encompass education, arts, culture and sports.

In 2020, our priorities and focus shifted due to the current challenges facing the people of Lebanon. In an effort to overcome the severe economic crisis and following the horrific blast of August 4th, we have launched the Beirut Relief Program and the Food Security Program.

4.1.1. Beirut Relief Program

In an attempt to provide some relief to the inhabitants of the devastated area, we have launched the Beirut Relief Program. With the help of professionals (carpenters, glaziers, painters and laborers), headed by volunteers, we managed to help more than 100 homes.





Actively participating in this great effort to help and support people in need, our sister company SFO has been able to raise funds from its international partners, and has matched the donations amount.

Our other sister company Vitas has also played an important role in the Beirut Relief Program, and collected funds through its charitable initiative 'Li Beirut'. This initiative was launched in partnership with Global Communities and other local non-governmental organizations to assist local communities in alleviating the impact of the disaster caused by the Beirut Explosion, through fundraising for housing repair and rehabilitation.

Fondation Saradar has also helped to raise funds for United for Lebanese Creatives. Following the Beirut blast, designers and creatives whose showrooms and studios are mostly located in the epicenter of the damaged area have been struggling to survive.



In order to support the restoration and survival of this sector, creative industry professionals have joined forces to share resources for the launching of a crowdfunding campaign. With the unified support of Starch Foundation, Slow Factory Foundation, Fondation Saradar, Bureau Des Créateurs, Maison Pyramide, Faux Consultancy and Roni Helou, the fundraiser has benefited Beirut's independent designers and artists.

	<p>Start Date: August 31st</p> <p>Our progress so far...</p>	   	<p>Homes helped : 153</p> <p>Schools helped: 3</p> <p>Geographical Areas: Zkak El Blat, Salim Salam, Jdeideh , Nabaa , Mar Mikhael , Achrafieh , Fassouh , Bourj Hammoud , Geitawi</p> <p>Repairs included: Windows and doors, ceilings and roofs, cementing, painting, among others . Internet network for school</p> <p>Home appliances provided: Beds and mattresses, fridges, washing machines, ovens (see next slide for detailed breakdown)</p> <p>Money donated : Homes USD175K Schools USD57K</p>
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4.1.2. Food Security Program

The financial crisis, coupled with the economic impact of the Covid-19 pandemic, brought forward several important needs. A strong need for social cooperation. A need for job creation. A need for affordable alternatives to the expensive imported goods.

In order to respond to these needs, Fondation Saradar's priorities and focus shifted to the development of a food security program through several initiatives:

4.1.2.1. Partnership with the Order of Malta Lebanon

We have supported 300 small to medium farmers across 4 Community Health Centres of the Order of Malta by providing a total number of 1.200.000 seedlings ready for plantation. Each farmer has benefited from 4000 seedlings which are enough to plant 2700 m². In exchange, they have returned to us a portion of their harvest which has been redistributed to underprivileged families.



4.1.2.2. Partnership with Tantet Men Lebnen:

Direct donations, which help feed underprivileged families.

Tantet Men Lebnen is a group of friends and relatives who came together in December 2019. They distribute food monthly to approximately 500 families in need in different regions of Lebanon.

4.2. Solidarity Programs

4.2.1. 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, 2020 and 2021, despite the difficult situation in the country. This voluntary-basis initiative took place 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 food boxes were delivered to Les Restos du Cœur, a charity organization that supports the Lebanese elderly by offering them hot meals and groceries.



As the Christmas season is upon us, we would like to spread the spirit of sharing and giving through the holidays.

We launched this initiative a couple of years ago and would like to keep providing essential food for less fortunate people together. Due to the dire and difficult circumstances that the country is facing, we believe these families need our help more than ever.

During these challenging times, we have decided to change the process this year:

1- Select the items that you would like to offer from the following list, noting that it is not necessary to bring all the items mentioned on the list.

List of food items:

Rice

Flour

Sugar

Salt

Pasta

Corn cans

Tuna

Milk sachet

Coffee pack

Bag of chocolate

Pack of biscuits



2- Send the items by regular courier to either Hala Cabbabe or Naya Tueni, Head Office, 9th Floor.

3- Please send us an e-mail to: communication@saradarbank.com if you have any questions or need any information regarding the process.

This initiative is on a voluntary basis: even the smallest contribution can make a significant difference for someone in need! Little efforts truly count.



We thank each one of you for your support and contribution. Let's join hands this holiday season to spread hope and unity!

Giving back for the holidays will run until December 10.

4.3. Let us join hands

The aftermath of the Beirut Port explosion on August 4, 2020, weighed heavily on all the colleagues, but they all came together, joining hands in these difficult times, in order to restore our offices that were severely impacted by the blast, and help cleaning the streets next to our buildings.

They were all present, and volunteered in this effort to rebuild our city. This initiative was marked by a great spirit of solidarity from the Bank colleagues, Group Colleagues, as well as families and friends.



4.4. Sponsorships & Donations

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

4.5. I Have Learned Academy Webinars

In 2019, Saradar Bank launched, in collaboration with I have Learned Academy, free live workshops on different topics in different fields such as technology, finance, personal development and much more. These sessions occurred twice a week at the S17 branch.

In light of the coronavirus lockdown and in order to adapt to the situation, the sessions have been transformed into online webinars that have been taking place on Zoom (or virtually) since 2020.



05

MICROFINANCE

5.1. Vitas



INTRODUCTION

Lebanon has been in the wake of an ongoing financial crisis since October 2019, leading to dire results on all socio-economic fronts. The overall situation was more exacerbated by the impact of the Covid-19 pandemic, along with the tragedy of the Beirut Port Blast of August 4th, 2020 with their repercussions being felt today by Lebanese individuals and businesses alike, in particular low-income households and MSMEs.

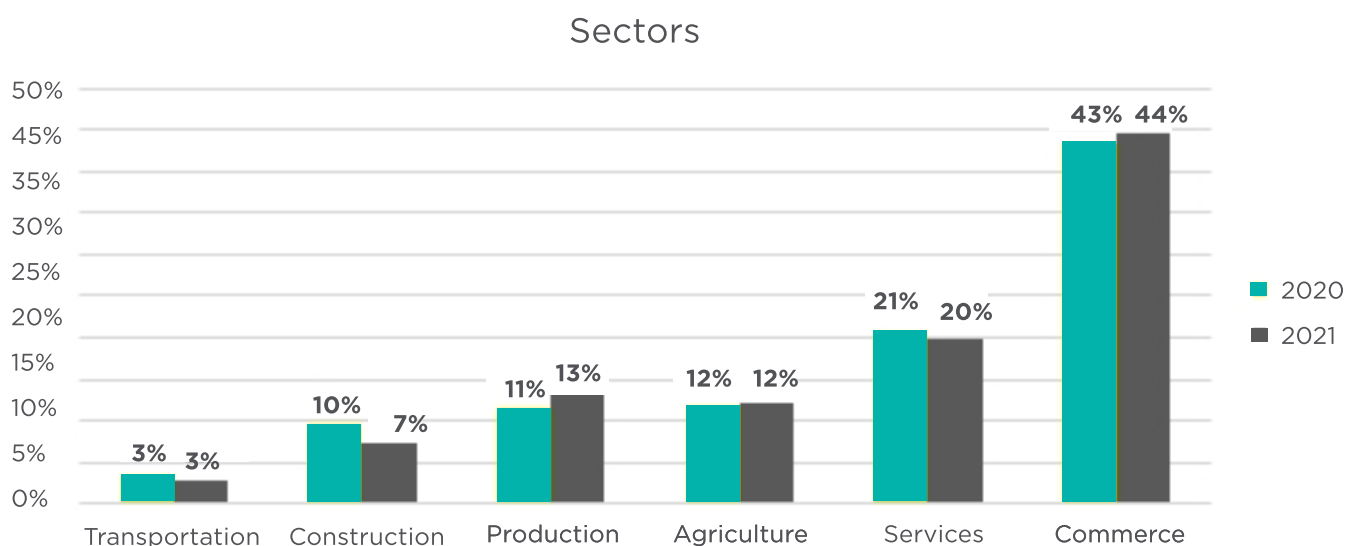
It is during such hard times that the term “Corporate Social Responsibility” is put to the test to serve as a reminder that it is more than a mere statement but rather an active call to action in order to show support and solidarity with members of the community who are generally marginalized, even more now given the current circumstances.

A practical implementation of the CSR principles is the incorporation of microfinance activities dedicated at ensuring that entrepreneurial activities and initiatives, including the contribution of women and youth in the economic cycle, are provided with a continuous access to adequate funding to cater to their needs, and in particular to sustain their businesses and livelihoods during these hard times. Through a fund provided by Saradar Bank to Vitas, a total of 6,478 loans (4,372 in 2020 and 2,106 in 2021 till date) amounting a total of USD 16,743,187 (USD 9,775,783 in 2020 and USD 6,967,404 in 2021 till date) were disbursed in order to cater to the financial needs of clients of a multifold of sectors and across all regions in Lebanon. The below charts represent an analysis of these loans across several indicators including the inclusion of Women and Youth beneficiaries.

OVERALL PORTFOLIO ANALYSIS

Allocation by Economic Sector

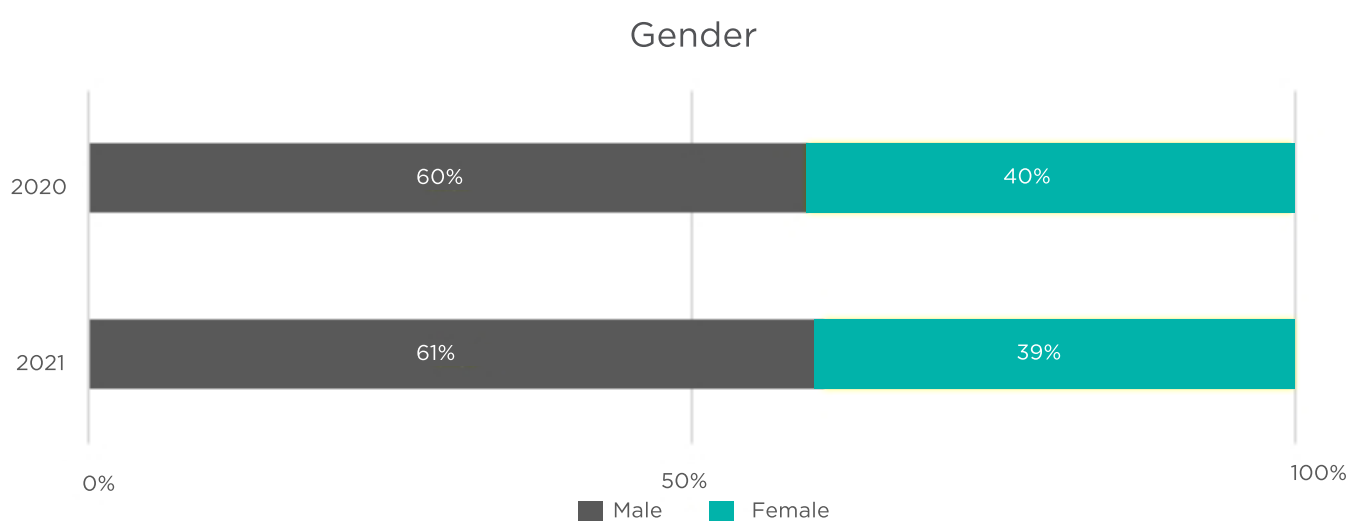
Beneficiaries belonging to all sectors and activities have benefited from loans through Vitas as indicated in the below chart during 2020 and 2021 till date:



Borrowers of all economic sectors have benefited from loans through loans disbursed by Vitas under Saradar’s fund, noting that in both 2020 and 2021, the Commerce and Services sectors were close to two-thirds of all sectors financed, which is a reflection of the Lebanese economy where these two sectors dominate.

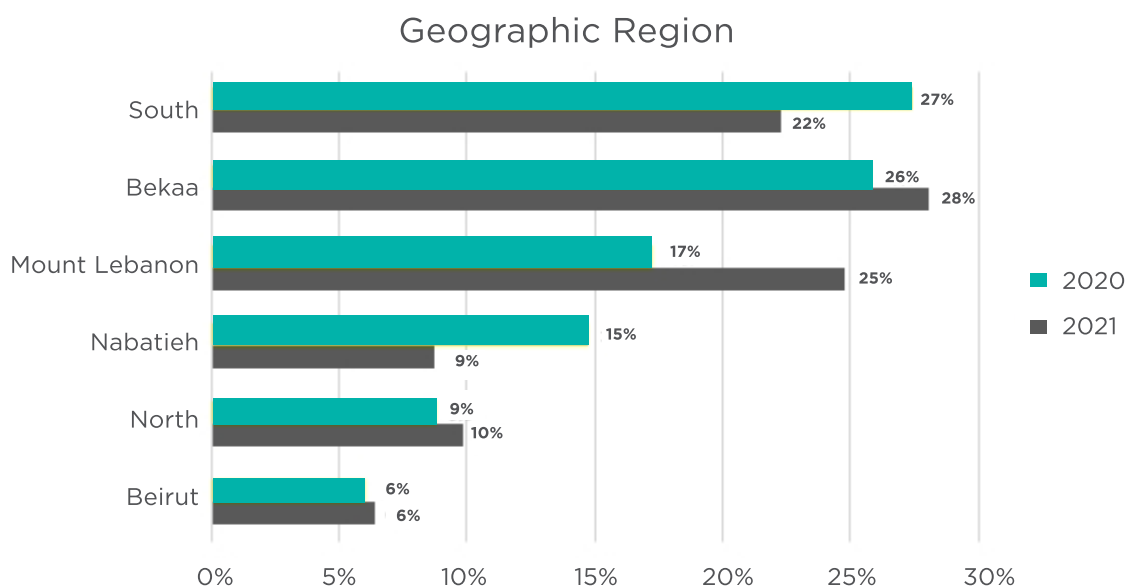
Allocation by Gender

Women empowerment, their financial inclusion and access to funding for their financial needs are important aspects that Vitas continues to give priority to. The below chart showcases the gender allocation of the loans disbursed by Vitas through Saradar’s fund in 2020 and 2021.



Allocation by Geographic Region

These loans have assisted the borrowers’ financial needs across all regions in Lebanon. As shown in the below chart, for disbursement in 2020, South has the highest percentage of 27% followed by Bekaa at 26% while Mount Lebanon was at 17%. During 2021, Bekaa was the region with most disbursements at 28%, followed by Mount Lebanon at 25%, while South regions were at 22%.



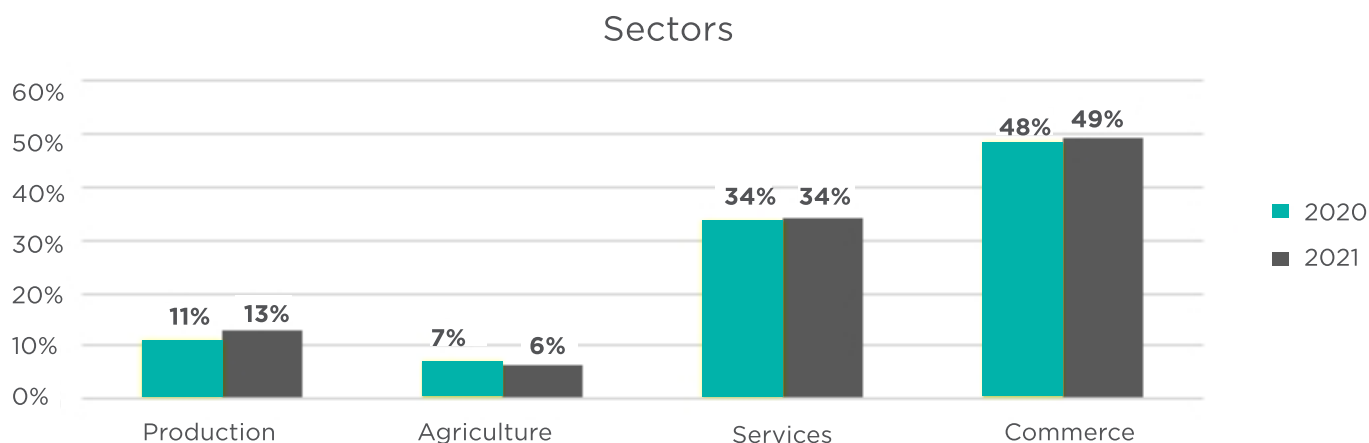
Jobs Sustained

The financial support brought forward through loans disbursed under this fund in 2020 and 2021 have contributed in the sustenance of 7,898 jobs (5,393 in 2020 and 2,505 in 2021 till date).

LOANS TO WOMEN

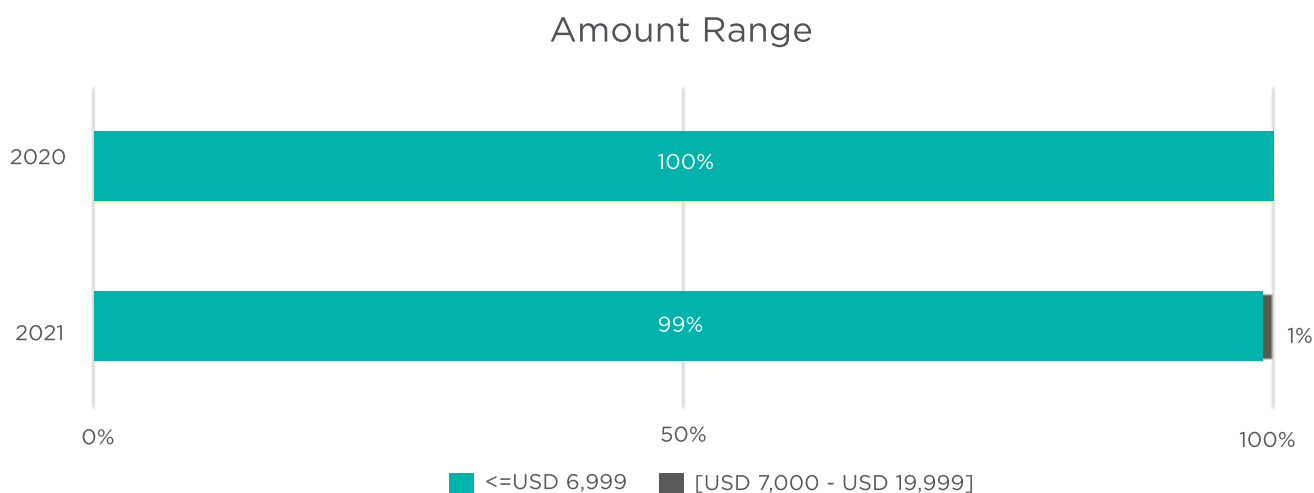
Allocation by Economic Sector

A total of 2,585 women were supported through the loans provided in 2020 and 2021 till date (1,757 and 828 respectively) having their financial needs satisfied. The chart below indicates the different sectors that were financed with the Commerce and Services sectors constituting the majority of financed sectors for women beneficiaries in both years 2020 and 2021.

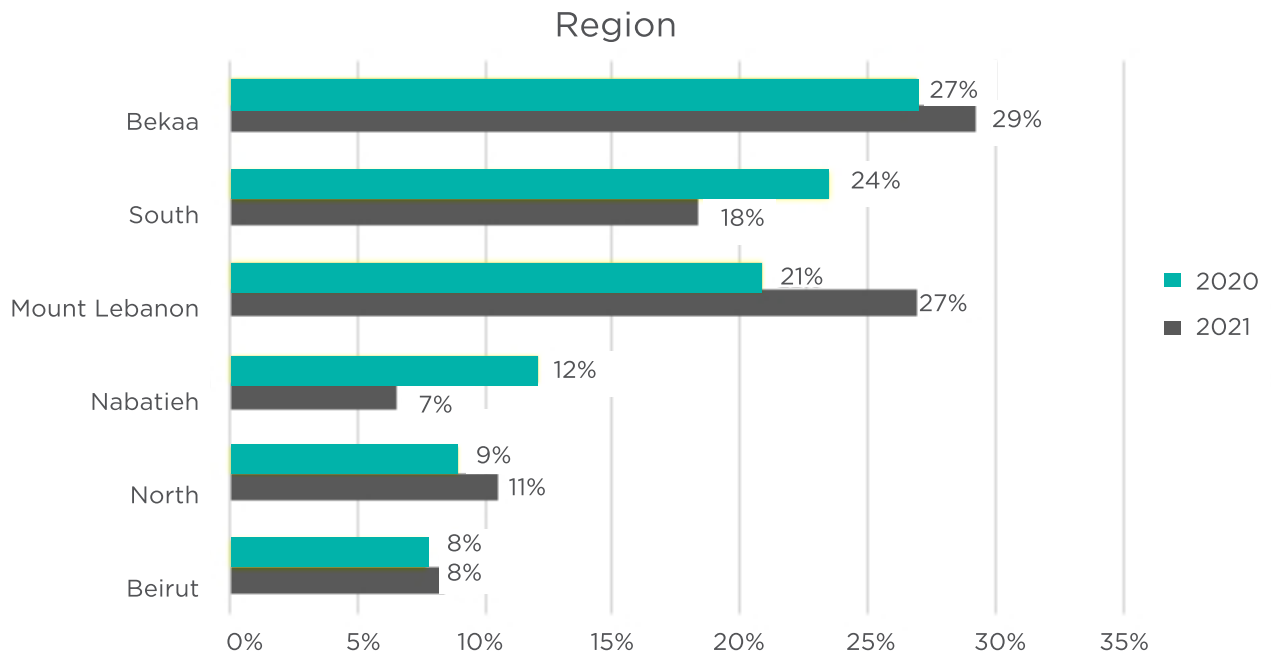


Allocation by Loan amount

Loans to women were given in a manner that best suits their needs and repayment capacity. The allocation by loan amount is presented in the below chart:



Allocation by Geographic Region

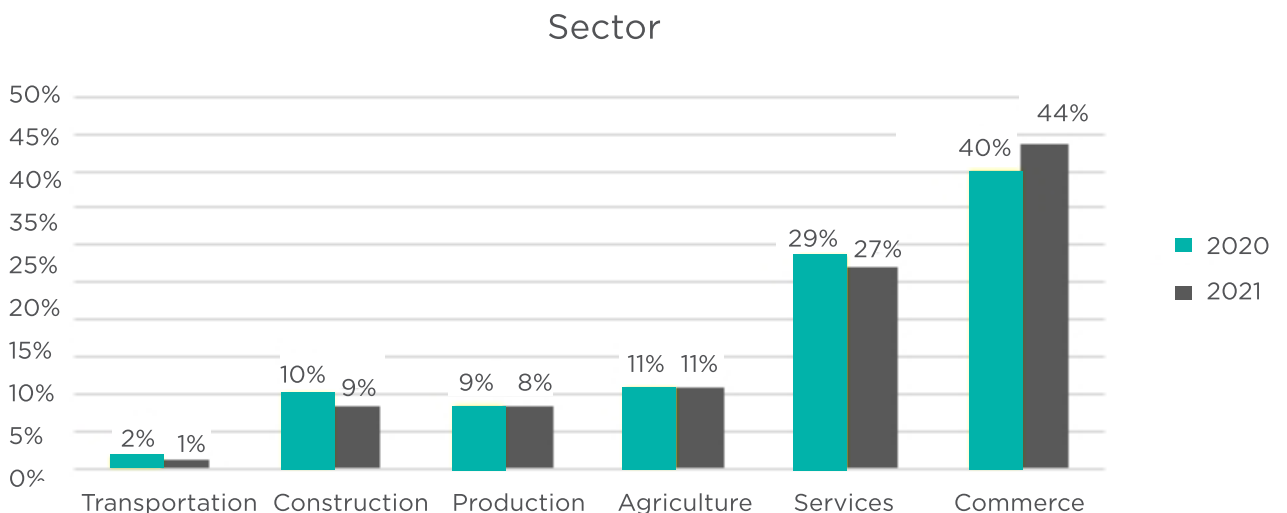


For loans provided to women beneficiaries, their regional allocation for 2020 were Bekaa (27%), South (24%) and Mount Lebanon at 21%. For 2021 loans disbursed to women, Bekaa was at 29%, followed by Mount Lebanon at 27% and South at 18%.

LOANS TO YOUTH

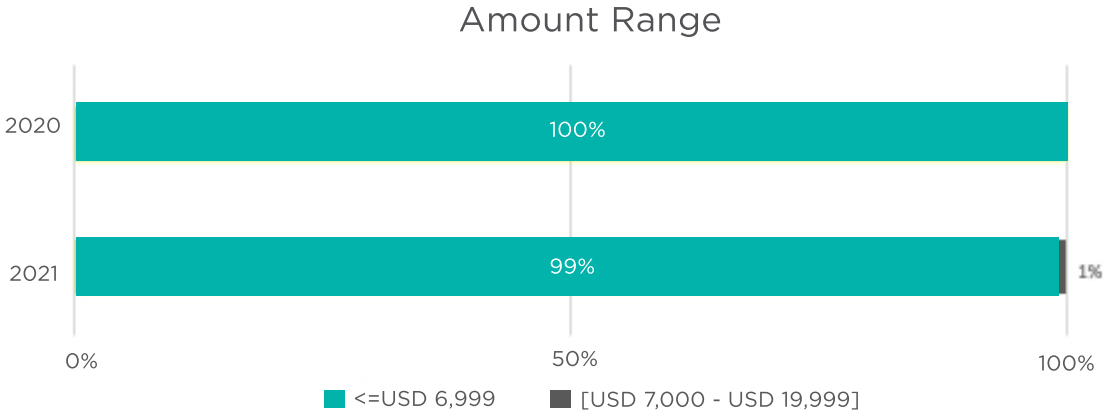
Allocation by Economic Sector

Youth support was yet another matter of interest to Vitas during 2020 and 2021, where a total of 1,934 youth borrowers aged from 18 till 30 years were provided with a loan that satisfied the direct financial needs of their businesses (1,329 during 2020 and 605 during 2021 till date). The chart below indicates the different sectors that were financed, with the Commerce and Services sectors reflecting the dominant sectors of the Lebanese economy, constituting in both 2020 and 2021 the majority of sectors supported.



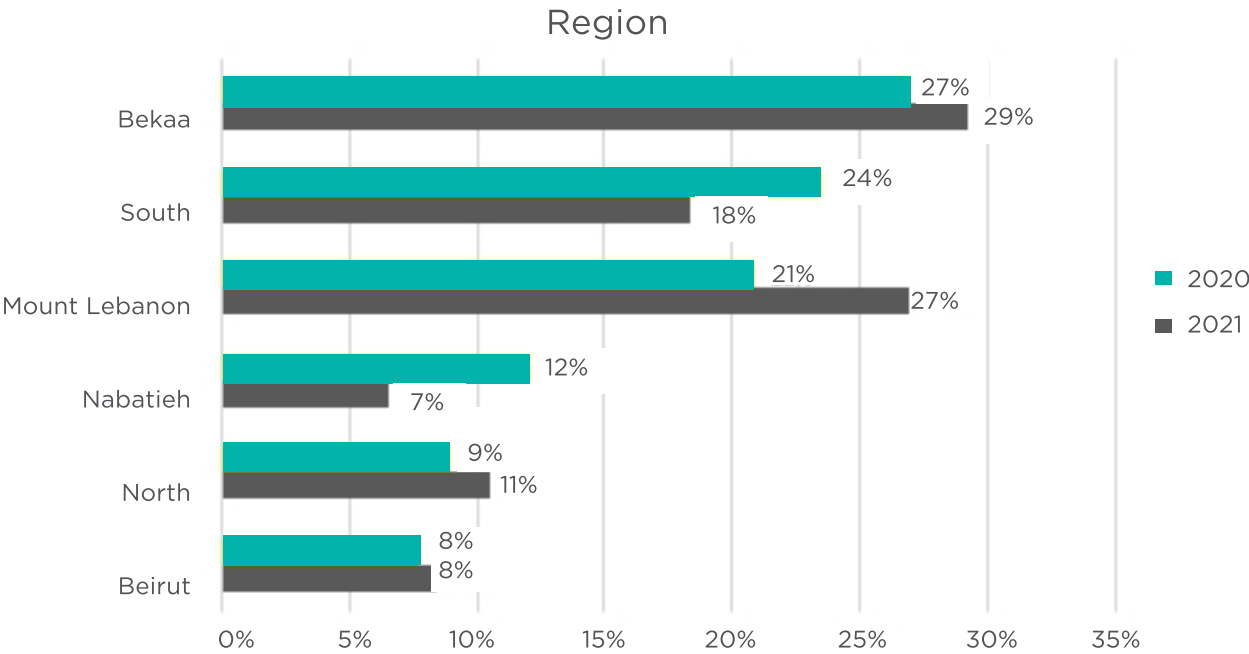
Allocation by Loan amount

Loans to youth borrowers were given in a manner that is commensurate to their repayment ability and their business needs. The Loan amount range is presented in the below chart:



Allocation by Geographic Region

Loans provided to youth business owners match the geographic allocation shown in both the total portfolio and women’s portfolio with the three highest regions being Bekaa, South and Mount Lebanon.



SUCCESS STORIES

Radwan ventured into opening a pharmacy immediately after graduating. Five years later, and after his business was performing well, he needed to increase his inventory to better cater to his growing client base.

Through a Vitas Customer Relationship Officer, Radwan applied for a loan from Vitas, which was his first loan ever. Radwan stated that the treatment he received and the easiness of the loan application process allowed him to remain a loyal client of Vitas and benefited from several consecutive loans for his business.



Mr. Radwan Moualem
Business: Pharmacy Owner/
Pharmacist
Age: 37
Marital status: Married

Najla started her catering business back in 2016 to support her family. Since then, her business has been steadily growing and gaining more and more clients. In 2018 she needed to buy additional equipment, particularly an industrial freezer and a new oven to accommodate bigger orders. She applied for a loan through Vitas and has become a returning client ever since. She also registered her business to become one of the main suppliers of the Lebanese Armed Forces. Najla stated that she is grateful to Vitas for its ongoing support, especially during difficult times.



Mrs. Najla Aghnatiou
Business: catering
Age: 55
Marital status: Married
Nb. Of children: 2

After graduating high school, Adib followed his passion to become a barber and opened his shop at his hometown of Bar Elias.

A loyal Vitas client for over 7 years, Adib stated that he is grateful for all the support he has received from Vitas and its employees which allowed him to fulfill his dream.

The loans he received from Vitas were instrumental in ensuring his business had all the required equipment and products to remain operational over the years. He is currently planning on taking another loan for his business for the purpose of fully renovating his barber shop.



Mr. Adib Ibrahim
Business: Barber Shop
Age: 28
Marital status: Single

