

OPERATIONS AND GOVERNANCE



YEAR IN REVIEW

SURPASSING EXPECTATIONS

EXACTING MANAGEMENT YIELDS STRONG RESULTS DESPITE REGIONAL INSTABILITY

Byblos Bank recorded another solid year in 2014, once again demonstrating the power of its business model to find opportunity amid challenging conditions. In a fourth consecutive year of political gridlock at home and multiple crises abroad, the Bank posted strong figures across the board. Increases were achieved in assets, deposits, loans, and profits, and continued to beat both local regulatory requirements and international standards, maintaining healthy ratios for liquidity, capital adequacy, and non-performing loans.

These results are the product of a long-term commitment to prudent management that both delivers steady performance and preserves our capital base. While the Bank was gratified at its achievements in 2014, therefore, it also remained focused on the policies and practices that made them possible - and on doing even better in the future. As such, we continued to achieve the right numbers in terms of critical performance ratios, to identify and implement process improvements, and to increase service quality.

This devotion to constant self-improvement has allowed Byblos Bank to advance the interests of all stakeholders despite multiple forms of adversity. The same diligence gives us confidence in our preparedness to ward off future challenges - and our readiness to seize yet more opportunities when conditions improve.

SERVING OUR CUSTOMERS

RELATIONSHIPS THAT LAST

Byblos Bank added more value than ever to the emphasis we place on customer relationships in 2014, helping our clients to protect and expand their businesses despite adverse conditions affecting Lebanon and other markets we serve. The Consumer Banking Division tends to these relationships with great care and attention to detail, continually developing its processes and practices, updating its technologies, and designing new solutions that help our clients cope with shifting conditions.

Our Customer Service Team operates 24/7 and strives to work proactively, identifying areas of potential difficulty before actual problems affect the quality or convenience of service delivery. We use both Mystery Shoppers and Customer Satisfaction Surveys to ensure consistency of services and find new ways to add value. In addition, we have carried out comprehensive process simplifications, including a streamlined procedure for opening new accounts.

The Division plans to further enhance and refine the quality of its products and services in 2015, meeting or exceeding our clients'

expectations and making us an even better bank. To do this, we will continue our policy of providing constant training and other forms of career development support for our employees. Whatever else we do in terms of technologies and partnerships, Byblos Bank knows that in many situations, nothing can replace people - especially ours.

The Consumer Banking Division also knows that the digital revolution opens up whole new avenues for adding value and convenience to customer experiences, so it also will continue to keep pace with rapid technological change. Past innovations like Smart ATMs® have made Byblos Bank a trendsetter for Lebanon and the MENA region, and we remain committed to keeping our clients plugged into the latest technological fixes. Accordingly, 2014 saw us take the lead yet again by introducing the Byblos Bank Mobile Banking Application to round out Azka Banking, our full spread of smart and secure e-banking services. Every element of Azka Banking is designed to help customers exercise more direct control over their finances, and to free up time for our branch personnel to provide one-on-one advisory services.

NEW BEGINNINGS, MORE PARTNERS, ADDED RECOGNITION

The Bank extended its already far-reaching presence in Lebanon to untapped and relatively underserved areas in 2014, strengthening our position in regions with excellent growth potential. This process included the opening of two new branches: one on the main coastal highway in Dbayeh, a booming community just north of Beirut, and another to cover the flourishing region of Zahleh, home to the capital of eastern Lebanon's Bekaa Governorate. Our domestic network now consists of 79 branches, putting our services within easy reach for people across the country. In addition, the Bank also expanded its reach in these and other regions by using new technologies that allow more transactions to be carried out online.

Byblos Bank has long been a leader in forging new ties with trusted partners that help our clients access new benefits, express their individuality, and support worthy charitable causes, and 2014 saw more of the same. The past 12 months saw the Bank team up with MasterCard, tapping the latter's Titanium lineup to offer co-branded affinity cards in partnership with several institutions, including the Tripoli Bar Association, the Order of Physio-Therapists in Lebanon, and Labora, an NGO that helps some of Lebanon's founding communities to resist the pressures that have caused so many of their members to emigrate.

The Bank also further burnished its reputation in March, when it received its second consecutive award for having the fastest-growing portfolio of Visa cards in the Levant region. This was widely hailed as a sign of continued international confidence in Byblos Bank as a reliable partner for some of the world's largest and most reputable corporations.



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As debit and credit cards occupy an ever larger place in modern consumer life, Byblos Bank is proud to offer a comprehensive selection of brands and benefits that match the means and needs of all our customers.

BETTER BANKING MEANS BETTER BUSINESS

TAILORED SERVICES FOR SPECIFIC NEEDS

Over the years, Byblos Bank has grown hand-in-hand with the firms that make up Lebanon's famously dynamic and resilient private sector, giving us unique insights into the requirements of individual companies pursuing specialized activities in various regions and industries. This has allowed our Commercial Banking Division to develop high-value products and services that both reflect local realities and meet international standards.

These tools are backed by extensive training and experience, enabling us to provide valuable advice to our customers on how best to use them. We do this through teams of professionals specialized in one or more areas, including agriculture, syndication and project finance, contracting and real estate, manufacturing, and trade.

Faced with a fourth year of poor economic conditions in 2014, the Division followed a conservative strategy based on prudent growth targets and preservation of our leading market position in fields like contracting, manufacturing, and trade. In line with our expectations, this approach proved successful, enabling us to meet our overall goals and each of our key performance indicators.

Although tough conditions are expected to prevail in Lebanon and some of our key foreign markets in 2015, the Division remains confident that it will maintain its leading position. Many years of market experience and sound management policies give us unique capacity to adapt in the face of change, and to help our clients do the same. Our strategy will continue to play to these strengths, helping us to meet all of our growth targets.

CAPITAL MARKETS

A FORCE FOR STABILITY

Byblos Bank exerted its usual steadying influence on Lebanon's capital markets in 2014, accounting for a 9.50% share on the Beirut Stock Exchange and retaining its role as one of the largest providers of liquidity in terms of both Eurobonds and domestic debt issues. Once again, we helped the Lebanese Republic to tap the capital markets with USD 1.5 billion in Eurobond financing.

The Capital Markets and Financial Institutions Division also further increased its market share for brokerage activities, building on its reputation for reliable execution and follow-up 24 hours a day. Our investment professionals help individual and corporate clients alike to navigate both the equity and fixed-income markets, allowing them to invest, trade and hedge numerous financial instruments at competitive prices.

BANKING ACROSS BORDERS

EXPORTING A TRIED AND TESTED FORMULA

Despite political instability and/or economic slowdowns in almost all of the countries where Byblos Bank operates, we managed not just to maintain a solid presence abroad, but even to post strong growth in our business. As a result, net income generated by the Byblos Bank Group's foreign entities in 2014 increased by 11% over the previous year.

This performance was made possible by several factors, including the Bank's long experience in coping with political and economic uncertainties, conservative management practices, and adherence to the highest standards of corporate governance.

Backed by the full support and guidance of Group Compliance, all of Byblos Bank's foreign entities further strengthened their anti-money laundering (AML) techniques and processes in order to further reduce inherent risks in certain overseas markets. AML practices and compliance with both local regulations and international sanctions have been the top priorities for the International Network Division since its establishment in 2010, and will continue to be so in the coming years.

Simultaneously, the Division remained focused on its core functions of managing the flow of business between the foreign entities and Head Office in Lebanon, all within the scope of the Group Function and Service Level Agreements where applicable. Several field visits to branches, representative offices, and subsidiaries were carried out in 2014 in order to

- ensure continuity in key positions during long absences;
- prevent, identify and solve problems as early as possible;
- improve processes to better serve our clients; and
- update employees on newly introduced procedures and practices.

In 2015, Byblos Bank will continue its selective expansion in Iraq by opening a new branch in Sulaymaniah. In addition, the International Network Division will continue to consolidate its position and improve efficiency in order to enhance the profitability of all our foreign entities, and therefore their contribution to the Group.



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THE HUMAN ELEMENT

A GREAT PLACE FOR GREAT PEOPLE TO DO GREAT WORK

Byblos Bank knows that it can only be as effective and successful as its people are, so we take great care to supply them with the opportunities, training and support they need to stay happy, healthy, motivated, and productive. The Human Resources Division undertook several initiatives aimed at these and other goals in 2014, including:

- Implementation of our new OnTime attendance system, which gives employees a convenient self-service tool for several tasks, from managing their attendance records to planning, submitting, and monitoring leave requests. OnTime empowers employees by giving them a comprehensive view of where they stand, including the ability to correct bookings and other entries, ensuring greater control over their vacation planning. It also gives managers a powerful tool to keep track of attendance records, leave requests and other data in real time, enabling them to make decisions fairly and quickly while ensuring adequate staffing levels at all times.
- Launch of a partnership with GlobeMed that facilitates the entire healthcare process for our employees, and gives them free access to a 24/7 phone service for medical inquiries. Among other advantages, this relationship makes it easier for our employees to get the medicines they and their dependents need, settle charges for hospital admissions, and access a long list of other healthcare services. It also facilitates the Bank's work to ensure that all employee benefits records are kept accurate and up to date.
- Establishment of an Assessment and Development Center to support the Bank's efforts to recruit, retain, and develop the best talent available. The facility is staffed by Certified Internal Assessors who use the latest tools and a standardized competency-based assessment process to reliably assess potential; accurately identify individual strengths and weakness; and formulate personalized development plans based on scientific methodologies. Among other benefits, the initiative will make recruitment and promotion processes more effective, more objective, and more transparent; systematically align abilities and aptitudes with appropriate and viable career paths; and further our efforts to keep all members of the Byblos Bank team challenged, motivated, and well-equipped to provide superior service.

CORPORATE SOCIAL RESPONSIBILITY

HELPING OTHERS, IMPROVING OURSELVES

Byblos Bank is deeply committed to helping the communities we serve to develop on every level, from art, literature, and

culture to education and the environment. In 2014, we became even more focused than ever on our primary avenues of intervention, which allows us to have a greater impact by concentrating our human and financial resources on particular areas.

PHOTOGRAPHY: MOMENTS IN TIME

Byblos Bank's Photography Program aims to support emerging Lebanese photographers by placing them at the heart of the art market and helping them build professional careers. This includes putting their talents in the spotlight by giving them access to the media, gallerists, collectors, and experts in the field. The program entailed several events in 2014, including:

- In January and February, Byblos Bank contributed to bringing Photomed, the Mediterranean region's leading photography festival, to Lebanon, and hosted an exhibition by renowned Italian master photographer Nino Migliori at its headquarters. Our aim was to offer both emerging Lebanese photographers and the general public an opportunity to see some truly great work being done in the world of photography. Photomed was so successful that Byblos Bank decided to become their main sponsor and cooperate in the development of a special Lebanese program, leading to exhibitions in early 2015 that have shed light on past and present glories of our country's rich photographic heritage.
- In March, we launched Purple Lens by Byblos Bank, a Facebook page dedicated to bolstering our Photography Program by engaging with photography lovers, promoting the work of Lebanese photographers in general, and providing exposure for Byblos Bank Award for Photography finalists in particular. By the end of the year, the page had 12,000 fans, and public interest is still growing.
- In April, Byblos Bank Headquarters was proud to host the first solo exhibition by Ghaleb Cabbabé, winner of the 2013 Byblos Bank Award for Photography. Titled "Ahlein" (or "Welcome"), the show consisted of 20 photographs capturing moments in the social activities of foreign expatriates residing in Lebanon. According to BEIRUT ART FAIR Artistic Director Pascal Odille, whose organization is the primary partner of the Byblos Bank Award, Cabbabé's work "is a dive into the daily lives of those who surround us, with no voyeurism and a lot of delicacy".
- Cabbabé's exhibition was accompanied by a free-of-charge seminar, open to all photographers, which delved into the history of photography and the photography market. Raising awareness of the value and history of photography is an integral part of our efforts to establish it as a standalone art in Lebanon.



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- In September, we held the third edition of the Byblos Bank Award for Photography in cooperation with BEIRUT ART FAIR, attracting a record 67 emerging talents as participants. Renaud Bergonzo, Co-founder and Director of acte2galerie, a highly regarded Paris gallery specialized in photography, flew in from France to serve as President of the Jury. He also offered invaluable advice to the 10 finalists during the four days of the 2014 BEIRUT ART FAIR, which was visited by more than 21,000 people.
- Following a very close competition, the Jury named Myriam Boulos the winner of the 2014 Byblos Bank Award for Photography, making her the first woman to gain the honor. As in previous years, the centerpiece of the prize package was a solo exhibition to be hosted at Byblos Bank Headquarters in April 2015. To help Ms. Boulos prepare, she was immediately enrolled in a mentoring program tailored for her by BEIRUT ART FAIR Artistic Director Pascal Odille and world-famous photographer Jack Dabaghian. The Bank also will fund publication of a personal catalog for the winner, as well as a full media campaign to promote the exhibition.

HERITAGE: WHERE WE COME FROM

Heritage is a big part of what makes a population a people, so Byblos Bank has long been committed to highlighting and preserving the products of Lebanon's unique past, ensuring that they can also bear witness to a better future. In 2014, we supported several heritage initiatives, including the following:

- Byblos Bank's USD 2 million sponsorship of Phase I of the Jbeil (Byblos) Souks Renovation yielded tremendous results, boosting the tourism trade and improving the quality of life for all residents of the historic coastal city. This gave us even more reason to fund Phase II in 2014 by providing an additional USD 1 million grant to the Jbeil Municipality. Works are expected to be completed in 2015. This project is particularly important for Byblos Bank, not only because it contributes to the preservation of one of the world's oldest cities, but also because its positive economic impact generates more opportunities for local residents, empowering them to build successful lives and stay rooted in their homeland.
- Our activities in 2014 also included sponsorship of "Lebanon on Rail", a book by Eddy Choueiry that uses powerful photography to illustrate both the glorious past of Lebanon's railroads and the deplorable state into which they have fallen.
- The Bank also continued to sponsor "Hayda Lebnen", a daily program carried by LBCI Television that sheds light on the natural wonders and other landmarks that make Lebanon one of the world's most picturesque countries.

EDUCATION: THE MOST VALUABLE GIFT

Byblos Bank fully appreciates the difference education makes, so we have long been committed to helping more Lebanese acquire more learning at every level.

- The year 2014 saw Byblos Bank continue implementation of its University Loans Program (ULP), a partnership with the Agence Française de Développement (AFD). By fully utilizing the total line of credit of EUR 25 million from AFD, the program helped to finance the studies of over 1,500 students at nine private universities in Lebanon since its launch in 2010. ULP loans are disbursed in Lebanese Pounds and carry highly favorable terms and interest rates.
- Throughout the year, the Bank maintained its partnerships with several schools and universities in Lebanon, with special focus on education for youth and securing their access to new ideas.
- In addition, we laid the foundation for a Financial Literacy Program that will be initiated in 2015. This initiative is aimed at educating more Lebanese about finance, banking and economic information, helping to better understand how these areas impact their daily lives - and therefore equipping them to gain more control over their own destinies.

ENVIRONMENT: GREEN TODAY, GREENER TOMORROW

Byblos Bank has been a pioneer in spreading awareness of the need to protect our natural environment, and in actually doing something about it. This kind of work continued on several fronts in 2014:

- On the occasion of World Environment Day in June, we launched the Byblos Bank Shouf Reserve Bio-Corridor Reforestation Initiative, which will help reverse the degradation of Lebanon's forest cover. Carried out in cooperation with the Shouf Biosphere Reserve and the Lebanon Reforestation Initiative (funded by the US Agency for International Development and implemented by the US Forest Service), the project is highly ambitious. The goal is to plant some 10,000 trees (primarily *Cedrus Libani*) over 15 hectares of land that currently has no vegetation. This will not only restore forest cover with Lebanon's famous cedars and other native species, but also connect the cedar forests of Barouk with the oak one above Ammik.
- As an end-year gift, we also sponsored "Shouf Biosphere", a book that explains the importance of the work being done at the largest facility of its kind in Lebanon.



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- In November, Byblos Bank's "The Lebanese Are Losing It" video, a call to arms for the defense of Lebanon's cedars, won a Silver Award at the Middle East Effie Awards for Effective Marketing. The spot urged the Lebanese to help retain their own national identity by helping to restore the country's cedar forests to their former glory.
- And on a daily basis throughout 2014, we also continued with the implementation of our Bgreen initiative at Byblos Bank Headquarters in Ashrafieh. Designed to limit and reduce the environmental impact of Head Office operations, this initiative includes specific and measurable actions to save energy and water, recycle paper and plastic bottles, and reduce the usage of paper.
- In January, as Lebanon's political class bargained over the composition of yet another new Cabinet, Dr. Bassil focused on the more important matter of what policies the incoming government would follow. In particular, he warned that whoever the ministers were, they would have to "take drastic measures" to implement reforms and restore functionality to the mechanism of government.
- In May, Dr. Bassil declared his support for an increased salary scale, but only if it were accompanied by better tax collection, increased emphasis on job performance, and other "radical reforms" required to help the Treasury absorb added costs.
- In the latter part of the year, as preparations intensified for a new USD 1 billion sovereign Eurobond issue by the Lebanese Republic in early 2015, Dr. Bassil continued to champion the need for reform. Lebanon's banks, he explained, remained ready to help the state meet its financing needs – but he also called for decisive measures to be taken to improve the management of the public purse.

OTHER ACTIVITIES

- In February, we sponsored the Université Saint Joseph's annual Daraj El Yassouiyeh event, three days of art, culture, and sports activities held in 2014 under the banner of Byblos Bank's cedar reforestation campaign.
- May marked the 29th time that the Bank has taken part in Child's Week, an event run by the Association for the Protection of Lebanese Children.
- In December, financial assistance from Byblos Bank helped the Jbeil Municipality to erect a stunning Christmas Tree in the heart of the community that hosts the ancient port town of Byblos. This tree attracted attention from both local and international media, including the Guardian and the Wall Street Journal. At more than 25 meters high, the spectacular symbol of the Christmas spirit helped draw thousands of tourists to the town during the holidays.
- The Bank also took part in fundraising events for a variety of non-governmental organizations (NGOs) to help them carry out their various functions in the community.

ADVOCACY

A VOICE FOR COMMON SENSE

Dr. François S. Bassil, Byblos Bank's Chairman and General Manager, is an elder statesman of Lebanon's banking industry who in June 2015 completed his fourth term as head of the Association of Banks in Lebanon (ABL). As such, his input into many of the debates regarding Lebanon's public finances and other issues carries considerable weight. And as usual, Dr. Bassil made use of his status in 2014 to address some of the country's most pressing challenges:

CORPORATE GOVERNANCE AND COMPLIANCE

MEETING OR SURPASSING THE MOST STRINGENT REQUIREMENTS

Strong governance and prudent management have allowed Byblos Bank to emerge relatively unscathed from multiple crises in recent years, including the 2007-2009 global financial crisis, ensuing weakness in Europe and other key markets, and ongoing instability in much of the MENA region. Far from prompting a relaxation of standards, however, this experience has only redoubled our faith in the necessity of world-class governance and compliance measures.

Accordingly, the Bank continues to operate a business model whose core principles include strict adherence with all local and international regulations. This stance includes constant reassessment and, as and when necessary, updating of our internal policies and procedures. It also means regular training for our employees, keeping them abreast of changing regulatory requirements and how best to apply these in various situations. Similar importance is placed on the quality of the information we provide, and to how we communicate it, especially to our shareholders. Byblos Bank goes to great lengths to ensure that financial and other material data are always accurate, complete, and up to date. This approach has earned us an industry-wide reputation for transparency, a vote of confidence that creates real-world value for all of our stakeholders, including customers, investors, employees, and business partners.



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These practices are particularly helpful when it comes to shielding the Bank and its stakeholders against the effects of money laundering, terrorism financing, and other crimes that affect financial institutions. For this reason, the Byblos Bank Group relies on a wide range of measures and controls to keep it from being misused, whether by individuals or organizations seeking to breach international sanctions and/or otherwise circumvent or violate relevant laws and regulations. These include carefully designed internal organizational policies, timely implementation of supervisory initiatives, and close monitoring of internal processes and procedures. In addition, the Bank complies with all Central Bank of Lebanon rules and guidelines with regard to the establishment of a compliance function for identifying, monitoring, and reporting suspicious transactions and other activities.

In line with Basel Committee recommendations, Financial Action Task Force guidelines, local regulations and international best practice standards, the Group maintains a comprehensive compliance program of policies, procedures and systems to fulfill its commitment to detecting and preventing all forms of money laundering and related activities. This compliance program follows strict principles which we apply in each and every jurisdiction where the Group has a presence, including:

- Conducting all necessary due diligence before establishing a relationship with a prospective client, including verifying his or her identity, ascertaining the legitimacy of sources of funds, identifying third parties who might actually control the disposition of those funds, understanding the customer's business model, and determining the intended purpose of the business relationship. Under Group policy, and under no circumstances do we offer our services to "walk-in" customers not maintaining an account with us.
- Prohibiting or restricting the opening of accounts for certain types of relationships, such as shell banks, non-face-to-face customers, money services businesses (MSBs), numbered or bearer accounts, online casinos and other gambling websites, among others.
- Applying a risk-based approach, when determining whether to accept or reject the initiation of a business relationship, that accounts for factors such as the prospective customer's background, geographic location, nature of business activity, and type of banking products being solicited. The Group strictly denies access to its services whenever due diligence examinations of a customer reveal inconsistency in the facts.
- Exercising enhanced due diligence and increased transaction monitoring for customers believed to pose a higher-than-average risk for money laundering, including, but not limited to, those considered politically or financially exposed.
- Monitoring accounts for changes in transaction patterns that deviate from expected activity or behavior that would be considered normal for that particular customer or category of customers.
- Screening customer data and transaction details against sanction programs administered by local authorities as well as foreign countries and organizations (such as OFAC, the United Nations and the European Union, among others) to ensure that individuals, entities, countries, vessels, goods and services associated directly or indirectly with any transaction are in full compliance with those sanctions.
- Reporting to the Group AML and Legal Compliance Department on any transaction deemed to be unusual or suspicious, and, as and when appropriate, filing a case with the local authorities.
- Providing all staff with continuous training on anti-money laundering measures and techniques, and ensuring awareness of the Group's obligations toward sanctions programs.

The Group uses a vigorous oversight regime over its activities to ensure consistent adherence with all elements of its compliance program. This includes the assignment of a compliance officer to each branch and the presence of a local Compliance Unit for each subsidiary, all under the supervision of a Group AML and Legal Compliance Department located at Byblos Bank Headquarters. The Head of Group Compliance has direct access to Senior Management, the Board of Directors, and the Central Bank of Lebanon's Special Investigation Commission.

These and other activities stem from our unshakeable belief in high standards of governance as the ultimate tool in modern risk management. Accordingly, we use state-of-the-art procedures to control different types of risks, for all lines of business, at the individual, portfolio, and aggregate levels. We take great care to protect client information, maintain lofty ethics in all our business dealings, and provide fully transparent risk disclosure to the Board of Directors, Senior Management, regulators, ratings agencies, and other interested parties.

For decades, this belief has empowered Byblos Bank to generate solid returns, steadily improve its long-term financial position, and build a sterling reputation. Having derived so much value from this approach and the self-improvement and other sound practices it encourages, we look forward to relying on them - and constant refinements - for generations to come.



BOARD OF DIRECTORS MEMBER PROFILES

DR. FRANÇOIS S. BASSIL CHAIRMAN AND GENERAL MANAGER

Lebanese, born in 1934. Holder of a PhD in Law from Leuven University in Belgium. Has been working in the banking sector since 1962. Was a co-founder of Byblos Bank S.A.L., which he has helped transform into Lebanon's third-largest bank and where he currently holds the positions of Chairman of the Board of Directors and General Manager. Is also Chairman of the Board of Directors of Byblos Bank Africa. Also sits on the Boards of Byblos Bank Europe, Byblos Bank Syria, and Byblos Bank Armenia. In addition, serves as Chairman of the Board of Directors and General Manager of Byblos Invest Holding Luxembourg. In June 2015 completed a fourth term as Chairman of the Board of the Association of Banks in Lebanon.



MR. SEMAAN BASSIL VICE-CHAIRMAN AND GENERAL MANAGER

Lebanese, born in 1965. Holder of a Bachelor's Degree from Boston University in the US and an MBA from Cambridge University in the UK. Has been working in the banking sector since 1990. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 1992, and Vice-Chairman of the Board and General Manager since 2000. Also serves as Chairman of the Board of Byblos Bank Syria, Chairman and General Manager of Byblos Invest Bank S.A.L., Vice-Chairman of the Board of Byblos Bank Africa, and Member of the Board of Byblos Bank Europe.



H.E. MR. ARTHUR G. NAZARIAN DIRECTOR

Lebanese, born in 1951. Holder of a Degree in Textile Engineering from Philadelphia University in the US. Has served as Lebanon's Minister of Energy and Water Resources since 2014, as a Member of the Lebanese Parliament since 2009, and is a former Minister of Tourism and of Environment. Is an entrepreneur at the helm of several companies in Lebanon and the Gulf. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 2006, and serves as a Member of the Risk, Compliance, Anti-Money-Laundering and Combating the Financing of Terrorism Committee, and of the Human Resources, Compensation, Remuneration, Nomination and Corporate Governance Committee, both of which are affiliated to the Board. Also serves as a Member of the Board of Directors of Byblos Bank Armenia.





BOARD OF DIRECTORS MEMBER PROFILES

BARON DR. GUY L. QUADEN DIRECTOR

Belgian, born in 1945. Holder of a Master's Degree in Economics from La Sorbonne in France and of a PhD from Liège University in Belgium. Appointed in 1977 as Professor of Economic Policy at Liège University, where he later served as Dean of the Faculty of Economics and Management. Started his career in the banking sector in 1988 when he joined the Board of the National Bank of Belgium (the country's central bank), later serving as Governor (and as a Member of the Governing Council of the European Central Bank) from 1999 until 2011. Has produced numerous economic publications. Received the title of Baron from the King of Belgium and was decorated as an Officer of the Légion d'Honneur by the President of the French Republic. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 2012. Also sits on the Board of Byblos Bank Europe.



MR. DES S. O'SHEA DIRECTOR

Irish, born in 1956. Holder of a Bachelor of Commerce Degree from University College Cork in Ireland, and qualified as a Chartered Accountant in 1980. Has been working in the banking industry since 1981, including eight years as Vice President of GE Capital ending in 2011, and is a current or former holder of banking directorships in 10 countries. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 2014.



MR. AHMAD T. TABBARA DIRECTOR

Lebanese, born in 1940. Holder of a Bachelor's Degree from the American University of Beirut. Worked as a consultant to former Prime Minister Salim el Hoss. Is an entrepreneur with shares in a number of family businesses and social initiatives, including the Toufic Tabbara Cultural Center. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 1999. Also serves as a Member of the Risk, Compliance, Anti-Money Laundering and Combating the Financing of Terrorism Committee affiliated to the Board.





BOARD OF DIRECTORS MEMBER PROFILES

MR. BASSAM A. NASSAR

DIRECTOR

Lebanese, born in 1965. Pursued his higher studies at both the London School of Economics in the UK and Harvard Business School in the US. Is an entrepreneur with major holdings in a number of private companies in Nigeria. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 1992, and serves as a Member of the Audit Committee and the Human Resources, Compensation, Remuneration, Nomination and Corporate Governance Committee, both of which are affiliated to the Board. Also serves as Chairman of the Board of Byblos Bank Europe and as a Member of the Board of Byblos Invest Holding Luxembourg.



MR. FAISAL M. ALI EL TABSH

DIRECTOR

Lebanese, born in 1948. Holder of a Master's Degree in Geology from the American University of Beirut. Is an entrepreneur and owner of M.A. Tabsh Company in Saudi Arabia. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 2000. Is also a Member of the Board of Byblos Invest Holding Luxembourg and Vice-Chairman of the Board of Byblos Bank Europe.



MR. ABDULHADI A. SHAYIF*

DIRECTOR

Saudi Arabian, born in 1948. Pursued his studies in Economics at the American University of Beirut. Has been working in the banking sector since 1974, since which time he has assumed several top positions in the financial sectors of various Arab countries, most notably that of General Manager of National Commercial Bank Jeddah. Was a Member of the Board of Directors of Byblos Bank S.A.L. from 2006 until 2015. Also served as Chairman of the Risk, Compliance, Anti-Money-Laundering and Combating the Financing of Terrorism Committee and as a Member of the Audit Committee, both of which are affiliated to the Board.



* The mandate of Mr. Abdulhadi A. Shayif expired on 15 May 2015.



BOARD OF DIRECTORS MEMBER PROFILES

DR. HENRY T. AZZAM DIRECTOR

Lebanese, born in 1949. Holder of a PhD in Economics from the University of Southern California in the US. Has been working in the financial sector since 1981. Has assumed key positions with major financial companies in Lebanon and other parts of the Arab world, including Deutsche Bank Dubai. Is well-versed in the money and banking markets and has issued publications and articles revolving around the financial world. Has been on the Board of Directors of Byblos Bank S.A.L. since 2012.



MR. ALAIN C. TOHMÉ DIRECTOR

Lebanese, born in 1962. Holder of a Bachelor of Commerce Degree from University College Cork in Ireland and an MBA from Boston College in the US. Started working in the banking industry when he joined Byblos Bank Europe in 1985 before moving in 1997 to Byblos Bank S.A.L., where he assumed several positions, the most recent having been Deputy General Manager, until 2011. Has been a Member of the Board of Directors of Byblos Bank S.A.L. since 2011 and serves as Chairman of the Audit Committee and Member of the Human Resources, Compensation, Remuneration, Nomination and Corporate Governance Committee, both of which are affiliated to the Board. Is also Chairman of the Board of Byblos Bank Armenia, Vice-Chairman of the Board of Byblos Bank Syria, a Member of the Board of Byblos Bank RDC, and a Member of the Board of Byblos Invest Bank S.A.L.



The Ordinary General Assembly of Shareholders elected Mr. Yves R. Jacquot to the Board of Directors on 15 May 2015.



BOARD OF DIRECTORS COMMITTEES

AUDIT COMMITTEE

Chairman	Mr. Alain C. Tohmé
Members	Mr. Abdulhadi A. Shayif
	Mr. Bassam A. Nassar

RISK, COMPLIANCE, ANTI-MONEY-LAUNDERING AND COMBATING THE FINANCING OF TERRORISM COMMITTEE

Chairman	Mr. Abdulhadi A. Shayif
Members	H.E. Mr. Arthur G. Nazarian
	Mr. Ahmad T. Tabbara
	Mr. Des S. O'Shea

HUMAN RESOURCES, COMPENSATION, REMUNERATION, NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Chairman	Mr. Alain C. Tohmé
Members	H.E. Mr. Arthur G. Nazarian
	Mr. Bassam A. Nassar



MANAGEMENT COMMITTEES

EXECUTIVE COMMITTEE

President	François S. Bassil	Chairman and General Manager
Vice President	Semaan F. Bassil	Vice-Chairman and General Manager
Members	Joumana Chelala	DGM*, Head of Group Consumer Banking Division
	Marwan Moharram	DGM, Head of Group Risk Management Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division

CENTRAL CREDIT COMMITTEE

President	Semaan F. Bassil	Vice-Chairman and General Manager
Vice President	Marwan Moharram	DGM, Head of Group Risk Management Division
Members	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
	Fouad Ferneiné	Head of Corporate Banking Department

INTERNAL AUDIT MANAGEMENT COMMITTEE

President	Fadi Abou Abdallah	Head of Group Internal Audit Division
Vice President	Marwan Moharram	DGM, Head of Group Risk Management Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Joseph Nasr	AGM**, Head of Distribution Network Division
	Ziad El Zoghbi	Head of Group Finance and Administration Division

ASSETS AND LIABILITIES COMMITTEE

President	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
Vice President	Fadi Nassar	DGM, Head of Group Commercial Banking Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Marwan Moharram	DGM, Head of Group Risk Management Division
	Ziad El Zoghbi	Head of Group Finance and Administration Division

BANKING TECHNOLOGY COMMITTEE

President	Raffoul Raffoul	AGM, Head of Group Organization Development, Information Systems and Operational Support Division
Vice President	Ziad El Zoghbi	Head of Group Finance and Administration Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Marwan Moharram	DGM, Head of Group Risk Management Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Walid Kazan	AGM, Head of International Network Division
	Elie Bassil	Head of Group Banking Technology Division

* DGM - Deputy General Manager.

** AGM - Assistant General Manager.



MANAGEMENT COMMITTEES

HUMAN RESOURCES COMMITTEE

President	Semaan F. Bassil	Vice-Chairman and General Manager
Vice President	Fadi Hayek	Head of Group Human Resources Division
Members	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Marwan Moharram	DGM, Head of Group Risk Management Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
	Raffoul Raffoul	AGM, Head of Group Organization Development, Information Systems and Operational Support Division

RISK MANAGEMENT COMMITTEE

President	Marwan Moharram	DGM, Head of Group Risk Management Division
Vice President	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Ziad El Zoghbi	Head of Group Finance and Administration Division
	Pascale Maksoud Dahrouge	Head of Group Financial and Operational Risk Management Department

INTERNATIONAL COMMITTEE

President	Semaan F. Bassil	Vice-Chairman and General Manager
Vice President	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
Members	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Marwan Moharram	DGM, Head of Group Risk Management Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Walid Kazan	AGM, Head of International Network Division
	Raffoul Raffoul	AGM, Head of Group Organization Development, Information Systems and Operational Support Division
	Gilbert Zoueïn	AGM, Head of Group Products, Segments and Marketing Division
	Ziad El Zoghbi	Head of Group Finance and Administration Division

COMPLIANCE AND ANTI-MONEY-LAUNDERING COMMITTEE

President	Marwan Moharram	DGM, Head of Group Risk Management Division
Vice President	Joumana Chelala	DGM, Head of Consumer Banking Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Alain Wanna	DGM, Head of Group Financial Markets and Financial Institutions Division
	Walid Kazan	AGM, Head of International Network Division
	Joseph Nasr	AGM, Head of Distribution Network Division
	Fadi Abou Abdallah	Head of Group Internal Audit Division
	Paul Chammas	Head of Group Operations Division
	Sharif Hachem	Head of Group Anti-Money-Laundering and Regulatory Compliance Department



MANAGEMENT COMMITTEES

LOAN RECOVERY COMMITTEE

President	Marwan Moharram	DGM, Head of Group Risk Management Division
Vice President	Fadi Nassar	DGM, Head of Group Commercial Banking Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Samir H�elou	Head of Loan Recovery Department

OPERATIONAL RISK COMMITTEE

President	Marwan Moharram	DGM, Head of Group Risk Management Division
Vice President	Raffoul Raffoul	Head of Group Organization Development, Information Systems and Operational Support Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Joseph Nasr	AGM, Head of Distribution Network Division
	Paul Chammas	Head of Group Operations Division
	Ziad El Zoghbi	Head of Group Finance and Administration Division
	Pascale Maksoud Dahrouge	Head of Group Financial and Operational Risk Management Department

INFORMATION SECURITY COMMITTEE

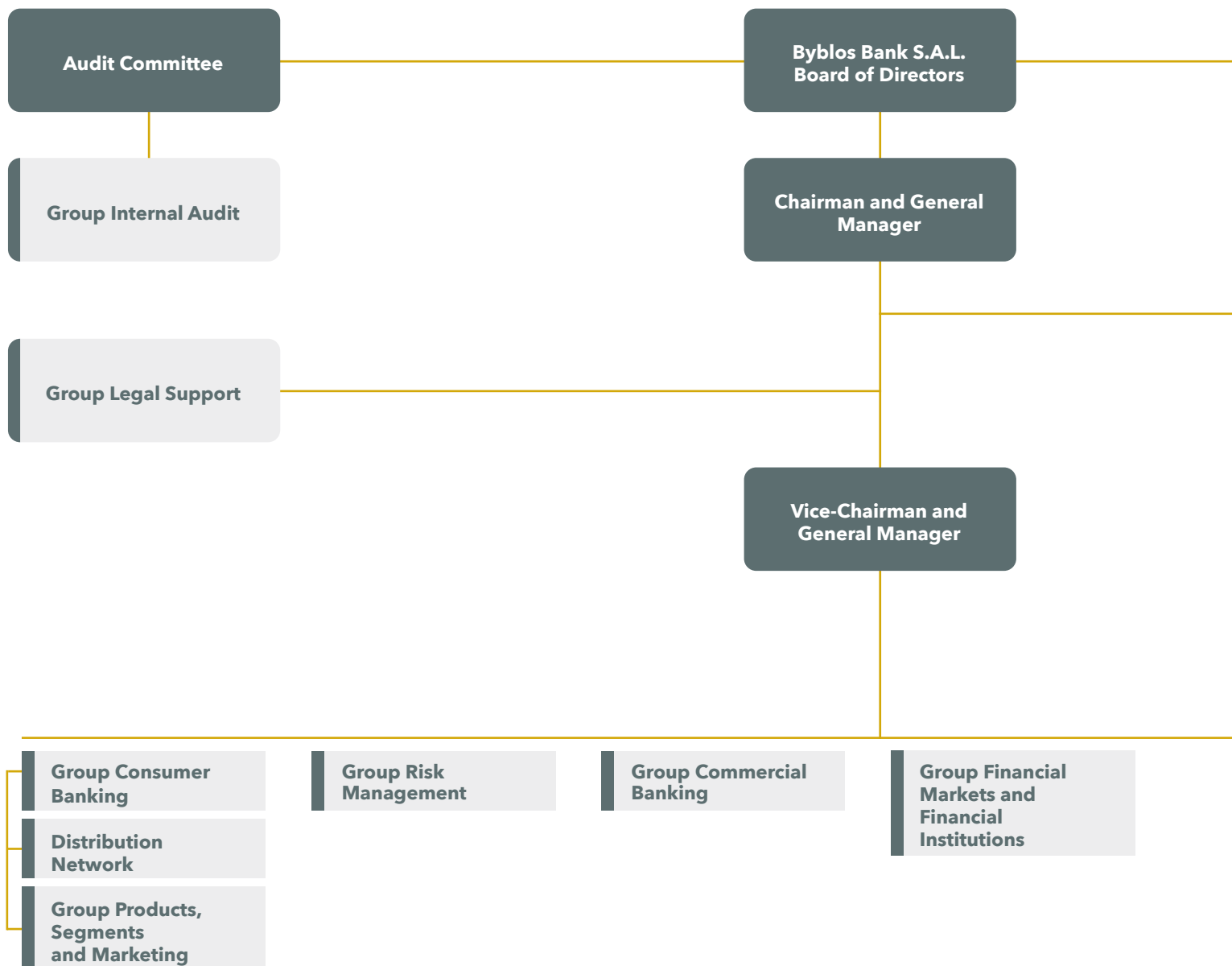
President	Raffoul Raffoul	Head of Group Organization Development, Information Systems and Operational Support Division
Vice President	Marwan Moharram	DGM, Head of Group Risk Management Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Joumana Chelala	DGM, Head of Group Consumer Banking Division
	Fadi Nassar	DGM, Head of Group Commercial Banking Division
	Walid Kazan	AGM, Head of International Network Division
	Elie Bassil	Head of Group Banking Technology Division

PURCHASING COMMITTEE

President	Ziad El Zoghbi	Head of Group Finance and Administration Division
Vice President	Joumana Chelala	DGM, Head of Group Consumer Banking Division
Members	Semaan F. Bassil	Vice-Chairman and General Manager
	Raffoul Raffoul	AGM, Head of Group Organization Development, Information Systems and Operational Support Division
	Antoine Keldany	Head of Administration Department

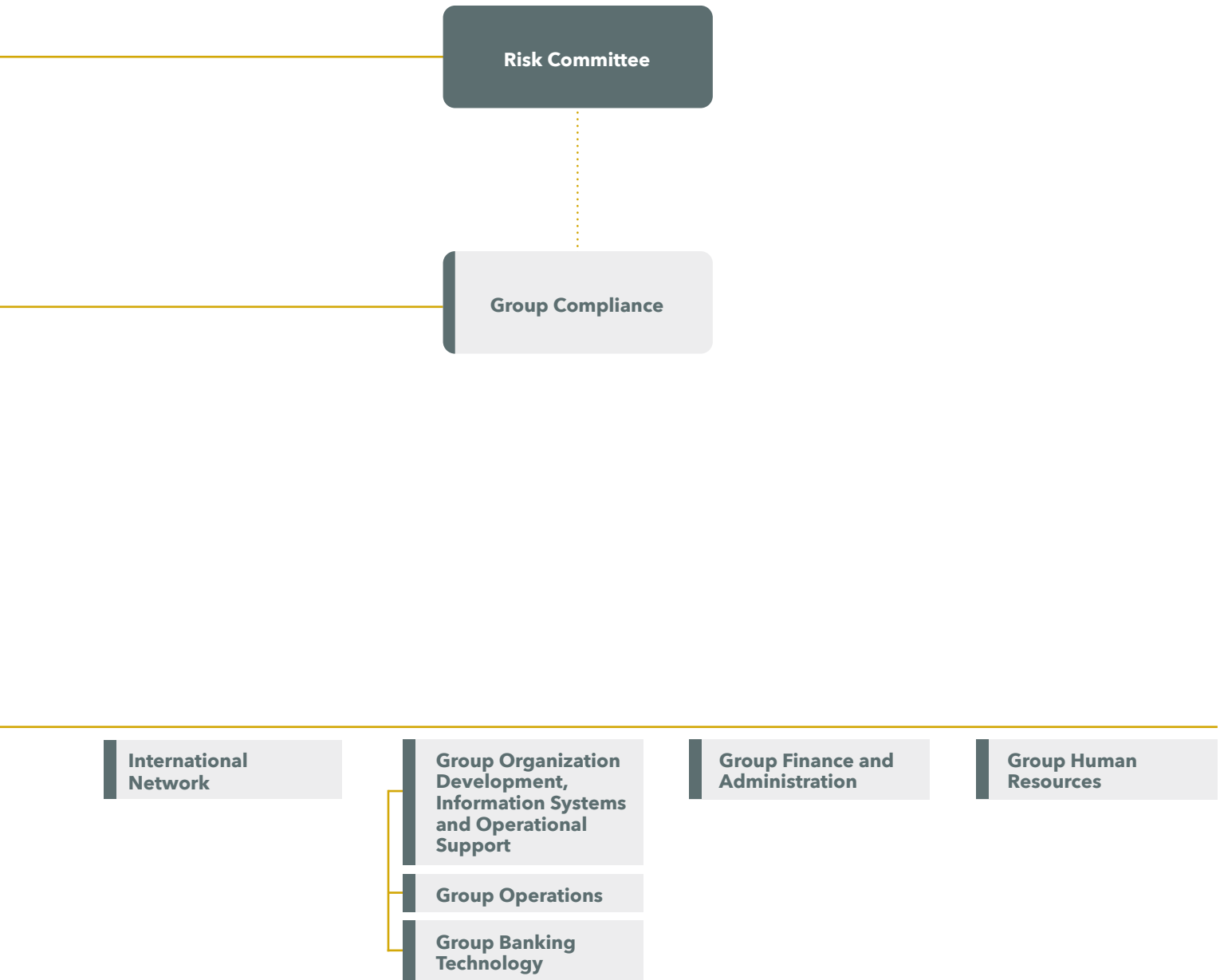


ORGANIZATIONAL CHART



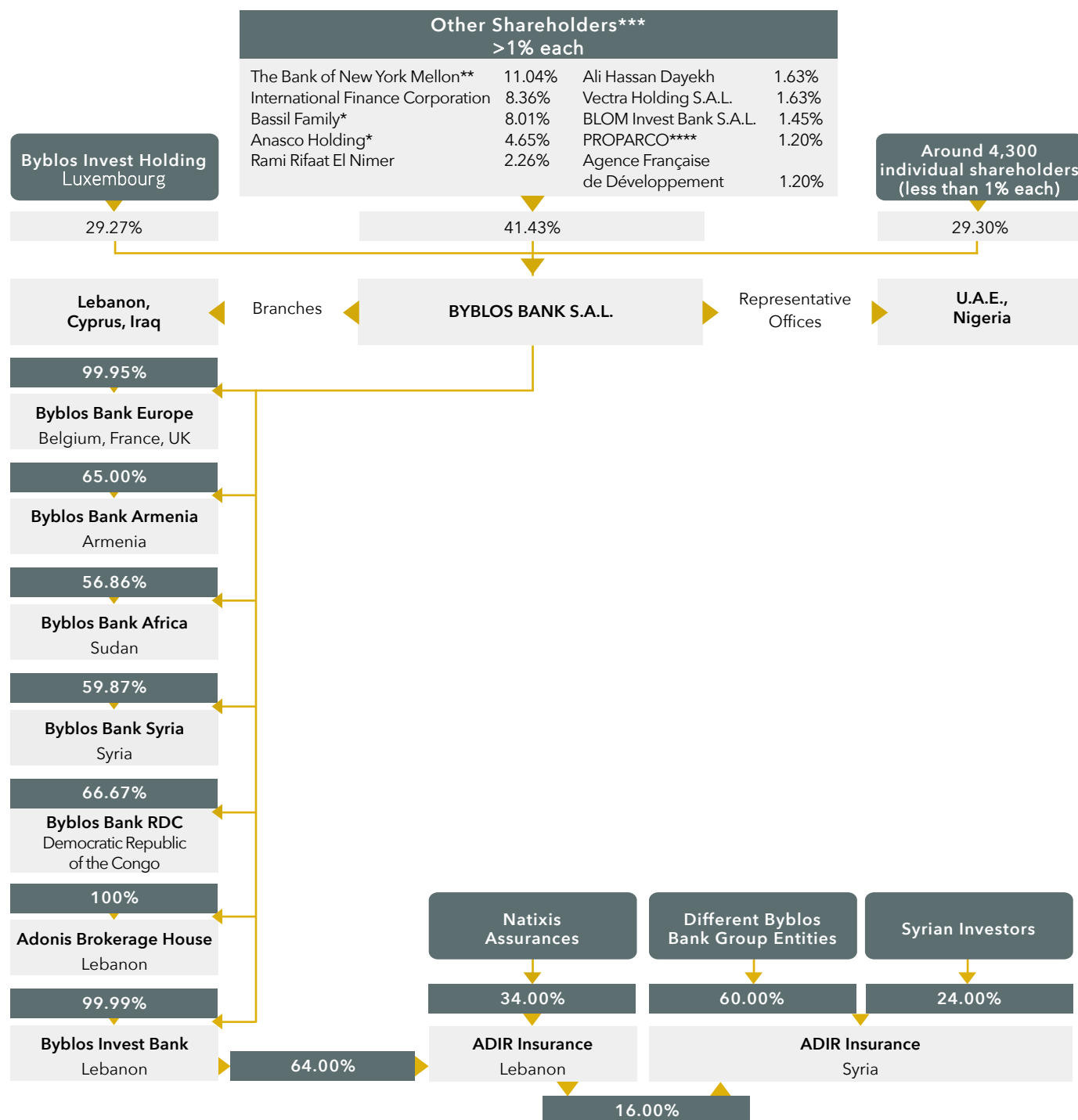


ORGANIZATIONAL CHART





GROUP CHART



* Major shareholders in Byblos Invest Holding.

** The Bank of New York Mellon is the depositary bank for the GDR program.

*** Including preferred shares, as at 31 December 2014.

**** Société de Promotion et de Participation pour la Coopération Economique.