

BRINGING ink TO LIFE since 1968



The mark of responsible forestry



ISO 9001



Communication on Progress – COP Arab Printing Press S.A.L. (APP)



Sid Al-Baouchrieh - Industrial City Jdeidet El-Metn, Lebanon

Beirut, 18/09/2017

H.E. Ban Ki Moon Secretary General United Nations New York, NY 10017 USA

To whom it may concern,

We are pleased to confirm that APP (Arab printing Press s.al.) - reaffirms the support from the United Nations Global Affairs and its Ten Principles, in particular our commitment to the principles related to the preservation and conservation of the environment.

At APP, we make sure to keep principles of environmental sustainability and conservation at the core of our corporate social responsibility strategies.

Sincerely,

Elie Raphaël Chairman & CEO Arab Printing Press s.a.l. (APP)

Key Information



Established in **1968**, **Arab Printing Press (APP) s.a.l.** has 49 years of experience & knowledge in **offset printing industry**



Our product range:

- ✓ **Book printing**: by producing books, text–books, art books ...
- ✓ <u>Commercial printing</u>: magazines, catalogs, brochures, corporate identities, annual reports, stationeries ...
- **→** Digital printing
- \rightarrow 3D printing
- → Packaging
- → Printing of self Adhesive and BOPP labels

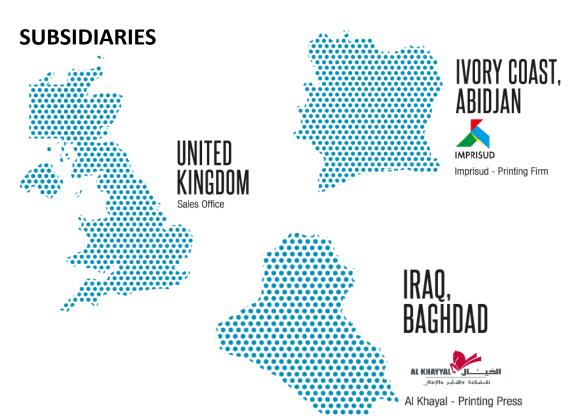


Area of the factory 5.500 sqm2 / 120 employees



Markets: Local & International







To provide clients with the highest quality printing coupled with exceptional services and solutions that exceed client requirements



To continue the growth and success of the last half century while staying at the forefront of innovation, and the continued development of an environmental and socially responsible culture that encourages both employee and customer loyalty



We care about the environment and our people:

- Adhere to ethical and environmental practices; fully complies with laws, regulations and other requirements; and strives to be leader in reducing negative environmental impact
- Consider environmental factors and the well-being of the community when making all commercial decisions
- Motivate employees through inclusion, development and training



In 2015, APP adhered to UNGC initiative and has been implementing the 10 principles in a more efficient way





the violation



















APP is very committed to the following SDGs





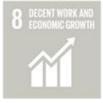


















































APP is very committed to the following **SDGs**





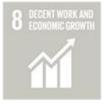


























































APP's work around sustainability:

HUMAN RIGHTS



Area

Description of Action

HUMAN RIGHTS

- Based on Arab Printing Press's Ethical Policy there is no discrimination in hiring, compensation, access to trainings, promotions, termination or retirement based on gender.
- Employees working in the **same job position** are paid the **same** rate irrespective of their gender.
- Distribution of employees in the company by gender is as follows: Male 77 employees, Female 33 employees while the distribution of the Managerial positions by gender is as follows
 9 Managerial positions for Male and 6 Managerial positions for Female.
- **Financial aid** is provided for employees for any social or medical urgent situation they might face.
- All employees in the company are registered with the National social security Fund to ensure the medical coverage, the family indemnities and the retirement plan.
- 44 employees (<u>100% of the married employees</u>) receive school and university tuition aid for their children (57 239 000 LP in 2016).
- Meals are provided free of charge when overtime work is required.
- Transportation is provided to all workers free of charge when overtime work is required.
- Training programs are implemented for all employees in several areas to improve their competencies in the workplace (ex: English courses, ISO sessions).
- The company is flexible regarding working hours for its employees in case they are pursuing educational studies.













APP's work around sustainability:

LABOUR



Area	Description of Action
LABOUR	 The HR department of the company conducts weekly meeting to follow-up on all employees' status. Wages are paid regularly and directly to the employees account via an automated banking process. All employees are provided with bonuses at the end of the year. 96.4 % (106/110) of the employees have a basic salary that is above the minimum Lebanese Labour wage. 3.6% of the employees (4 employees) have a basic salary equal to the legal minimum wage. Transportation expenses is provided for all employees (8000 LP /day) Deductions from wages as a disciplinary method are not implemented in the company.













APP's work around sustainability:

ANTI CORRUPATION



Area	Description of Action
ANITI	Internal procedures in the company support the company's anti-corruption commitment
ANTI	anti-corruption commitment.
CORRUPTION	Businesses should work against corruption in all its aspects, including outpution and building.
	including extortion and bribery.
	Complying fully with laws and regulations and other requirements. Decling with clients and the community with honors.
	Dealing with clients, suppliers, and the community with honesty, integrity and transports.
	integrity and transparency.
	 Applying our employment standards: No forced, bonded or involuntary labor shall be used.
	No child labor shall be used.
	 Working Conditions are safe and hygienic. No discrimination in hiring, compensation, access to
	<u> </u>
	training, promotion, termination or retirement based on
	race, caste, national origin, religion, age, disability, gender,
	marital status, sexual orientation, union membership or
	political affiliation.
	 All employees have a right to join a recognized trade union.

	As part of the company policy no political discussions are
	permitted in the premises; however it is up to each person
	to be affiliated to any group without exposing the company,
	employees, or clients to risk.
	 No harassment, threats, abuse or intimidation shall be
	practiced.





APP will be presenting in its COP report the following SDGs













APP's Environmental Principles

Complying fully with environmenta laws and regulations and other requirements

Considering environmental factors when making planning, purchasing and operating decisions



Seeking to **prevent pollution** before it is produced, **reducing** the amount of **waste** at our facilities, and supporting pollution prevention measures by our customers and suppliers



Using energy efficiently throughout our operations, re-using and recycling whenever possible, and using environmentally friendly materials



Working cooperatively with others to achieve optimum environmental objectives













APP's Environmental Objectives

- Improve employee awareness of environmental issues
- Waste Reduction
- Ensure proper disposal of generated waste:
 - → Segregation
 - → Recycling
 - → Proper treatment
- Ensure safe use of solvents
- Reduce excess solvent use
- Ensure proper maintenance for all equipment
- Preserve natural resources by reducing consumption of nonrenewable natural resources: electricity, water
- Ensure readiness in case of emergency situation

APP's Environmental Initiatives

- Energy Audit in 2013
- Led Lighting implemented in 2014
- · Installation in 2014 of a new machine KBA 106, being a Green
- Machine due to its:
 - → Low impact on the environment
 - → Low noise
 - → Less powder and alcohol consumption
- Installation in April 2015 of a Photovoltaic Station: http://www.youtube.com/channel/UCo5zSp1HUJma-TUOUfmP6 w
- Green Diesel usage
- Permanent stock of FSC® paper
- In 2016 APP joined the Lebanese Climate Act
- In 2016 APP signed the Green Pledge, a project under taken by Lebanon Opportunities & Infopro











Our Environmental Management Approach

It is our policy to protect and preserve the environment, in fulfilling this responsibility; we adhere to some fundamental principles and we took many environmental initiatives:

2011

APP achieved **FSC® Certification** (*Forest Stewardship Council*) Chain of Custody status

What is FSC®?

- FSC [®] is a global, not-for-profit organization dedicated to the promotion of responsible forest management worldwide
- They enable businesses and consumers to make informed choices about the forest products they buy, and create positive change by engaging the power of market dynamics



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FSC[™]available on request



2013

APP participated in the project of the Ministry of Environment "Development of Environmental Audits and Compliance Action Plans (EA/ CAP)"











September 2014

As part of an ongoing Corporate Environmental Program, APP Environmental Management System has been certified to ISO 14001:2004, which makes us the First Printing Press in the Middle East to achieve the ISO 14001 Certification

sets out the criteria for an environmental management system and can be certified to. It maps out a framework that a company or organization can follow to set up an effective environmental management system. It can be used by any organization regardless of its activity or sector





 $2013 \longrightarrow 2014 \longrightarrow 2015$

The Ministry of Environment awarded APP a reporting certificate as an acknowledgment for reporting our Greenhouse Gas Emissions for the past three (3) years



The Institute for Finance and Governance (IFG), aiming to encourage the development of good governance practices in Lebanon, has mandated to develop a Survey whose objective is to collect information on corporate governance practices of Lebanese private sector firms of variable size and operating in a range of sectors. APP has participated in the survey which will be used to analyze the evolution of corporate governance practices in Lebanon with a view to highlight good practices and opportunities for improvement





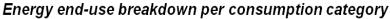


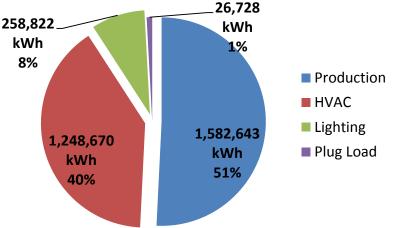




Facility situation 2013

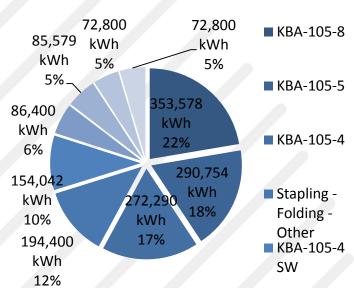
APP spends 520 kUSD per year in energy for its operations





Total Consumption: 3,116,863 kWh

Production energy consumption distribution



Total Consumption: 1,582,643 kWh



Energy performance of the offset printing machines was far from ideal

Our Key Energy Performance Indicator was defined as the kWh per 1000 sheet

Production lines, space cooling and lighting are the main consumers in the printing press











PROCESS RELATED MEASURES

New Offset Printing Machines



The KBA-8 printing machine was replaced by new 8 Colors printing press:

- → The KEPI was an essential parameter during our selection process
- → The KEPI was reduced from 10.95 kWh per 1000 sheets to 5.95 kWh per 1000 sheet (Measured and Verified) This is approximately 45 % reduction for the same amount of printed sheets
- → As an example: for 2013 production, should the new machine be installed

Minimum Yearly Energy savings		Yearly GHG Emissions savings
158,000 kWh	\$ 28,000	118 ton_CO2











VENTILATION AND AIR CONDITIONING

APP team was able to reduce the cooling load in the facility by taking a few simple actions



- Moving all heat-emitting auxiliaries to non-cooled / non-treated areas
- Estimated Savings:

Yearly Energy savings		Yearly GHG Emissions savings							
171,700 kWh	\$ 30,500	130 ton_CO2							

- Applying high reflective paint to new building metallic roof
- Estimated Savings, in addition to direct impact on Indoor Environmental Quality (IEQ)



Yearly Energy savings	Yearly cost savings	Yearly GHG Emissions savings
69,200 kWh	\$ 12,300	52 ton_CO2



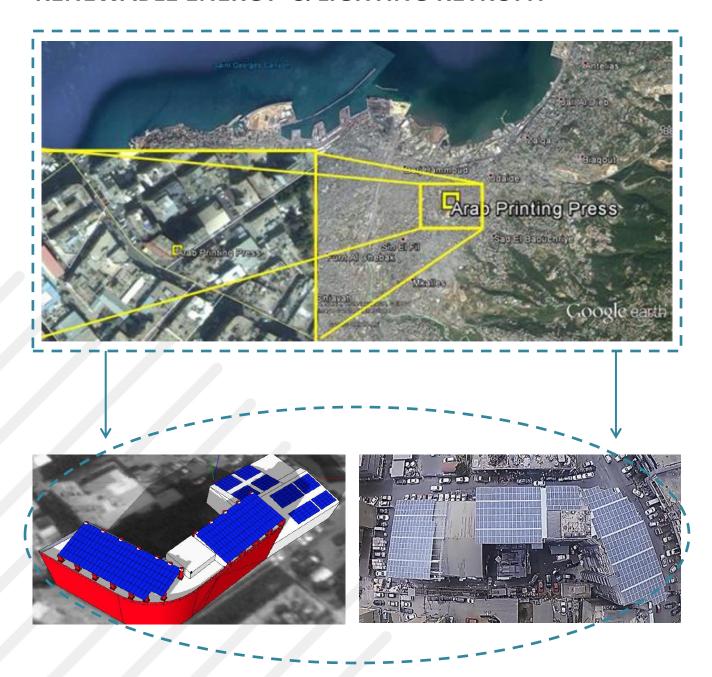








RENEWABLE ENERGY & LIGHTING RETROFIT













RENEWABLE ENERGY & LIGHTING RETROFIT

Installing 140 kWc Solar PV system



Projected Savings

Yearly Energy production	Yearly cost savings	Yearly GHG Emissions savings	
208,000 kWh	\$ 36,800	118 ton_CO2	

Retrofitting all the facility lighting to LED



Projected Savings

Yearly Energy savings	Yearly cost savings	Yearly GHG Emissions savings
129,200 kWh	\$ 22,900	97 ton_CO2

- → Estimated Investment of these two (2) projects around US\$ 300,000
- → Subsidized green loan obtained from Banque Du Liban (BDL)











CORPORATE SOCIAL RESPONSIBILITY OUTCOMES

- I. Preservation of natural resources by reducing consumption of non-renewable natural resources: Electricity
- II. Minimization of pollution

Project	Execution Date	Yearly Energy Savings/KWh	Yearly GHG Emissions Savings/Ton_Co2
Reducing the cooling load, Moving all heat- emitting auxiliaries to non-cooled / non-treated areas	2013	171 700	130
Reducing the cooling load Applying high reflective paint to new building metallic roof	2013	69 200	52
Installing a new KBA 106	2014	158 000	118
Installation of Led Lighting	2015	129 200	97
Installing a 136.5 KW Solar Photovoltaic Station	2015	208 000 <mark>*</mark>	118
TOTAL		736.100	515

^{*} Production of 208 000 KWh per year





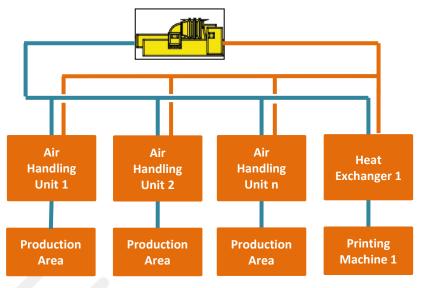






On going & future projects

CORPORATE SOCIAL RESPONSIBILITY OUTCOMES



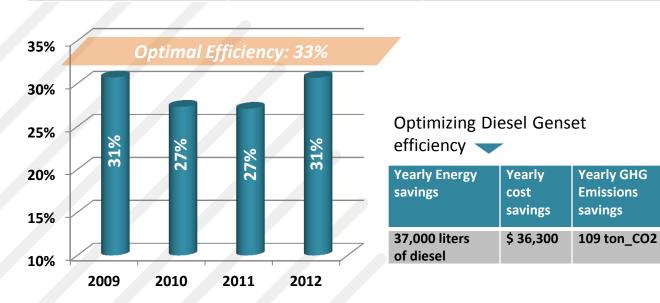
We are exploring the Installation of a central chiller solution for space cooling and process cooling

To replace the existing DX units and printing machines water coolers

Projected Savings



Yearly Energy savings	Yearly cost savings		Yearly GHG Emissions savings						
398,000 kWh	\$ 70,731	(13.5%)	300 ton_CO2						





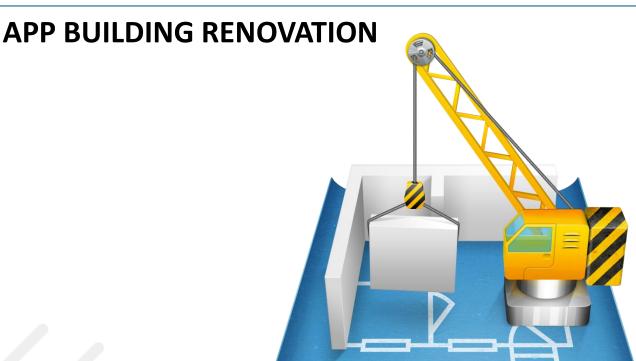








On going & future projects



Renovation of our building, by implementing on its façade an echo friendly material allowing by that to minimize heat transfer











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