

Communication on Progress Report

For the year 2018/2019

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER



Beirut, April 8, 2016

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

Dear Mr. Secretary-General

I am pleased to confirm that Les Affichages Pikasso sal supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

With this communication, we express our intent to advance those principles within our sphere of influence. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. Les Affichages Pikasso sal will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for the participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining Global Compact, and annually thereafter according the Global Compact COP policy. This includes:

- A statement signed by the chief executive expressing continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that Les Affichages Pikasso sal has taken (or plans to undertake) to implement the Global Compact principles in each of the four issues areas (human rights, labour, environment and anti-corruption)
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurement of results).

Sincerely yours,

Antonio Vincenti
CEO

2. DESCRIPTION OF ACTIONS

Human Rights

SDG3: Ensure healthy lives and promote well-being for all at all ages

We continuously strive to provide appropriate working conditions for all our employees. For this reason we have put in place a set of policies and procedures related to Health and Safety in order to help prevent any possible hazard or accident.

As part of our continuous effort in this area, training sessions are held for our technical and billposting teams in order to promote awareness and safety.

Les Affichages Picasso is OHSAS 18001:2007 certified which ensures a safe, suitable and healthy work environment for all its employees by specifying requirements for an occupational health and safety (OH&S) management system and enabling an organization to control its OH&S risks and improve its performance.

According to this standard, we are applying and implementing the following procedures:

- Procedure for Hazard aspect identification risk impact assessment, which purpose is to establish a unified and consistent method of Identification, Evaluation, & Control measures for Occupational Health, Safety & Environmental aspects/hazard within our business activity. In addition, we provide our labor and workers with the required Personal Protective Equipment (PPE) to ensure their constant safety on the ground. All employees are provided with the Personal Protection Safety Equipment and they're given trainings for the use of the equipment in the work facilities. All Employees will be provided care, first-aid and emergency service, as required, for injuries or illnesses while on our premises.
- Procedure for Accident/Incident Investigation and Reporting, which scope is to ensure that accidents and incidents are recorded, reported, and investigated. **Les Affichages Picasso** is committed to identify corrective and preventive actions and implement and review them for effectiveness.
- Procedure for Elevator Emergency Evacuation is intended to be adopted in the event of any emergency which may require partial or total evacuation of the building
- Procedures for working at height, welding and cutting. All employees are medically examined for competency of working at heights in order to avoid incidents that may put their health and life at risk.

Furthermore, **Les Affichages Picasso** is committed, through its Human Rights Policy, to developing an organizational culture which implements a policy of support for internationally recognized human rights and seeks to avoid complicity in human rights abuses. We embrace and comply with international conventions on human rights which include the Universal Declaration of Human Rights.

In addition to the above, **Les Affichages Pikasso** ensures communication and employee relation in the workplace, motivates employees to progress and earn recognition and to maintain a professional environment. This is being applied through two procedures:

- Communications Employee Relation Procedure to recognize the employees, which will benefit a company in the long run because of their achievements and performance.
- Employee Participation and Consultation Procedure which ensures that employees, employer representatives and client of the organization, working together to continually improve health and safety standards.

Labor:

Les Affichages Pikasso implements a Probation Policy as per the Labor Law which scope is:

- To give assistance and encouragement in adapting to the new job duties, responsibilities, working environment, and standards required.
- To take necessary supportive action at the earliest opportunity if the required standards of performance, conduct and attendance are not being achieved.
- To identify employees who do not meet the required standards after managers have exhausted all reasonable and practical remedial action.

Each member of **Les Affichages Pikasso** has a detailed job description where all responsibilities, requirements and duties are specified and acknowledged by personnel. Compensation and Benefits are clearly defined by Management and acknowledged by personnel.

Les Affichages Pikasso ensures, through its Training and Evaluation Procedure, the learning and development of each employee in coordination with the head of department. At the beginning of each year and during the yearly evaluations, when a need for training is identified a Training Needs Analysis is conducted for all employees by the Head of Department in order to identify the need with an explanation of the improvement points of the employee in executing his daily work, and the competencies expected from the training requested. After the training is performed, the Human Resources Department will require the input and feedback of the employee.

Employees are offered the opportunity to mediation towards resolving disputes. However, in case of disciplinary actions the application is done as stipulated in the Lebanese Labor Law.

Environment:

Building on its continuously evolving Corporate Social Responsibility Program and to address its environmental and social responsibilities, **Les Affichages Pikasso** has undertaken numerous projects and engaged itself in different initiatives in order to protect and preserve the environment.

SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable:

Les Affichages Pikasso is certified and in compliance with the ISO 9001:2015 and ISO 14001:20015 standards which shows its commitment to the continuous improvement and excellence of Out Of Home Industry, while implementing and maintaining a Quality, Safety and Environmental Management System based upon the requirements and respect of urban environment, laws and regulations, and other requirements of the Outdoor Advertising.

Our dedication to quality, safety and the environment is maintained throughout every stage of our relationship with clients, suppliers, municipalities, employees and other stakeholders to meet and uphold our highest standards as a socially responsible organization, while positively impacting communities.

With more than 400 employees sharing the philosophy of the Group, we are committed to improving our implementation of corporate social responsibility while raising the industry's standards and extending on-going training and development programs to ensure our staff and service are second to none, and thereby guaranteeing the full implementation of our duties.

SDG 12: Ensure sustainable consumption and production patterns

Les Affichages Pikasso strives, through its QSE Policy, to prevent and minimize pollution and promote environmental awareness in the purpose of developing Community Involvement and engaging companies and society to have a responsible behavior.

All HSE (Health, Safety & Environment) hazards are well identified and their impacts are evaluated and measured according to Hazard aspect identification risk impact assessment. Once analyzed, control measures for every hazard are implemented in order to manage all risks (i.e. Substitution, Elimination, and Engineering controls measures and Administrative Controls).

Furthermore and since 2002, **Les Affichages Pikasso** has worked hand in hand with different organizations to ensure an environmentally appropriate waste management system, one where all its recyclable remains are correctly disposed of as part of **Les Affichages Pikasso's** zero waste programs.

SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

- Recycling of posters/Paper

As part of our environmental initiatives in all the regions where our panels are located, we have coordinated with municipalities and developed a recycling program with the aim of protecting the environment.

In fact, we have a dedicated team whose sole task is to remove all waste and clean the area within a set timeframe of 48 hours following the dismantling of a campaign.

- Recycling of flexes

Our used flexes are recycled to produce attractive fashionable beach and shopping bags. These are distributed at environmental awareness events or during campaigns held for recycling or re-use.

We worked with a renowned designer in order to produce bags and accessories for underprivileged children throughout Iraq, Jordan, Lebanon and Algeria. These bags and accessories were manufactured by people with special needs and women related NGOs.

- Recycling of tubes and bulbs

Les Affichages Picasso acquired an E-Lampinator to recycle the light bulbs and tubes used to illuminate our advertising panels.

The E-Lampinator takes tubes, u-shaped lamps and all bulbs including CFLs (Compact Fluorescent Lamps), crushes them in a drum and separates the mercury through a 5 stage HEPA (high efficiency particulate air; type of high efficiency air) filter and activated carbon vacuum system, all in a single process.

- Use of Eco-Glue

The glue used with the posters is eco-friendly made from non-chemical potato based material and is biodegradable and non-harmful to the environment. It is without toxins or odors and causes no soil contamination if in contact with the ground.

SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Les Affichages Picasso joined the global Out of Home community to support National Geographic Society Campaign for Endangered Species Day (May 18th, 2018) by donating ad space on **184** roadside Digital Billboards, Large Format Digital Screens as well as LCD Screens in Malls in Jordan, Lebanon, and Algeria.

In Lebanon, Endangered Species Day week-long campaign is displayed on the 45 screens of the Beirut Digital Constellation® 1, 2 and 3 networks, on 8 Large Format Digital screens as well as on the 65 LCD screens in ABC Verdun, LeMall Dbayeh, CITYMALL and The Spot Choueifat.

The campaign featured 10 species, all of which are listed on the International Union for Conservation of Nature (IUCN) Red List as vulnerable, endangered or critically endangered. While some regions showcased endemic species, all of the countries highlighted the Sumatran rhinoceros, one of the most endangered large mammals on the planet.



Anti-Corruption:

SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Les Affichages Pikasso has developed an Anti-Corruption Policy which is applicable to all employees and everyone we do business with, including agents, representatives, consultants, independent contractors and anyone acting on behalf of **Pikasso**.

We bring our values to life in the way we perform by being accountable for what we do, committed to provide high quality service to our customers, meeting our goals and working together to maintain a competitive advantage through continuous development and improvement. By working as an employee at **Les Affichages Pikasso**, you are representing the company to our customers and everyone else you come into contact with. You are therefore expected to adopt the highest standards of professional and personal behavior, while following the anti-corruptions principles.

3. Measurement of Outcomes

Indicator	Target	Reading (2019)
% of working days lost related to major incidents	<60%	15.5%
Quarterly effective training and awareness to field workers	100%	100%
% of waste controlled and recycled	>80%	80%
% Accidents caused due to nonuse of safety equipment	<5%	0%
Number of fall accidents/incidents due to working using ladders	<5%	0%