

COMMUNICATION ON PROGRESS (COP)

IPT Group

Amchit, Lebanon

STATEMENT OF CONTINUED SUPPORT

February 11, 2021

To our stakeholders:

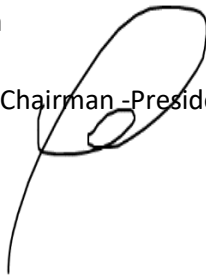
I am pleased to confirm that IPT Group reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Toni Issa

IPT Vice Chairman -President of IPTEC

A handwritten signature in black ink, consisting of a large, stylized 'T' and 'I' followed by a long, sweeping horizontal line that extends to the left.

DESCRIPTION OF ACTIONS AND OUTCOMES

Since October 2019, Lebanon has been undergoing exceptional times. From a revolution and uprisings to an economic crisis and a global pandemic, our focus and need on remaining resilient has forced us to closely follow and adapt to the rapidly changing circumstances we were going through. This came at the expense of our usual dedication to our CSR activities. We worked on keeping active as much as possible.

Our focus was on the local community as well as health and safety challenges faced. We believe that our framework has encompassed the big themes of Human Rights, Labor, and Environment through the initiatives and activities we have worked on throughout the year.

Hiring Lebanese Initiative

With growing social and economic unrest, we started our year by focusing on how we can play an active role in our society. IPT launched the unprecedented and responsible initiative to hire Lebanese workers, believing in the social responsibility towards our country and fellow Lebanese citizens. We wanted to change the old-school beliefs that fuel stations have to rely on foreign workers and open up new work opportunities for our local workforce. A confirmation of the necessity of this initiative came through the very high number of applications we received. In less than a week, we had received over 1,500 applications from all ages and regions, men and women alike. This showed us the change in the mindset of Lebanese people as the social and economic backdrop is getting tougher and unemployment keeps on rising. We have already launched three stations that offers 100% Lebanese service, and we are underway to open up another three in the near future. Eventually, we expect most of our stations to become serviced by the Lebanese workforce. The unexpectedly high number of applications received from all areas of Lebanon and of all age ranges allowed us to form an extensive database of Lebanese looking for employment. We decided to expand our initiative and reach out to our partners and franchisees of other IPT stations to encourage them to do the same, in the hope of spreading this over Lebanese territories and creating as many opportunities as possible for the Lebanese people.

Stayinginleb.com

We partnered with the local NGO YED to launch “Stayinginleb.com”, a free recruitment website, to encourage the youth to stay in Lebanon & find appropriate opportunities in an effort to reconfirm our will to stay. Its aim is to connect people seeking employment with recruiters. More importantly, the initiative focuses on jobs requiring technical and handy skills, as well as the usual office jobs sought after.

Health and Safety

Health and Safety has been a big theme and priority in 2020 for the world and IPT. Implementing the right measures are at the top of our interests to maintain a healthy and safe working environment. Besides updating our internal policies and regulations, we came up with a newly updated Masterplan of Safety Hazards that identifies all our risks across our three terminals and our HQ, as well as on our stations. Based on that, our team has been running scenarios and maneuvers on a monthly basis to ensure the whole team is constantly aware and up to date.

A notable live firefighting maneuver was organized in September at our terminals in Amchit in collaboration with the Civil Defense and the Lebanese Red Cross. The firefighting scenario included a fire entrapping demonstration, as well as an emergency evacuation of staff members in addition to a first-aid support administered to an injured person, in the presence of The Director General of Land and Maritime Transport, the Head of the Lebanese Army Intelligence- Amchit branch, the Head of the Lebanese Red Cross Jbeil branch, and the Head of the Customs Office in Amchit.

We also continued our collaboration with the Lebanese Civil Defense through continuous training, organizing the Firefighting, Evacuation and First Aid Training sessions at IPT "HQ. IPT will also be hosting a new Civil Defense office location in Amchit, ensuring higher safety for the region.

Given the new reality that the Covid pandemic has brought, a big focus was ensuring the highest health measures of our operations at our stations and HQ through daily sanitization, masks, social distancing.

IPT Sustainable Station

The IPT Sustainable Station, launched in Oct 2019 was created with the aim of focusing on sustainability. We wanted to look at different ways we could increase our Energy Performance and Reduce the Environmental impact of our gas stations. This is how we developed an "Energy and Environmental Management Strategy (EEMS)" that we started implementing gradually on our gas stations to save energy and water, reduce emissions, protect the soil and ground water, and collect waste for eventual treatment and reuse.

One of this station's key aspects is its canopy. It was specifically designed with photovoltaic panels that have been positioned to capture an optimal amount of the sun's energy. This allows the station to create its own electricity without giving up any valuable space. Since its inauguration in October 2019, the solar panels on the IPT Sustainable Station have generated over 40,000 KWH of electricity. This is equivalent to the amount of electricity four Lebanese households consume in a year.

Despite the challenges we are facing, we are still committed to prepare wisely for the future. Soon, as we hope and expect more vehicles to become electric, we are a step ahead, ready to accommodate them through our EV charging station installed on our station. Adopting solar and electric energy means have become necessary towards moving past the traditional service station into one that can provide both gasoline and charging stations for electric vehicles.

Environmental Initiative

The IPT Team organized a clean-up event at Amchit boulevard beach under the theme "Your Environment: Your Responsibility!" as part of "World Clean-Up Day" in collaboration with Amchit municipality, M&R Cleaning Services, Tannourine Water, Bon Appetit convenience stores, Latte Art coffee, Youth Energy for Development- YED, Bonheur Du Ciel, Tanshi'a Masihiya and Les Scouts De Byblos (Group Lycee Amchit- GLA). After the collection of waste, we sorted the recyclable waste (plastic, glass, carton and paper) in their related containers, which totaled 20 units. The containers were then transported by a specialized truck to the M&R processing plant in Gherfine, where the sorting was thoroughly checked and the waste was recycled. As for the remaining non-recyclable type (including organic, medical, tissues, clothes, etc.), the Municipality of Amchit took charge of transporting it to the landfill in Gherfine, for proper processing and burial.