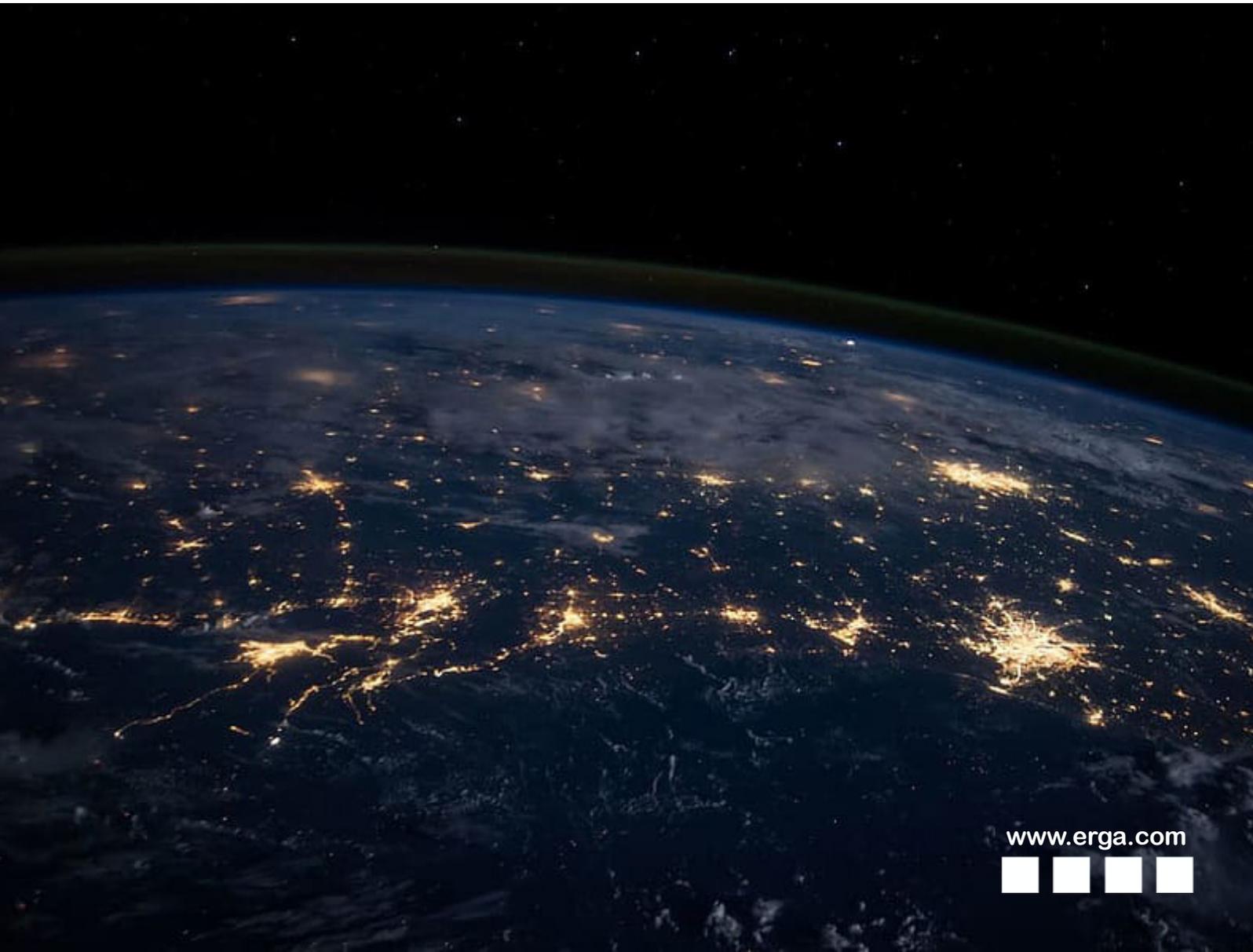


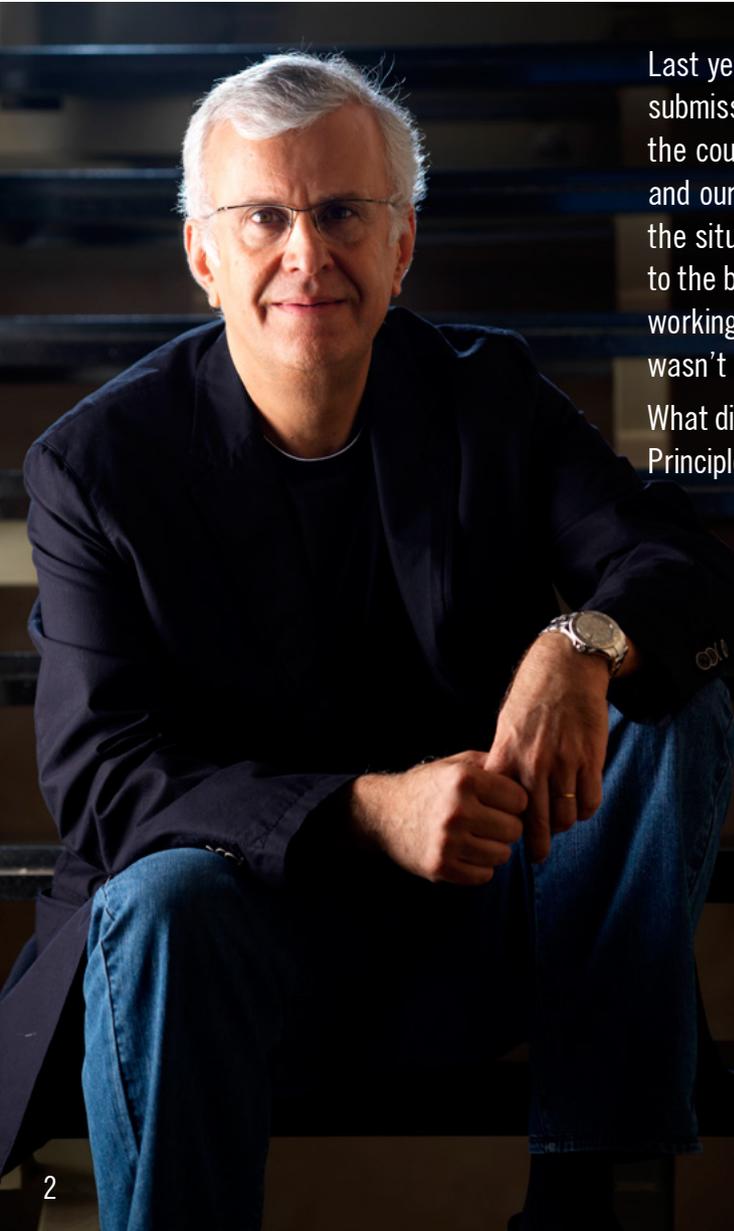
erga SUSTAINABILITY REPORT

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Last year, when we submitted our COP, we didn't expect it to be the last submission finalized by the team in the office before the total lockdown of the country due to Covid-19. Since that day, everything changed, our lives and our way of doing business. We had to find fast solutions to adapt with the situation to save our businesses and protect Erga families. In fact, due to the bad situation in our country we were starting on implementing remote working for urgent cases so we directly shifted to working from home. It wasn't easy but it worked with the perseverance of our teams.

What didn't change since 3 years are our commitment and support to the Ten Principles of the UN Global Compact. But our priorities changed.

Some initiatives were frozen. For others, action plans were modified. And others were added to support the situation - i.e. as an architectural and engineering firm our main priority was Building Green. It remained important but equally came the health of Erga employees.

In this annual Sustainability Report, we describe our actions to continually improve the integration of the Global Compact and its principles aligned into our strategy, our culture and our daily operations.

We commit to sharing this information with our stakeholders. For so, this report has been published on the UNGC Website and our Web portal, to assure to our stakeholders our long term commitment to said principles.

Elie Gebrayel
Chairman and CEO



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ERGA GROUP SAL SINCE 1980... 102-1 - 9

Type of projects: Site Supervision DESIGN SURVEY Landscape Urban Planning Project Management CIVIL WORKS Interior Restoration Feasibility Study PERMIT

Founded in 1982 by Elie & Randa Gebrayel
1149 suppliers

41 years of experience in architectural & engineering DESIGN & supervision

221 employees in Lebanon 306 worldwide
Serving ~ 50 countries

headquarter Lebanon 4 Branches Dubai R I Y A D H J E D D A H D O H A

Sectors Served by ERGA: Agriculture Commercial Culture DEVELOPERS Education Healthcare Hospitality Industrial Leisure & Tourism Mixed-Use PRIVATE PUBLIC RELIGIOUS SPORTS



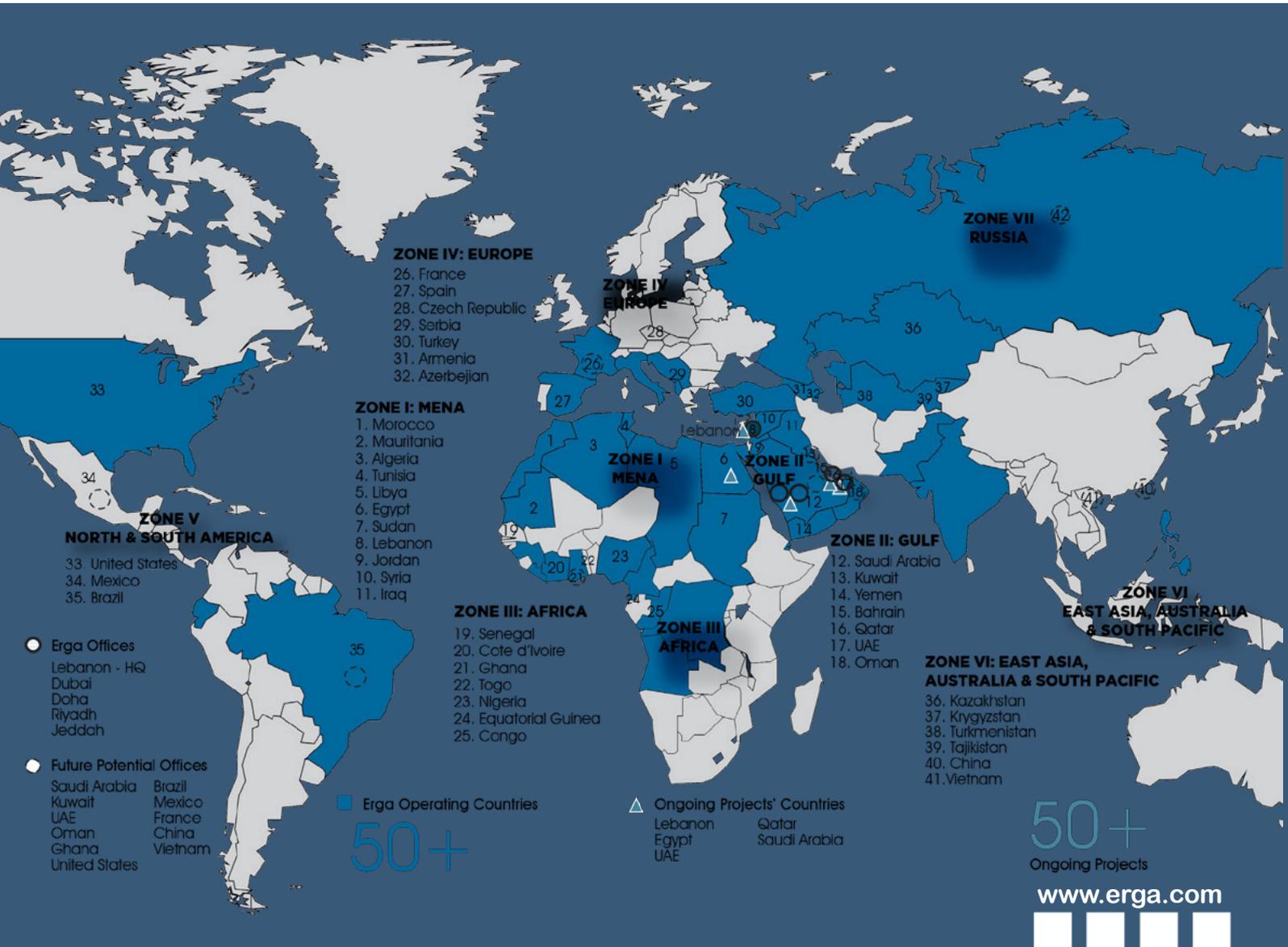
Erga Supplies: IT Equipment, MOCK-UP, MATERIALS, Paper, Specialties' Subconsultants, BUREAU DE CONTROLE

As a privately owned joint stock company, net sales are not publicly provided.

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OPERATIONS

102-2



Architecture and Engineering

Erga takes a comprehensive approach to design, working from inception to completion to turn an architectural vision into reality.

Its experienced architects, structural, mechanical and electrical engineers, landscape designers and master planners complement its wide range of construction consultancy services by providing holistic design solutions that reflect an understanding of the full project lifecycle.

Construction Supervision

Erga, with its experience, expertise and know-how, brings its knowledge on site, uses its capacity in taking action and defines an appropriate behavior in order to adapt the planning and organization to the site characteristics. It manages operational functions at each phase and identifies security risks, health, environment and project-related control.

Master Planning & Urban Design

Erga, thoroughly research, meticulously study and methodically develop its urban designs based on environmental concerns, social equity, economic viability, relationships between people and places, urban movement and form, nature and the built fabric with a view to creating places that work out perfectly and that are sustainable in the long term.

Interior Design

Erga delivers creative interior solutions that combine design and functionality, using the latest technology, working closely with the client throughout the design process, exploring every possibility and assessing the best option. Erga follows a collaborative and interactive process to create exceptional environments that meet clients' needs using traditional, custom and modern elements to create harmonious designs.

Project Management

With a solid experience of 40 years, Erga acts as client representative assuming project management and construction management tasks.

Skilled multidisciplinary professionals work in coordination, determine the needs, collaborate in developing plans conceiving appropriate solutions depending on the complexity of each term.



Erga designed a code of conduct & ethics for staff members to manage each situation in conformity with the company's ethics. All Erga's stakeholders should also comply with our code acting in conformity with all laws and regulations.

This code is published on Erga's portal and is accessible to all. And the HR department is available to assist for any clarification; in addition to the periodic campaigns reminding on specific matters and the annual training session for new joiners.

It is imperative that each staff member carefully learn and implement this code and that no violation of its values occurs affecting the company's reputation.

Audits are regularly done to make sure it is well implemented and to report any breach or deviation.

Besides, every Chief Officer, Head of Department or Section and Team Design Leader is responsible for.

* Ensuring that all teams perform their duties in accordance with the highest standards of business ethics and in conformance with applicable internal and external rules and regulations related to Erga's work;

* Taking every necessary action to ensure that no Erga entity or member engages directly or indirectly in any corrupted business practice;

* Treating team members equally without any special favors to ones, discomforting others.

Any deviation or attempted deviation from the above is brought directly to the attention of the appropriate officer or directly to the Chairman (depending on the impact) and actions are taken for any violation.

Erga Code of Conduct & Ethics Key Principles

Erga code of conduct & ethics is ruled by:

- Principles of transparency, honesty and fairness;
- Respect of the laws and regulations of every country we operate in;
- Respect of the culture of each country and contribution in the society through new activities;
- Ensuring a good quality of services offered to the society;
- Valuing teamwork and creativity within the teams;
- Preservation of our business partners to achieve stable, long-term relationship and mutual benefits, while keeping ourselves open to new partnerships;
- Preservation of the Community, Human Rights, Employees Rights and the Environment.



CREATIVITY

Creativity is the foundation of Erga's daily work. Perceiving a state-of-the-art project in an empty space requires a lot of new and imaginative ideas.

It is the ability to perceive the world in new ways, to find hidden patterns, to make connections between unrelated phenomena and to generate solutions. It is an original cognitive ability and problem solving process which enables individuals to use their intelligence toward coming up with THE PROJECT.

INTEGRITY

Integrity is the foundational principle of morality and honesty. It is a condition of mind and isn't situational. It is doing the right thing even when no one is around. It is the ability to act with honesty and consistency based on moral values or beliefs.

In Erga, integrity means telling the truth even if it is ugly. Honesty is better than deluding others. It is very difficult to have a successful business if customers don't trust you and think you are dishonest.

AGILITY

Agility is the ability to move easily and quickly without rush. It refers to qualities allowing organisations to respond rapidly to changes in the internal and external environment without losing the momentum or vision. Adaptability, flexibility and balance are three qualities essential to business agility.

Like creativity, agility is essential in architecture to smoothly deliver many projects at once without delay with the best quality and to be up-to-date with the latest trends and innovations in the field.

ETHICS

Business ethics - the code of morals, values and principles set by a company - have an outstanding importance in determining good and bad behavior and decision-making.

Reputation is the most important asset for Erga and its strength. It is very difficult to rebuild it once lost. To retain a positive reputation and image, Erga is committed to operate on ethical foundations, the respect of the surrounding environment, good treatment of employees and good market practices.

SOCIETY

Social responsibility is primary. Providing positive social value, giving back to the community, and taking part in philanthropic causes are essential for Erga.

Erga is known for its family spirit and its commitment to serve the society and the environment.

Social & environmental actions were integrated in Erga's business strategy and operations involving internal and external stakeholders to make a difference, set an example and build a positive image.



INITIATIVES

Erga comply with a variety of principles, standards and initiatives. For some standards, some companies are certified; for others, the requirement is to have professionals certified; and for some we didn't apply for certification yet but we are seeking it.

TECHNICAL

- Project Management Professional (PMP). 3 certified professionals and 95 trained architects and engineers between Lebanon and Qatar.
- ISO 9001:2015 QMS. 1 certified company and 1 seeking certification in Lebanon

SOCIAL

- OHSAS 18001:2007. seeking certification in Lebanon

ENVIRONMENTAL

- ISO 14001:2004 EMS. seeking certification in Lebanon
- LEED. 1 certified professional and 75 trained architects and engineers in Lebanon
- BREEAM. 1 certified professional in Lebanon
- Istdama. 5 certified professionals in UAE
- QSAS. 5 certified professionals in Qatar

MEMBERSHIPS OF ASSOCIATIONS

Erga's commitment to all associations is whether for pure technical professional purpose or for contribution in sustainability or CSR initiatives be it environmental, social or both.

TECHNICAL

- The American Institute of Architects (AIA)
- The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)
- The American Concrete Institute (ACI)

ENVIRONMENTAL

- Lebanon Climate Act (LCA)

SOCIAL

- Entrepreneurs et Dirigeants Chrétiens Liban (EDCL)
- Lebanese American University (LAU)
- Ghalboun Municipality
- International Christian Union of Business Executives (UNIAPAC)

MULTIPLE SECTORS

- UN Global Compact Network Lebanon (GCNL)
- Lebanon Green Building Council (LGBC)
- Civic Influence Hub (CIH)

None of these initiatives nor memberships is obligatory, all of them are voluntary.



It all started with the financial and monetary crisis that affected Lebanon to Covid-19 slowing the operation of all businesses worldwide till now followed by Beirut Blast. To be able to persist with a smooth and safe running business, we had to react quickly making few modifications in our initiatives keeping our objectives as defined but changing priorities and compromising in some situations. With this target in mind key risks & opportunities were defined with their impact to understand where to start. The table clearly shows that we should be searching for new markets in more stable regions. And with all the difficulties faced lately, Erga is more than ever committed to social responsibility, sustainability and ethics adding initiatives in this direction especially after Beirut Blast and having 20% of the employees in Lebanon affected by Covid-19.

KEY RISKS & OPPORTUNITIES	IMPACT
Insecure and politically unstable Middle East with global financial and monetary crisis hitting Lebanon	<ul style="list-style-type: none"> - Difficulty finding new developers ready to invest. - Recession in construction and real estate market.
Covid-19 pandemic and closing of offices	<ul style="list-style-type: none"> - Employees risking to get infected with the virus - Delays in the delivery of projects - Miscoordination of big projects - Office renovation and market expansion plans slowed due to lockdown. - Old-fashioned ways of work not working anymore quick actions should be taken.
Beirut Blast	<ul style="list-style-type: none"> - Some employees directly affected . - Psychologically defeated employees. - Act to help devastated people in restoring back their homes.

THE STRATEGY COMMITTEE

Presided by the Chairman, this committee reviews the performance of the company, makes decisions in modifying the strategic plan and follows up the implementation. It reviews and approves the sustainability report too.

Global risks are monitored by the Board of Directors through the corporate strategy, respecting risk and environmental management policies and procedures.

THE RISK MANAGEMENT COMMITTEE

Presided by the Chairman, it oversees risk management within Erga, sets the tone and guides this culture.

It determines the appropriate level of risk exposure for Erga, takes major decisions affecting this exposure, monitors the management of significant corporate risks, assures itself that identified risks are actively managed with appropriate controls in place, bi-yearly reviews Erga's Risk Policy to ensure it remains fit

for purpose and maintains the Risk Register.

The Audit Department has the responsibility for assessing the effectiveness of risk management.

THE COMMUNICATION COMMITTEE

Presided by the Vice Chairman, it takes care of internal and external communication. Its points of interest are three.

Erga Newsletter reflects the professional work of Erga highlighting its expertise, in addition to its family spirit and organized events to serve the environment and the society. It is annually published on Erga website.

Erga Website reflects Erga's image. The committee's role is to keep the design and content updated adding latest projects, news and contact details.

Erga Intranet is Erga's internal communication tool sharing documentation, knowledge, lessons learned, events, meetings, surveys, online training, open discussions and latest announcements, ...

THE SOCIAL & ENVIRONMENTAL COMMITTEE

Headed by the Vice-Chairman, it is open to anyone interested in helping. It works on 'Ergamania' concept focusing on the human side, apart from daily operations, and is directly linked to Erga's commitment towards the society and the environment. Its responsibilities rely on setting a social and environmental plan and organizing activities boosting the relation between Erga staff and the society serving humanitarian or environmental causes. This committee looks for associations, NGOs or families in need that have no outside funding or support and organizes internal seasonal events involving staff members and their families.

And, whenever a staff member or a relative is in need for any support, the committee involves all staff members in helping.

This committee prepares the Sustainability report.



Identifying & Selecting Stakeholders

Erga defined its stakeholders as a firm and every Project Design Manager defines its project stakeholders. Erga sets the ratio impact and power for each one, defines the communication channels and the strategy on how to deal with.

Key Topics & Concerns

Key topics and concerns are raised and dispatched to concerned parties to resolve depending on the subject and related division. If the concern is related to the business and its strategy it is directly channeled to the CEO or COO.

	STAKEHOLDERS	ENGAGEMENT METHODS
INTERNAL	- Board of Directors - Partners & Associates - Employees	- Periodic reports with all the needed information to be updated on the financial, managerial, administrative and technical performance of the firm. - Intranet platform, internal emails and memos, continual surveys and annual gathering to be updated on the latest news and performance of the firm.
	- Clients - Consultants - Suppliers & Subconsultants - Bureaux de Contrôle	- Client Satisfaction Questionnaire, Erga Events and customer focus groups. - External emails and meetings...
	- Order of Engineers - Public Authorities (Permit Units, NSSF...) & Municipalities - Tenants - Local Communities - NGOs	- Respect and alignment with their regulations and application for permits and other regulatory transactions. - Continual support to specific NGOs and periodically select some cases and help in these matters.



ENTITIES IN CONSOLIDATED FINANCIAL STATEMENTS

LEBANON

- Erga Group SAL
- Erga Management SAL
- Erga Group Overseas SAL (Offshore)

QATAR

- Erga Qatar LLC

UNITED ARAB EMIRATES

- Erga Progress Engineering Consultants
- Erga Architects and Consulting Engineers FZ LLC

KSA

- Erga Saudi Lebanese Co. for Project Management
- Erga Group SAL Branch in KSA

Changes in Reporting

Due to Covid-19 pandemic, Beirut blast and the monetary crisis in Lebanon we had to add new material topics while keeping old environmental and social topics defined previously as a second priority.

Reporting Period & Cycle

Erga submits its Sustainability Report annually from February till January. It covers year 2020.

Date of Most Recent Report

The most recent sustainability report was done for calendar 2019.

Claims & Content Index

This document is a GRI-referenced report. Please find attached the GRI Content Index page 17

Contact Point for Information

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MATERIALITY

102-45-56

Material Topics	GRI Disclosure	Topic Boundary	SDGS
ECONOMIC			
Cloud-based infrastructure	GRI 203 Indirect Economic Impacts	Erga Board of Directors/ Erga Chief Officers	 
SOCIAL			
Employees Health & Safety	GRI 403 Occupational Health & Safety	Erga Employees / HR Department	
Community Support	GRI 413 Local Communities	Erga Employees / Social & Environmental Committee/ NGOs/...	    
Employee Training & Development	GRI 404 Training & Education	Erga Employees / Erga Academy	   
ENVIRONMENT			
Green Buildings	GRI 307 Environmental Compliance	Client/ Erga Design Division/ Suppliers	    
Nature Preservation	GRI 304 Biodiversity	Client/ Erga Design Division/ Suppliers/ Social & Environmen- tal Committee	 
Energy Consumption & Emissions	GRI 302 Energy GRI 305 Emissions	Erga / Logistics Department/ Lebanon Climate Act / Ministry of Environment	    
Waste Management & Recycling	GRI 306 Waste	Erga / Social & Environmental Committee / Recycling NGOs or Manufacturer	    

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Topics in bold were the priority for year 2020

With all the problems that occurred this year due to the Covid-19 pandemic, the Lebanese unstable financial, monetary and political situation and Beirut Blast, it was a struggle for Erga and all Lebanese companies to face all these crises at the same time. For all these reasons **SDG 8: Decent Work and Economic Growth** was one of the top priority SDGs for Erga and its staff members.

As a plan last year we were committing ourselves to invest in an infrastructure providing a high-end office in this industry with the latest innovations and technologies to be able to compete worldwide since the Lebanese and Middle-Eastern regions are in crisis. But what occurred with the Covid-19 worldwide pushed all businesses to shift completely to working remotely in order to be safe and productive. The SDG we were prioritizing at that time was focusing on a high-end office with latest technologies directly linked to the **SDG 9: Industry, Innovation and Infrastructure**. This SDG remained a priority for Erga but the initiative completely changed to focusing and investing on a hybrid cloud-based infrastructure to have a fully operational office with strict submittal dates and projects' meetings running smoothly without any bumps or delays.

In line with above mentioned UN Sustainable Development Goals (SDGs), we focused this year mainly on investing in **Hybrid Cloud-Based Infrastructure (GRI 203)**, a cloud computing environment using a mix of on-premises and cloud services with orchestration between the two platforms. By allowing workloads to move between clouds as computing needs and costs change, hybrid cloud gives businesses greater flexibility and more data deployment options.



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GRI 300 DISCLOSURES

307



As architectural & engineering consultants, our major impact on the environment is consuming energy and paper during our daily operations (**SDG 12**). So Erga generates waste & Greenhouse Gas emissions (**SDG 13: Climate Action**) on normal working conditions.

In our field, we can advise our clients to choose **SDG 7: Affordable and Clean Energy** systems in the target of having **SDG 11: Sustainable Cities and Communities**. We can also impose the materials' quality and quantities to be specified in any planned construction project (**SDG 12: Responsible Consumption & Production**).

In addition, our work can indirectly affect the biodiversity (**SDG 15: Life on land**), because sometimes our client, to maximize the use of the space, might cut trees but the law imposes to plant others.

In line with above mentioned UN Sustainable Development Goals (SDGs), we are engaging ourselves in the following initiatives:

- **Green Buildings /Designs (GRI 307)** On-going work
- Nature Preservation (GRI 304) Plantation days with Jouzour Loubnan frozen due to lockdown.
- Energy Consumption & Emissions (GRI 302 & 305) Offices closed and remote working due to lockdown.
- Waste Management & Recycling (GRI 306) Offices closed and remote working due to lockdown.

The only initiative that wasn't frozen is Erga's main work: **Green Buildings/Designs**. But for the other initiatives the consumption was minimal and emissions only linked to the electrical consumption of electricity from the employees working from home which can't be compared with the consumption of a big company all over the year. The same applies to waste management since there was no presence in the offices for year 2020.



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GRI 400 DISCLOSURES

403-413

Social

GRI
400

In Erga, there is a community of architects, engineers and management experts in the company who is the basis of Erga's success for years. Erga doesn't compromise on its Employees rights, nor on their evolution at work, giving a big importance to their training & development (**SDG 4: Quality Education**), respecting all genders & social statuses (**SDG 5: Gender Equality & SDG 10: Reduced Inequality**).

The health & safety of Erga employees (**SDG 3: Good Health & Well Being**) was always a primary issue for the company and it took a greater importance this year especially with the Covid-19 pandemic where an action plan was put in place to follow-up on all employees affected cases and whenever an assistance is needed Erga's doctor was in charge of taking care of the patients and an oxygen concentrator was available for any staff member in need.

From a long time, Erga was committed to support its community (**SDG 1: No Poverty, SDG3: Good Health & Well Being and SDG 2: Zero Hunger**) organizing social events through its Social & Environmental Committee. And this year, with the financial crisis in Lebanon, the rise of poverty level and Beirut Blast, Erga couldn't but stand by the Lebanese community that showed a lot of patriotism and social responsibility helping affected families and offering them its architectural and engineering consultancy services free of charge.

In line with the UN Sustainable Development Goals (SDGs), we are engaging ourselves in the following initiatives:

- **Employees Health & Safety (GRI 403)** Confronting as a priority this year the Covid-19 pandemic
- **Community Support (GRI 413)** Helping affected families from Beirut blast re-building their homes
- **Employee Training & Development (GRI 404)** Erga Academy focusing on e-trainings



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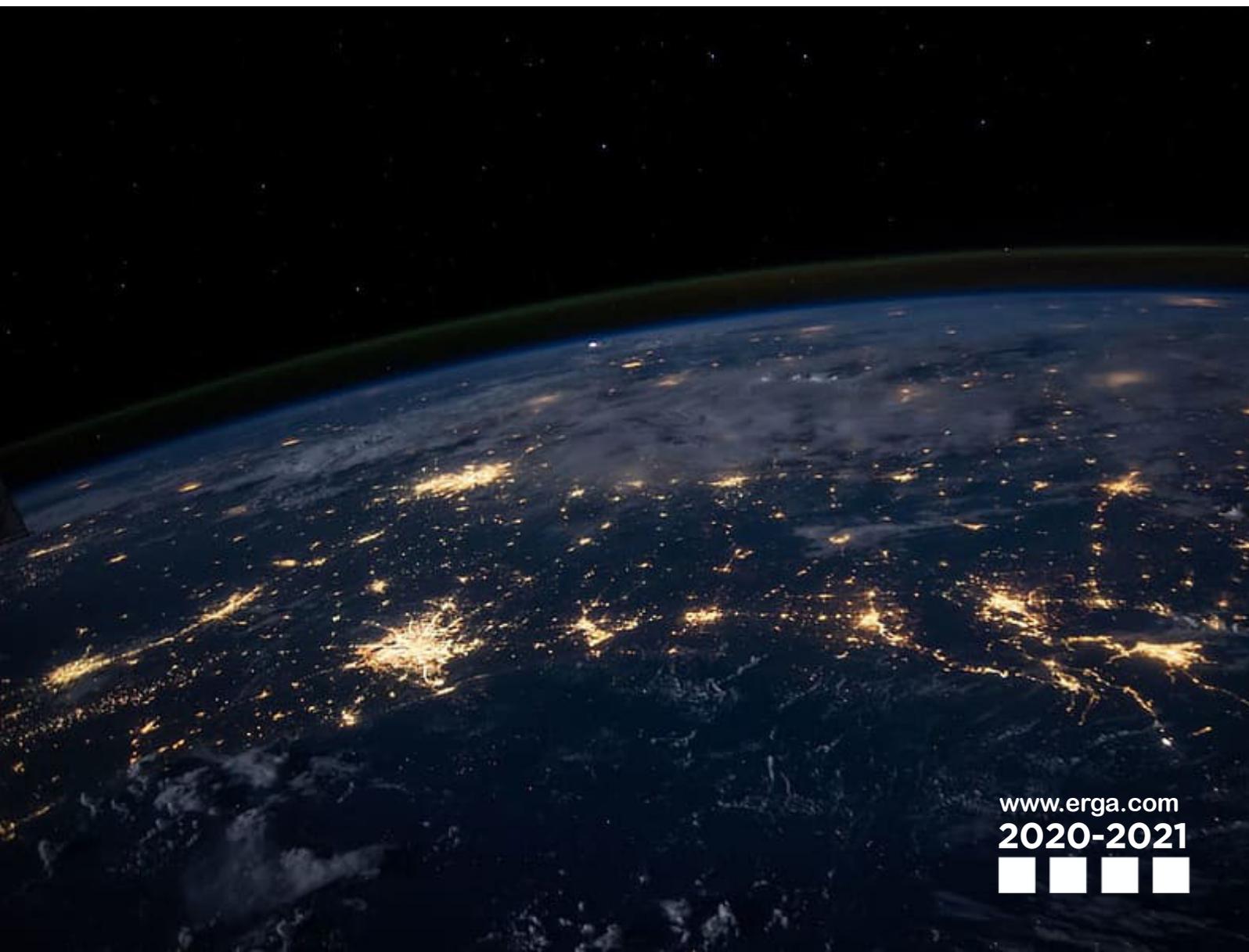
GRI CONTENT INDEX

DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
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102-3	Location of headquarters	3	102-20	Executive-level responsibility	10
102-4	Location of operations	4	102-21	Consulting stakeholders	N/A
102-5	Ownership and legal form	3	102-22	Highest governance body and its committees	10
102-6	Markets served	3	102-23	Chair of the highest governance body	10
102-7	Scale of the organization	3	102-24	Nominating & selecting governance body	10
102-8	Information on employees & other workers	3	102-25	Conflicts of interest	6
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2- Strategy					
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102-16	Values, principles, standards & norms	6-7	102-33	Communicating critical concerns	10
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			102-36	Process for determining remuneration	N/A
			102-37	Stakeholders' involvement in remuneration	N/A
			102-38	Annual total compensation ratio	N/A
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DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
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