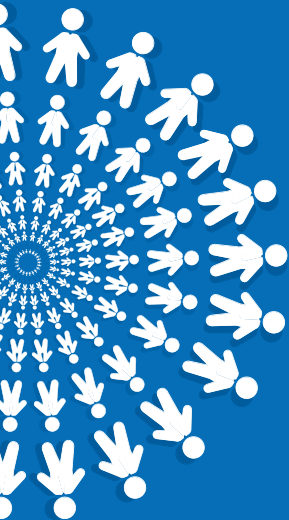


COP
2019 / 20



Statement of Continued Support by the Chairman
Period covered by the Communication on Progress
2019 – 2020



March 5, 2021

United Nations Global Compact
685 Third Avenue
New York

To our stakeholders,

I am pleased to confirm that LibanPost reaffirms its support to the United Nations Global Compact and its Ten Principles in regards of Human Rights, Labor, 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 Principles part of our strategy, culture and day-to-day operations of our company, and to engage in collaborative projects that advance the 17 Sustainable Development Goals. In this communication on progress, we describe the actions that LibanPost has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We support public accountability and transparency, and therefore commit to report on progress annually.

Responsibly yours,

Khalil Daoud

Khalil Daoud
Chairman, Managing Director
LibanPost

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights, and
2. make sure that they are not complicit in human rights abuses.

LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. The elimination of all forms of forced and compulsory labour.
5. Non-effective abolition of child labour, and
6. The eradication of discrimination in respect of employment and occupation.

ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges.
8. undertake initiatives to promote positive environmental responsibility, and
9. encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including bribery and bribery.

The United Nations Global Compact is a voluntary initiative on sustainable development. It is not a treaty or a legally binding instrument. It is a commitment to the principles of the United Nations Declaration on the Rights and Duties of Individuals and the United Nations Millennium Development Goals.



Mission and Vision

LibanPost is committed to providing high quality postal services and products exceeding customer expectations in reliability, accuracy, consistency, innovation and affordability, as well as generating profit and creating value for its shareholders.

LibanPost has the vision to maintain the organization as one of the most developed, diversified and active postal operators in the Middle East and as one of the industry's references around the world.

Values

People

- The interests of the Company and the individuals working in it are inseparable. Doing what is right for the business, with dedication, integrity and in respect of the law, will lead to the success of LibanPost and its employees
- We will identify, attract and retain the best people in their respective fields. We will reward and promote individuals based on no other consideration than their performance
- We value social, religious and political differences in individuals
- We firmly believe that people are and will always remain the most valuable asset of the Company
- We work together as one team, in confidence, trust, cooperation and support of each other, sharing the same vision and objectives across departments, units, businesses and geographies



Leadership

- We all have a clear vision of where we are going
- We focus our resources on achieving our objectives and are committed to delivering the expected results despite any obstacles or challenges
- We always strive to exceed the expectations of our external and internal customers



- We continuously search for better ways to do our job by increasing our efficiency and productivity, improving our processes, and learning from our successes and failures

Integrity

- We always act as good citizens, contributing to the development of our country and the communities in which we live and work
- We always try to do what is right
- We respect our colleagues and our customers and treat them as we would like to be treated
- We are honest with each other



The Catastrophic situation 2020

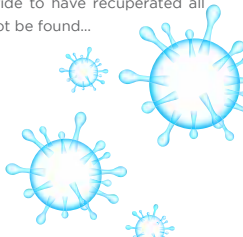
At a time where the posts around the world had to adapt and strive during the difficult Covid-19 pandemic, LibanPost had, in addition, to struggle with an unprecedented economic and financial collapse, added to the devastating effects of the Beirut Port blast - 3rd largest explosion in the world...

Indeed, the August 4th explosion seriously damaged a large part of the capital, displaced over 300,000 people, let alone the 200 deaths and the over 6000 wounded... LibanPost was not spared. The logistical nightmare that followed forced the company to close completely for three days. At first, the staff jointly looked for missing members, posting their photos on all medias in case someone had come across them. Unfortunately, a young customer service representative was reported to have died along her husband, leaving behind two young children, while another was found severely wounded in a remote hospital... Several other employees, including the company Chairman, were injured, and others saw their homes or vehicles partially or entirely destroyed...

The complete closure was also needed to deal with the 17 branches out of 100 that had been damaged, some having to remain out of operation and under repair for weeks. This meant hundreds of thousands of dollar losses, at a time of severe prevailing financial constraints due to the currency devaluation and the economic collapse.

Finding Mail through the rubble

Nevertheless, as of the next day, retail, distribution and maintenance teams were on the ground searching through the rubble to find mail. They took pride to have recuperated all items except for two that could not be found...



Environmental Activities



Ongoing activities

- Raising awareness and acting on the efficient use of water and electricity in all our offices
- Training our employees on the importance and modalities of sorting in collaboration with Arcenciel
- Recycling paper and plastic in our offices in partnership with Arcenciel

2019 2020

- We Partnered with the “Diane” association, to serve as a pilot site for collecting used batteries. This initiative is now being extended to all its offices, and LibanPost will collect as well used batteries from the various drop boxes placed across Lebanon, for proper recycling.
- Despite the absence of any applied regulation, on non-smoking in working environments. We enforced such a measure in all our premises.

- We recycle paper, carton, plastic and metal in our headquarters in collaboration with Arcenciel

- We took part in the Lebanon Waste Management Exhibition & Conference 2019, with the aim of further highlighting the importance of waste management solutions and launched a series of 3 stamps related to the main categories of sorting. Flyers were also distributed with key tips on sorting and recycling.

Human Rights Activities



Ongoing activities

- We offer equal employment opportunities regardless of region, culture, religion, and gender
- We provide a cafeteria open to all employees with reduced and affordable prices
- We encourage gender equality by giving women access to positions that are traditionally reserved for men, such as female letter carriers. In addition, 45% of our Management are women. If we exclude the Operations Department, 60% of our staff are women.

2019 2020

- We Sponsored NGOs such Children Cancer Center
 - For International Women's Day, we took part in Ringing the Bell for Equality and specialised gifts were sent to women in power in Lebanon, joining them in advocating for women's rights
 - Libanpost has volunteered to take part in a pilot study led by LLWB and ILO in Lebanon on gender parity to enhance the gender equality pipeline on the national scale
- We moved beyond the traditional retail outlet concept, to introduce self-service kiosks that offer a subset of the most in demand simple services, a first step in direction of a full online offering.
 - We then introduced specially designed Mobile Post Offices that could temporarily serve in different locations, as well as caravans that could be parked in strategically selected areas. This significantly improved service and brand awareness, as waiting time was decreased, service was made available and visibility improved.

- We partnered with MoneyGram's main distributor in Lebanon and added to its own retail network, 400+ third party agencies.

- We became the first post around the world to offer our whole portfolio of services at everyone's doorstep, via a "Home Service" channel, making of each household a new touchpoint!

- The company innovated by maximally extending its reach, allowing for pickups and deliveries from and to any location, for a modest fee. This translated into a real enhancement in customers' experience via longer operating hours, the avoidance of traffic jams

and parking availability hassles.

- As of 2019, our digital offering become fully interactive from transaction initiation up to completion. We introduced remote document scanning and uploading within its online platform, to speed up clients' in-person formalities' handling.

We now provide our clients, with an online access for information, service request initiation, complete transaction handling, and an e-Shop full-cycle process.

- With Click & Ship we also provided a long awaited solution to the fact that Lebanese online shoppers could not previously order from major international e-sellers and be delivered in Lebanon.

We filled the gap and, in collaboration with MaltaPost, provided them with a foreign hub address channelled to the Lebanese postal delivery arm.

- For the final mile completion in 2019, a full-fledge flexible delivery offer was put together portraying an ensemble of delivery features to enrich the existing "on-appointment" modality. It includes "after-hours", "same day", and "instant pickup and delivery" possibilities as per client's preference. Occasional delivery at Post Offices as well as "Virtual PO Boxes" were made possible to meet clients' drop-point preferences to overcome the local addressing and time-constraints issues.

- Given the financial restrictions due to the prevailing severe

economic crisis, various payment modalities were made available for clients' convenience, such as e-payment, payment at the PO for online transactions, and "cash on delivery" for e-commerce customers.

- Furthermore, as the E-commerce demand grew during the pandemic, to include everyday needs, the company has setup a new

pickup- and-delivery web-based platform. It has also widened its network of vendors, to serve better the online shoppers community.

- As public administrations had to close their doors during lockdown periods, LibanPost replied favourably to their request for assistance. It enlarged its existing governmental services portfolio, to include new services.

- We answered a large number of NGOs and municipalities' request to handle their collection and disbursements services, aimed at Lebanese citizens who had unfortunately slipped under the poverty line, and at the large number of refugees present in Lebanon.

- Following the devastating events of the Beirut Blast, we quickly made available our fully equipped mobile post offices and parked them next to the devastated branches for the people still living in the blasted zone.

- We launched an initiative by issuing a stamp dedicated to the blast victims and granted all its proceedings to the Lebanese Civil Defence - a volunteer organisation that offers firefighters interventions, ambulatory services and rescue operations every time a catastrophe hits the country.



Labor Activities



Ongoing activities

- We progressively work on building a culture of citizenship among our employees
- We encourage employees to interact with each other through football teams and other sports tournaments (marathons and corporate games)
- We organize trainings and workshops on various professional and personal topics to build capacity and contribute to motivating employees

2019 2020

- Employees participated in the Beirut Corporate Games of 2019
- With the association [donnersangcompter](#), employees' awareness on the importance of blood donation, was raised in a country where volunteering is rare despite the need.

- To ensure clients and employees' safety in times of Covid-19, we viewed it of paramount importance to comply with international safety recommendations at all times.

- Libanpost has progressively adopted family-friendly policies such as flextime facilities, unpaid leave, breastfeeding hour and paternity leave

Anti-corruption Activities



Ongoing activities

- We are a trusted intermediary between the government and citizens, removing the need for other intermediaries and using monitoring tools to enhance the quality of service provided to citizens
- LibanPost operates a quality management system which complies with the requirements of ISO 9001:2015 certified procedure and quality assurance
- Anti-corruption workshops with UNGC and UNDP

2019 2020

- LibanPost is referred to as a successful Public Private Partnership, and is taken as a model for the implementation of the upcoming PPP infrastructure projects requiring foreign investments (CEDRE Conference), given that it contributed to corruption mitigation and administrative reform.
- We signed an agreement with the Traffic, Truck and Vehicles Management Authority in Lebanon, to offer citizens the possibility to change their car plates as requested by the new legislation, to avoid forgeries on the formality

execution end as well as on the physical printing, embossing and mounting ends and we opened 15 production centres and recruited more than 200 additional employees (20% increase)

- With the large influx of Syrian refugees, Lebanon suffered from an unprecedented social, economic, and environmental crisis. In the midst of this turmoil, and in line with one of its CSR pillars namely "Economic Inclusion", we partnered with 17 NGOs to provide a transparent and easy way to disburse cash funding to refugees, hence minimizing the risk of fraud or theft to virtually none

- We chose to collaborate with the UN's World Food Program organization. It made available the latest iris recognition technology coupled with an in-house developed API to interface with the General Security, in view of capturing their official authorization for food vouchers' secure emission across the Lebanese territories.

- We collaborated with UNDP Lebanon in organizing a stamp design competition that will help engage the youth in an open and frank dialogue with national authorities on AntiCorruption and make their voice heard.

