

Communication on Progress Report

For the year 2020/2021



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I. 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

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II. DESCRIPTION OF ACTIONS

Les Affichages Pikasso sal has been a signatory to the UN Global Compact since April 2014. We are committed to our corporate responsibility to regard human and work rights, to commit to environmental security and to work against degenerate behavior.

In addition to the continuous enhancements to our integrated management system, we have integrated Sustainability into the company strategy while making sure that the impact generated by our activities has a positive influence on society and the environment, achieved through ethical and transparent conduct that contributes to sustainability and the well-being of the community.

We are working on KPI to evaluate our sustainability performance and define targets for the coming years to contribute to reduce society challenges where possible and enhance our hazard moderation.

Some of these efforts are shown in the following actions related to the SDGs 3,5,7,8,9,11,12,13,16 & 17 categorized into the five P's: **People, Planet, Prosperity, Peace and Partnership.**



II. DESCRIPTION OF ACTIONS

People

3 GOOD HEALTH AND WELL-BEING



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 has migrated to the 45001:2018 standard, 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 prevent accidents from happening by evaluating its OH&S hazard 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 will be provided care, first aid and emergency service, as required, for injuries or illnesses while on duty.
- » 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, 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.

II. DESCRIPTION OF ACTIONS

Furthermore, **Les Affichages Pikasso** 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, jointly undertake a risk assessment and are involved in defining the organization's OH&S policy and objectives to continually improve health and safety standards.

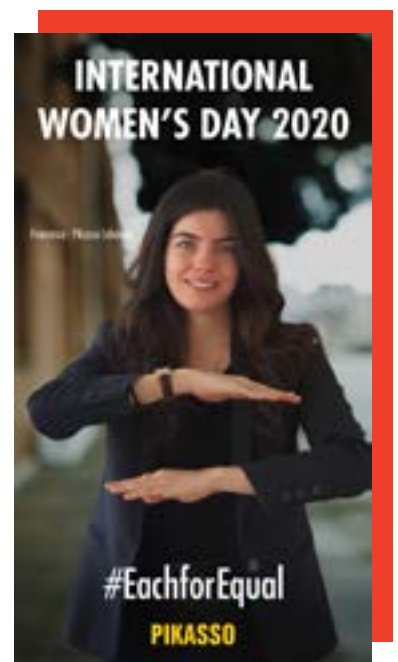


Les Affichages Pikasso have always and continue to incorporate human rights as a fundamental basis within its activity. Women in our organization are treated as equals as men from an economical & social point of view.

Despite the law and other legal barriers that women face in our society, we, at Pikasso empower women to help them thrive in all aspects of life.

Women represent 62% of Pikasso's executives and 57% of total employees. They are paid equally as their peers (for equal work), and we can proudly say that the highest positions and salaries of the group are earned by women.

Pikasso's internal regulations are crystal clear regarding discrimination and women empowerment: we obey most of the seven WEP.



II. DESCRIPTION OF ACTIONS

Moreover, as an advocate of women equality, we launched a campaign for the International Women day to show our support and spread empowering messages regarding gender equality.

We acknowledge that women, especially mothers, need to manage a work/life balance that can be often an extra weight for them.

For this reason, Les Affichages Pikasso is very flexible in regards with working hours and remote working. Women/Mothers are given the freedom to work from home when needed or to work half day in the office and half-day home especially during the pandemic crisis this became a must and not just a choice.



II. DESCRIPTION OF ACTIONS

Planet



Les Affichages Picasso 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 regularly updated. 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 Picasso** 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 Picasso's zero waste programs.

» Removal of posters

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. Later on, the posters were used as derivative fuel when recycling was no longer possible.

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. People with special needs manufactured these bags and accessories and women related NGOs.

II. DESCRIPTION OF ACTIONS

» 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.

» Recycle of batteries

We partnered-up with Eco-serve & Foundation Diane in order to recycle the batteries used within our facilities. All electronic batteries are put in a box that is regularly collected and sent to a recycling factory.



As a continuity to the principles mentioned in SDG 7, **Les Affichages Picasso** are ensuring daily that actions are taken to lower our impact on the environment.

This affirms our environmental commitment focused on energy and transport efficiency programs, switching to renewable energy.

We can't reach zero net carbon alone and we are still faraway from our goal but by working together in partnership with our ecosystem of suppliers, customers and local communities we are doing what we can to make our vision a reality one day.

II. DESCRIPTION OF ACTIONS

Prosperity

7 AFFORDABLE AND
CLEAN ENERGY



Ensure access to affordable, reliable, sustainable and modern energy for all

Furthermore, **Les Affichages Pikasso** 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.

Les Affichages Pikasso aims to reduce as much as possible its impact on climate and be an example and a proactive actor on critical issues related to cleaner energy.

In fact, in order to reduce as much as possible our gas emissions consumptions we took several initiatives that go in line with the principle 7,8 & 9 of the UN Global Compact, which are:

- » Undertake initiatives to promote greater environmental responsibility.
- » Support a precautionary approach to environmental challenges.
- » Encourage the development and diffusion of environmentally friendly technologies

At **Les Affichages Pikasso**, we switched all of our lights to LEDs and banned all lighting that contains mercury or lead. Moreover, some of our billboards are illuminated by solar energy to help reduce our reliance on fossil fuels. In addition, those that are not equipped with a solar system, we took the decision to reduce the illumination hours by turning them off at night and when not sold.

Our CO2 emissions are a top priority for Pikasso and in the coming years, our goal is to install solar panels on the roof of our premises to directly harness the sun's radiation and convert that energy into useable power.

II. DESCRIPTION OF ACTIONS

8 DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

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.

II. DESCRIPTION OF ACTIONS

» Covid-19 awareness messages displayed on Picasso's screens.

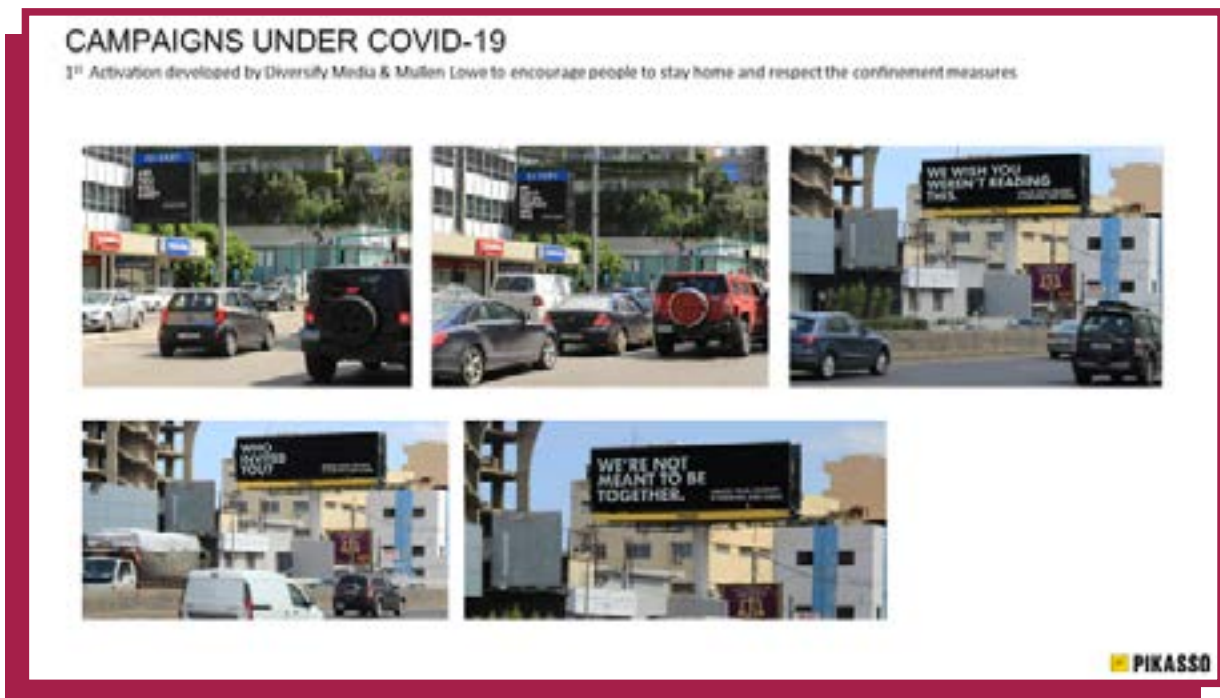
We always played and will continue to play our core role of Citizen Billposter whenever people & cities crave public messages. Today's global health challenges calls for all activity sectors to collaborate and collaborate to deliver effective and efficient support. We tried to do our share by displaying awareness messages and campaigns about the pandemic and encouraging people to stay home to remain safe and reduce the virus spread.

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

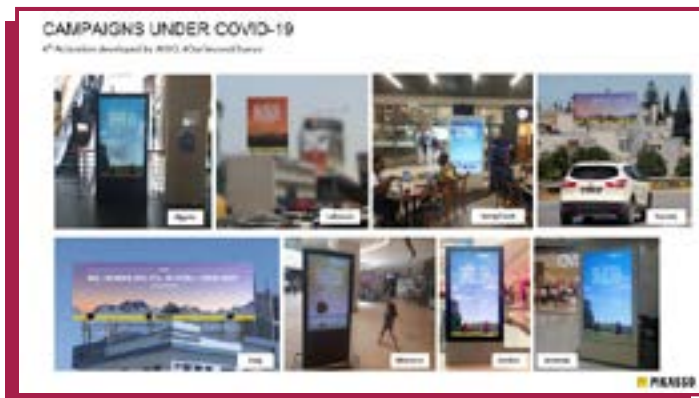
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*2020: The year that Out Of Home became
a platform for the people.*

- Andrew Newman & Neil Mckenney



II. DESCRIPTION OF ACTIONS



9 INDUSTRY INNOVATION
AND INFRASTRUCTURE



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Les Affichages Pikasso is constantly innovating & bringing the most up-to-date technologies to the cities & markets where we are implemented.

We play a key role in introducing and promoting new technologies, facilitating international trade and enabling the efficient use of resources. SDG 9 is core to our business as it applies to everything from coverage to R&D investments, service continuity and opportunities to innovate and enable social and regional development.

Pikasso's digital inventory is now available programmatically via **Reach**, media buyers can harness it to execute targeted DOOH and Omnichannel campaigns to regional audiences, with triggers based on real-time conditions and mobile location data. Via **Reach's** robust network of DSPs, **Pikasso** also gains exposure to new digital media buyers from around the world.

Pikasso and Pladway: DOOH Programmatic collaboration kicks off in the Middle East Region

The agreement will give Italian brands access to high quality DOOH inventory in countries where commercial ties with Italy are already widely developed from Consumer products, Fashion and Textiles to Furniture, Home Electronics, Automotive & Automation.

II. DESCRIPTION OF ACTIONS

11 SUSTAINABLE CITIES
AND COMMUNITIES



*Make cities and human settlements inclusive,
safe, resilient and sustainable*

Les Affichages Picasso 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 300 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 always of the most professional level, and thereby guaranteeing the full implementation of our duties.

II. DESCRIPTION OF ACTIONS

Peace



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.

Sustainability System is founded on ethics, transparency and best international practice in matters of good management, with the aim of defending the public interest and creating sustainable value for all its Stakeholders. The company supports a culture of zero tolerance towards corruption and fraud and promotes the study and dissemination of the principles of business and professional ethics.

By working at **Les Affichages Pikasso**, employees represent the company. Therefore, they are expected to adopt the highest standards of professional and personal behavior, while following the anti-corruptions principles.

II. DESCRIPTION OF ACTIONS

The goal 16 emphasize on fairer society which goes hand in hand with Picasso's determination to support a better justice in our community. In fact, **Les Affichages Picasso** is determined to foster peaceful, just and inclusive societies which are free from fear and violence.

We displayed, in all our Beirut Digital Screens, a campaign highlighting the importance of fighting harassment within organizations to support the right for all to have a safe workplace



II. DESCRIPTION OF ACTIONS

Partnership

17 PARTNERSHIPS
FOR THE GOALS



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

As a medium integrated within the cities, we always take actions and spread useful information & messages on societal matters that affect the cities and its citizens.

We believe that we are playing a major role when it comes to the principle of “significantly increase access to information and communications” by using our inventories to communicate on important issues such as Covid-19 prevention measures or urgent messages after the Beirut’s port explosion for instance.

After the blast, we dedicated our entire Digital Billboards to 10 NGOs in order to give them a space to communicate on how they could assist the people in need.

Moreover, we partnered up with the World Out-Of-Home organization to support and encourage international donations from its members in order to help the people affected by the explosion. A letter was sent to every single member asking them to be side by side with the Lebanese people.

Many of them showed generosity and compassion.

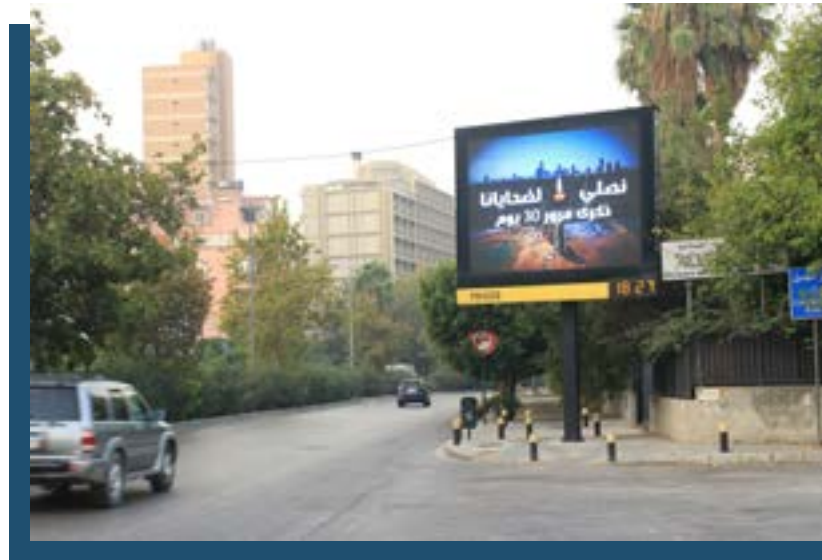
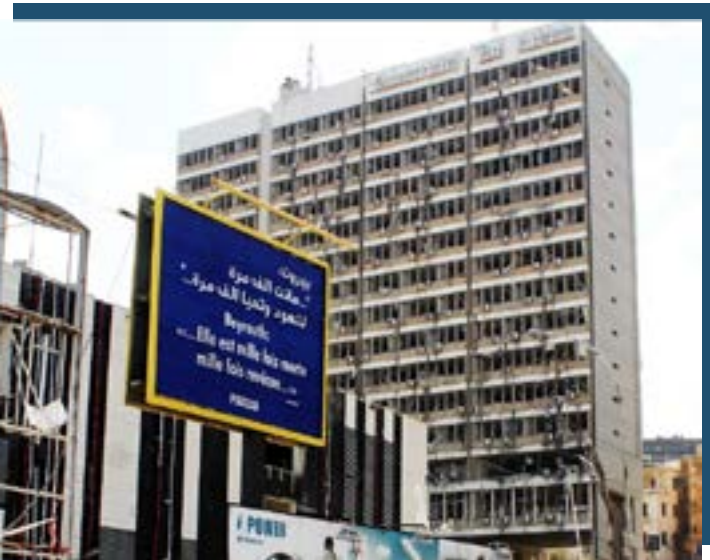
Below are some of the main campaigns toward this goal:

- » Resilience message of Nada Tueni “ Beyrouth: Elle est mille fois morte, mille fois revecue”
- » Pictures of international monuments with Lebanon’s flag
- » The message of prayer for the victim
- » Thank you campaign to our Heroes
- » NGOs messages

II. DESCRIPTION OF ACTIONS

Resilience message of Nada Tueni " Beyrouth:
Elle est mille fois morte, mille fois revecue"

The message of prayer for the victim



Pictures of international monuments with Lebanon's flag



II. DESCRIPTION OF ACTIONS

Thank you campaign to our Heroes



II. DESCRIPTION OF ACTIONS

NGOs Messages



III. MEASUREMENT OF OUTCOMES

Key Performance Indicators

Objectives	KPI	Target	Responsible	Frequency/ Date	Results
Constant improvement of the system	% of solved IAFs related to corrective, preventive or improvement actions	75%	QSE Manager	Quarterly	80%
Working days lost due to Incidents	% of working days lost related to major incidents	<20%	QSE Manager	Semi annually	5%
Perform internal audits	% of internal quality audits conducted	100%	QSE Manager	Annually	100%
Increase the awareness of Employees related to H&S and Environment	Quarterly effective training and awareness to field workers	100%	QSE Manager	Semi annually	100%
Ensure Recycling, waste, and scrap management initiatives are followed up on.	% of waste controlled and recycled	>80%	QSE Manager	Annually	90%
Ensure compliance with all applicable legal requirements	% of compliance	100%	QSE Manager/ Lawyer	Annually	100%
Reduce accidents caused by lack of Safety implementation	% Accidents caused due to nonuse of safety equipment	<5%	Billposting Manager	Quarterly	0%
Reduce the risk of accidents/ incidents of working at height	Number of fall accidents/incidents due to working using ladders	<5%	Billposting Manager	Quarterly	0%
Efficiency of the training system	Number of training achieved/Number of training planned	75%	HR Manager	Annually	85%

 **PIKASSO**
