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**Fulcrum's
Communication
on Progress
Report**

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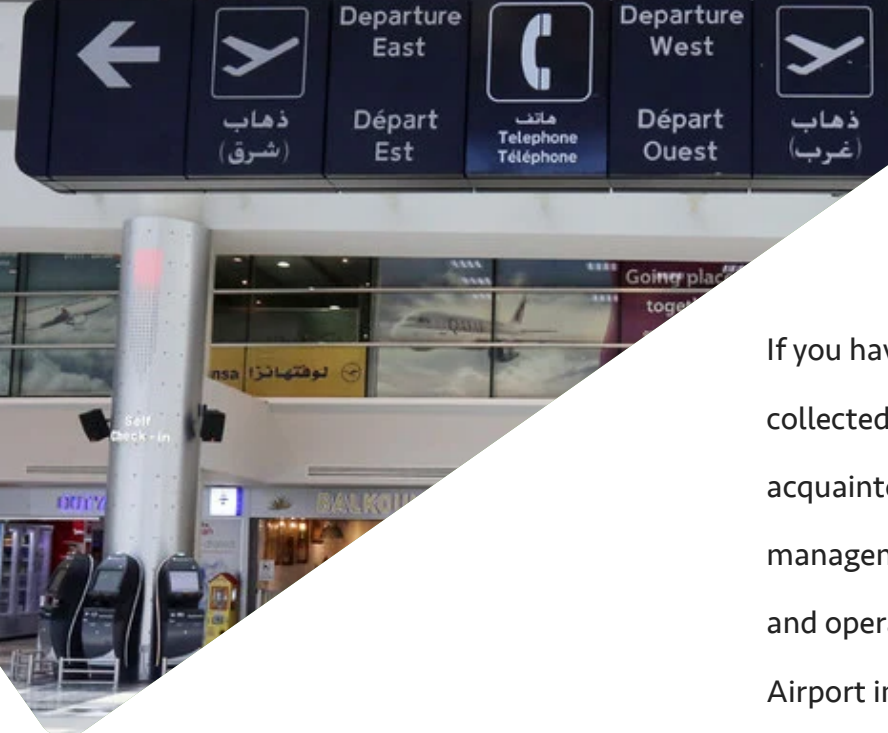
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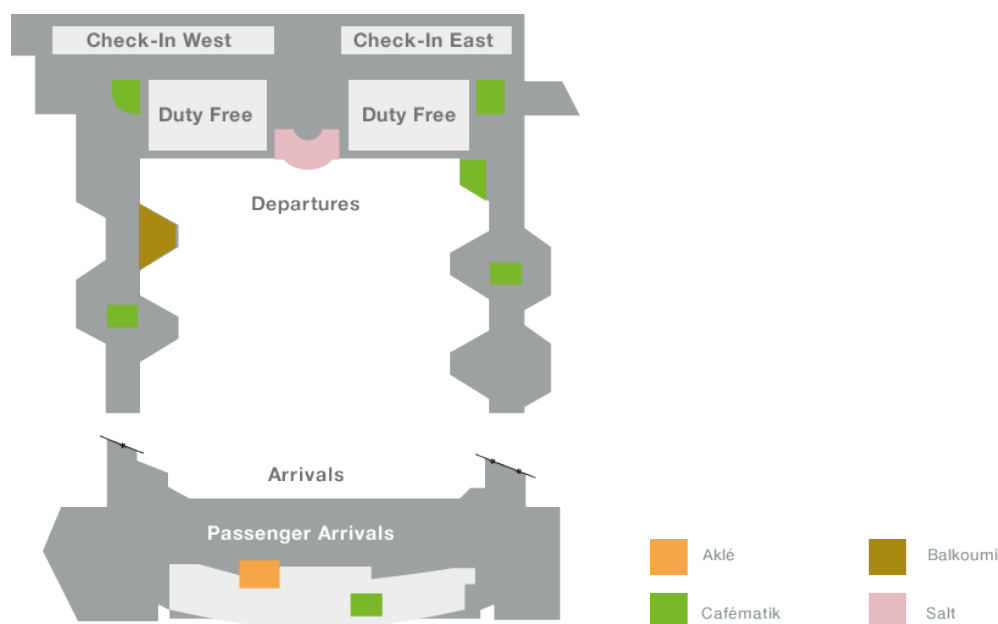
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Integrating the
SDGs into our
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About Fulcrum

If you have ever entered or left Lebanon by air or even just collected someone from the airport, chances are you're acquainted with the products and services of the Fulcrum management company that has exclusive rights to manage and operate all F&B outlets at Rafic Hariri International Airport in Beirut.



Fulcrum was established in 2004 to manage and operate, exclusively, all Food & Beverage Outlets at Rafic Hariri International Airport (R.H.I.A), Beirut, Lebanon, on behalf of L.B.A.C.C sal/ MEA. Fulcrum shares its passion for food across all its concepts and its goal is to introduce and discover new innovative trends in the food industry and to offer healthy, fresh, quality food. The company created four restaurant concepts implemented in ten locations throughout the airport departures and arrival areas.



CAFÉ MATIK

High Quality Salads, Sandwiches, Baked Goods
and Coffee.



Gourmet offering such as seafood (Caviar, Heart of Salmon and Sushi) gourmet menu (Foie Gras, Vitello Tonnato, wild Cod burgers and beef Angus burgers), Salads, Sandwiches and Specialty Pastries designed by master chef Charles Azar and executed by our chefs at the airport.



Canteen style restaurant catering to full range of customers; from airport employees to travelling guests. Menu incorporates Eastern and Western cuisines. Shawarma, Mezze, Hamburgers, Multiple Daily Specials.



Mediterranean specialties rooted in Lebanese cuisine. It provides customers the opportunity to enjoy a healthy, high quality, varied meal. Offers cold and hot Mezze (Hummus, Mutabal, Manakish, Falafel and Shawarma...)

ISO 22000 FOOD SAFETY MANAGEMENT

ISO 22000 provides a layer of reassurance within the global food supply chain, helping products cross borders and bringing people food that they can trust.

All food is prepared every day from the ISO 22000 certified Central Kitchen located inside the airport. To maintain freshness, food is prepared according to demand and replenished, as required, around the clock. Fulcrum takes pride in using Eco- Friendly packaging and partners with the UN organization; Global Compact Network Lebanon.

02 Statement of General Manager



“

As a business leader I am responsible to sustain the business not only to maintain profitability (or the hope of achieving profitability) but to ensure that my people can continue to support their families.

”

2020 has been a year of unprecedented events. Our country, Lebanon faced one challenge after another: a popular revolt, the collapse of the Lebanese Lira on top of an already untenable socio-economic environment exacerbated by spread of the Covid-19 pandemic. All of these crises brought the country to the brink of collapse and when we thought it could get no worse, our beautiful City of Beirut was rocked by the third largest explosion the world has ever experienced. The Lebanese, as we have done time and time again, mourned those we lost; stood up; swept away the debris; replaced the broken glass, and moved forward. As a business person in Lebanon it is something we all do instinctively. Work is a lifeline to the future and for many the only way to survive. As a business leader I am responsible to sustain the business not only to maintain profitability (or the hope of achieving profitability) but to ensure that my people can continue to support their families.

At Fulcrum, we endeavor to live up to our social responsibility by running our business profitably and sustainably and by integrating financial, social, environmental and ethical considerations into our production and processes. We wish to ensure the sustainable development of our business activities, and put extra emphasis on prioritizing high-quality products, reliability, limited consumption of resources and consistent sustainable development throughout our value chain and in dialogue with our stakeholders. Fulcrum has signed the UN Global Compact and fully supports the UN guidelines for human rights and commerce. We make every effort to integrate these principles into our business and value chain based on the UN's Sustainable Development Goals (SDGs), the UN Global Compact's 10 principles and a code of conduct for suppliers. In general, in relation to climate and the environment, we are focused on reducing our environmental footprint as much as possible. We are working on a number of projects, including energy efficiency to reduce our environmental impact. In terms of social responsibility, we are focused on an employee policy, which places emphasis on education, safety and a good working environment. With our suppliers, we want to have a constructive and innovative dialogue based on the principles of human rights and rights in the workplace. In that regard, we are also focused on their commitments to the health and well-being of their employees and to the eradication of child and forced labor.

We look forward to continuing working with the UN Global Compact principles in the year ahead. We would also like to wish a better year ahead for us all here in Lebanon and around the world. United, we will restore our country to its former glory.

Youmna Al Ashkar, General Manager

MEET THE TEAM



Younna Ashkar

General Manager

Camille Wehbe

Executive Chef

Hasan Tarabay

Finance Manager

Izzat Malas

Operations Manager

Mohamed Fahess

Quality & Audit Manager

Fulcrum sal had a lot to celebrate after achieving the highest number of gold medals at the Hospitality Salon Culinaire, third place at the Lebanese Barista Competition and Chef Camille Wehbe being awarded as an active member of Académie Nationale de cuisine, île de France.

Established in 2004, the company has grown and expanded its offering over the years through four concept stores based across the arrival and departure areas. Younna Ashkar, general manager, elaborated on the company's strategy, saying, "Fulcrum's goal has always been centered around introducing popular, as well as innovative items, that are fresh, healthy and of high quality. The four outlets offer their guests products that are replenished two-to-three times a day. The range takes into account all budgets and most items are served in eco-friendly packaging. Furthermore, because we believe in putting our skills to the test, and as HORECA participants since 2005, we entered this year's sandwich and food competition and won 10 medals (two gold, two silver and six bronze), which goes to show the level of quality and detail we pride ourselves in offering one and all. Furthermore, the chef who won the gold medal in the sandwich category Fulcrum flew to London and the winner in the pastry category will travel later this year to Paris."

Committing to the Ten UN Principles

Human Rights

- Ensure workers are provided safe, suitable and sanitary work facilities
- Protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats and offer them the personal protective equipment needed to protect them from COVID-19 and cover the fees of PCR tests if needed.
- Offering free clinical consultations by dealing with 2 doctors to support our staff and help them to follow medical instructions on time.
- Ensure the safety of our guests and employees by implementing strict precautions to prevent the spread of COVID-19 such as deep cleaning and sanitation of outlets, sanitizing the received materials, etc.
- Ensure that employees take the precautions to protect themselves from being infected by COVID-19 by providing the needed PPEs, the medical support and covering the fees of PCR test if needed.
- Supporting staff who got Covid-19 infections and offering them needed stuffs when possible like oximeters, medicines, tests etc.
- Encourage employees of different gender to improve and get their university degrees by offering them the needed support.
- Taking needed measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products.
- Stop the orders from any suppliers in case of unethical or illegal behaviors
- We donated packaging plates take away for 2 NGO's that needed these to offer free meals for people in Beirut.
- Offering free meals (lunch and breakfast) since April 2020 and up till present date, for all Health workers from the Ministry of Health, working at the Airport for PCR and screening tests of passengers.
- Working on obtaining Covid vaccines for free, to offer to all our staff who wish to be vaccinated.

Labor

- Ensure that the company does not participate in any form of forced or bonded labour and complies with minimum wage standard by Ensuring that our employees are paid on time even during the closure of the airport in 2019-2020.

- Ensured that employees take the precautions to protect themselves from being infected by COVID-19 by providing the needed PPEs, the medical support and covering the fees of PCR test if needed.
- Increased the awareness of the employees about COVID-19 by providing training sessions about the symptoms, precautions and transmission of COVID-19
- Offered the financial support to help some employees in the reconstruction of their houses after the port's explosion.
- We offered to all our staff money as Social Assistance during this hard and difficult economic situation.

Environment

- Avoid the environmental damage by reducing the waste:
 - New strategies were implemented to reduce the paper consumption
 - Control the consumption and the waste of disposable equipment such as disposable masks, disposable coats, hairnets, etc.
- Implemented specific measures to reduce the consumption of detergents.
- Implemented new strategies to follow up on and control laundry issues
- Implemented new strategies to use the less harmful detergent
- Using all precautions to provide environment free of covid-19
- Providing hand sanitizer in all our premises

Anti-corruption

- Stop the business with any suppliers in case of illegal or unethical behavior



BY JOINING THIS CORPORATE RESPONSIBILITY INITIATIVE, FULCRUM COMMITS TO EMBRACE THE UN GLOBAL COMPACT'S 10 PRINCIPLES AS PART OF ITS STRATEGY, CULTURE AND DAY-TO-DAY OPERATIONS.

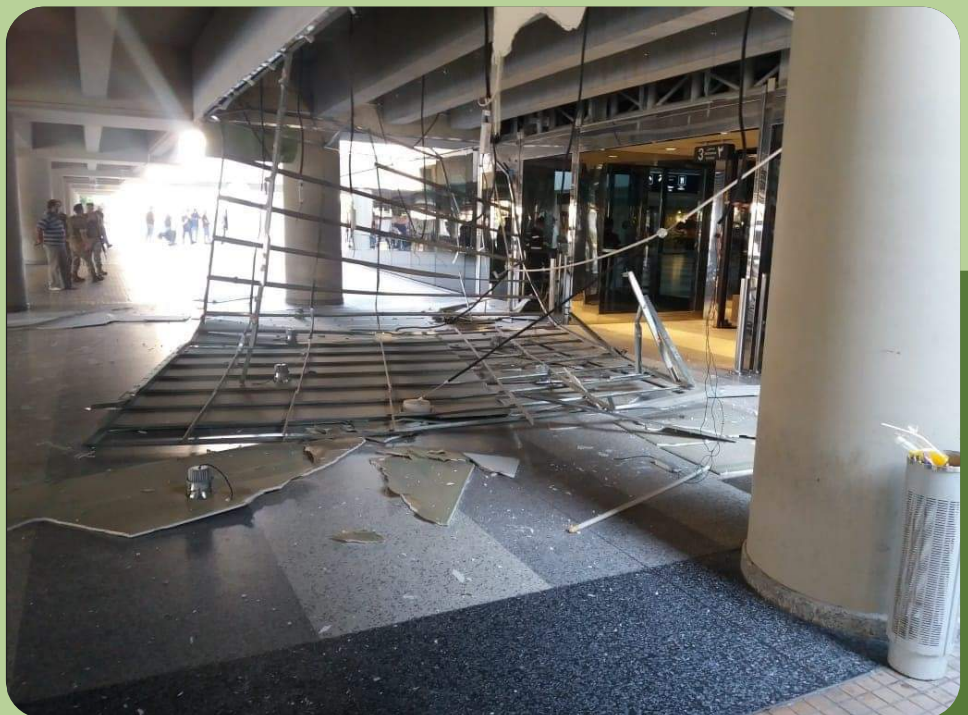


The Beirut Blast



Fulcrum teamed up with several NGOs to distribute food boxes to people in need. Our team volunteered in the process and were part of the community picking up the pieces of a shattered community and helping others. As for our employees, we supported the families of our employees who were injured, and we ensured financial assistance on payroll during these terrible times.

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04 Human Rights



HUMAN RIGHTS

UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

1. Support and respect the protection of internationally-proclaimed human rights, and
2. Ensure that we are not complicit in human rights abuses.

POLICIES

Fulcrum respects and supports internationally recognised human rights throughout the company. This means that we respect and support international agreements on human rights.

Throughout the group, we also comply with applicable standards concerning working hours. In addition, we ensure that wages are in line with legislation and branch standards in the country.

ACTIVITIES AND RESULTS

In Fulcrum, we believe that by maintaining our policies on human rights in 2020 we made a positive contribution to respecting human rights in the workplace. Fulcrum group's support and respect for international conventions on human rights is internally reflected in our organisation, among other things, in our HR policies.

Furthermore, we continued in avoiding repression and discrimination against workers and the use of child labour, and ensuring freedom to unionise. In addition, the international rules for the use of pesticides must be respected, and production of food vulnerable areas avoided.

As for our measures in relation to the Coronavirus, we ensured establishment of policies that provide safe, suitable and sanitary workplace for our employees in our facilities. Also, we offer free of charge PCR tests for employees exposed to risks as well as we offer free clinical consultations to our staff by providing them accessibility to two doctors they can visit at any time, should they feel or suffer from any medical symptom. Most importantly, we ensured implementing awareness on the pandemic and provided them with all Personal Protective Equipment (PPEs). In any case of having one of our employees infected, we made sure to cover their medical bills and provided them with the necessary equipment (for example oximeters).

UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

3. Uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. Support the elimination of all forms of forced and compulsory labour;
5. Support the effective abolition of child labour;
6. Eliminate discrimination in respect of employment and occupation.

POLICIES

Within the Fulcrum group, we work hard to provide an attractive, exciting, efficient and inclusive workplace for all our employees. In practice, this means being a versatile and inclusive workplace with equal opportunities for all.

We create the space needed for our employees to develop themselves in their jobs and we develop managers who inspire employees to perform at their best. Across the group, we are also constantly working towards ensuring effective work processes. Our focus is on creating a safe and healthy working environment and offering competitive conditions for our employees. Not least, we offer working conditions that comply with legislation, relevant guidelines and take into account the standards of the UN Global Compact.

ACTIVITIES AND RESULTS

Fulcrum works on serving a guarantee that our employees work under proper conditions via collective agreements. Our HR team has continued working with a process to promote effective leadership in the group via, among other things, training and workshops.

We believe that we have a responsibility to share our knowledge and experiences with the young people who are interested in working with the F&B industry. For that, we support and encourage university students to join us by taking into consideration their time schedule and mental wellbeing.

Furthermore, we work on ensuring that Fulcrum does not participate in any form of forced or bonded labour and complies with minimum wage standards and ensure timely pay even during the closure of the airport in late 2019 till early 2020.

After the explosion on August 4th, we offered financial assistance to our employees whose houses got damaged. We also gave our entire staff money as Social Assistance during these hard and difficult times in Lebanon.



UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

7. Support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

POLICIES

Fulcrum wishes to reduce the company's environmental impact as much as possible - especially locally in the areas the group operates in. In practice, this means that we promote sustainable processes in the group and are in constant dialogue with stakeholders about environmental challenges. In addition, we are focused on saving energy and reducing our consumption of materials by continually monitoring and optimising our operations. We also comply with applicable legislation and relevant requirements from the world around us and also actively take into account the principles of the UN Global Compact.

ACTIVITIES AND RESULTS

Social responsibility and caring for the environment are integrated elements of Fulcrum's business. For that, new strategies were implemented to reduce paper consumption and waste. We also control the consumption and the waste of disposable equipment such as disposable masks, disposable coats, hairnets etc. Furthermore, we have been also taking and implementing specific measures to reduce the consumption of detergents and also ensuring the use of less harmful detergents on the environment.

Food safety and quality at Fulcrum's restaurants, there is a strong focus on quality and food safety, and it is important for us to ensure that we produce high-quality products and maintain high food safety standards. It is our ambition to constantly ensure that improvements are made and that the expectations and requirements faced by us as a company are addressed. All food is prepared every day from the ISO 22000 certified Central Kitchen located inside the airport. To maintain freshness, food is prepared according to demand and replenished, as required, around the clock.

Eco friendly packaging

Reducing packaging materials and minimizing waste were two big components for our journey in turning our packaging sustainable. As a business, this led to more efficient storage, and we opened up additional space to store more merchandise.

A few strategies and packaging innovations tips:

- Recycled packaging materials.
- Avoid over-packaging throughout the supply chain.
- Share disposal and recycling best practices.
- Use of smaller packages
- Minimize plastic use as much as possible

07

Anti-corruption



ANTI-CORRUPTION

UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:




10. Work against corruption in all its forms, including extortion and bribery.

POLICIES

At Fulcrum, we are focused on ensuring integrity and competition law when creating our commercial results. In other words, we have strict requirements for business ethics across the value chain and across the group. We make every effort to ensure transparency in our business decisions and practices, and when faced with dilemmas, we act based on our values. We are in compliance with all applicable legislation and take an active-approach to the anti-corruption principle of the UN Global Compact.

Objective	Result achieved	Action taken
Reducing the paper consumption	Around 109000 papers will be saved per year	Implementing different strategies such as relying on soft copies, printing on both sides of the paper, etc
Reducing detergents consumption	The detergent consumption decreased by 37 percent in 2020	Searching for a substitute and choose the one that can save both consumption and cost while keeping the same effectiveness or even increasing it
Decreasing the laundry cost	The laundry cost decreased by 51 percent while performance increased	Implementing a control plan starting from detecting the previous gaps, setting the actions to solve them and taking additional actions while focusing on improving the performance
Protecting our guests and employees from being infected by COVID-19	Many guests gave us their positive feedbacks about the precautions taken in our outlets	Implementing many hygienic practices such as sanitizing the tables, chairs and equipment after each gusts, sanitizing the items received from the suppliers, etc.
Considering the legal and ethical behavior as priority	Stop the business with some suppliers after detecting some illegal problems in their products	After detecting the illegal problems in the products of some suppliers , all the products were spoiled, the orders were stopped
Controlling food waste	Actions were taken to prevent the disposal of many items during the airport closure	Preparing a list of all the items available in stock in which the available quantity and the expiry date is mentioned. The items with near expiry date were highlighted and we tried to find a safe way to use them before the expiry date such as cooking the items and freezing them.
	The food waste decreased considerably between 2019-2020	Controlling the quantity of vegetables and fruits ordered, the quality of items received Implement a project to control following the recipes and to adjust some recipes if needed.
	The wastage percentage of many items decreased in 2020. As example the wastage of manakish decreased by 3 percent in 2020	Preparing a system to control the production based on the expected number of passengers
Reducing the consumption of packaging materials	The general items consumption was considerably reduced in 2020	Implementing many strategies such as replacing the disposable boxes by multi-use plastic boxes in the kitchen, conducting validation studies to check if it is safe to display some of our items for a longer time in the outlets, in this way we have decreased the food waste and the packaging materials consumption
Reducing the electricity consumption	The consumption was decreased by 2018 till December 2019	Implementing a plan to control the use of electrical appliances. Turning off the fridges and freezers when not used Replacing the lights by LED ones
Encouraging our staff to get higher academic degrees	Some of the administration staff including the head store helpers have enrolled in MBA in 2020	Give the concerned people the approval to have a flexible schedule and offer them the needed support
Considering the safety of our product a priority	We are working on upgrading the food safety management system that is implemented in our premises	Following strict requirements all over the food chain from farm to fork

Integrating the SDGs into our operations

SDG	Description of action Plan
<p>SDG 4: Quality Education</p> 	<p>Education is a human right and a force for sustainable development and peace. Fulcrum tackles educational challenges by building systems that are inclusive, equitable and relevant to all learners. We support employees continuing their education and advancing it. Many of our staff are undergrads and we always ensure that their time spent on their education is not affected by their working hours. We also encourage our staff to pursue their journey in reaching higher diplomas, while still remaining to work at Fulcrum. By promoting lifelong learning opportunities for all – SDG 4 plays a central role in building sustainable, inclusive and resilient societies.</p>
<p>SDG 5 : Gender Equality</p> 	<p>A women-led business, Fulcrum's General Manager Mrs. Youmna Al-Achkar is promoting economic empowerment and financing across several targets. Mrs. Achkar is one of the top leading women in the hospitality industry in the Middle East and Asia. Under her management, the company ensures women's economic rights through women's equal opportunities to organize for better wages and achieve full and productive employment and decent work. Today, more than 50% of our admin staff are women, giving room to women's full and effective participation in leadership and decision-making. We continue to work towards SDG 5 through framing gender-based inequalities in legal matters and policies.</p>
<p>SDG 12: Responsible Consumption and Production</p> 	<p>At Fulcrum, one of our main objectives is to enable sustainable consumption by developing innovative solutions that can reduce energy need in usage and also, educate consumers about these benefits. More and more, we are turning to sustainable resourcing of our products, being in the food industry. Furthermore, we implement a resource efficiency strategy for products and services and reduce our packaging material by more than 50% to green and environmentally friendly material.</p>

