

INSPIRED BY BEES prescribed by nature

STATEMENT OF CONTINUAL SUPPORT BY THE CHIEF EXECUTIVE OFFICER

United For The Global Goals!

We, at Beesline, would like to reassert our support for the Ten Principles of the United Nations Global Compact in the field of Human Rights, Labor, Environment & Anticorruption.

As a global innovator of natural cosmetics, sustainability is the key to our business success. Despite all the challenges we faced this year, we endeavored to carry out our mission successfully.

To ensure reaching our sustainability goals, we have firmly integrated them into our corporate strategy and in each department's functional planning.

Beesline's corporate ambitious goals include:

- Using business innovation to drive sustainability and growth.

- Positively impacting the environment by reducing our carbon footprint.

Ensuring a sustainable consumption of natural resources.
Creating and maintaining a safe, healthy, respectful and inclusive workplace with equal opportunities.

 Spreading awareness across employees, the community, and society.

I invite you to have a look at our Communication on Progress, to learn more about our actions and results for the year 2021. This report will be published and communicated through the UNGC website, our website, as well as shared with all Beesline stakeholders including team members, suppliers, and distributors.

Last but not least, I want to thank the Beesline team, without whom we could not have achieved this success. Together, we can make a difference and shape a bright future for us all.





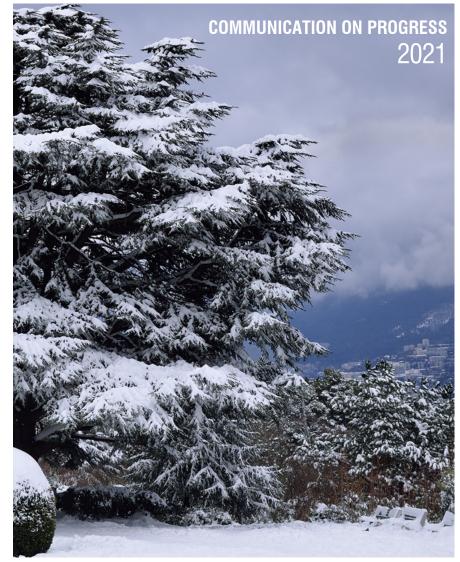
Mohamad Arayssi CEO | Co-Founder





This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**. We welcome feedback on its contents.





A BEEGAN COMPANY

We are from Lebanon, a land that crossroads between east and west, known for its 3,000-yearold cedar forests. We have been active in the natural cosmetic industry since 1992. Our brand Beesline, a dermo-cosmetic range of products, is based on the concept of Apitherapy. Beesline products are free from any animal ingredients with the exception of cruelty-free sourced bee products. Our goals are focused on providing natural, safe, and effective products that will not irritate sensitive skin. Beesline is committed to the use of 100% safe and natural ingredients, ethically sourced, while preserving the ecosystem biodiversity. We honor fresh extractions and short-term delivery on shelves. We avoid at all costs the use of ingredients we believe could cause us or the planet any harm. We aim to shift completely our use of plastic packaging to recycled/reusable/degradable material. Beesline is striving to turn its industry into a Carbon Neutral one, by rethinking its portfolio lifecycle. Meanwhile, we are trying to offset the amount of CO_2 produced, with several projects, such as the initiation of small Lebanese beekeepers and farmers to bee-centered beekeeping. Being Beegan is a commitment meant to support small beekeepers and safeguard the bee population.

THE BEE-CENTERED SOCIETY PROJECT

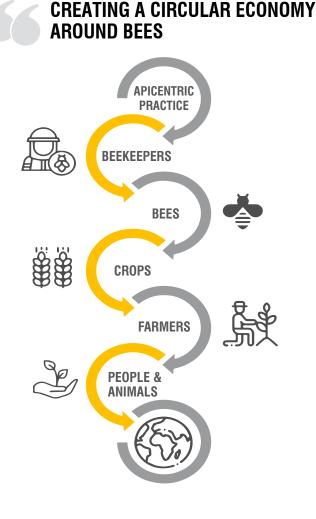


One of the highest impact projects of Beesline is the BEE-CENTERED SOCIETY PROJECT with the following goals: -Developing and supporting local beekeepers and cottage beekeeping, in a sustainable way. -Educating local beekeepers and training them to believe in keeping bees in a more natural way, without antibiotics or sugar feeding, giving them a home that serves them well. More information in this <u>Table</u>.

-Spreading awareness about Beeganism which is sustaining bees' life and well-being by consuming only bee products sourced by bee-centered beekeeping.

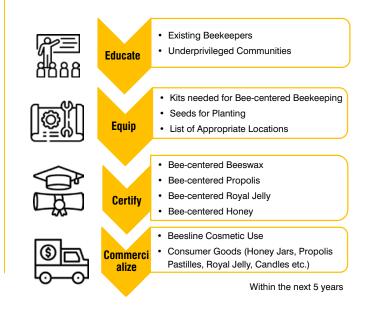
Beeganism is a commitment meant to support the society of beekeepers and their ethical beekeeping practices that play a critical role in the revival of the declining bee population.

The Bee-centered Society Project



What direct steps is Beesline taking?

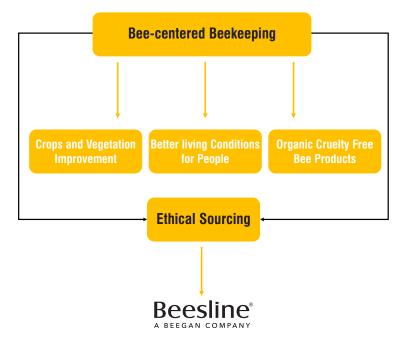
Introducing our Bee-centered Beekeeping Program



Beesline

Which Sustainability Components will be tackled?

Ethical Sourcing our raw material for Ethical Cosmetics towards a Chemical-Free World.





FOR US AT BEESLINE, BEE-CENTERED BEEKEEPING IS THE ONLY CONSCIOUS WAY TO GO

An Intro to Bee-centered Beekeeping

According to Greenpeace International, honeybees perform about 80% of all pollination. But bees are under threat. The species' extinction rate has increased up to a thousand times due to human impact. (fao. org)

Whilst there isn't one single cause to blame, there are four significant threats that stand out: pesticides, the varroa mite, climate change, and habitat loss. (Source: The Soil Association)

For these reasons, almost 75% of all wild bee colonies may be lost very soon.

That is why beekeeping is an essential practice that should be encouraged and even promoted, provided bees are not exploited and their health is not being 'sacrificed' by the harvest of honey or beeswax.

Conventional beekeeping has been frowned upon by the vegan society, due to beekeepers' bad practices such as interference with bees' natural behavior, intrusive interventions, chemical treatments, and harvesting most of the honey while feeding the bees a poor sugar substitute instead. In this specific context, honey and beeswax are typically classified as non-vegan.* (See definition of vegan)

With a growing eco-conscious society, today, a new approach to beekeeping is developing, aiming to emphasize on the crucial role that bees are playing and their impact on the biosphere by ensuring the continued pollination of crops. Understanding, respecting, and supporting the essential biological needs of the bees in a holistic manner is fundamental to having healthy bees. We call this approach "bee-centered beekeeping".

Bee-centered beekeeping is an ethical, non-cruel, completely natural way of looking after bees, seeing them from their own point of view;

an approach through an ecological lens, laying out a set of new rules and techniques, that consider honeybee colonies' natural behavior. It offers, for instance, adapted shelters to replace hollow trees and caves that have disappeared due to urbanization or intensive agricultural practices. In return, Bee-centered beekeepers harvest honey or beeswax but only when it exceeds the bees' needs. If we return to the basic biology of this wonderful creature and start to care for it in a manner that supports it for the long term rather than exploits it in the short term, only then will we bring the bees back to the vibrancy they deserve and the world needs.

This is why we took the decision, as of 2020, to invest in a nationwide project supporting independent beekeepers and enabling them to practice their work in an ethical way. This program aims to develop, support, educate and train beekeepers while providing them with all the necessary tools to perform their task. We are also working on spreading awareness about planting bee-friendly flowers, shrubs and trees, not mowing 'weeds' that bees love, keeping verges full of wildflowers, and encouraging farmers to leave prairie strips on their farmland.

* Definition of "Veganism" from The Vegan Society:

Veganism is a way of living which seeks to exclude, as far as is possible and practicable, all forms of exploitation of, and cruelty to, animals for food, clothing or any other purpose.

References: <u>https://www.naturalbeekeepingtrust.org/the-science</u> <u>https://www.gatherby.org/bee_centric_beekeeping</u>





BEESLINE ESSENTIALS

As the word "essentials" means, the Mission, Vision, Core Values, Behaviors, and Competencies are extremely important for us in Beesline. They are shared by all and serve as the guiding forces we always come back to.

OUR MISSION AT BEESLINE: WELLNESS FOR PEOPLE AND THE PLANET

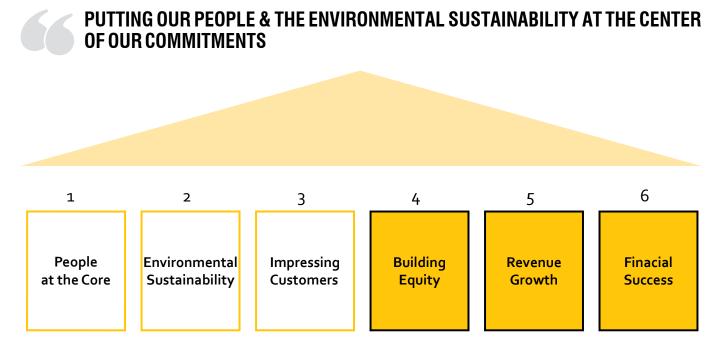
Adding to these Mission and Vision, Beesline's Essentials include: The "Values" of Passion, Resilience, Empowerment, Innovation, Quality, Respect, and Integrity; the "Behaviors" of Building and maintaining trust, Driving performance, Developing self and others, Accountability, Spreading positivity, Dependability, and Crossing barriers; and the "Competencies" of Customer Focus, Initiative, Time management, Teamwork, Communication, Adaptability & Self-awareness. (Ref.)

We conduct a yearly Employee Engagement Survey on "Beesline Essentials" and how they are maintained and applied in our company. Results obtained give our organization valuable feedback on employee satisfaction and issues in the workplace. We always take the results seriously and act on the team's suggestions wherever possible. (Ref.)

The values we believe in, and how we reflect that in our behavior, added to our competencies, determine how we do our work. How we do our work decides the results that we achieve.

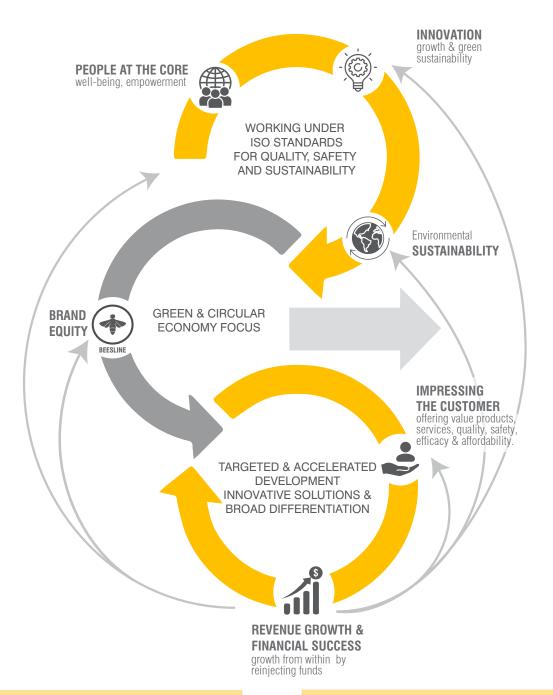


BEESLINE'S STRATEGIC PILLARS



"People at the Core" is one of Beesline's six Strategic Pillars. It highlights how Beesline is a people-centered organization that considers every team member as an important partner. That is reflected in specific programs that manage the Human Capital throughout the employment cycle.

Also, one of the important strategic pillars Beesline is focusing on is "Environmental Sustainability". We took a clear approach by integrating and operating our business in a sustainable, responsible manner.



COMMERCIAL PERFORMANCE

TOPLINE SOLID DOUBLE DIGIT GROWTH FOR THE 4TH YEAR IN A ROW

- Above plan Topline performance
- · Topline growth within the majority of operating markets
- Topline growth across all pillar categories
- Topline growth from organic sources
- Topline growth from inorganic sources
- Major breakthrough in the online channel
- · Major breakthrough in new markets
- · Successful sign off of the sun protection innovation
- · Successful sign off of innovative male and female deodorants

FINANCIAL PERFORMANCE

PROFITABILITY SOLID DOUBLE DIGIT GROWTH FOR THE 4TH YEAR IN A ROW

- Above plan BL performance
- Both Operating Profit and Net Profit growing faster than sales
- Improvement in the GP margin
- · Key improvements in cash position
- Tangible reduction in the Operating Cycle Days
- · Overall healthy positions in efficiency markers

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BEESLINE'S BUSINESS DEVELOPMENT PLANS

Our Geographic Expansion Plan Till 2024



BEESLINE HAS BEEN PIONEERING "ETHICAL COSMETICS" TO THE WORLD SINCE DAY ONE

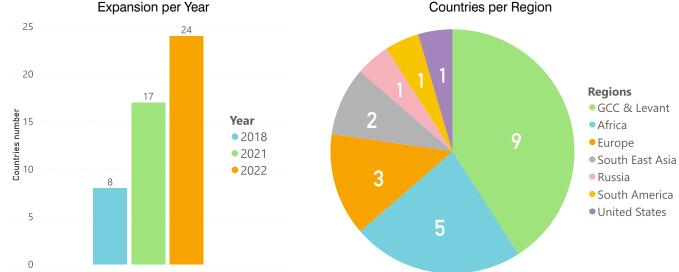
Since 1994 the brand has been expanding on a global level with no boundaries.

The rewards for our perseverance and commitment have really paid off and turned our international expansion into a success story.

In 2018, Beesline was present in 8 countries. Since then, we accelerated our expansion and reached 17 countries, and in 2022 we will be reaching a total of 24 countries. We will proudly be present in 9 countries in GCC & Levant territory, 3 countries in Europe, and 5 in Africa. We will also be in the United States, Ecuador, and Russia, as

well as South East Asia reaching Singapore and China. This expansion is possible thanks to our team's strategic decisions that help smoothen our path to growth not only in our region but in the international market. Beesline tapped primarily into markets where the love for bee byproducts in skincare is strong, and where consumers are looking for natural sustainable skincare ranges.

Now available in 24 countries worldwide and growing every year at a pace of 3 new countries per year, we are spreading the Beegan commitment in every new territory.



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CERTIFICATION | STANDARDS | PARTNERSHIPS

By choosing to frame our operations within GLOBALLY RECOGNIZED STANDARDS, we were able to clearly define our performance indicators, progress and targets for the following years. Our actions became better aligned with the sustainability journey we have embarked on.

Certification Standards Partnerships	Purpose	Date of Certification Certifying Body	References
International Standards &	Certifications		
ISO 9001:2015	This international standard specifies requirements for a Quality Management System (QMS). We use this standard to demonstrate the ability to consistently provide products and services that meet our customer and regulatory requirements. Some of the main benefits include: increase in efficiency, productivity and profit, Less waste, Improve customer retention and acquisition, Consistent outcomes measured and monitored. We successfully passed this year our re-certification audit process of ISO 9001 standard.	Since 2012 TÜV NORD	150 9001:2015
ISO 22716:2007	This international standard of Good Manufacturing Practices (GMP) for the cosmetics manufacturing industry describes the basic principles of applying GMP in a facility that produces finished cosmetic products. We apply these guidelines that offer an organized and practical advice on the management of human, technical and administrative factors affecting product quality. We successfully passed this year our surveillance audit process of ISO 22716 standard.	Since 2019 TÜV NORD	ISO 22716
ISO 14001:2015	This international standard sets out the requirements for an Environmental Management System. It helps organizations improve their environmental performance through more efficient use of resources and reduction of waste, gaining a competitive advantage and the trust of stakeholders. We are in the last stage of implementing ISO 14001 and aim to be certified by Mid-2022.	2021 TÜV NORD	14001:2015
ISO 45001:2015	This international standard is an effective health and safety management system that can provide benefits to our customers and give us a competitive advantage by: minimizing the risks of production delays, providing a safe environment to do business. Demonstrating your commitment to maintain an effective health and safety policy. This standard is already integrated and reflected in our future plans.	2022 TÜV NORD	14001:2015
CPNP	The Cosmetics Products Notification Portal is an online system that ensures that all submitted cosmetic products meet the requirements of the Cosmetic Product Regulation (EC) No. 1223/2009 that harmonies the rules in the European Economic Area (EEA), and in doing so, safeguard public health with due regard to the welfare of animals.	Since 2020 OBELIS	CERTIFICATION COMMETICS NOTIFICATION MEMORY REPORT NOTIFICATION
COSMOS ORGANIC	COSMOS adheres to principles such as promoting the use of ingredients from organic farming, using production and manufacturing processes that are environmentally sound and safe for human health and including and expanding the concept of 'green chemicals'. In order for a product to be certified Cosmos Organic, the ingredients used in the products have to be grown and harvested organically. There are strict regulations for a product to be called 'Organic' with minimum 95% of the ingredients having to be grown organically.	Since 2020/2021 ICEA	COSMOS
Biopreferred (Future Plan)	As consumers consider purchasing options with sustainable attributes, USDA wants to make it easy for consumers to identify biobased products. The USDA Certified Biobased Product label, displayed on a product certified by USDA, is designed to provide useful information to consumers about the biobased content of the product. This label assures a consumer that the product contains a verified amount of renewable biological ingredients (referred to as biobased content). Consumers can trust the label to mean what it says because manufacturers' claims concerning the biobased content are third-party certified and strictly monitored by USDA.	2022	USDA CERTIFIED BROASED PRODUCT REDUCT 575
Certified B Corporations	Certified B Corporations are a new kind of business that balances purpose and profit. They are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. This is a community of leaders, driving a global movement of people using business as a force for good. This certification is in our future plan.		Certified
OTHER STANDARDS	SASO Saudi Arabian standards, GSO Gulf standards for cosmetics & personal care products. SFDA, CFDA, JFDA, and all markets we are present in.	Since 1999 GSO	G
SEALS with Endorsement			
PETA	Beesline is LICENSED for PETA's official cruelty-free bunny logo. Cruelty-Free signifies that neither the product nor its ingredient suppliers conduct, commission, or pay for any tests on animals for their ingredients, formulations, or finished products anywhere in the world and won't do so in the future www.peta.org . People for the Ethical Treatment of Animals.	Since 2017 PETA	crueltyfree
ALLERGY UK (Future Plan)	Allergy UK is the leading national charity providing support, advice and information for those living with allergic disease. Allergy UK's Seal of Approval™ is a globally recognised endorsement that products do not contain allergens likely to cause a reaction and have been independently clinically tested and assessed as more suitable for people affected by allergy.	2023 British Allergy Foundation	\bigotimes
Active Partnership with NO	GOs – Active Networking Partnerships for Development		
ENDEAVOR	Endeavor, the non-profit organization leading the global movement supporting High-Impact Entrepreneurs, helps build sustainable growth models in their home countries. In 2014, Beesline was selected to join its global network. Benefits are: gaining access to comprehensive, strategic, global support services, including introductions to local and international business mentors, investors, and volunteers from Fortune 500 consulting firms who will help address key needs.	Since 2014	-endeavor
UNGC	The United Nations Global Compact is a strategic initiative that supports global companies that are committed to responsible business practices in the areas of human rights, labor, the environment, and corruption. Contributing to the 17 Sustainable Development Goals. With networking access with UN Global Compact participants in all industry sectors. Sharing best practices and emerging solutions for sustainable living.	Since 2020	WE SUPPORT
WEP	The WEPs platform offers the private sector a global network of like-minded companies and guidance on advancing gender equality and women's empowerment in the workplace, marketplace and community. Support for the seven Principles has gathered global momentum – thousands of companies worldwide are now WEPs champions – and therewith also contribute to the Sustainable Development Goals.	Since 2020	WOMEN'S EMPOWERMENT PRINCIPLES
CEDRO 5 FUNDED BY THE EU (In Process)	Installation of renewable energy & energy efficiency systems in the lebanese industrial sector. The United Nations Development Programme, in partnership with the Ministry of Energy and Water and the European Union, has initiated the implementation of the CEDRO 5 project, which is funded through the European Union. The CEDRO 5 project is implemented in cooperation with the Association of Lebanese Industrialists (ALI), The Lebanon Green Building Council (LGBC), and the International Renewable Energy Credits (I-REC) Institution.	Since 2021	

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Beesline



2021 DAILY OPERATIONS OF CONTINUOUS INTEGRATION

UNGC PRINCIPLES: CONTEXT

While Lebanon has been witnessing seemingly non-ending political fights since 1975, corruption and favoritism have infiltrated all government institutions. The deteriorating situation of human rights in the country is described on the Human Rights Watch <u>website</u>. The impression left by the last report of the current condition of natural resources and environmental management in the country is alarming.

(State of the Environment Report (SOER) with the UNDP-Environmental Governance-MOE/UNDP/ECODIT, 2011).

At Beesline, we act as if we were living in a country where human rights are granted, because they lie at the core of our values. For that reason, we are proud to report our related activities to the UNGC and publish them.



PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights. **PRINCIPLE 2:** Make sure that they are not complicit in human rights abuses.

High-level Commitment and Strategy

The Lebanese government has signed a 6-year National Action Plan for Human Rights with the UN in 2014. The ultimate goal of the plan is to protect and promote human rights in Lebanon, at all levels, including notably fundamental civil, political, economic, social and cultural rights and freedoms. Although the government did not fully comply, nor report the implementation of its commitments, this document helped us at Beesline to find the gap between what is locally applied and how we should actually act, i.e., as is advised in this document. This program is fully endorsed by Beesline's management committee.

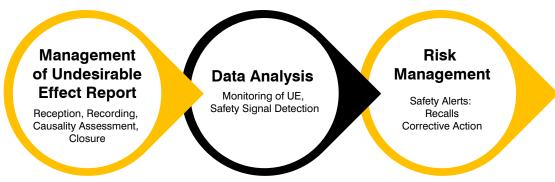
https://www.ohchr.org/Documents/Issues/NHRA/Lebanon_en.pdf

Description of Practical Actions and Results

Consumer Safety: Cosmeto-vigilance for a Strengthened Safety

THE DEMAND ON COSMETIC PRODUCTS HAS EXPANDED OVER THE LAST DECADE INCREASING THEREBY THE INCIDENCE OF ADVERSE REACTIONS ASSOCIATED WITH THEIR NORMAL USE

Cosmetovigilance Stages



In cosmetics, adverse reactions are rare, typically mild and completely reversible. At Beesline, safety is at the heart of innovation. In order to monitor & assess the adverse reactions associated with the use of our products and for the purpose of guaranteeing a further strengthened safety for Beesline's consumers, Beesline is pleased to announce the implementation of a new post-marketing surveillance system called "Cosmetovigilance". Cosmetovigilance system allows to monitor the occurrence of undesirable effects, assess the causality, establish corrective measures & identify any potential health risk. Cosmetovigilance system is recognized globally as a concept of public health to address the safety of cosmetic products. In the European Union (EU), cosmetovigilance is established under the European Cosmetics Regulation (EC) No. 2009/1223. This system is not yet commonly known in the MENA Region. Being ahead of regulatory requirements, Beesline has integrated the cosmetovigilance system in its complaint handling procedure. Beesline's Management showed great support to the new rationale behind the safety-related complaint assessment. For the system to be effective, a coordination is required between Regulatory Affairs, Quality Assurance & Customer Support Teams with Beesline's global distributors' teams as well. We believe that implementing the cosmetovigilance system will promote the clients' confidence in Beesline products & set our minds at ease regarding their safety.



Consumer Awareness: Social Media Campaigns & Trainings

Beesline launched its first Webinar series to all our 200+ front liners scattered across the globe, the whole objective was to bring them together on a platform where they can learn all about products, refresh their memories against competition, enhance their selling & customer service skills yet share their feedback for improving performance. Beesline webinars targeted front liners to polish their product knowledge and skills to better achieve targets and sales. Aside from Webinars, Beesline also has taken over so many various Instagram lives to empower all our audience and customers. So many various lives were held that discussed bold & trending subjects:



Beesline Webinars and InstaLives will continue to discuss so many empowering subjects as the survival of this planet depends on us heavily. Beesline makes sure that we are in this together, hand in hand, stronger together like a beehive, cooperating towards the best future.



Consumer Awareness: Social Media Campaigns & Trainings (cont.)

Breast Cancer Campaign



Breast Cancer Awareness Month (BCAM), also referred to in the United States as National Breast Cancer Awareness Month (NBCAM), is an annual international health campaign organized by major breast cancer charities every October to increase awareness of the disease and to raise funds for research into its cause, prevention, diagnosis, treatment and cure.

For this reason, Beesline went pink in October to remind all the women to get checked. We dedicated the month of October towards breast cancer. We took advantage of this to raise awareness on breast cancer, educate about it and be able to link our products in a way to highlight the importance of always taking care of yourself and of your mental health.

In addition to that, we have donated 10% of total October Online sales to the Lebanese Breast Cancer Foundation and we have offered a branded block note to each purchaser during this month. And since Beesline always tends to use eco-friendly products when it's possible, we chose a note book made out of recycled papers from a small Lebanese business called Been There Done That.





Beesline

Skin Cancer Awareness

One of our goals is to always raise awareness and work towards educating our customers on the risks that they might not be aware of, while giving them the solution with our products. These stories are to show our customers that such type of cancer exists, that it is dangerous and that it is easily avoided.





Consumer Awareness: Social Media Campaigns & Trainings (cont.)

Mental Health Awareness

WORLD MENTAL HEALTH AWARENESS DAY

We, as a brand, have always tried to support our customers in all shapes and forms. And mental health is definitely one of the biggest topics we always mention. Making sure our customers feel a connection with our brand is very important to us so that they feel confident and comfortable to follow, support and shop from us. TAKE CARE OF Jour mind



Self-Love Campaign

In all of our campaigns, our message is always self-love to empower everyone and especially women around the world. We want our customers to love themselves by using our products, to take care of their skin, body, and health. It is very important for us to always push customers to take care of themselves and to love themselves because they are worth of it.



Lockdown Stories

During the lock-down period, we wanted to reassure our customers that we are always there for them, that they can count on us if they needed any support and that our customer service team is ready to help and listen if anyone ever needed anything.





let's have a A SPA TREATMENT together at home! ÷ . Put on your favorite music while waiting before hopping in the shower

#Togetherathome





Promoting Equality, Respect & Inclusion

Target Gender Equality



FOR THE SECOND CONSECUTIVE YEAR, BEESLINE RENEWED ITS STATEMENT OF SUPPORT FOR WOMEN'S EMPOWERMENT PRINCIPLES (WEPs)

For the second consecutive year, Beesline renewed its statement of support for Women's empowerment principles (WEPs) and participated in the "Target Gender Equality" Program conducted by the Global Compact Network Lebanon to support, protect & empower women against all types of discrimination inside and outside the workplace. Great progress has been recorded in 2021 by Beesline through the "WEP Gender Gap Analysis Tools"; in fact, Beesline received a score of 83% vs. 65% last year. (<u>Ref.</u>)





- Beesline was one of two companies who won the competition held by the World Bank and IFC "Journey to Gender Diversity" which aims to support companies with their workforce gender diversity goals and to help them identify gaps between male & female employees.

- Beesline attended training sessions funded by the European Union and conducted by ACTED & SIDC to raise awareness on human rights, stigma & discrimination faced by employees at the workplace and to build an inclusive, diverse and supportive work environment. The training allowed participants to exchange experiences and learn new tools to build an inclusive and supportive work environment for marginalized populations.

Fluid Summer Campaign

THE CURRENT STATE OF YOUR SKIN DOES NOT MEASURE YOU WORTH OR BEAUTY

Beesline "Fluid Campaign" for 2021 was all about loving yourself, letting go of your insecurities, facing your fears and feeling confident in your own skin, no matter your size, color, age and gender.

The aim of this campaign was to reduce inequalities and encourage people to live proudly and be confident in their own skin. It had a very emotional and aesthetic feel to it, where we wanted our customers to feel something after watching our videos or seeing our posts. When pushing a product, selling an emotional narrative, which allows the customer to connect to the message, is just as important as selling the product itself. Because we kept this in mind our fluid campaign performed successfully.



Providing Social Support

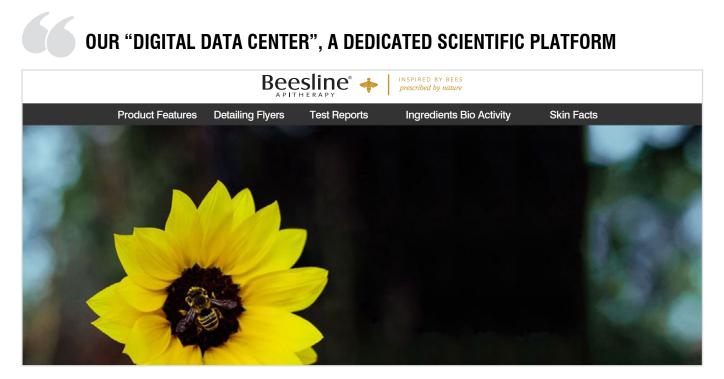
- Although Beesline was affected by the Lebanese economic crisis, we stood by the Lebanese consumer by providing natural quality products at affordable prices. Despite the huge inflation, devaluation of currency and market prices increase, Beesline absorbed the inflation rate, zeroing its profits in the Lebanese market for the coming 2 years. We also launched several offers to help during the economic crisis.

- Beginning, November 2021, Beesline will be supporting Children Cancer Center of Lebanon in their fundraising program "Partner in Life" by which our people will pledge a monthly donation amount to the center.

- For the second consecutive year, the Beesline Sharing Team is collecting money from the money saving box to buy food & collect them in food donation boxes, to be distributed to people in need.

- As part of our Christmas activation, we are in the process of offering 20 commodity boxes to 20 families in need during the holidays.

Customer Digital Education



Providing service excellence in the world of cosmetics has become much more challenging with the ever-changing customer needs & market dynamics.

Beesline has been pioneering its scientific education approach by developing a Digital Data Center "DDC", an educational platform, under the direction of our CPSS dpt. (Cosmetic Product Safety and Standards), loaded with our products' features, test reports, ingredients' bioactivity, and skin facts, dedicated to provide our customers: pharmacists, skin care specialists, med reps..., with solid scientific information about the product. The platform comes in 3 languages, English, French & Arabic. https://ddc.beesline.net/



PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining **PRINCIPLE 4:** The elimination of all forms of forced and compulsory LABOR

PRINCIPLE 5: The abolition of child LABOR

PRINCIPLE 6: The elimination of discrimination in respect of employment and occupation

High-level Commitment and Strategy

Beesline supports and respects the protection of employees' human and labor rights through different policies: being a Lebanese company, we follow Lebanese laws and decrees. The primary instrument that governs employment in the private and mixed sectors in Lebanon is the Labor Law of 1946, and its subsequent updates: the National Social Security Fund (NSSF) put into effect in 1963 and updated many times over the years; the Occupational Health, Safety and Welfare Law, enacted by Decree 2004/11802; the Code of Obligations and Contracts of 1932; the Penal Code enacted by Decree- Law 1943/340. Lebanon has also signed many International LABOR Organization conventions. In addition, we have written our own Standard Operating Procedures to regulate labor relations within the company. All our SOPs take into consideration the eight "fundamental" Conventions of the International LABOR Organization ILO (fundamental principles and rights at work). We are currently working on refining our employee handbook to incorporate the Global Compact sustainable goals in it. In addition, we have implemented and have been renewing the ISO 9001 since 2012. Though we have implemented the GMP ISO 22716 that sets very high requirements to ensure the safety of consumers, it does not cover the occupational health and safety of the employees. That is why in 2022, we are implementing the ISO 14001, Environmental Management System, which provides assurance to company management and employees that environmental impact is being measured and improved, and then proceeding with the ISO: 45001 which specifies requirements for an occupational health and safety (OH&S) management system, and enables organizations to provide safe and healthy workplaces by preventing work-related injury and ill health, as well as by proactively improving its OH&S performance. Through these different policies, the Beesline HR team supports employees to keep them happy and motivated and to improve their productivity and commitment.

Description of Practical Actions



AT BEESLINE, WE SUPPORT OUR PEOPLE ON ALL LEVELS; PROTECT THEIR **RIGHTS AND LIBERTIES; AND RESPECT THEM**

We also encourage an environment of honesty, courage, generosity and respect, so that all our people feel free to come forward with their questions, ideas, suggestions, complaints, and concerns. We do not tolerate any form of sexual harassment, intimidation, or discrimination. Our HR team is always in open and constant communication with our team, to ensure they know they matter to our organization.

Risk Management

- Based on ISO 9001 standards, risk-based thinking enables our organization to determine the factors that could cause its processes and its quality management system to deviate from the planned results, put in place preventive controls, minimize negative effects, and make maximum use of opportunities as they arise.

- Consistently meeting requirements and addressing future needs and expectations is a challenge in an increasingly dynamic and complex environment.

Contingency Planning

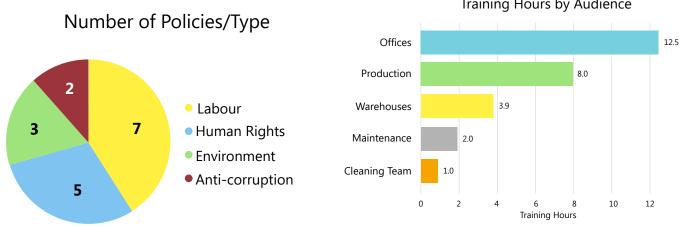
Contingency plans are adopted within our organization to prevent our business from "going under" when unexpected events occur. Thus, it is vital to ensure that it is fit for purpose. Key elements of contingency plans include: scenarios, triggers, response, key responsibilities, and timelines.

New Beesline Policies

Policies provide guidance, consistency, and clarity on how the company operates. This year, Beesline has followed a methodic plan in order to develop new policies that will help clarify the standards expected and outcomes requested from both employees and employees.

This plan consists of launching 17 policies in the upcoming 2 years. Four of these policies have been already finalized and published, and tackle the topics of: 1. Conflict of interest, 2. Environmental, 3. Family-Friendly and, 4. Sexual Harassment—They were translated, shared, and trained on with all the people at Beesline.

We are proud to have included a Paternity Leave in our "Family-Friendly" policy—a small yet significant step towards creating a more equal culture. In addition to that, we are working on a "Waste Management Policy & Procedure", that should be published and trained on, beginning of 2022.



Training Hours by Audience



Gender Diversity at Beesline

Gender Equality at Beesline is not just a slogan, it is a fact, a founding pillar. Men and women holding the same position and performing equal work must receive equal pay.

Moreover, women occupy 54% of total positions and 53% of managerial positions.

HEADQUARTERS

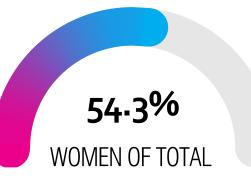
FEMALE		MALE	
Functional Heads	2	Functional Heads	6
Managers	6	Managers	2
Teams	15	Teams	12
Total	23	Total	20

TOTAL

FEMALE		MALE	
Functional Heads	5	Functional Heads	6
Managers	6	Managers	4
Teams	69	Teams	59
Total	80	Total	69

PLANT

FEMALE		MALE	
Functional Heads	3	Functional Heads	0
Managers	0	Managers	2
Teams	54	Teams	47
Total	57	Total	49



Prevention of Sexual Harassment at the Workplace

As part of Beesline's commitment to the newly passed Sexual Harassment Law 205 in Lebanon, Beesline took the #MeToo movement approach to reestablish in the organization a more respectful, harassment-free workplace culture.

1. SETTING A STRONG TONE FROM THE TOP

Beesline's co-founder, Maha Arayssi, openly stated on social media

the following: "I commit, along with my colleagues, to make sure

our workplace stays sexual harassment-free. Beyond respecting the new sexual harassment law that was recently voted in Lebanon, Beesline will work on spreading awareness around this important subject, both internally through staff training, and externally through newsletters and social media. We want all women to feel safe, speaking up about their experiences, and not fear being rejected, neither from their jobs nor society. We have the right to live in an environment free from discrimination, violence, and sexual harassment."





Prevention of Sexual Harassment at the Workplace (cont.)

2. DEVELOPING AN ANTI-HARASSMENT POLICY

At Beesline, we developed a strict anti-harassment policy. This policy is included in Beesline's written code of conduct in the employee handbook and was communicated to all Beesline employees. (Ref.)

3. IMPLEMENTING AN INTERNAL COMPLAINT PROCESS

To emphasize on the importance of reporting a complaint about the unwelcome conduct, we implemented a formal and convenient complaint process. (Ref.)

4. CONDUCTING REGULAR, INTERACTIVE TRAINING

We conducted a sexual harassment prevention training, mandatory to all employees, and which will be repeated on regular basis in order to reduce the risk of workplace harassment.

5. PROMOTING DIVERSITY AND INCLUSION

A lack of diversity and inclusion is one of the top risk factors for workplace harassment. Welcoming people with different backgrounds, beliefs, ethnicities, genders, ages and abilities in our organization's operations and leadership has become increasingly important.

Healthcare Benefits & Support

Because for Beesline people are at the core, we gave the team utmost attention and full support to fight the COVID pandemic. That focused on mainly the two areas of awareness and protection. First of all, we constantly communicated guidelines on taking the necessary precautions, wearing masks, keeping distance, and constant washing. Second, when the cases spiked in the country, we went into remote work. Third, we highlighted the importance of taking the vaccines. We have a doctor who visits our premises on a weekly basis, and all employees can benefit from a free checkup at work or in his private clinic.

All Beesline employees are entitled to medical insurance through the NSSF. They can also insure members of their family and can have access to a private family insurance package.

Nursing mothers who return to work are provided with paid time off for expressing breast milk. We also have private, clean, and comfortable lactation rooms with locked doors to protect, promote, and support breastfeeding.



Flexible Working Hours



- Early or late arrival/leave within one hour before & after daily work schedule can be compensated within the same month.

- During the month of Ramadan, people can benefit from early or late arrival/leave within one hour before & after their daily work schedule.

- Those who wish to take prayer breaks are allowed to do so, whether at the workplace or nearby places of worship.

- During lockdowns and emergencies, Beesline offers flexible working hours for people whose work could effectively be done from home with equal access to digital technologies and platforms.

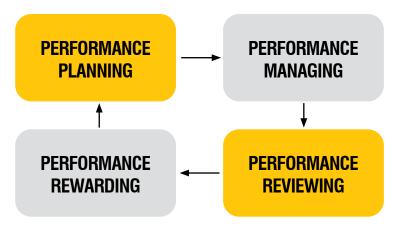
- Guided by "Empowering the Team", one of our Core Values at Beesline, we have been easing up our regulatory policies and procedures in the Attendance SOP to make them better reflect the high caliber of our team members and the confidence we have in each other. To make the changes smooth and effective, we followed a gradual approach. We started with team members Grade C and above. All people Grade C and above will not have to punch in and out anymore. Of course, they are expected to continue to report to work for a full day every day, unless they are on a leave that is recorded on the system.



People Support

This year, Beesline's turnover rate is 8%—a positive turnover since the majority of people leaving the company are either emigrants or low performers. On the other hand, people joining Beesline represent 14% of the total number of people.

Beesline highly appreciates the hard work of every member of its team. We recognize the efforts and reward the achievements. People's performance at Beesline is managed and developed through a clear system: the Performance Management & Development Program (PMDP) (<u>Ref.</u>). To a large extent, the PMDP decides the rewards the employee gets. Therefore, Pay for Performance is the formula Beesline follows (<u>Ref.</u>). PMDP is a cycle that starts in a "Performance Planning" meeting, where Line Manager and Employee have a private session, in which they go over the employee's Job Description, discuss and agree on the employee's Specific, Measurable, Achievable, Relevant & Timely (SMART) Objectives, and the needed Competencies (skills). In the middle of the Performance Period, Line Manager and Employee have a formal "Progress Reviewing" meeting, in which they assess advancements during the first half of the Period. At the end of the Performance Period, Line Manager and Employee meet for "Performance Reviewing" – Appraisal. They discuss how well the duties were done, and if the planned Objectives have not been met or exceeded. Out of that discussion, Line Manager calculates the scores and gives the Employee an overall Performance Rating. That Rating becomes the main factor in "Performance Rewarding".

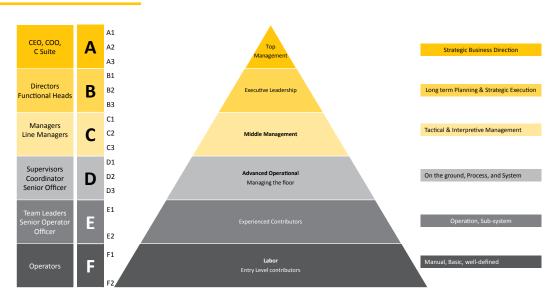


PMDP is not only a process, a paper to be filled out, or another bureaucratic procedure; it is more of a relationship. Its goal is to create a positive, cooperative, focused, fair, and result-driven performance management.

Beesline has also created an advanced "Talent Management Program". It covers the individual's Performance and how he/she is living out the Essentials – Mission, Vision, Values, Behaviors, and Competencies. Accordingly, they are given a grade over 100, with clear & constructive justifications (<u>Ref.</u>).

We also have a "Performance Improvement Plan" for employees with low performance and who are not meeting the minimum expectations and therefore need improvement. This plan provides the employee with a limited time frame to improve his/her performance in specific, measurable, achievable, and relevant ways (<u>Ref.</u>). During the PIP duration, the Line Manager is required to fully support the employee in giving him/her all necessary resources, coaching, guidance, and any other needed support.

The Talent Management Program was translated into GROW—a platform that includes the individual's Talent Profile, Track Record, Talent Map, Career Path, Development Plan, Training Matrix, and the relevant Compensation & Benefits. GROW is being implemented and adding real value to how Beesline treats its people as partners at the core. (Ref.)



Employee Grading



Training & Development



DEVELOPING SELF & OTHERS IS ONE OF OUR ESSENTIALS AT BEESLINE

Our people are the core of our business and our success, thus developing them is important on the professional and the personal level.

Beesline Development Center (BDC)

Beesline has created a unit in the HR Department and called it Beesline Development Center. BDC has a library of books, audio, and visual materials available to the team. Also, BDC organizes all the learning and development that takes place throughout the organization. We provide courses and trainings to employees as part of our ongoing commitment to improve their statuses as talents. Beesline Development Center provides online courses, conducts in-house trainings and sends employees out to external courses and trainings (Ref.).

INDUCTION PROGRAM

Moreover, as part of Beesline's strategy, all new employees go through an Induction Program. This program helps the new joiners to know more about the company's different departments, their role and missions. We also conduct "Exit Interviews" with employees leaving the company to know the cause, and to check where the company can improve itself.

ONLINE BUSINESS REVIEWS SUBSCRIPTIONS

Beesline is also putting every possible effort to provide the team with the best, and most up-to-date knowledge and competencies. This is why we subscribed to well-known Business Reviews to provide our employees with access to many written articles, audio, and visual material that will enrich their work experience.

GROW COACHING MODEL

Coaching is another key approach practiced at Beesline. All Functional Heads and Line Managers are trained on the GROW Coaching Model, and continuously practice it. The objective is to strengthen effective interaction among the team members and use effective methods to unlock individual potential.

MENTAL HEALTH LECTURE

An example of a mental health development program conducted by our HR team is "Pollyanna", an online webinar presented by external coaches, on how to keep a positive attitude that drives us to success and happiness despite the difficult times the world is going through. The webinar was very interesting and beneficial to the team. They learned the 28 golden rules to maintain an ongoing level of positivity during harsh times.

E-LEARNING PROGRAM



TARGETING ALL FUNCTIONAL HEADS AND TEAM MEMBERS

E-learning quality training program is also a new approach adopted by the Quality department, designed to support micro-learning. It enables a continuous improvement strategy based on a closed-loop training system where employees are continuously trained, updated with recent knowledge and practices, and automatically tracked and evaluated to ensure compliance.

The aim of this E-learning platform is to integrate Quality Management System and promote Quality Culture into all aspects of the organization by:

- Reducing product non-conformities
- Reducing complaints
- Endorsing quality, GMP's & hygiene policies

- Reducing process generated errors in main departmental

and cross-functional SOP's

Applying proactive measurement controls

Monthly E-learning quality trainings are conducted, covering main Quality topics such as internal audits, control of documents, change control, ISO 9001, ISO



22716, etc., tailored to fit the needs and enhance particular quality abilities and affect positively the organization's overall performance. E-learning will be expanded to include other topics such as: project management (HR dpt.) and sustainability awareness (Planet Positive Impact dpt.).



Training & Development (cont.)

COSMETIC SCIENCE ACADEMY

In 2021, the CPSS "Cosmetic Product Safety & Standards" department at Beesline launched the "Cosmetic Science Academy" and provided a new training program based on Collaborative Learning. This initiative was founded by Maha Rifai (Chief Scientific Officer) and Rola Masrieh (Cosmetic Product Safety & Standards Manager). The idea of Collaborative Learning was to share knowledge and information, co-create learning based on the team members' goals, and build the training with the team instead of for the team. The academy provided trainings on 3 levels:

Specialty Learning:

- R&D Team: Around 15 hours of lectures and workshops that included deep and thorough scientific knowledge on skin biology, cosmetic ingredients' mode of action, cosmetic standards (Cosmos & ISO 16128), and ingredients regulations and restrictions.

- Customer Support Team: Around 10 hours of lectures and workshops that included advanced product knowledge information, an overview of skin biology and skin types to help them provide customized customer consultations, and reply to their questions with confidence.

Foundational Learning

- Commercial Team: including marketing, sales, and digital media teams. Around 5 hours of lectures about Beesline's brand story, portfolio categories, and advanced ingredients knowledge.

Basic Learning

- Basic product information knowledge for all Beesline members, etc.



Paid Internship Program

Beesline offers students the opportunity for career exploration and development. We provide them with real work assignments to help them develop and achieve learning goals. Internship duration is for 1 month and can be extended. If the graduated intern excels, then he/she will get hired by Beesline.

Team Building

Beesline's First Hackathon

Beesline has launched its first Hackathon under the leadership of the Marketing Function to come up with a process which allows the company to ensure the execution of a sustainable sampling strategy with great success.

In today's competitive market, sampling is one of the essential funnels through which we can enhance the consumer perception of our brand and generate trials, as well as collect reviews in order to listen to our consumer.

However, generating impactful and high-quality samples' selection, distribution and traceability is a huge challenge.

In this Hackathon, two Beesline teams competed in order to pitch their business solution for the best sampling strategy. With sustainable innovation at heart, the teams proposed solutions for reducing the use of harmful packages, integrating 1-packaging solutions that are recyclable, decreasing the size of our samples, and designing ideas that can be sustainable and productive at the same time. As a reward, both teams were then taken out to a resort for a couple of days of relaxation and teambuilding.

We look forward to implementing these ideas in 2022 and be able to give back to earth through sustainable sampling processes.



The holiday season is a magical time and we try to bring some of that to Beesline. From Monday 11th to Thursday 21st of December, Santa' secretly delivered one symbolic gift per day to the person their chance led them to. Finally, on the 22nd of December, a party was with Christmas carols, Santa Claus, and the distribution of the final gifts.



Celebrating Birthdays

On the last Friday of every month, the Beesline family gathers and celebrates the Birthdays of its team members born within the month in order to enhance engagement and increase their morale.

HR Services with Positive Impact

• In 2021, while the country was still facing an unprecedented economic crisis coupled with a drastic devaluation of the local currency, Beesline helped its people maintain their standards of living and overcome the economic crisis by paying the same wages in real value.

• In addition, regardless of the critical situation in Lebanon, we paid this year's annual bonuses for all our employees without differentiation

and based on their yearly Performance Management & Development Program.

• Our employees can benefit from a 200\$ Gift Voucher on all Beesline products.

• Beesline also supported its employees during the Lebanese Fuel shortage.





ENVIRONMENT

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges**PRINCIPLE 8:** Undertake initiatives to promote greater environmental responsibility**PRINCIPLE 9:** Encourage the development and diffusion of environmentally friendly technologies

High-level Commitment and Strategy

Related SDGS:

BEESLINE'S ENVIRONMENTAL PROTECTION TARGETS BY 2025:

ZERO CARBON FOOTPRINT ZERO WASTE To Landfill 50% SWITCH TO GREEN ENERGY

13 CLIMATE

20% LESS Water Consumption

Beesli

17 FOR THE GOAL

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Complying with the Lebanese laws while moving to new premises in 2016, Beesline received an Initial Environmental Assessment for the commissioning and operation of its cosmetics factory. Prepared by an environmental consultancy firm, Sustainable Environmental Solutions (SES), this assessment allowed us to acquire consent from the Lebanese Ministry of Environment for the operation of our factory (ref.33). This document's aim is to predict and assess potential environmental and social risks, and highlights the management system that should be endorsed to ensure the sustainability of our operations and to comply with the requirements of relevant Lebanese legislation. In it, you can find the Decree 8018 of 12 June 2002 that describes the licensing procedure for industries. The license is issued by the Ministry of Industry upon the agreement of all concerned bodies. It is to be noted that there are no Lebanese laws targeting the cosmetics industry specifically.

Our commitments

At Beesline, we understand the urgency of environmental thinking and behavior while conducting business, especially that as a consumer goods industry, packaging is an essential element in our products: 1. It holds, protects and preserves the ingredients, 2. Helps in the dispensing 3. Has an essential role in impressing the consumer.

We assume our environmental responsibility, and are constantly working to develop more sustainable and responsible products, while ensuring that our people, suppliers and clients understand the importance of incorporating these considerations into their daily business activities. We have also been measuring our operations' environmental impact and working on their continuous improvement. By implementing and applying the ISO 14001, we commit to protect the environment, by using sustainable resources, preventing pollution, fighting climate change and protecting biodiversity and ecosystems.

AS AN INDUSTRY, WE MITIGATE THE CLIMATE CHANGE ISSUE BY DEFINING STRATEGIC AREAS WHERE ACTION IN THE SHORT/MID-TERM IS CRUCIAL FOR ACHIEVEMENT OF LONG-TERM GOALS

Description of Practical Actions

Promoting Sustainable Growth and Continuous Improvement with ISO Standards

Throughout the accreditation process we have undergone rigorous inspection via a European company, TÜV Nord, developed and implemented a robust quality management system ISO 9001 and good manufacturing practices ISO 22716, which have enabled us to improve our overall performance and maintain a high level of quality in everything we do. With ISO certifications, consumers can have confidence that their products are safe, reliable and of good quality. Furthermore, we are in the process of getting the ISO 14001 certification, an internationally agreed standard that sets out the requirements for an environmental management system. This certification offers significant economic benefits to organizations, such as operational efficiency, worldwide recognition, marketing advantages, enhanced competitiveness, as well as consumption reduction, resources savings and better waste management. Other ISO standards can also contribute in achieving global sustainability, and will be implemented during the 4 upcoming years.

- ISO 45001: Occupational health & safety management system, helps businesses create a better and safer work environment for their employees, reducing the number of work-related accidents.

- ISO 26000: Guidance on social responsibilities, shows a commitment to establish robust, stable supply chains and reduction of harmful environmental and social impacts.

- ISO 20400: Sustainable procurement system, provides guidance to organizations on integrating sustainability within procurement.

Evaluating the final product quality and performance is not enough anymore. Industries nowadays have to meet the new consumer's expectations for product transparency and limited environmental impacts. This means more responsive and responsible business. Because economic, environmental, and societal dimensions are all directly addressed through these ISO standards, it will help Beesline meet its commitment for the United Nations (SDGs) in the best possible way.





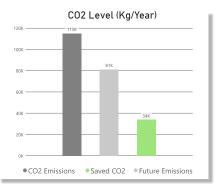
CEDRO

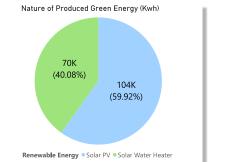
Description of Practical Actions (cont.)

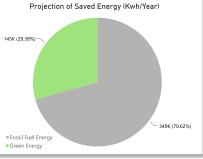
Reduction of Energy Consumption

BEESLINE WILL SOON REACH 29.4% OF GREEN ENERGY

Beesline is working on reducing energy consumption for the coming years. In fact, we applied to a partnership with the UNDP on the CEDRO project: a call for potential beneficiaries for the installation of renewable energy and energy efficiency systems in the Lebanese industrial sector. Beesline will be installing renewable green energy and energy efficiency systems to reduce energy and CO_2 emissions by 29.4% by mid-2022. 59.92% of the green energy will be produced through Solar PV and 40.08% through Solar Water Heater. We will be also saving around 5% more of our energy consumption through awareness trainings and the services provided by an outsourced consultancy that will help us monitor and control our consumption.







GOING THROUGH THE SMALLEST DETAIL WHILE REDUCING OUR CO2 EMISSIONS & CARBON FOOTPRINT

Beesline reduced 50% of its CO2 emissions per Road Transport shipments

for the 40ft container. We stacked pallets vertically on top of each other in the same container; instead of shipping 20 pallets per container, we are now shipping 40 pallets.



Total Saved CO2 %

29.39

Wastewater Management



64.16% of our wastewater is being filtered and reused for watering our outdoor garden and the rest is being sent to a treatment station before going into the sea. We also have a system that collects water coming from air conditioners, chillers and boilers in one container, to be then reused for cleaning utilities and other needs.





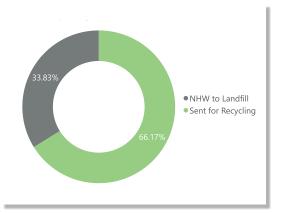
Description of Practical Actions (cont.)

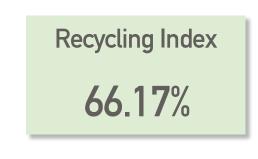
Solid Waste Management

Waste Management is one of the key elements in our Environmental Sustainability Agenda. Our goal is Zero Waste to Landfill.

Following the ISO 140001 standards, we have created new guidelines for our waste and we collaborated with new recycling companies to deal with all types of waste. In fact, Recyco is responsible for the paper, cardboards, plastic, metals, etc. Lebanon Waste Management collects the polystyrene waste, and Ecoserv for the E-waste. We placed recycle bins all over the offices and the factory, with a large locked tent outside the company for the final sorting. We also have a "Packages" recycle bin that contains used products packaging to be reused by our Validation Unit. We conducted nine training hours over the year to raise awareness on waste types and waste sorting for all Beesline employees. Also, as part of awareness and education, we send daily tips about plastic pollution, waste sorting, composting, etc.

In addition to that, we are working on "Waste Management Policy & Procedure", which should be published and trained to all employees at the beginning of the year. We have zero Hazardous Waste to landfill, since it is all treated as per MSDS recommendations. Also, our recycling index is 0.66, since 66.2% of our waste is sent for recycling.





Reducing Packaging Materials through Product Life Cycle Thinking

At Beesline, we bear a huge responsibility in protecting people and our oceans from package and ingredient pollution.

As Sustainability being one of our strategic pillars, we always work to develop new sustainable packaging where our ultimate goal is to shift completely from plastic packaging to recycled/reusable/degradable material.

Why are we interested in reducing packaging - for environmental benefits:

- Reducing energy consumption to handle and process packaging waste.
- Reducing the amount of greenhouse gasses, especially methane produced from landfill sites.
- Reducing the amount of leachates in landfill sites.
- Preventing environmental pollution from hazardous wastes.
- Reducing the need to produce packaging from virgin materials.

Example 1: Changing Packaging Materials

	Kit Box				
Old Weight	New Weight	Package Reduction	Change / Impact Detail		
23g	18g	<u>-22%</u>	- More Enviromentally Friendly - Less Plastic - More Practical		





Change from <u>PVC</u> to <u>PAPER</u> box

Reducing Packaging Materials through Product Life Cycle Thinking (cont.)

Example 2: Reducing Packaging Materials

Bottle				
Old Weight	New Weight	Package Reduction	Change / Impact Detail	
61.5g	44g	-28%	- Change from Double Bottle to Single Bottle - Less Plastic - Less Time Consumption	

Сар				
Old Weight	New Weight	Package Reduction	Change / Impact Detail	
18g	11.24g	-38%	- Change from difficult mechanism to easier one - Less Plastic - More Practical	

Box				
Old Weight	New Weight	Package Reduction	Change / Impact Detail	
26.5g	23.26g	-12%	- Change from difficult mechanism to easier one - Less Complication - Less Paper	

Example 3: Shipping Boxes' Standardization



Beesline

Overall				
Old Weight	New Weight	Package Reduction	Change / Impact Detail	
154.5g	122.5g	<u>-21%</u>	- Less Package - Less Time Consumption - More Practical	



Having a Variety of Shipping Boxes

- Advantages

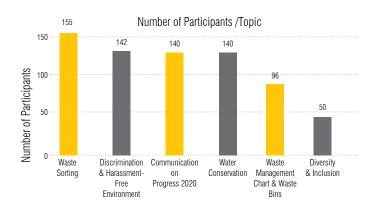
Very high attention paid per each item

Disadvantages

Huge space in our warehouses needed for segregation Huge number of codes on our system Low degree of standardization Increase cost of customization

OUR AIM

Reduce consumption of unnecessary cost, time & space Maintain the good quality Enhance standardization level



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Sustainability Awareness Trainings

Beesline has conducted a total of 27.4 hours of training for all Beesline employees tackling different social and environmental topics such as waste management, water conservation, discrimination & harassment-free environment, and diversity & inclusion. (Ref.). The Planet Positive Impact division is also sending weekly tips and facts, twice per week, to raise awareness on different sustainability subjects such as gender equality, climate change, plastic pollution, energy conservation, etc.

Beesline

Environmental Awareness Campaign

Animal Day



This year Beesline celebrated World Animal Day by raising awareness on "What we can do to help animals".

Beesline was born with a commitment to the environment and all living beings.

We are an all-natural, Beegan and cruelty-free company that cares about animals and their rights and will always try to advocate against animal testing and animal cruelty.



International Bee Day

Beesline's connection to the bees is everything. We celebrated international bee day by posting this video that explains our beegan lifestyle as well as our connection to the bees.



Earth Hour

We want to bring the people's attention to the effects of climate change. Beesline celebrated and took part in raising awareness on Earth Hour as a way to spark a conversation on how nature can be protected to ensure prosperity and take a stand in protecting our planet.







The Beegan New Range: An Innovation for Today's Consumer



Beegans are Vegans that consume bee products in order to promote beekeeping, because part of veganism is sustaining animal life and well-being. Beeganism is a commitment meant to support the community of beekeepers and their ethical beekeeping practices that play a critical role in the revival of the declining bee population.

About our Beegan product portfolio:

- Made with the minimal amount of ingredients possible, so you know what's doing magic on your skin.
- Clean labels, we have nothing to hide.
- Less is more as we care about carbon footprint and the globe.
- Waterless formulas that require little to no water at all to help save water consumption.
- Zero waste/plastic products that either decompose, biodegrade or can be reused for saving the planet.
- Unique in terms of usage and novelties.

Offering the best skin care products, with skin-safety and efficacy being at the top of our priorities, Beesline will be launching in 2022 a Beegan skincare line, made of 27 products split into 7 categories of face, lip, sun, oral, hair, baby, and body care, integrating the requirements of green chemistry and ethical sourcing as a must. Proudly registered in the European Union where the highest and toughest regulations are applied which integrates the requirements of naturalness and green chemistry, free from silicon, preservatives and paraffin, made of up to 100% natural ingredients and ingredients from natural origin. The Organic lip balms are 99-100% made of ingredients from organic agriculture. Out of our 27 SKUs, 17 are packed in plastic-free containers, and the remaining 10 have 72% less plastic than before using no more material of concern with preference for mono-materials, paper board, aluminum for tubes and for tins instead of plastic, and glass for jars.

We have been granted an Eco Label Accreditation: The Cosmos Organic Seal by ICEA for 6 Lip Balm Formulas.

COSMOS (COSMetics Organic Standard) is a certification recognized worldwide to guarantee natural and organic cosmetics with criteria respectful of human and the environment.

A COSMOS certified beauty product is:

- A cosmetic composed of ingredients of natural or organic origin.

- The guarantee of the absence of GMOs and petrochemical ingredients (except for a restrictive list of essential ingredients).

- A beauty product with a recyclable packaging.

- A cosmetic product for which every step from the raw materials to the finished product complies with strict environmental criteria.

Product life cycle thinking was applied during the project with disruptive changes at every level of our activity, from local to global, from formulating to sourcing to manufacturing and commercializing, with focused determination, on making the product more eco friendly.

We look forward to raising brand awareness, showcase our novelties, and have Beesline take over the world with its Beegan approach.





Big Impact Participation in Key Exhibitions: Cosmoprof 2022 Italy

Cosmoprof, the leading trade show dedicated to all areas of the cosmetic and professional beauty industry, is Beesline's ideal partner for networking, business growth and international development with more than 260,000 industry professionals, opinion leaders and experts from all over the world present which will provide us with the opportunity to access new markets.

In March 2022, Beesline will be exhibiting in Cosmoprof 2022 for their 7th time in a row with their all new Beegan concept that is Sustainable, Eco Friendly, and all Natural products. Beegan, Aligned with the vegan ethos: free from any animal ingredients with the exception of cruelty-free and sustainably sourced bee by-products.

Our commitment to sustainability has been reflected not only in our product range but even in the material and stand structure that we are preparing for the exhibition, mentioning that we are not adopting any plastic or non-reusable material however fine tuning the 2019 stand with a major upgrade replacing as well Plexi displays with iPads, that we will use every time we go. Furthermore, we made sure to spread sustainability education all along the stand and have also planned to hand out samples wrapped in carton packages to reduce plastic use, along with our recycle bins on the stand for those who wish to try our products on the stand.



Small Actions to Save the Planet

• We removed plastic from our E-commerce boxes. We saved 8g of plastic per box!

• For several years, we were printing three papers with each artwork before sending it to printing. This year the process changed; we created a new system for artworks where there is no need to print any paper. In 2021, we saved approximately 2,000 papers.

- We distributed plants in all the offices to clean the air, reduce stress, and increase productivity.
- We added "We are Committed to the Sustainable Development Goals" to our email signature.





Projects Led by our IT Team

Advancements in technology allow us to conduct many aspects of our operations far more efficiently than just a few years ago. This efficiency translates into continuous learning and enabling effective progress to smaller "footprints", less waste generated, cleaner and safer operations, and greater compatibility with the environment.

ERP: Enterprise Resource Planning

ERP: Beesline is moving to "Enterprise Resource Planning (ERP)" Systems. This new solution will provide better functionality for our teams, especially in the production section, as all the company's processes will be mapped in the system to enhance the speed of delivery and the quality. Moreover, we will be able to forecast our sales and purchase orders through the ERP.

How Does an ERP System Support Sustainability?

Let's consider just a few areas where ERP helps connect communication gaps between the plant floor, back-end systems, supply chain operations and other areas to drive greater sustainability:

- Asset Management provides optimal asset maintenance to maximize asset utilization and reduce material consumption. When adequately managed, assets last longer and therefore need to be replaced less frequently.

- Lean Manufacturing is a business model and approach that emphasizes the elimination of non-value-added activities while producing quality products on time and with greater efficiency. By delivering continuous improvements in cost, quality, production and delivery, significant environmental benefits often result in the areas of production efficiency and waste minimization.

- Demand Planning allows manufacturers to more accurately identify where, when, and how much future customer demands will affect the business. Improved forecasting accuracy ensures optimal supply chain performance, enhanced material consumption and reduced freight expediting costs that decrease unnecessary greenhouse gas emissions and costs to the company.

- The supply chain is another area with plenty of room for improvement where we can adopt sustainability. The complexity of global supply chains, lack of communication with trading partners and the rush to meet on-time delivery requirements typically result in waste. Consider the effects of excess inventory and unnecessary shipments. Practitioners know that inefficient logistics activities increase the supply chain carbon footprint for no reason. By improving collaboration with suppliers, the number of lifetime miles material or a product travel can be reduced and CO_2 emission savings can occur.

- Traceability continues to play an important role where customers and consumers are focused on product origins to avoid fraud, recalls, environmental damage and other factors.

<figure>

Microsoft Business Intelligence (BI)

Our aim is to become a data aware company that bases all its decisions on accurate data and information analysis. This will allow us to spot trends, monitor our KPIs and project deliveries, and lastly create an enterprise balanced scorecard. What are we doing?

Microsoft Azure: Moving our Servers and Emails to the Cloud



Why we chose Azure as our Cloud infrastructure:

At Azure, they see sustainability and humanity's response to climate change as one of the greatest challenges.

They believe it's not too late to plan for a cleaner, greener future. They are committed to put sustainable technologies at the heart of their innovation—to make sure they are adapting and growing along with the planet with the lowest environmental impact.

Azure has committed to focus on four key areas of environmental impact to local communities—carbon, water, waste, and ecosystems.

- 100% renewable energy by 2025
- Water positive by 2030
- Replenish more water than we consume by 2030
- Zero-waste certification by 2030
- Net-zero deforestation from new construction

COMMUNICATION ON PROGRESS

ANTI-CORRUPTION

Related SDGS:



PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery

High-level Commitment and Strategy

At Beesline, we have a zero-tolerance approach when it comes to bribery and corruption. Bribery and corruption are not accepted in any form for any purpose. We do not pay bribes nor accept improper inducements. We expect the same from our business partners and parties that deliver business on our behalf. At Beesline, Transparency and Integrity are important values and essential conditions for Trust Building. <u>"Conflict of Interest Policy" (*Ref.*)</u>

Trust can be compromised when an employee's personal interest contradicts with the company. Such conflict might have negative implications on the employee's focus, hard work, and results achieved. It might also affect the employee's loyalty, which in turn, might harm the company. The Company is committed to preserve the interest, growth, and benefit of its employees. In return, it expects all its employees to safeguard its interest and never jeopardize it for any possible personal gain. For this reason, the HR team created a new "Conflict of Interest Policy", its aim was to set the scope of Company interest, mention key areas of Conflict of Interest, secure commitment from all to not cause any conflict of interest, and finally to give the chance to any employee to declare any areas that might cause conflict of interest.

The Policy covers but is not limited to the below Conflict of Interest areas:

- Employees' use of position to personal advantage of any kind including profit-making.
- Employees' use of position to a relative's advantage of any kind including profit-making.
- Employees' use of position to competitor's advantage of any kind including profit-making.
- Employees' use of connections made through Beesline to personal advantage of any kind.
- Employees' use of connections made through Beesline to another business' advantage.
- Employees' use of Beesline equipment and premises to support another business.
- Employees' actions that may compromise Beesline image, including taking or giving bribes.
- Employees giving suppliers and/or distributors advantage including profit-making due to personal connections with them.
- Personally, or a relative owning a company that competes with, or related to, Beesline's type of work.

Description of Practical Actions

This policy has been circulated to the team, everyone has signed on it, and it is part of the Induction Program where every new joiner reads, understands, and signs it. The signed copy is kept in the employee's Personnel Folder.

Our books and accounts are subjected to external audit annually, additionally legalized by the court and presented to Lebanon Commercial Register of which we are members. We are also quarterly audited for our VAT declaration. All these audits are used as one of the methods of identifying any suspicious act of bribery or corrupt behavior.

Results & Outcomes

Beesline Int. has not been involved in any legal cases, related to corruption and bribery this past year. (Ref.)

FINAL NOTE

It is crucial for all of us to realize that the three aspects of sustainability are interlinked and that the influences they exert are reciprocal: for example, obtaining a good employees' satisfaction level and in exchange their respect for company regulations, leads to improved production processes, and reduction in costs linked to failure to comply with regulations, but also an increase in sales, due to better customer satisfaction. Achieving the environmental goals such as reducing emissions by increasing the ratio between green energy and total energy used for production, will reduce resource consumption, and lead to a general reduction in costs.

Today, sustainability is a vital element of our business and a responsibility we want to fulfill every day. It should become a lifestyle, a culture embedded in our brains and souls, or else, an uninhabitable earth will be sadly left to the next generations.

Acting all together for the global goals is crucial, and we hope that people are finally realizing their importance.

HOPE YOU ENJOYED!

This report has been prepared and submitted to the UNGC by the Planet Positive Impact division at Beesline with the help and support of the CEO, COO, the Board, the Production, Human Resources, Information Technology, Quality Assurance, Marketing, E-commerce, Digital Media, Cosmetic Product Safety & Standards, Product Development, Regulatory, Sales, Business Development, Supply Chain, Finance, and Design departments.



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The Hive Newsletter Issue No.11



The Hive Newsletter Issue No.9



The Hive Newsletter Issue No.10

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The Hive Newsletter Issue No.8



