

COMMUNICATION ON PROGRESS

IMPLEMENTING UN GLOBAL COMPACT PRINCIPLES IN NATURE BY MARC BEYROUTHY

1. INTRODUCTION

"I am pleased to confirm that Nature by Marc Beyrouthy reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this our annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication."

Yours sincerely,

Marc Beyrouthy
Chairman and CEO



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

2. NATURE BY MARC BEYROUTHY

"Our ultimate mission is to help our clients to make choices that preserve, restore and promote a green lifestyle. Each purchase is the buyer's own contribution to make the world a better place."

Our founder beliefs that a sustainable life is about making the everyday choices that are safe for every living being. Nature by Marc Beyrouthy has been determined to help change the way people live and enhance the way they are connected with the planet, by offering services and products which impact the world in a positive way.

The company is called "Nature" because it's simply powered by Nature. "Nature" it is an accessible gleaming shop combining the best variety of ecological products and services, to beautifully green people's lives. It creates and provides a responsible various range of home goods; offering an assortment of environmentally friendly lifestyle products, services and home solutions that are all stylish, original and authentic, reclaimed, recycled, natural or organic, and made with the highest respect for the planet and its people.

"Nature" has been dedicated to serving the local and surrounding communities and has been committed to a healthy and conscious lifestyle, presenting itself as a platform through which sustainability is transformed from a movement into a household feature. Its mission is to educate and inspire people to become personally involved and passionately committed to changing the world through products with purpose.

Nature is not only a unique shop with exceptional products but even more. It is also a place that offers a great selection of services for a greener life too, like providing its customers with experts to help them in landscaping and garden maintenance; water management and irrigation services, plant nurseries & glass houses, green walls, vertical gardens and green roofs, eco-friendly decoration & upcycling.

We believe that the best way to preserve our culture is to keep it alive; it serves as a platform to showcase "Mouneh" products prepared by local women thus empowering them and increasing their participation in economic growth are among our utmost goals. In addition to the role played in the local communities, Nature provides a space for local talented artists to shine and turn recycled and upcycled trash into decorative objects or gadgets. We offer services that help companies and households go green and through our activities, we offer our contribution to minimize climate change.

We also want to be a responsible business that meets the highest standards of ethics and professionalism.

We are committed to the following:

- Respect the law
- Honor its internal policies
- Ensure that all its business operations are legitimate

- Keep every partnership and collaboration open and transparent
- Recycle
- Conserve energy
- Organize reforestation excursions
- Sponsor nature-related events
- Favor work with affordable and clean energy
- Promote nature friendly products within our company
- Undertake initiatives to promote environmental responsibility and encourage the development and diffusion of environmental friendly technologies aiming to have sustainable cities and communities
- Promote Life on land

We'll always conduct business with integrity and respect to the environment and to the community. We'll promote:

- Safety and fair dealing for decent work and economic growth
- Respect toward the consumer
- Anti-bribery and anti-corruption practices
- Gender equality
- Support and respect the internationally proclaimed human rights (reduce inequality) and eliminate forced labor and child labor
- Elimination of discrimination in respect of employment and occupation
- Work against corruption in all its forms including extortion and bribery
- Good health and wellbeing of everyone related to the company.

3. OUR APPROACH TO THE 10 PRINCIPLES

In 2017 Nature by Marc Beyrouthy signed up for the UN Global Compact program. At that point we could define three major stakeholders, which could guide the direction of our CSR policy - where we wanted to make a difference within the natural context of our business.

These are: • People (employees, clients and suppliers) • Society (locally) • Environment

Also in the scope of our work, we focus on

- 1- Our initiatives for the reduction of waste in Lebanon in general
- 2- Our eco-conscious shopping initiatives
- 3- We changed our light in the showroom to electrical

All in alignment with SDGs 1, 3, 5, 8, 10, 12, 15.

In this connection as we have implemented our initiatives in two stages: in 2019, as a first stage we concentrated on initiatives within the board of direction to ensure that all employees understood UNs basic principles and ensure the willingness to implement sustainable solutions throughout the organization; it has been well clear and implemented. We have also been decorated by the UNDP Lebanon and Green Mind as Climate Change Champions 2018.

The second stage was directed on initiatives outside the board of directors, first towards our members, then towards our clients and suppliers and later toward the society. All employees are now sensitive to the matter. They are well aware of the alternatives and options and tend to choose the eco-friendly solutions for purchases and supply. Usually before Covid-19, we do regular workshops of awareness to clients and the surroundings are made on a weekly basis. In addition to the regular events we make with the rural community since our beginning. The rural products made by the rural women throughout Lebanon, are promoted and are able to reach hundreds of consumers in the cities.

During the COVID crisis, we are dedicated to promote the rural products through our website. We gathered the products of individual women, small enterprises in addition to the cooperative products from rural women and farmers throughout Lebanon giving them the opportunity to sell their products in these difficult conditions.

4. COMMUNITY ENGAGEMENT OF NATURE BY MARC BEYROUTHY

The Mouneh concept reflects centuries of Lebanon's cultural traditions inherited from grandparents, mothers, and neighbors. Each of the products evokes a sense of story, place, and a family tradition. Today, the world has changed considerably especially through varying growing techniques, which in some cases causes major harm to our planet, products are now available all year long. This is also the case of Lebanon, where some continue to preserve, even without the urgent necessity of yesteryears. Farmers can avoid waste by selling off some of their bountiful harvest products. Some people stock up on Mouneh ranging from jams, marmalades, molasses, syrups, and jellies to ensure food abundance in times of instability, while others maintain it as an important traditional aspect of our culinary heritage and feel the need to safeguard this family ritual.

Due to the current economic situation, the mouneh sector and Lebanese food security is facing challenges as never before. This project is crucial for the survival of this sector. It aims, first of all, to support the livelihood of Lebanese cooperatives and small agri-food businesses in various Lebanese rural areas and improve national food security with quality products through a combination of facilitated and innovative marketing channels and capacity building. Secondly, the project plans to provide a place for the producers to market their products directly through the fairs or through an existing showroom with the help of an online networking and marketing platform for their international sales and growth. Finally, the initiative will help link the producers together, ensure an efficient delivery system and secure food safety standards and stability as well as the continuity of the producers as separate entity.

Nature by Marc Beyrouthy and Made by Nature has already gotten acclaimed success in developing rural economies in Lebanon.

Despite having the highest proportion of arable land in the Arab world with more than 200,000 hectares, Lebanon's own agricultural sector has gone underfunded and underdeveloped for many years, hindered by a lack of modern equipment and inefficient production techniques. We recall the Poor farmers' organization and limited participation in value chains. The farmers' organizations appear to be quite inefficient. Only about one third of the 1,229 registered agricultural cooperatives are deemed active. Therefore, the traditional food system requires understanding of the production process, the climate as well as crop and animal availability and the pricing strategy of the mouneh products in midst of the already critical economic situation in the country that hits the household incomes very hardly. Details of ingredients, seasoning and cooking procedures all constitute inseparable components of the Lebanese dietary traditions.

Nature by Mark Beyrouthy is working on developing the agri-food sector in Lebanon by making the most of what the country and its rural areas have to offer. It also knows the consumers, the market trends and by aligning the farmer's production to the market needs, this would make the perfect combination for a sustainable and effective project plan.

Before the onset of the COVID-19 pandemic, weekly farmer's markets were organized in close cooperation with Atayeb El Rif cooperative. And recently by teaming up with NoGarlicNoOnions, and the consortium of three (Nature, Atayeb El Rif and NGNO) has revived the farmer's market in a monthly fair. In addition, to the fairs, the platform was set to gather the Mouneh and terroir Lebanese products have all led to supporting the cooperatives and the small businesses on a small scale with the simple means available from small delivery system, need adaptations to needs. This

dream of ours to turn the farmer's market into a year-long physical place has shed the light recently with the acquisition of the La Campagne En Ville showroom. This new concept store aims to give opportunity to more Lebanese heroes struggling to survive this economic crisis to market their products. We believe that hand in hand as community, together we can build a sustainable economy for a better tomorrow.

NO POVERTY

DECENT WORK AND ECONOMIC GROWTH

REDUCED INEQUALITIES

RESPECT CONSUMPTION AND PRODUCTION

LIFE ON LAND

4. CONTENTS OF NATURE BY MARC BEYROUTHY CSR POLICY

The first set of CSR initiatives, which made sense in the context of our organization, has been initiatives concerning the environment: Our engagement to the process starts by putting a climate action plan helping to reduce our carbon emissions and reduce the impacts of climate change. After several brainstorming meetings we came up with our general goals:

- Drag all the company staff, managers, chair holders, and employees to be on board.
- Look outside our organization. And spread awareness.
- Assign people to monitor and people to operate.
- Don't generalize, specialize. Put specific outlines to work on.

Then, we worked on the zero waste company goal. All employees were trained on where to throw each item and in which recycle big as well as the cleaning staff. We now have a zero waste company.

We are committed to create a sustainable and inclusive global economy that delivers lasting benefits to people, communities and markets and dedicated to make an impact in the mind of the Lebanese community to go green. We help companies assist its employees to act in an environmentally responsible way by creating (environmentally, less costly, and green) work place. We also help companies to become greener by making green studies to transform their institutions in ecofriendly environment. We have 4 ongoing works in this last field for 2 different municipalities and 2 eco-villages studies. Furthermore, our company is contributing to making the world a better place to live by designing and planting gardens, managing indoor and terrace plants in households, institutions, and companies. We had 86 projects and maintenance in 2018.

Nature by Marc Beyrouthy's new plan is to make a contribution to help individuals, organizations, companies, and even houses to become greener, healthier and eco-friendly. To accomplish that, we aim to boost our client's business performance by integrating new environmental, social and economic practices into their daily operations and business decision making. We offer an unprecedented opportunity to increase profitability, drive innovation, increase efficiency, and make our client's product better, cleaner and healthier. Any problem and solution will be turned into profitable action while valuing green, environmental, sustainable awareness in every opportunity. The real key to a sustainable company is to make sure everyone is on board with your goals. That's why we always intend to produce a high level of technical expertise and develop internal sustainable culture to enhance our life style community starting by our own small community.

In terms of our company and facilities, the employment is made equally between genders and they have the same salary for the same position. Lebanese cooperatives, artisans and farmers throughout Lebanon. Our products are thus sustainable apart from the business operations getting them in our boutique, the packages are eco-friendly, we don't use plastic bags to take away products but paper bags instead and we have also canvas tote bags available in different sizes.

We also are implementing initiatives to lower energy: we have changed all lights to LED lights and we have a timer for the outdoor sign lights. We have a list of initiatives we are working on to go further in elaborating and implementing Eco-friendly alternatives.

In addition, we tend to buy our food items, *terroir* products, directly from the farmer: mainly women working at home or in cooperative they organize. This is our contribution to the empowerment of women, helping them stay in their village and live in dignity. This is a way to promote gender equality and reduce social inequality in our society; genuine in business relations are the results of such work that we are proud of. In 2018, we have made 4 farm fairs within our facilities gathering women from

We are also promoting through our free workshops the green mentality. Weekly, we have in our facilities sessions related to nature, environment, plants, natural products, etc. People are invited to gets lectures and hands on workshop in different field; we put them in touch with professionals in these fields of work. In 2018, we have 600 attendees within our facilities, and thousands in different conferences and events organized as well as TV audiences.

Finally, part of our social responsibility act and management, we organize fairs (farm fair, Christmas fairs etc.). Unique events aiming to social support Lebanese artisans and different associations to sustain and to pursue their mission and activities. We expose, ranges of local food products and artisanal, handcrafts obtained from local rural agro-food producers and social associations working with individuals and children with special needs and by Lebanese rural women cooperatives adopting traditional recipes. The market is usually shared by artisans, village women, farmers, and associations, etc. We have provided our location for free with 0 commissions on sales. This last year, one Christmas Fair was organized in December and throughout the year, every 2 months in our facilities, farms fairs were made along with the rural cooperatives.

5. FUTURE INITIATIVES

Being part of Lebanon Climate Change is one of our concern, and a chance to make a better change, not only in our company but in our country too we have a list of objectives to implement to our company, we were not able to work properly in 2020 nor 2021 however, we still look towards the following:

1. Electricity control

A big consumption of electricity can exist when you are working long days. In order to reduce electricity consumption there are a variety of different factors we need to consider:

- Understand the current consumption and develop further reduction initiatives.
- Informing our staff, managers of the different departments on the impacts of saving energy to the environment.
- Monitoring control
- Installing motion detector lightning.
- Use of Led lights in landscaping projects

2. Waste reduction and management

- Paper use reduction
 - The use of paper is excessive in our management and design department. We have already put restrictions on avoidable printing settings. But a lack of control still exists.
 - Reducing paper consumption by 5% within one year, compared to the past year is our target by:
- Informing our staff, managers of the different departments on the impacts of paper waste to the environment.
- Printing double sided.
- Using the blank side of a printed paper as scratch.
- Increase soft copy use for sharing information and presentation (email, power point, USB, sharing folders....)
- Encouraging staff to bring their own food to cut budget and waste
- Using tea and coffee debris as plants amendments
- Use of recycled furniture as our main assets

3. Site sustainable design and execution management

- Landscapers tend to be the main key holder for a green sustainable life by bringing nature to our home and lifestyle. Our control plan to reduce pollution and increase green space:
- Recommendation on the best trees to be planted according to each site condition.
- Increase green spaces and urban farming
- Respect the local biodiversity
- Awareness on companion plants, trap planting, and good agricultural practices to decrease fertilizers and pesticides use

4. Transportation – CO2 emission reduction

Transportation constitutes 70% of the CO2 emission in the atmosphere. It has a very important impact on the environment and the economy (cost of gas and oil for vehicles). To lower this emission:

- Divide projects by area to reduce transport fees and CO2 emission
- Informing our staff, managers of the different departments on the impacts of CO₂ emission on the environment.
- Encourage carpooling

5. Water management

Every drop of water is precious we aim to focus on using water more efficiently in our everyday life at the office and we have planned to reduce water use in our facilities.

Our water strategy takes into account:

- Informing our staff, managers of the different departments on the impacts of saving water to the environment.
- Monitoring control.
- Implement eco-friendly fixtures (motion sensor water diffusers)
- Smart irrigation system use in all landscape design gardens
- Encourage staff to use water bottles to decrease dish washing water waste

6. Spreading awareness

- The green concept is already well developed at Nature by Marc Beyrouthy. But we are determined to spread theses knowledge and philosophy with the whole community by:
- Spread awareness throughout all the free workshops that we organize (certified trainings, sessions, workshops...)
- Awareness on composting and recycling
- Provide a responsible, sustainable various range of home goods and become a hub of environmentally friendly products, services and home solutions
- Creating sustainable department with an officer for internal monitoring and control, and for advising and consultancy for other companies, schools, municipalities...
- Invite all employees, friends, relatives, clients ... to participate in an event created to spend a day learning about nature and contributing in saving it (Reforestation, Forest or Beach cleaning, Gardening Day)
- Encourage people to be more involved
- Enhances client's business
- Collaborate with suppliers and companies concerned with sustainability and climate (Vea, Waste...) and also encourage woman power.

7. Community support

As we are in a country facing challenges on different levels. We will support our community in whatever way possible in our field of work. This remains our priority. Our country will survive only if its people come together. We believe that sincerely and will do our best with the opportunities available.