



2021

**Fulcrum's
Communication
on Progress Report**

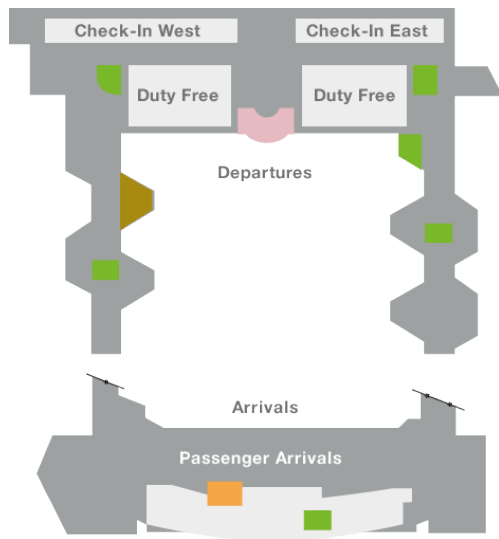


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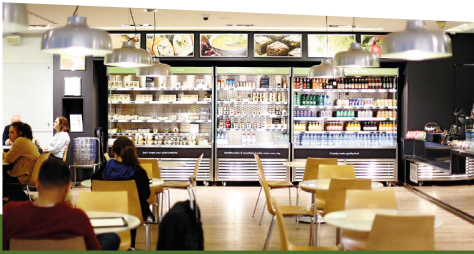
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ABOUT THE COMPANY

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



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



THE CONCEPTS ARE:

CAFÉMATIK

High Quality Salads, Sandwiches, Baked Goods and Coffee.



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



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



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

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

ISO 22000:2018 FOOD SAFETY MANAGEMENT

ISO 22000:2018 provides a layer of reassurance within the global food supply chain, helping products cross borders and bringing people food that they can trust.

STATEMENT OF GENERAL MANAGER



In 2021, we faced the same challenges as 2020: the continuous devaluation of the Lebanese Lira and the spread of new variants of Covid19- pandemic. We remain committed to sustain the business despite the many challenges that we keep facing, mostly the major depletion of human resources. We put extra emphasis on prioritizing high-quality products, reliability, limited consumption of resources and consistent sustainable development throughout our value chain and in dialogue with our stakeholders. Fulcrum has signed the UN Global Compact and fully supports the UN guidelines for human rights and commerce. We make every effort to integrate these principles into our business and value chain based on the UN's Sustainable Development Goals (SDGs), the UN Global Compact's 10 principles and a code of conduct for suppliers.

In general, in relation to climate and the environment, we are focused on reducing our environmental footprint as much as possible. We are working on a number of projects, including energy efficiency to reduce our environmental impact. In terms of social responsibility, we are focused on an employee policy, which places emphasis on education, safety and a good working environment. With our suppliers, we want to have a constructive and innovative dialogue based on the principles of human rights and rights in the workplace. In that regard, we are also focused on their commitments to the health and well-being of their employees and to the eradication of child and forced labor. We look forward to continuing working with the UN Global Compact principles in the year ahead. I would like to thank my staff for their patience and forbearing in these difficult times which we continue to go through. In spite of the many difficulties which we face, progress is being made. God willing, we shall prevail and overcome all the problems and hurdles which may confront us.

Youmna Al Ashkar, General Manager

MEET THE TEAM

Youmna Ashkar
General Manager

Karam Aridi
Executive Chef

Hasan Tarabay
Finance Manager

Izzat Malas
Operations Manager

Mohamed Fahess
Quality & Audit Manager

COMMITTING TO THE TEN UN PRINCIPLES

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

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Human Rights



HUMAN RIGHTS

UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

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

POLICIES

Fulcrum respects and supports internationally recognized human rights throughout the company. This means that we respect and support international agreements on human rights. Throughout the group, we also comply with applicable standards concerning working hours. In addition, we ensure that wages are in line with legislation and branch standards in the country.

ACTIVITIES AND RESULTS

In Fulcrum, we believe that by maintaining our policies on human rights in 2022 we made a positive contribution to respecting human rights in the workplace. Fulcrum group's support and respect for international conventions on human rights is internally reflected in our organization, among other things, in our HR policies.

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

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

Moreover, we supported a university team to plan and organize a medium event offering catering for 75 attendees and evaluating our efforts by the success of the team and the good support they received from our team.

Labour



UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

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

POLICIES

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

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

ACTIVITIES AND RESULTS

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

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

Environment



ENVIRONMENT

UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

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

POLICIES

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

ACTIVITIES AND RESULTS

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

Food safety and quality at Fulcrum's restaurants, there is a strong focus on quality and food safety, and it is important for us to ensure that we produce high-quality products and maintain high food safety standards. It is our ambition to constantly ensure that improvements are made and that the expectations and requirements faced by us as a company are addressed. All food is prepared every day from the ISO 22000:2018 certified Central Kitchen located inside the airport. To maintain freshness, food is prepared according to demand and replenished, as required, around the clock.

Eco friendly packaging

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

A few strategies and packaging innovations tips:

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

Anti-corruption



UN PRINCIPLES REGARDING SOCIAL RESPONSIBILITY AND SUSTAINABILITY

As a company, we should:

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




POLICIES

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

Measurement of outcomes

Objective	Result achieved	Action taken
Reducing the paper consumption	Around 109000 papers will be saved per year.	Implementing different strategies such as relying on soft copies, printing on both sides of the paper, etc.
Reducing detergents consumption	The detergent consumption decreased by 5 percent in 2021.	Searching for a substitute and choose the one that can save both consumption and cost while keeping the same effectiveness or even increasing it.
Protecting our guests and employees from being infected by COVID-19	Many guests gave us their positive feedbacks about the precautions taken in our outlets.	Implementing many hygienic practices such as sanitizing the tables, chairs and equipment after each guests, sanitizing the items received from the suppliers, etc.
Considering the legal and ethical behavior as priority	Stop the business with some suppliers after detecting some illegal problems in their products.	After detecting the illegal problems in the products of some suppliers, all the products were spoiled, the orders were stopped.
Controlling food waste	Actions were taken to prevent the disposal of many items during the airport closure.	Preparing a list of all the items available in stock in which the available quantity and the expiry date is mentioned. The items with near expiry date were highlighted and we tried to find a safe way to use them before the expiry date such as cooking the items and freezing them.
	The food waste decreased considerably between 2020-2021.	Controlling the quantity of vegetables and fruits ordered, the quality of items received. Implement a project to control following the recipes and to adjust some recipes if needed.
	The wastage percentage of many items decreased in 2020. As example the wastage of Manakish decreased by 2 percent in 2021.	Preparing a system to control the production based on the expected number of passengers.
Reducing the consumption of packaging materials	The general items consumption was considerably reduced in 2021.	Implementing many strategies such as replacing the disposable boxes by multi-use plastic boxes in the kitchen, conducting validation studies to check if it is safe to display some of our items for a longer time in the outlets, in this way we have decreased the food waste and the packaging materials consumption.
Reducing the electricity consumption	The consumption is under control.	Implementing a plan to control the use of electrical appliances. Turning off the fridges and freezers when not used. Replacing the lights by LED ones.
Encouraging our staff to get higher academic degrees	Some of the administration staff have been graduated and others enrolled in MBA and other academic programs in 2021.	Give the concerned people the approval to have a flexible schedule and offer them the needed support.
Considering the safety of our product a priority	We are implementing ISO22000:2018 standard.	Following strict requirements all over the food chain from farm to fork.

Integrating the SDGs into our Operations

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