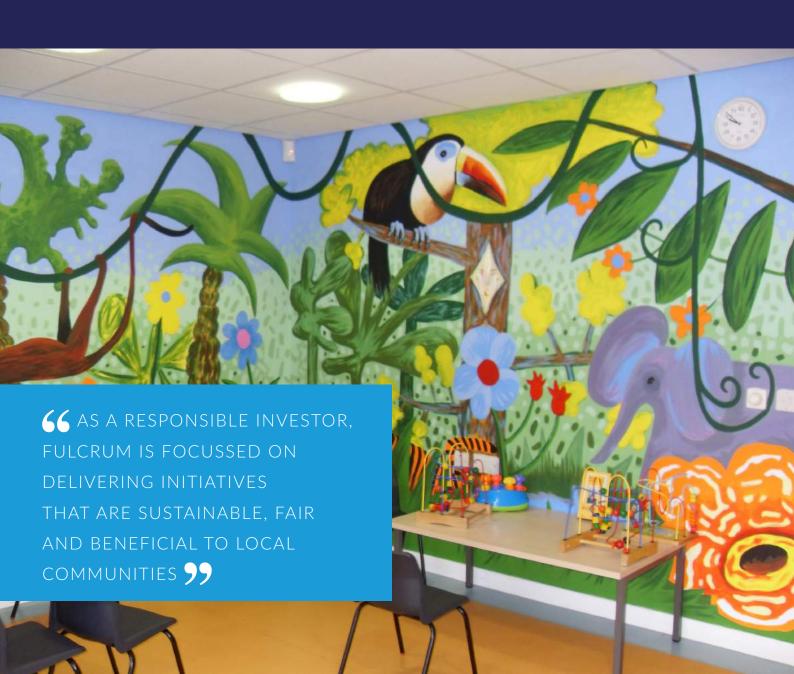


FULCRUM'S APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE

CASE STUDY





DEFINING

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

- In changing, challenging times, it is crucial that investors demonstrate that their activities are ethical and socially conscious to priority global issues such as climate change, equality and diversity, and corporate transparency
- These factors are broadly defined as

 Environmental, Social and Governance (ESG)

 which cover a company's 'green credentials' such as its energy use, waste and pollution; the social values it follows in how it works with staff, key partners and the community; and its commitment to operate in a fair and transparent way
- As a responsible, values-led investor, Fulcrum already place a clear focus on ESG criteria in the delivery of community healthcare facilities and initiatives throughout the UK - indeed, as Fulcrum's parent company Meridiam says: "We deliver sustainable infrastructure that improves the quality of people's lives"





- While ESG offers valuable criteria for companies to follow, it remains a very broad framework where **greater clarity is often needed** to help inform investment decisions
- Fulcrum have therefore developed a more targeted, strategic approach, offering a much more clearly defined framework of what its partnerships, events and healthcare initiatives must deliver.

FULCRUM'S

FRAMEWORK INCLUDES:

POSTIVE OUTCOMES TO THE COMMUNITY

- Fulcrum's focus is to make its healthcare facilities community assets so as part of this, it is crucial that any partnerships or initiatives are directly linked to each building, and help create a positive and notable impact within the community in other words, the building and the community is the focus, not Fulcrum
- An important starting point is to research local communities to understand their key needs so that Fulcrum can ensure its projects and initiatives deliver to them.
 Equally Fulcrum research existing local organisations with similar goals and a proven track record of results who could be potential partners

POSITIVE OUTCOMES FOR THE HEALTHCARE SYSTEM

- Fulcrum's facilities deliver vital health and social care, so it is crucial that any new partnerships or initiatives reinforce this primary role
- Raising awareness and 'driving better use' of healthcare facilities is therefore a core part of the criteria Fulcrum look for in its initiatives and partnerships not only does this help to improve the community's health and well-being, it also helps ease the strain on the wider NHS system, avoiding large hospitals treating needs that would be better served at a local level

SUSTAINABLE, LONG-TERM IMPACTS

- The projects and initiatives Fulcrum deliver must demonstrate that they are sustainable and will deliver a longer-term impact - not a 'one year hit' that quickly fades away
- As a result, Fulcrum are careful to identify partners that have the time, skills and resources to deliver initiatives over the long-term, maximising the chances of delivering lasting change and benefits

ALIGNING WITH LOCAL, NATIONAL AND GLOBAL PRIORITIES

- To ensure maximum impact and benefits, Fulcrum look to align their initiatives with wider public goals such as NHS and Government healthcare policies, and the priority interests of the local community
- At a global level, Fulcrum also look to develop projects that have clear links and a positive contribution to the UN's Sustainable Development Goals, specifically the goals focussed on "Good Health and Wellbeing"



THE BENEFITS

OF FULCRUM'S APPROACH

- The framework Fulcrum has developed has been invaluable in assessing the impact of previous initiatives, offering 'lessons learned' to help inform the development and delivery of future initiatives
- The Fulcrum Board can now make informed decisions about what initiatives to invest in, ensuring they will deliver: sustainable, long-term impacts; benefits to local communities; and a positive impact on the healthcare system
- As a result, Fulcrum's received an award for 'Environmental, Social and Governance of the Year' at the Partnership Awards 2020 - welcome recognition of the huge importance Fulcrum place on ESG and being a responsible investor





