

ESG





The DRFG Group, comprising DRFG Investment Group a.s. and its affiliated entities, places great importance on the principles of environmental, social, and corporate governance (ESG). This report provides an **overview of the key initiatives and achievements reached in 2023**. For the DRFG Group, ESG is not merely a set of standards to follow—it represents a core strategy for long-term and sustainable growth. This document outlines the main pillars of ESG: environmental, social, and governance, offering a detailed overview of the Group's performance in 2023, along with a forward-looking perspective.



Environmental



Social



Governance

E S G



Environmental



Reducing the Carbon Footprint

In 2023, the DRFG Group focused on reducing its carbon footprint through several key initiatives and investments in renewable energy sources, particularly photovoltaic panels. These panels were installed on several buildings managed or owned by DRFG Group companies. These efforts contributed to a reduction in CO₂ emissions and an increase in the share of green energy in overall consumption.

Another important area was improving the energy efficiency of buildings. To this end, the DRFG Group implemented a range of measures, including thermal insulation, replacement of windows with energy-efficient alternatives, and modernization of lighting systems. As a result of these changes, total energy consumption decreased by approximately 15% compared to the previous year.



Circular Economy and Waste Management

The circular economy is a cornerstone of the DRFG Group's environmental strategy. In 2023, the Group expanded its recycling programs and introduced new procedures aimed at reducing waste generation. Within its office spaces, a policy to minimize the use of single-use plastics was implemented, and the recycling rate for paper and plastics increased to approximately 75%.

The DRFG Group also launched a hazardous waste recycling program, including the collection of electronic waste, and increased the number of collection points for waste sorting across its workplaces. As part of this initiative, employee training was introduced to raise awareness of the importance of the circular economy and the role individuals play in supporting company-wide efforts.



Biodiversity Support

Supporting biodiversity remained a key area of focus for the DRFG Group in 2023. As part of this effort, several projects were implemented around the Group's properties, including tree planting, the creation of rooftop gardens, and the installation of insect hotels.

In addition, the DRFG Group collaborated with various communities and non-governmental organizations on nature conservation projects. The Group committed to the sustainable management of its land and to supporting ecosystems through initiatives such as rainwater retention, ecological farming, and the protection of rare plant and animal species.

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Social



Community Support and Social Responsibility

Social responsibility is a cornerstone of the DRFG Group's social strategy. In 2023, the Group supported a variety of community-based projects, including educational programs for children from low-income families, healthcare initiatives, and programs promoting sports and culture.

The DRFG Group also introduced a new social responsibility policy, which includes a commitment to fair treatment of all employees.

Employee Policy and Development

The DRFG Group recognizes that its success depends on its people and therefore invests in employee development and a supportive working environment. In 2023, several initiatives were introduced to improve working conditions, including expanded remote work (home office) options and the implementation of sick days. These steps led to increased employee satisfaction.

Another key advancement was the introduction of an employee training and development program. The DRFG Group launched new training sessions focused not only on enhancing technical skills but also on soft skills such as communication and team leadership. In addition, the DRFG Group reinforced its efforts to promote diversity and equal opportunities in the workplace.



Stakeholder Engagement

Stakeholder engagement is a key element of the social pillar within the DRFG Group's ESG strategy. In 2023, the Group expanded its partnerships with local communities, academic institutions, and non-profit organizations. The DRFG Group supported educational initiatives, provided financial assistance to local communities, and participated in various volunteer activities.

One of the major projects was a partnership with universities focused on sustainable development research. The Group contributed to the funding of several research projects aimed at renewable energy and sustainable construction.

E S G



Governance



Leadership and Board Accountability

In 2023, the Board of Directors of DRFG Investment Group a.s., the management company of the DRFG Group, significantly enhanced its oversight of the Group's key decisions. Regular performance evaluations of senior management were introduced, contributing to greater accountability and transparency across all levels of governance.



Corporate Governance

In 2023, the DRFG Group strengthened its governance structures to ensure greater accountability, transparency, and ethical conduct. The Group also introduced new internal processes and decision-making rules at the highest level. A Code of Ethics was established, setting clear standards of conduct for all employees, and a new system for reporting unethical behavior was implemented.

Additionally, the DRFG Group introduced a regular internal control system to ensure compliance with regulations and focused on improving communication between company leadership, shareholders, and other key stakeholders.



Compliance and Ethical Standards

Compliance—adherence to legal and ethical standards—is a top priority for the DRFG Group. In 2023, the Group introduced several new compliance measures, including regular employee training and audits.

The DRFG Group also strengthened transparency in financial management. These steps ensured full compliance with both national and EU regulations and reinforced the Group's position as a responsible and trustworthy organization.



Green Strategy

2024–2026

In the coming years, the DRFG Group plans to continue developing its green strategy, which includes goals related to reducing CO₂ emissions and increasing the share of renewable energy sources. The Group intends to invest in the construction of new photovoltaic power plants and expand its existing green energy production capacity.

■ **DECARBONIZATION**

We continue to implement measures aimed at reducing CO₂ emissions and increasing the share of renewable energy sources.

■ **INNOVATION**

We support smart solutions and technological innovations to improve environmental impact and operational efficiency.

■ **SOCIAL RESPONSIBILITY**

We continue to develop programs that support employees, promote diversity, and strengthen community engagement.

■ **WASTE REDUCTION**

The DRFG Group will further focus on developing the circular economy, with plans to increase recycling rates and reduce waste across all its operations. Additionally, the Group plans to introduce new technologies that will enable more efficient resource management and minimize environmental impact.

