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CRESTYL

S

Strategy



G



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# OUR BUSINESS MODEL



CRESTYL started out as a family business and has developed into a well-diversified portfolio of mixed-use commercial and residential projects. Since 2023, the Polish developer Spravia has been part of the CRESTYL Group\*, which is led by more than 260 seasoned professionals.

Within the development portfolio, residential projects are developed for direct sale, while commercial (including retail) projects are transferred to an “investment portfolio” that is owned by CRESTYL and managed until such projects reach a level of maturity, robustness, and stability that will secure a worthy premium for CRESTYL at exit.

Our commercial developments concentrate on premium locations in central locations and with excellent transportation connections, to create premium products.

The defining characteristic of CRESTYL’s business model is diversity in the portfolio – both as a means to achieving financial stability, which is a keystone for achieving our corporate goals, and as a way of ensuring the sustainability of our business and portfolio.

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Hereinafter CRESTYL refers to CRESTYL Group, which includes Crestyl Holding Limited in Czech Republic and Spravia sp. z o. o. in Poland. The commitments and goals relevant for commercial buildings are applicable only to Crestyl in the Czech Republic, as there is no “investment portfolio” in Poland.





This diversity arises from the following aspects



1.

Diversity of the development portfolio, comprising upper-middle-market to high-end residential and downtown mixed-use and office development.

2.

Diversity of income stemming from residential apartment sales (i.e., a B2C product), sale of institutional income-generating assets to institutional investors, and long-term rental income from commercial and mixed-use properties.

3.

Diversity of geography and urban areas, covering both capital cities and regional towns and cities, while always focusing on class A locations.



# OUR STRATEGIC SUSTAINABILITY GOALS



CRESTYL is fully committed to supporting the achievement of the goals of the [European Green Deal](#) and the [UN Sustainable Development Goals](#) to achieve zero net emissions of greenhouse gases by 2050, decouple economic growth from resource use, and ensure respect for human rights.

Achievement of these goals requires strategic changes in the real estate sector as buildings are the single largest energy consumer in Europe and are responsible for approximately 40% of EU energy consumption and 36% of energy-related greenhouse gas emissions. Embodied carbon associated with materials and construction makes up 11% of global carbon emissions.

To contribute to the achievement of these goals CRESTYL has adopted this ESG strategy.

We plan to adopt a climate transition plan to fully decarbonise our entire portfolio by 2050, with the goal to align with the 1.5°C scenario.

By 2030 the energy efficiency of our portfolio will be above the average needed to meet the EU and national goals. We will aim to keep above the average in any subsequent milestones set by the EU or national authorities.

We will increase the share of projects that will meet the EU Taxonomy criteria of significant positive contribution to climate change mitigation.

We have and will continue to have zero exposure to fossil fuels through real estate assets.





We will adopt a circular economy strategy with the aim to reduce CRESTYL's use of emissions-intensive or scarce primary materials through increased use of bio-based, recovered, or recycled materials, materially efficient construction practices and design for adaptability, reconstruction or deconstruction at end of life.

To ensure that our projects do not have any other environmental impacts we will implement an Environmental Management System by 2025 and an action plan to gradually ensure that our major suppliers who may have potentially significant impacts, including all general contractors we hire for construction works, have such a system implemented. Furthermore, our new projects will have the following certifications:

- all new residential projects - BREEAM from 2025;
- all new commercial developments - LEED Platinum from 2023;
- all new offices - WELL certification-ready from 2026.

We are committed to respecting human rights in all our activities in alignment with the [United Nations Guiding Principles on Business and Human Rights](#), including zero tolerance for the trafficking of human beings, forced or compulsory labour and child labour, all types of discrimination.

To ensure respect for human rights, including the labour rights, environmental and ethical norms in our operations as well as by our business partners, we plan to implement a sustainability due diligence process in line with international and EU norms in order to prevent and mitigate any adverse impacts in the value chain.





Environmental



# GENERAL APPROACH



Our goal is to reduce the overall environmental impact of our buildings, taking into account the whole life cycle of our projects. Starting with the project development, we choose the optimum site location not only to avoid harmful impacts on the environment but also to protect and revitalise the area's biodiversity and mitigate our greenhouse gas emissions through our choice of design, materials, and technologies.

We will focus on deploying low-carbon technologies across all building elements and systems, carbon retention solutions and smart solutions for energy, material, and water efficiency. We will extend the life of buildings by renovating, smart demolition, and circularity.

CRESTYL will aim to apply [Level\(s\)](#) - a common EU framework of core indicators for assessing the sustainability of office and residential buildings - from the very earliest stages of conceptual design through to the projected end of life of the building. It will allow us to integrate life cycle assessment in procurement as well as explore potential carbon reduction targets.

We will support our communities and tenants in adopting and scaling environmentally responsible behaviours and practices (e.g., waste reduction, sorting and recycling, energy efficiency, water conservation and reuse, pollution reduction) through knowledge sharing and education, green leasing, and other activities.



# ENERGY AND CLIMATE CHANGE COMMITMENTS

Our goal is to reduce CRESTYL's own carbon footprint as well as the potential impact of climate change on CRESTYL's business. We plan to do this by designing low-carbon and resilient buildings that are conducive to combating climate change.

We are committed to fully decarbonise our entire portfolio by 2050, with the goal to align with the 1.5°C scenario. Our carbon trajectory will incorporate Scope 3 GHG emissions and the entire life cycle of assets, i.e., construction, renovation, and operation.

By 2030 the energy efficiency of our portfolio will be above the average needed to meet the EU and national goals. We will aim to keep above the average in any subsequent milestones set by the EU or national authorities.





New developments and major renovations will be built to be highly efficient, powered by renewables, with a maximum reduction in embodied carbon and compensation of all residual upfront emissions. In case of the acquisition of inefficient building assets, a plan will be developed on how to increase their energy efficiency by renovation or redevelopment. All buildings that will be renovated will be energy efficient and have an EPC of 'C' or better.

We will explore the potential of each new project to meet EU Taxonomy criteria with the aim to increase the share of projects that will meet Taxonomy criteria of significant positive contribution to climate change mitigation.

Regardless of the potential of new projects to fully align with EU Taxonomy for positive contribution, we will assess each new development project from the perspective of meeting the EU Taxonomy DNSH criteria.



# We commit to adhere to the Green Building Principles\*:

1.

Calculate a robust carbon footprint of your portfolio in the most recent representative year to inform targets.

2.

Set a target year for achieving net-zero carbon by 2050 at the latest, and an interim target for reducing at least 50% of these emissions by 2030.

3.

Measure and record embodied carbon of new developments and major refurbishments.

4.

Maximise emissions reductions for all new developments and major refurbishments in the pipeline to ensure delivery of net-zero carbon (operational and embodied) by the selected final target year.

5.

Drive energy optimization across both existing assets and new developments.

6.

Maximise supply of on-site renewable energy.

7.

Ensure 100% off-site energy is procured from renewable- backed sources, where available.

8.

Engage with stakeholders with whom you have influence in your value chain to reduce Scope 3 emissions.

9.

Procure high-quality carbon offsets to compensate for residual emissions.

10.

Engage with stakeholders to identify joint endeavours and equitably share the costs and benefits of interventions.



\* introduced by the World Economic Forum



# PLANS AND ACTIONS

First of all, we will start with measuring and reporting on the greenhouse gases (GHG) emissions of the CRESTYL Group (Scopes 1 and 2) as well as the emissions from our property portfolio and development activities (Scope 3). We will also calculate the Global Warming Potential for new buildings.

Robust carbon footprint calculation will allow us to develop and adopt a climate transition plan by the end of 2024 with smart and measurable goals and a roadmap aligned with a science-based sectoral pathway in order to fully decarbonise our portfolio by 2050 and reduce emissions by at least 50% by 2030.

We will eradicate emissions from fossil fuel combustion generated by our own buildings and our own machinery on construction sites by 2025. We will also achieve carbon neutrality on Scope 2 GHG emissions in 2025 for owned buildings.

To achieve carbon neutrality for Scope 3 we plan to reduce embodied carbon in new constructions and renovations by achieving our goals in the field of resource use and circular economy and to offset remaining carbon.

We will conduct a climate change physical risks assessment for every new construction project from 2025. We will also assess climate change physical risks for existing buildings and develop adaptation plans.

Buildings inevitably create transportation needs. All our upcoming projects include the creation of infrastructure for electric vehicles and bicycles (charging stations, ergonomic parking spaces). We are also choosing sites that enable and promote the use of public transport.







# OUR PLANS

1. Purchase 100% of energy from certified renewable sources by 2025 in all cases where the energy distributor makes it possible;
2. Maximise on-site renewable energy production in each new project (for example, photovoltaic solar panels on the roofs and other parts of buildings, ground/water heat pumps);
3. By 2025 develop a strategy for off-site renewable energy production;
4. Work on reducing energy consumption (for example, common areas of shopping centres will not be heated anymore);
5. From 2025, conduct energy consumption audits for buildings in our investment portfolio. Each such building will have a long-term EPC projection and energy efficiency management plan;
6. Regularly update the digital software implemented so that it further precisely monitors and regulates consumption of individual appliances, such as air conditioning, HVAC or charging stations. It will help us to efficiently distribute electricity even when the capacity of electrical connectors is no longer sufficient.



# Measurable outcome-oriented targets and metrics for tracking effectiveness

	Targets	Metrics
<b>GHG emission reduction</b>	<p>Eradicate emissions generated by own buildings and own machinery on construction sites by 2025.</p> <p>Achieve carbon neutrality on Scope 2 GHG emissions in 2025 for owned buildings.</p> <p>Achieve full carbon neutrality including development activities (Scope 3 emissions) by 2050 at the latest.</p>	<ul style="list-style-type: none"><li>• GHG emissions (total &amp; intensity) for Scope 1, Scope 2, Scope 3.</li><li>• % reduction in GHG emissions for the CRESTYL platform by Scope relative to the base year.</li></ul>
<b>Energy use and production</b>	<p>Purchase 100% of energy from certified renewable sources by 2025 in all cases where the energy distributor makes it possible.</p> <p>Targets for on-site and off-site renewable energy production will be set as a strategy will be developed.</p>	<ul style="list-style-type: none"><li>• Total energy consumption.</li><li>• Share of renewable energy (own production &amp; certified).</li><li>• Energy production.</li><li>• Fossil fuel combustion.</li><li>• Renewable energy production.</li></ul>
<b>Energy efficiency</b>	<p>Increase share of EU Taxonomy-aligned projects.</p> <p>Increase average portfolio energy efficiency.</p>	<ul style="list-style-type: none"><li>• EPC of buildings.</li><li>• % of completed projects aligned with EU Taxonomy screening criteria.</li><li>• Use stage energy performance, kWh/m<sup>2</sup>/yr.</li><li>• Life cycle Global Warming Potential, kg CO<sub>2</sub> eq./m<sup>2</sup>/yr.</li></ul>





# CASE STUDY

## DORNYCH BRNO

Setting a new  
standard in  
environmental  
performance



Dornych Brno is a project designed to meet the conditions of LEED Platinum certification and at the same time to comply with the EU Taxonomy. It aims to become our standard in the coming decades.

When removing existing buildings, we will place a strong emphasis on recycling demolition waste to align with circular economy principles aiming at re-usability of the highest possible percentage of material currently forming the mass of the on-site structure.

The energy efficiency of the buildings will be a function of the building design itself, where the spaces between the individual commercial units will not be roofed and heated, but designed as outdoor spaces covered only from rain. The heating of the buildings will largely be provided by a ground/water heat pump, which will take heat from dozens of ground boreholes located on the site. The remainder of the heat will be supplied by the central heating supply. Electricity production

from photovoltaic solar panels on the roofs of the buildings will also help reduce the overall carbon footprint of the buildings' operation. Taken together, these features will reduce estimated operational energy consumption of the buildings by about 40%.

Water management will also be sophisticated. Rainwater will be captured in a number of retention tanks from which it will be harvested to water the green spaces and also used for toilets.

The project's design follows a stakeholders' dialogue with people living, studying and working in Brno that analysed their expectations and wishes that could be fulfilled by a new development in a location that is known to everyone in the city. They asked for an easily accessible and neat public space with lots of greenery and safe for families and kids. They liked the idea of an open mixed-use concept combining offices, residential part and retail section comprising also restaurants.



# RESOURCE USE, CIRCULAR ECONOMY, AND IMPACTS OF MATERIALS COMMITMENTS

Our goal is to reduce CRESTYL's use of emissions-intensive and scarce primary materials through increased use of bio-based, recovered, or recycled materials, materially efficient construction practices and design for adaptability, reconstruction, or deconstruction at end of life.

To meet this goal, by 2028 we will develop a strategy, which will address the impacts of materials to minimise embodied carbon in our new buildings and address negative impacts in our value chain. The strategy will address maximisation of the use of recycled materials, the exclusion of materials with severe negative impact, and recycling of the materials. It will include an action plan to ensure traceability of construction materials, which would allow assessment of impacts in the upstream value chain and prioritise any for action.

Building designs and construction techniques of CRESTYL will support circularity by being more resource efficient, adaptable, flexible, and easy to dismantle to enable reuse and recycling.



# ACTIONS AND ACTION PLANS

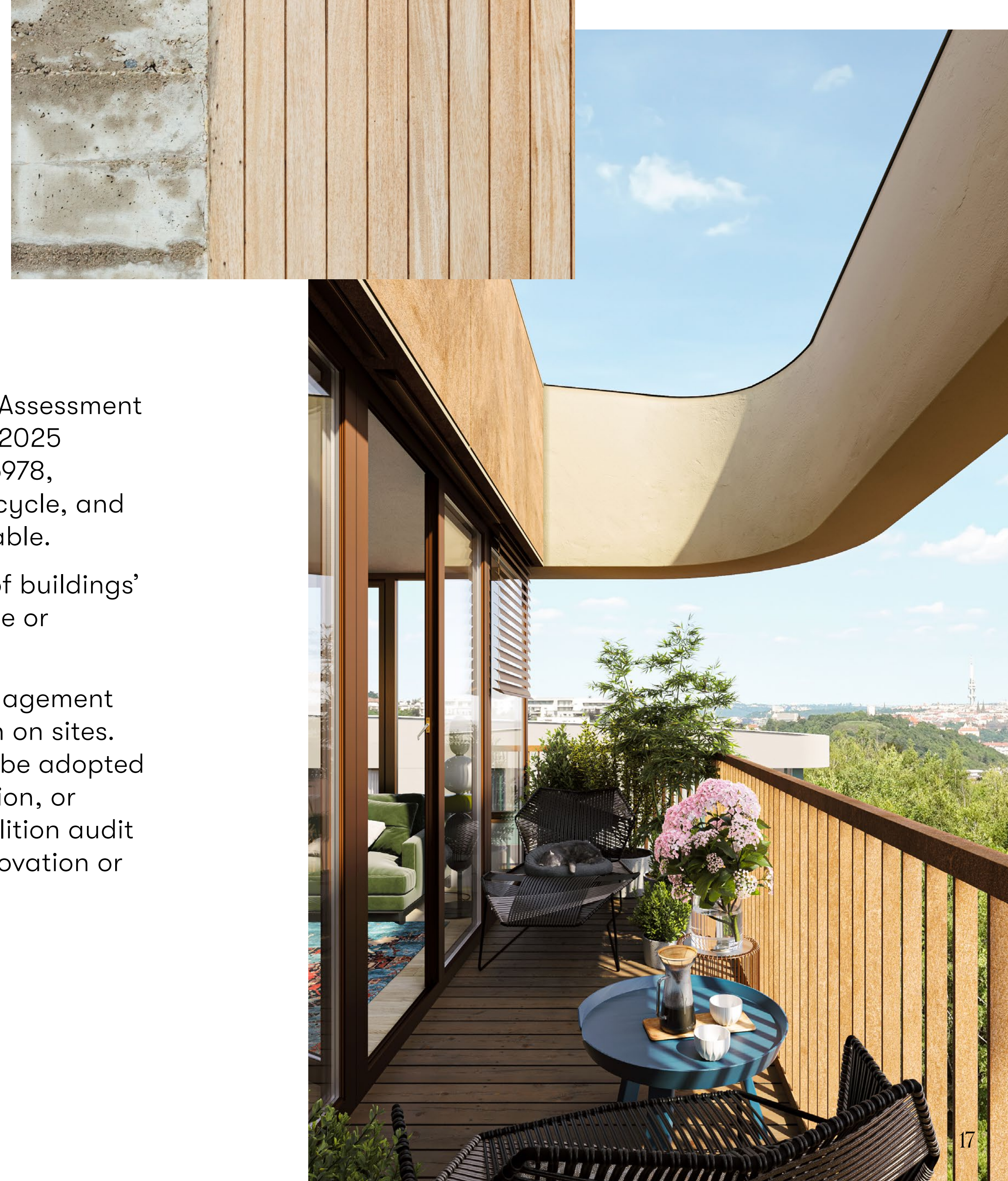
We will work on tracing materials, analysing material impacts linked to materials and their carbon footprint, carry out feasibility analysis and adopt an action plan based on the results. The action plan will also take into consideration finalised EU Taxonomy Phase 2 technical screening criteria and the [European Commission circular economy principles for building design](#). Based on the analysis we will set specific targets on phasing-out high impacts materials.

By the end of 2024, CRESTYL plans to undertake an in-depth review of its current practices to identify significant areas for expanded adoption of circular economy approaches in new projects, including material efficiency, reuse and recycling, further minimisation of waste and reduction of embodied emissions.

We will undertake a Life Cycle Assessment (LCA) for all new projects from 2025 according to Level(s) and EN 15978, covering each stage in the life cycle, and make the results publicly available.

We will implement monitoring of buildings' End-of-Life phase and the reuse or recyclability of used materials.

We plan to optimise waste management and limit resource consumption on sites. A waste management plan will be adopted for every construction, renovation, or demolition project. A pre-demolition audit will be conducted for every renovation or demolition project.







# OUR PLANS

1. We will transform old buildings into modern structures where possible.
2. We will prioritise quality, low-carbon, recycled and recyclable, bio-sourced and health-friendly materials.
3. We will use only wood, wood fibres or wood particles that have sustainable forest management certification (for example FSC).
4. We will limit waste generation related to construction and demolition in accordance with the EU Construction and Demolition Waste Management Protocol and taking into account the best available techniques.
5. All generated construction, demolition and excavation waste will be treated in accordance with the checklist of the EU Construction and Demolition Waste Management Protocol.
6. We will use selective demolition to enable the removal and safe handling of hazardous substances and facilitate reuse and high-quality recycling by selective removal of materials, using available sorting systems.



# Measurable outcome-oriented targets and metrics for tracking effectiveness

	Targets	Metrics
Resources	<p>Targets will be set in the circular economy strategy, including for:</p> <ul style="list-style-type: none"><li>• minimisation of the use of primary raw material through the use of secondary raw materials (including recycled or re-used products);</li><li>• phasing-out high impacts materials.</li></ul>	<ul style="list-style-type: none"><li>• Repurposed/ reused materials (%) kg/m<sup>2</sup> floor space.</li><li>• Recycled materials (%) kg/m<sup>2</sup> floor space.</li><li>• Repurposable/ reusable materials (%) kg/m<sup>2</sup> floor space.</li><li>• Recyclable materials kg/m<sup>2</sup> floor space.</li><li>• Renewable materials kg/m<sup>2</sup> floor space.</li><li>• Virgin raw materials consumption for new construction and major renovations kg/m<sup>2</sup> floor space.</li></ul>
Waste	<p>At least 50% (by weight) of the non-hazardous construction and demolition waste generated on the construction sites will be prepared for reuse, recycling, and other material recovery by 2025.</p>	<ul style="list-style-type: none"><li>• Total weight of waste by type and disposal method.</li><li>• Waste kg/m<sup>2</sup> of floor area.</li><li>• Share of waste diverted from disposal (reuse, recycle).</li><li>• Reduction of waste production by type (% or tons).</li></ul>





# CASE STUDY

## DOCK

From wasteland  
to thriving  
multipurpose  
district



CRESTYL's flagship DOCK project has been developed on two neighboring banks of Vltava river in Prague 8 - Libeň that was previously home to a shipyard specialised in building and servicing suction dredgers. The project involved the transformation of a heavily contaminated area into a sought office location, as well as a prestigious residential development set amid lush greenery and located near the Vltava river.

Before development could begin, we had to decontaminate and remediate 37,000 square metres of the river lagoon, which was contaminated with lead and other toxic substances. To ensure the safety of future residents, also the retention capacity of the lagoons was increased to protect against flooding and deepened the lagoon to serve as a protective harbour during flood events.

As the development at DOCK after fifteen years approached completion, the team made a concerted effort to incorporate environmentally-friendly features, including the planting of over 350 trees and the creation of green roofs on three

of the DOCK IN buildings, as well as the implementation of intensive greenery on the facades. These measures were taken to prevent the formation of heat islands and to reduce the need for cooling and energy consumption.

All of the office buildings at DOCK also feature built-in external blinds that are connected to weather stations to further support energy efficiency. The green spaces at DOCK are meticulously maintained through the use of wells that are used to irrigate the greenery around each building, resulting in the achievement of LEED Gold certifications for many of the buildings.

The development is also staying abreast of the latest trends in electromobility, working to meet the needs of tenants and their fleets. For those who prefer alternative modes of transportation, DOCK offers amenities such as bike storage, parking and docking stations for electric bikes, and is conveniently located on a major cycling path in Prague.



# LOCAL IMPACTS ON BIODIVERSITY AND ECOSYSTEMS, WATER AND POLLUTION

Starting from 2025 we will carry out an Environmental Impact Assessment (EIA) for each new project with potencial of urban impact, including a biodiversity and water impact assessment and measurement to avoid irremediable impacts and determine the possible need for compensation measures. The risks identified will be addressed.





# WATER COMMITMENTS

We will develop a policy to prevent or avoid negative impacts on water resources and where necessary to mitigate them. It will be based on the analysis of environmental degradation risks related to preserving water quality and avoiding water stress. Such risks will be addressed with the aim of achieving good water status and maximising the use of rainwater.



Water flow rates in water appliances installed in commercial buildings will comply with the EU Taxonomy DNSH criteria for Sustainable use and protection of water and marine resources.



# PLANS AND ACTIONS

1.

We will conduct a water risk assessment for every new project.

2.

We will monitor water usage in our commercial buildings and during development and set year-on-year reduction targets for water consumption per m<sup>2</sup> of standing investments.

3.

Rainwater will be captured in all new buildings in retention tanks from which it will be harvested to water the green spaces and also used for toilets.



# BIODIVERSITY AND LAND USE COMMITMENTS

Our goal is to preserve biodiversity, restore natural environments and make a positive impact on ecosystems in the locations and communities where we work.



We commit to preventing and mitigating adverse impacts on biodiversity caused or contributed by our operations, in particular in connection to the new development projects. This commitment has three aspects:

1. We will avoid any major irremediable impacts in the development (e.g., impacts on species, valuable ecosystems, or protected areas).
2. We will compensate for any remaining impacts identified in the Environmental Impact Assessments.
3. Our resource use and circular economy strategy will seek to prevent and minimise impacts in the value chain connected to the building materials we use (see resource use & circular economy for more information).



We will continue to prioritise building on brownfield sites transforming them to living areas as opposed to acquiring greenfield sites for new buildings. The loss of biodiversity due to the re-developing of brownfields will be measured and if needed compensated.

In cases where a brownfield option is unviable, we minimise the conversion of greenfield land and forest and avoid other biodiversity-sensitive areas, such locations of recognised high biodiversity value and land that serves as habitat of endangered species.

Where small-scale conversions of such areas are unavoidable, we fully compensate for their loss by recreating them nearby.

We also avoid converting arable and crop land with high level of soil fertility (I and II protection class of the agricultural land fund) and below-ground biodiversity.

In each new project, we will identify opportunities to improve ecosystem functions (e.g., by creating new habitats and bio corridors) in and around the development sites.

We are helping to preserve the natural landscape and to the greatest possible extent reclaim formerly contaminated areas for natural ecosystems and the local community enhanced by tree planting, wholesome green areas designed by leading landscape architects and creative water management solutions.

An integral part of our projects are green roofs, tree planting, parks, and designed landscapes in close proximity to buildings. Development of green terraces in urban areas will also help to mitigate the urban heat island effect.





# PLANS AND ACTIONS

1. We will develop and implement sustainable site selection criteria for development projects by the end of 2024.
2. We are planting native plants, adapted to the needs of local fauna, and limiting watering.
3. We plan to introduce ecological green space management practices: adjustment of the frequency of mowing, gradual elimination of the use of phytosanitary products.
4. We promote green space functions to local users.
5. We will also work closely with nature conservation professionals and NGOs to adopt and implement best practices in biodiversity protection.





# POLLUTION COMMITMENTS

Building components and materials used in the construction will not contain substances of very high concern and will comply with the EU Taxonomy DNSH criteria for Pollution prevention and control.



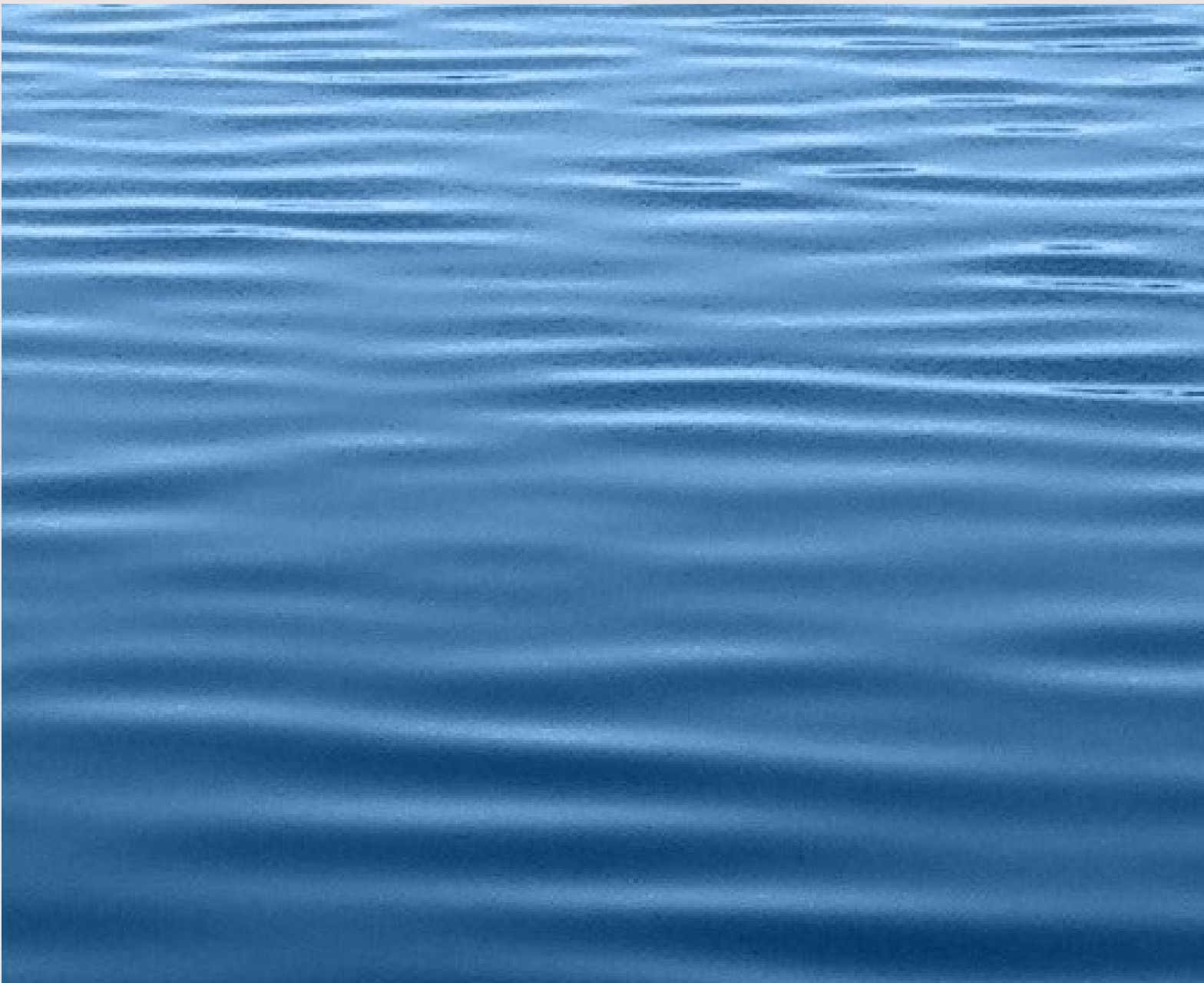


# PLANS AND ACTIONS

## Measurable outcome-oriented targets and metrics for tracking effectiveness

	Targets	Metrics
Water	We will set year-on-year reduction targets for water consumption per m <sup>2</sup> of standing investments.	<ul style="list-style-type: none"><li>• Reduction of water consumption (% or litres).</li><li>• Reduction of water intensity in portfolio (% or litres).</li><li>• Total water consumption (fresh water, recycled water).</li><li>• Rainwater harvesting system in portfolio (volume in litres).</li><li>• We will set metrics for risk areas regarding consumption and grey water.</li></ul>
Biodiversity and land use		<ul style="list-style-type: none"><li>• Area covered with vegetation including green roofs (m<sup>2</sup>).</li><li>• Area of I and II protection class of agricultural land that has been converted (ha).</li><li>• Area of forest, grassland or wetland that has been converted due to urbanisation (ha).</li></ul>
Pollution	not-material	not-material

We plan to develop a policy to prevent or avoid negative impacts due to possible air pollution during construction works and where necessary to mitigate them.





# CASE STUDY

## THE V1 EXTENSION AT DOCK

### Harnessing natural materials



Under the working name “Dock V1E”, CRESTYL is working with the Ian Bogle Architects team on a planned extension to the first office building built on the DOCK site. The plan is to use a timber frame for this extension, which will reduce the greenhouse gas emissions embedded in the building materials used to construct the building.

Wood as a building material has only a fraction of the carbon footprint associated with a standard concrete monolith. Moreover, wood can more easily be dismantled at the end of the life of the building and reused as a building material or for other purposes. The use of wood as a building material is one way, alongside the use of, for example, recycled concrete, to reduce embodied greenhouse gas emissions in buildings.

The green façade on the west side will be a key feature of the project, creating

a focal point that will attract the wider public to visit the DOCK site. Its design has been developed to respond to both the climate and site context, in order to minimise impact on the environment and maximise user well-being.

The rooftop green terrace will provide its visitors a great view across the DOCK area and – along with the green façade and greenery around the building – help improve air quality and biodiversity in its surroundings.

The curved glass façade on the southeast side – based on Climate Responsive Envelope Design study by Buro Happold – will feature a unique design of 3D appearance reflecting the ever-changing motion in the streets and the sky. At the same time, it will be energy efficient combining a variety of glass panels of different characteristics, i.e. integrated photovoltaics, electrochromic glazing or fritted surface.



# CASE STUDY

## HAGIBOR

### City forest



The Hagibor Project emerges on land with a rich history, brought to life by meticulous architectural and landscaping designs that sensitively integrate new structures within the existing build-up area of Vinohrady, Žižkov, and Strašnice. The new district will be filled with green spaces, harmoniously aligned with the concept of the fifteen-minute city. Hagibor will be multifunctional, presenting a welcoming and secure environment for those who reside, work, and seek leisure here. It will stand as a prestigious address in the broader city centre, well-served by urban public transport, as well as easily accessible by foot and bicycle. In alignment with current trends, the project emphasizes environmental responsibility and a strong sense of community.

The sextet of administrative buildings has been thoroughly crafted to achieve LEED Platinum certification for sustainable construction—a top-tier distinction that affirms their alignment with the latest sustainable construction practices. The vast expanse of the Hagibor complex, a space intentionally not overfilled with structures but designed to foster openness and airiness, provided landscape architect Michel Desvigne with the opportunity to infuse the area with a diverse array of natural or adapted vegetation, complemented by benches and terraced levels that invite rest and relaxation. The presence of greenery—lawns, trees, and bushes—further contributes to easing the heat island effect, thus counteracting summer overheating in this part of the city.





Rainwater will also be harnessed, as the project incorporates tanks for capturing and storing rainwater, which is consistently used for irrigating the green areas within the complex.

While residential buildings may not be actively pursuing certifications to validate their alignment with sustainability principles, they diligently adhere to these principles in their design and construction. The architectural design of these residential structures is tailored to meet the desires of both present and future occupants. Each apartment, regardless of size, is thoughtfully equipped with a terrace or balcony, inviting residents to relish in the picturesque views of the surrounding greenery as well as Prague's captivating beauty.







# GENERAL APPROACH



We are committed to respecting human rights in all of our activities in alignment with the United Nations Guiding Principles on Business and Human Rights, including zero tolerance for the trafficking of human beings, forced or compulsory labour and child labour, all types of discrimination.

We also seek to prevent and mitigate adverse impacts linked to us by business relationships.

We focus on human rights including labour rights and working conditions of our own workers and workers in the value chain, in particular construction workers and workers of our service providers, and the well-being of communities affected by our projects and people using our buildings.

We have a workplace accident prevention management system that applies to all our employees/workers/service providers, and we require such a system from our key suppliers.



By the end of 2024  
we will implement  
a robust human rights  
due diligence process  
that will protect  
workers on all sites:

1.

Ensure monitoring compliance with the UN Global Compact principles and the OECD Guidelines for Multinational enterprises;

2.

Include processes for engagement with affected stakeholders, channels for them to raise concerns, and measures to provide and/or enable remedy for human rights impacts;

3.

Address actual and potential material impacts in the development of new projects, the management of existing assets, and risks of severe human rights impacts caused or contributed to by our tenants in our buildings;

4.

Include policies for identifying where child labour, forced labour and human trafficking may occur.





# OWN WORKFORCE

## COMMITMENTS

Our goal is to become a preferred and highly sought-after employer in the field of development, asset management and property management.

We are committed to providing our employees with good working conditions, flexibility to accommodate the needs of employees, and an open culture.

We maintain excellent employment conditions for our employees, including:

- flexible working conditions in the form of part-time employment, distance working, and flexible working hours, were beneficial to the employees.
- short working day on Friday.
- regular monitoring of working spaces and environments to ensure that the conditions, furnishing, and design are in line with the best practice and market standards.

Our priority is to create the best conditions for our employees so that they can enjoy enough time for themselves, their families, and friends. We will further support flexible working time and work-life balance arrangements with respect to employees' individuality and their respective life strategies with a special focus on employees with small children, people with disabilities and people who have to deal with difficult health situations including in their families.

We promote the physical health and well-being of employees and a safe and inspiring environment.

We are committed to maintaining and developing the professional skills of our employees.



We are committed to creating an environment that supports the individuality and uniqueness of each employee and provides all employees with equal treatment and fair access to opportunities and resources, including people with disabilities. We support a diversity of employees from various nationalities and age groups as well as gender balance.

We are committed to attracting the best professionals, women, and men of all age groups and of various backgrounds and expertise, to work at CRESTYL at all levels of the company and ensure equal conditions and remuneration for all of them.

We plan to increase the diversity of our own workforce with special focus on the aspects of age and disadvantage or impairment. People with disabilities will be welcomed in job advertisements.

We have zero tolerance for discrimination, violence, and harassment at the workplace. We are committed to respect all human rights of all our workers. In this regard, we follow the international standards, regulations and initiatives,

including [The ILO Standards on Equality of opportunity and treatment](#) and all effective Czech legislation.

Our approach to preventing discrimination is conceptually guided by the EU and UN initiatives, including the [European Union's Gender Equality Strategy 2020 – 2025](#) as well as the [European Union's initiatives combatting discrimination](#), and relevant [UN Sustainable Development Goals](#) (esp. Goal 5 – Gender equality, Goal 8 – Decent work and economic growth, and Goal 10 – Reduced inequalities).

CRESTYL aims to ensure gender equality in management positions. In case representation of women drops below 40%, we will examine reasons and implement an action plan to remedy the situation.

We adhere to the “equal pay for equal work” principle.

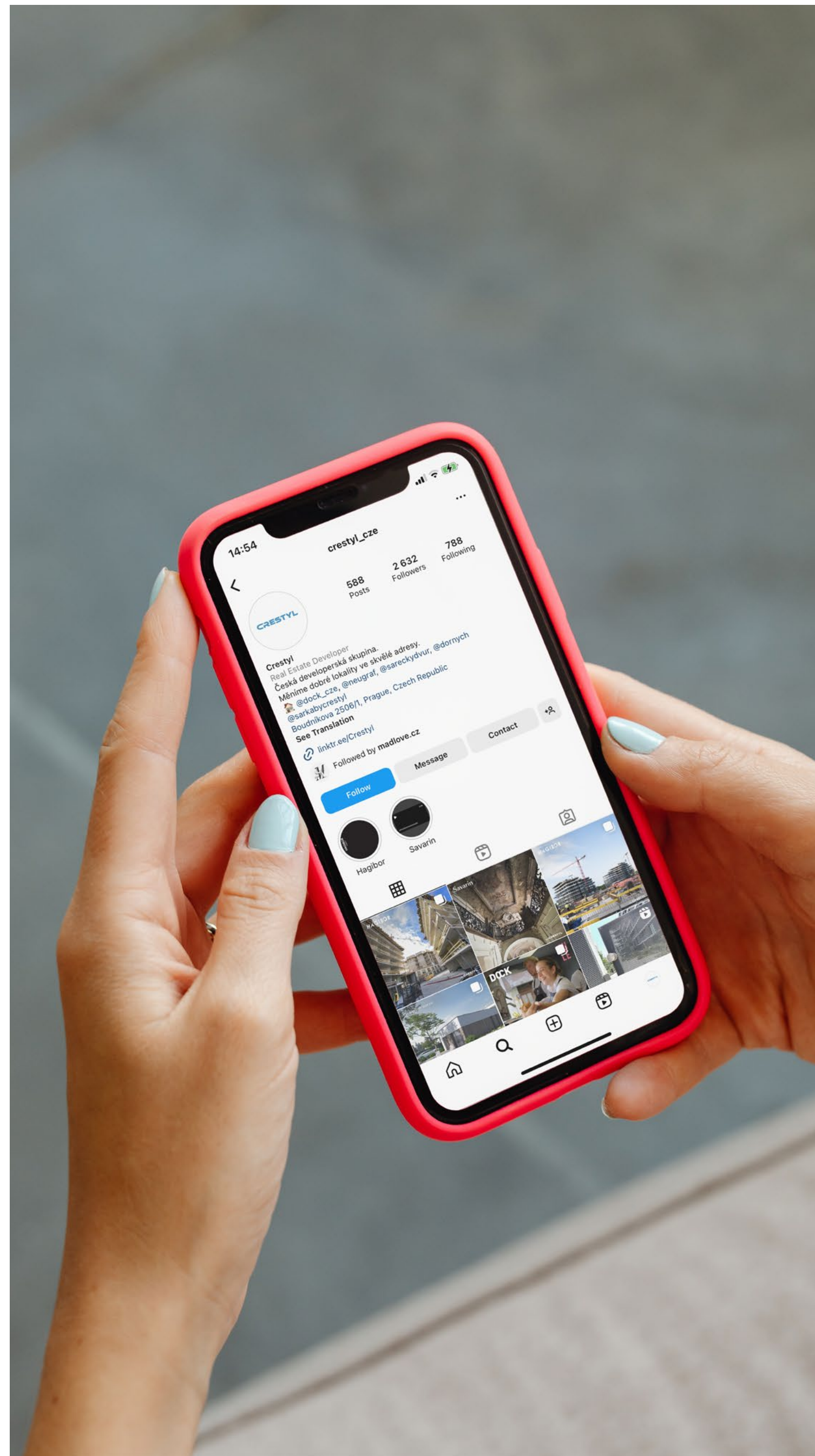
We will undertake an analysis of the current gender pay gap, identify the scope of its possible drivers, and decide on a strategy and an action plan by 2025 to address the findings, and where relevant set meaningful outcome-oriented targets.





# PLANS AND ACTIONS

1. We plan to implement a grievance mechanism for our own employees by the end of 2024 which will provide a clear and transparent framework to address complaints in the workplace. It will be regularly communicated to them. We will ensure that there will be no retaliation or discrimination against those who express grievances, and that grievances will be treated with confidentiality.
2. In 2023 we adopted the Equality, Diversity and Inclusion Policy, which applies to all CRESTYL employees. Cases of violation of this policy can be reported via the whistleblowing mechanism. We will be providing employees with regular training related to human rights, diversity, and equal opportunities.
3. Annually we conduct a satisfaction survey of our employees, based on the results of which our “culture team” suggests steps, solutions and measures for improvement. We will further foster a safe and confidential environment for affected employees to raise their needs with the HR.





4. We continuously support the professional development of our officers, directors, and team leaders, including their soft skills. We will extend our training offer for managers, which already includes the MBA RE (real estate) from the University of Economics in Prague, to include potentially more specialised programmes. Our training policy, which provides information on the training budget per employee and training options based on employee position, will be updated by 2025. We plan to set and implement a target for increasing the annual average hours of training per employee.
5. All our workers are covered by an H&S management system. We have set up clear rules and implemented training programmes on physical health and safety. Special Health Days are organised.
6. We will place special focus on identifying and addressing cases of excessive overtime work and ensure support for employees.
7. We support volunteer activities and provide an additional allowance for employees to pursue their chosen leisure activities.





# Measurable outcome-oriented targets and metrics for tracking effectiveness

Targets		Metrics
Secure employment		<ul style="list-style-type: none"><li>• Workforce composition &amp; breakdown (gender) (country) (contract) (turnover).</li></ul>
Diversity		<ul style="list-style-type: none"><li>• Female representation in governance bodies in %.</li><li>• Diversity of management - % (gender, age group, nationality).</li><li>• Distribution of employees by age group.</li></ul>
Equal treatment & opportunities (training & skills)	Increase the % of employees receiving training and regular skills development reviews.	<ul style="list-style-type: none"><li>• % of persons with disabilities.</li><li>• % of employees that participated in regular performance and career development reviews.</li><li>• % The average number of training hours per person.</li><li>• Difference between average gross hourly earnings of male paid employees and female paid employees.</li><li>• The ratio of the annual total compensation ratio of the highest paid individual to the median annual total compensation for all employees.</li></ul>
Work-life balance		<ul style="list-style-type: none"><li>• % of employees entitled to take family-related leaves.</li><li>• % percentage of entitled employees that took family-related leaves (gender) &amp; retain rate.</li></ul>
Health & safety	Maintain zero number of work-related injuries and work-related ill health.	<ul style="list-style-type: none"><li>• Work-related injuries &amp; ill health.</li><li>• Recordable work-related accidents.</li></ul>
Human rights		<ul style="list-style-type: none"><li>• Incidents of discrimination.</li><li>• Reported human rights violations.</li><li>• % of employees trained for diversity and fair access.</li><li>• % of employees receiving human rights training (no. hours, people).</li></ul>



# WORKERS IN THE VALUE CHAIN COMMITMENTS

CRESTYL is committed to protecting the health of physical persons, preventing occupational accidents and the occurrence of occupational diseases on the construction site and in its immediate vicinity.

CRESTYL is committed to ensure that its suppliers do not violate human rights, including labour rights, and maintain good working conditions.





# PLANS AND ACTIONS

CRESTYL appoints a Health and Safety Coordinator that prepares the Health and Safety Plan for the construction site, coordinates the activities of the contractor and subcontractors when taking measures to ensure safety and health protection while working on the construction site. All persons on the construction site must be equipped with a label/card confirming that the holder has completed the necessary OHS training.

From 2024 general terms and conditions for contracts with our suppliers will include provisions addressing the safety of workers, including precarious work (i.e., use of workers on short-term or limited hours contracts, workers employed via third parties, sub-contracting to third parties or use of informal workers), human trafficking, the use of forced labour or child labour, which will be in line with applicable

ILO standards. Procurement criteria will include specific human rights due diligence requirements focused on practices and actual and potential impacts on CRESTYL's projects. Large contractors will be also obliged to have human rights due diligence & compliance systems established for all their operations. In addition, CRESTYL will have an option to cancel the contract in case any contractor is found liable for human rights violations (e.g. forced/child labour) and/or criminally liable (e.g. corruption).

A whistleblowing mechanism will be fully adopted in 2024 which will include the possibility for suppliers' workers to report on possible unethical, improper, or unlawful conduct or situations. Information about this possibility will be communicated to the suppliers' workers.

We plan to adopt a human rights due diligence process focusing on key risks for construction workers of our suppliers, vulnerable workers of service providers in existing buildings, and risks of severe human rights buildings by tenants.





# COMMUNITIES

## COMMITMENTS

Our goal is to make a positive contribution to the development and lifestyle of the communities where CRESTYL operates. We support the development of urban areas not only in respect of the “design” and look of buildings but also the functional and operational parameters, to increase the attractiveness of neighbourhoods as places to live, do business and spend free time.





We strive to make a positive contribution to the social infrastructure and vitality of our project locations and their surrounding districts.

We are committed to cooperating with municipalities in assessing the social and transportation infrastructure for every new project based on local communities' and municipalities' future needs, including future provision for kindergartens, schools, shops, healthcare clinics, new public transport stops, public charging points for electric and hybrid cars and bicycles and other relevant facilities.

We are also committed to undertaking a stakeholder dialogue and conducting social surveys in the area of planned developments during the initial planning phase of projects with urban impact to obtain insights and independent feedback on the relevant environmental, social and transport issues and needs. The feedback gathered in this dialogue process will be reflected in our development project, wherever relevant and reasonable.

We aim to promote and bring to life a vision of vibrant and participating neighbourhoods that improve the lives of our residents, tenants, local communities, and municipalities.





# PLANS AND ACTIONS

1. We start cooperation with municipalities at the early planning phase of our projects to ensure that they are well adapted to the municipality/ neighbourhood, respecting natural ecosystems, social and community aspects and traffic and transportation needs.
2. We conduct a comprehensive assessment of the environmental, social and other sustainability impacts of our buildings on their neighbourhood in advance, where such impacts are present or likely to occur due to the location and the nature of the change of local conditions.
3. We plan to employ a community manager for all multipurpose developments starting from 2024 onwards.
4. We provide support for specific projects through our CRESTYL Endowment Fund, which involves the support of non-profit and charitable organisations and other institutions and individuals.





# CASE STUDY

## DOCK

### Fostering community relations



CRESTYL has launched a number of community initiatives at its DOCK site to create a welcoming and inclusive environment for all of our tenants, residents and general public.

At DOCK, we have a dedicated community manager on site who works to foster positive relationships between CRESTYL, the local community, and our clients.

We regularly host events for people of all ages, such as the “Open Day on the Water”, which provides an opportunity to try out various watercraft and participate in water sports.

The DOCK park is also a popular spot for activities such as morning yoga classes, picnics, exhibitions, and outdoor movie nights.

Another initiative organised directly by CRESTYL for its tenants and residents is a series of open air community events, featuring an open air cinema, food trucks, wine tasting or live music.

In addition, we work closely with the local government, organisations, and other stakeholders in support of the wider community in Prague 8. For example, CRESTYL has been a proud partner of the “Pod Palmovkou” theatre since 2018 and offers tickets to theatre performances as a thoughtful perk for our tenants. Sports enthusiasts can enjoy a 1.5 km long tartan track around the area, which connects to hiking and cycling trails along the Vltava river, providing over 10 km of running routes.

DOCK magazine is published every 4 months in both digital and print editions. It is intended for the community of DOCK tenants and residents, featuring lifestyle articles, and interviews with DOCK related personalities. Its main focus is culture, nature, DOCK community news and the local cultural calendar.



# END USERS AND CONSUMERS

## COMMITMENTS

Our goal is to maintain market leadership in the field of commercial leasing and residential development.

Our objective is to maintain long-term relationships with our tenants and a high level of tenant satisfaction.

We aim to create inspiring living and working environments for residents, commercial users, and visitors alike.

We are committed to caring for the well-being, health, and safety of our tenants' employees within our office and mixed-use assets.

We will conduct health & safety inspections of our owned properties twice per year.

We also have a significant role to play in promoting our ESG values and vision among our tenants and working with them to reduce or eliminate negative environmental and social impacts of their activities while improving the quality of their user experience.





# ACTIONS

Our developments are largely open to the public with welcoming spaces that everyone can enjoy.

We have launched a new client portal that combines the services of a technical help desk for the building with useful community information such as daily menus of local restaurants, community events and other services provided in the neighbourhood.

We are actively engaging with our tenants' employees and responding to their needs. We shall monitor on a year-to-year basis tenant retention rate, long-term average occupancy rate and tenant satisfaction rate.

Health, safety, and privacy in leased buildings are managed and monitored using modern technologies as well as personal guards properly trained to resolve any incidents.





# Measurable outcome-oriented targets and metrics for tracking effectiveness

	Targets	Metrics
<b>Workers in the value chain</b>	Zero number of fatalities among suppliers' workers as a result of work-related injuries and work-related ill health.	<ul style="list-style-type: none"><li>• Number of incidents of discrimination.</li><li>• Number of reported human rights violations.</li><li>• Number of non-compliance incidents with H&amp;S assessment.</li><li>• Number of fatalities as a result of work-related injuries and work-related ill health.</li><li>• Number and rate of recordable work-related injuries.</li><li>• Number of cases of recordable work-related ill health.</li><li>• Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.</li></ul>
<b>Communities and End users and consumers</b>	<p>Include green lease management principles in all contracts with tenants by Q1 2024.</p> <p>Register 100% of new residential project clients on the client service portal by 2025, allowing for fully paperless communication.</p>	<ul style="list-style-type: none"><li>• % of tenants in the green leasing scheme.</li><li>• No. of publicly available charging stations per m² of gross leasable area.</li><li>• No. of bicycle parking spaces per m² of gross leasable area.</li><li>• Public spaces (play/sport/relax areas) and green spaces – m².</li><li>• No. of e-bike charging stations.</li><li>• Shared places for family life - e.g., public grill etc.</li><li>• Investment in healthy lifestyles and public safety and wellbeing measures as a % of average project budgets.</li></ul>



# CASE STUDY

## SAVARIN

A premium civic  
space in the heart  
of Prague



The Savarin project is designed by contemporary architecture and design icon Thomas Heatherwick and his studio. Situated right in the heart of Prague on Wenceslas Square, the project comprises a careful restoration of the current historical buildings and the establishment of an entirely new public space with greenery, an open area in the inner courtyard and commercial areas. A featured element of the project is a unique cultural masterpiece, Alfons Mucha's Slav Epic, which is the most renowned collection of art in the Czech republic. Publicly accessible roof gardens and terraces will offer views of the Prague panorama.

The genesis of the idea behind Savarin took shape following a visit by Thomas Heatherwick's team to Prague. As they strolled through the city, they were captivated by the architectural charm of the city center, with its striking red roofs, curved ceilings, stone staircases, and intricate iron embellishments adorning doors and buildings. Recognizing the significance of these iconic features, they embarked on a mission to incorporate them into the design of the new Savarin building, aiming for a seamless integration that harmonizes flawlessly with its environment.

**“We take pride in our projects being largely open to the public. Unlike gated communities, CRESTYL's developments both past and future create humane, welcoming spaces that everyone can enjoy. The Savarin project will be an excellent example. A whole new area of no less than 1.7 hectares will be made available for the public right next to Wenceslas Square. What used to be an empty courtyard closed off for the public will become accessible from the ground floor all the way up to the brand-new green roofs. This will create a modern gallery tailor-made for Alfons Mucha's artwork and new public spaces in the very centre of Prague, providing visitors with unforgettable moments where they can freely enjoy their time.”**

Simon Johnson, CEO







# GENERAL APPROACH



The cornerstone of our integrity and business ethics framework is the [Ethical codex](#), which is binding for all our employees and will also apply to our business partners and agents.

We have zero tolerance for bribery and corruption, as well as compliance violations.

Any lobbying or hospitality activities are conducted within clear and formal ethical

rules and guidelines which are described in the Ethical codex, subject to high-level approval and transparency principle.

We commit to maintaining full compliance with GDPR rules, with 100% of employees trained and updated in the area of data privacy.



# COMMITMENTS

We plan to adopt a strategy on relationships with our suppliers based on the assessment of sustainability risks in the value chain and review of the suppliers.

We plan to implement environmental and social criteria in our procurement practices for selection of contractual partners. Mechanisms for supporting vulnerable suppliers will be developed in order to improve their environmental and social performance. Special attention will be paid to payment practices and their monitoring, especially in case of small suppliers.

General terms and conditions for contracts with our suppliers will contain ESG commitments starting for new contracts from 2024. Compliance with them will be regularly monitored.

We will avoid any form of greenwashing in our communication or PR activities.

Our internal processes related to integrity and business ethics will be regularly reviewed and updated to incorporate the latest requirements covering, for example, anti-bribery and anti-corruption measures and/or sanctions lists (relevant to our suppliers and customers).



# PLANS AND ACTIONS

1. In 2024, we established the role of Head of Compliance to ensure effective implementation of our compliance programme.
2. A whistleblowing protection policy and mechanism for integrating it, in line with the Directive (EU) 2019/1937, will be fully adopted in CRESTYL in 2024. The policy will set up a reporting internal channel, guaranteed by the Head of Compliance. The channel will protect the identity of the whistleblower to a third party without their express consent. Whistleblowers will be able to submit a report fully anonymously, as well. Any form of retaliation against persons reporting such breaches is prohibited.
3. In 2023 a revision of the CRESTYL Ethical codex was adopted, which covers the relationships with business partners, public authorities and regulators, competitors, bribery and gifts, conflict of interests, protection of personal data, social responsibility, inclusion and diversity, environment protection. All employees receive training on the CRESTYL Compliance programme, and the possibilities to report any violations. Training addresses prevention of illegal actions by employees. All employees will be familiarised with the changes brought by the new whistleblowing protection policy and the revised Ethical codex, once adopted.
4. We will be reviewing our communication strategy and processes by the end of 2024 to formalise the anti-greenwashing policy. We will also seek alliances with other companies, NGOs and business partners to combat greenwashing in the real estate sector.
5. We ensure regular training of all relevant employees in GDPR rules, data privacy and Anti-Money Laundering screening.





# Measurable outcome-oriented targets and metrics for tracking effectiveness

	Targets	Metrics
<b>Governance</b>	Maintain zero incidents, convictions and the amount of fines for violation of anti-corruption and anti-bribery laws.	<ul style="list-style-type: none"><li>• % of employees trained in the Ethical codex and whistleblowing policy.</li><li>• No. of compliance violations (including monitoring how they were addressed).</li><li>• % of employees trained in data privacy.</li><li>• No. of identified leaks, thefts, or losses of customer data incl. no. of incidents solved.</li><li>• No. of incidents, convictions and the amount of fines for violation of anti-corruption and anti-bribery laws.</li></ul>





# CASE STUDY

## CRESTYL

### Revitalizing our company culture



One of CRESTYL's biggest accomplishments has been the profound transformation of the company's culture. In its early years, CRESTYL functioned much like a family business, characterized by an informal decision-making process often happening "by the coffee machine". However, as our team expanded, a natural shift occurred: a move toward a more hierarchical structure, centralizing decision-making within top management and reducing transparency for employees. The Officers' Board recognized the diminishing employee engagement and the declining efficiency in our management process.

In 2020, an external employee sentiment scan revealed pivotal challenges that were addressed by Officers' Board.

Guided by these findings, we undertook a significant transition to a matrix-based organisational model. This shift has facilitated a smoother flow of information, established a more efficient management framework, and set clear priorities for each business domain. The ultimate goal was to foster collaboration, empower employees and enhance overall well-being.

Within this matrix structure, cross-functional operational teams execute projects and related tasks, equipped with easy access to necessary information and empowered for streamlined decision-making. These teams engage officers from diverse departments to contribute their specialized expertise and guidance, ensuring a comprehensive approach from project inception to completion.





These changes allowed us to concentrate on defining CRESTYL's values, cultivating associated behaviours, and shifting our corporate culture towards a more collaborative ethos. By identifying the most effective approach, we maintained our previous agility while enhancing transparency and predictability within the company's internal workings. In late 2021, the Culture Team was established to further assess employment conditions and the quality of our company culture. This team spearheads initiatives for continuous enhancement through ongoing efforts, employees' ingenuity, and regular employee surveys.



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**CRESTYL**

