



Fabrio[®]

P R O D U K T

ESG REPORT

This is the online version of the ESG report for Fabio Produkt and does not contain all of its sections.
If you need a detailed ESG report, please contact your sales representative.

Fabio Produkt spol. s r.o. – Family Tradition and Innovation in the Food Industry

Fabio Produkt spol. s r.o. is a Czech family-owned company with over 30 years of history on the market and is part of the Fabio Holding group. Since its founding in 1992, it has focused on processing vegetable oils and producing products for the food industry, emphasizing quality, sustainability, and innovation. The company is headquartered in Holín, from where it manages its four production plants, three distribution warehouses, and comprehensive logistics operations.

Production Plants and Their Focus

Fabio Holding operates five production plants, each with a specific focus:

- **Staré Místo:** The main production plant specializing in cold pressing and physically refined production without the use of chemicals. It also features unique technology for dehulling sunflower seeds, making the company the only producer of hulled sunflower seeds in Central Europe.
- **Holín:** This plant includes laboratories, automated filling lines, and packaging facilities.
- **NAPRO Olomouc:** A producer of fruit and vegetable products, jams, and fruit fillings for bakeries and confectioneries.
- **Nové Město na Moravě:** A plant specializing in processing used cooking oils (UCO) and producing eco-friendly technical oils.
- **Bell Zvolen:** Produces vegetable oils and operates a unique production line for spray oils and vinegars.

Extensive Portfolio of Activities

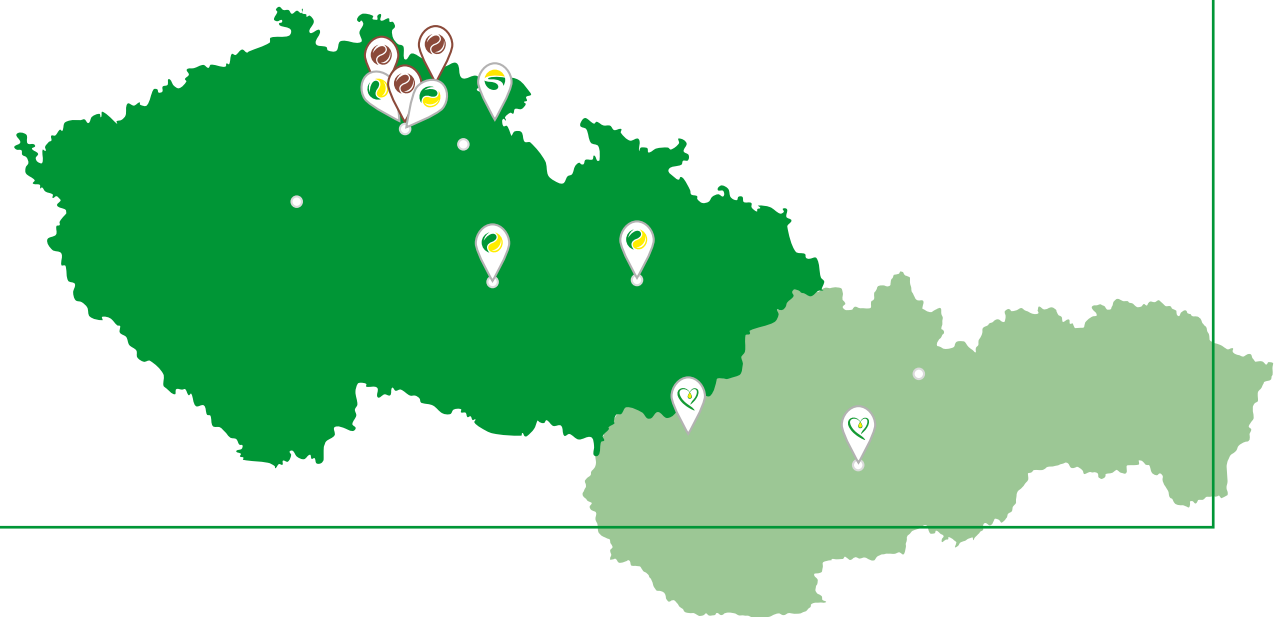
Fabio Holding offers a wide range of products and services to a diverse customer base:

- **Production of vegetable oils**
- **Wholesale for confectioners and bakers**
- **Trading of agricultural commodities**
- **Collection and processing of used cooking oil**
- **Logistics**

The company's key brands include MANKA, SLUNKA, FRITO, FABIOL, and many others. Additionally, the company provides production and labeling services for private brands of its partners

Our Mission and Vision

- **Mission:** To provide high-quality products that bring value to our customers while ensuring sustainability and a positive impact on society. To preserve the tradition of vegetable oil production in the Czech Republic and continue building a strong family business.
- **Vision:** To be a recognized leader in the industry, inspiring through our approach to innovation, responsibility, and collaboration.



Message from the Managing Director of Fabio Produkt spol. s r.o.

Dear customers, business partners, and colleagues,

Over more than three decades on the market, Fabio Produkt spol. s r.o. has built a strong foundation on which we base our success today. We take pride in being a Czech family-owned company that connects traditional values with modern technologies, innovations, and a commitment to sustainability.

Our products are the result of the dedicated work and effort of our entire team. We place great emphasis on quality, ensured not only through modern production processes and certifications but also through attention to detail and responsibility. Our portfolio reflects customer needs – from oils and agricultural commodities to innovative products such as spray oils and eco-friendly technical oils.

With the sustainability of our planet in mind, we strive for production with minimal waste and a reduced carbon footprint. Our facilities use renewable energy sources, and we support recycling by processing used cooking oils.

We thank our customers for their trust and our partners for their cooperation, which enables us to grow and develop. With respect for our roots and a vision for the future, we believe that together, we can create products that are not only of high quality but also responsible towards people and nature.

With respect,

František Jenček
Managing Director



Photo: The Jenček family's agricultural business history spans over 150 years. ▲

Introduction to the ESG Report of Fabio Produkt spol. s r.o.

Fabio Produkt spol. s r.o. is committed to being a responsible leader in the production of vegetable oils and food products. Our more than 30-year history is built on values that guide us in creating high-quality products with respect for society and the environment. This ESG report provides an overview of our activities and commitments in the areas of Environmental protection, Social responsibility, and Corporate Governance.

As a family-owned company, we believe our actions should contribute to positive change. That is why we emphasize sustainability in all aspects of our operations – from minimizing waste and using renewable energy sources to supporting our employees and the communities in which we operate. Our ecological initiatives, such as processing used cooking oils and transitioning to low-emission logistics, are an integral part of our efforts to reduce our carbon footprint.

Social responsibility is just as important to us as the quality of our products. We support equal opportunities, invest in employee development, and prioritize health and safety in the workplace. Our values include transparency, ethics, and collaboration, which are reflected in our relationships with partners, customers, and suppliers, as well as in our overall support for the regions where we operate.

This year, we are publishing our first-ever ESG report, marking our initial step toward comprehensively mapping the impact of our company in the field of sustainability—particularly in environmental and social areas. This report also represents our effort to describe the company’s holistic approach to sustainability and to summarize all the activities we have undertaken to contribute to a more sustainable future for everyone. Additionally, it expresses our commitment to continuous improvement. We recognize that a responsible business approach is the key to long-term success and the trust of everyone we work with.

Photo: Members of the Jenček family. ►





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1.

**THE SUSTAINABLE STORY
OF FABIO PRODUKT**

Fabio Produkt spol. s r.o. is an example of responsible business that combines a long-standing tradition with modern sustainability principles. We have been producing vegetable oils for over 30 years. From a small oil press in the Český Ráj region, we have grown into one of the leading oil producers in the Czech Republic. However, our original enthusiasm and dedication to the final product remain unchanged, just like the sustainability values that lie at the heart of everything we do.

Ecological Innovations and Responsibility

One of the key pillars of Fabio Produkt's sustainability efforts is minimizing the environmental impact of production. The company follows a „**minimal waste**“ approach, ensuring that every step in the production process is carefully designed to reduce waste as much as possible. We utilize renewable energy sources, including solar energy, which is integrated into our production facilities.

A concrete example of our commitment to sustainability is the **recycling of used cooking oils**. This process allows us to repurpose raw materials and produce **eco-friendly technical oils**, thereby reducing waste and contributing to environmental protection.

Reducing the Carbon Footprint

Fabio Produkt continuously works on **lowering its carbon footprint**. In the field of logistics, we focus on optimizing our **distribution routes** and incorporating **electric vehicles** into our fleet, significantly reducing CO₂ emissions. This approach also extends to our suppliers, as we prioritize working with partners who share our vision of **sustainable business practices**.

Commitment to Communities

Beyond ecological initiatives, our company is also dedicated to **social responsibility**. We support the development of our employees, their professional growth, and the creation of a **safe and inclusive work environment**. At the same time, we actively contribute to the growth of local communities where we operate, supporting various **charitable, environmental, and sports projects**.

We also collaborate with **local farmers and producers**, who supply their products to our **Fabio Ochutnejte Region stores** in Jičín, Turnov, and Vrchlabí. By doing so, we aim to strengthen regional economies, preserve traditional agriculture and production, and promote local products.

Innovative Products for Health and Sustainability

Our product portfolio includes a variety of spray oils, featuring Bag-on-Valve (BOV) technology, which ensures **efficient oil usage**. This innovative packaging not only makes cooking easier but also helps **reduce oil consumption and waste**.

Additionally, we promote eco-friendly packaging such as Bag-in-Box containers and returnable containers to **minimize environmental impact**. Some of our oils are also enriched with higher vitamin content, supporting healthier choices for consumers.

We actively collaborate with experts and researchers to raise awareness about the **benefits of oils for human health** and the sustainable cultivation of oilseeds on arable land.

Goal: Maximizing Carbon Footprint Reduction

Our long-term goal is to **significantly reduce our carbon footprint** in the coming years. We are committed to investing in **green technologies**, improving energy efficiency, and continuing to **recycle and reuse materials** in our production processes.

Fabio Produkt exemplifies how a **traditional food company** can actively contribute to **environmental protection** while maintaining market competitiveness. Our philosophy is clear—sustainability is not a one-time project but a continuous journey that must be embedded in everyday business operations.

Examples of Fabio Produkt's Sustainable Approach:

Processing Used Cooking Oil

In Nové Město na Moravě, we operate a modern, eco-oriented plant that specializes in the collection and processing of used cooking oil. This facility is a key element in our waste recycling efforts and sustainable waste management, contributing to environmental protection and supporting circular economy principles.

The process begins with the collection of used cooking oil, which would otherwise end up as a pollutant in sewers or landfills. Our plant employs modern technologies that maximize the use of this material. Waste that cannot be further recycled is transformed into technical-grade oil. This special oil is biodegradable, making it both functional for technical applications and environmentally friendly.

Through these activities, we give used products a second life. We convert waste, which would otherwise pose an ecological burden, into a useful product.

The plant in Nové Město na Moravě is equipped with state-of-the-art facilities for processing used cooking oil, as well as a photovoltaic system that powers part of the plant's energy needs. This step significantly reduces our carbon footprint, demonstrating our commitment to climate protection.

Construction of the Soybean Pressing Plant

For Fabio Produkt, the production of animal feed ingredients is not just a byproduct of food-grade oil production but a strategic area that plays a key role in supporting Czech agriculture. This development direction responds to increasing market demands as well as broader ecological and social trends, with a focus on innovation and sustainability.

One of the most significant steps in this area was the construction of a modern soybean pressing plant. This investment enabled the production of soybean oil and soybean meal – high-quality feed ingredients valued for their high protein content and wide applications in livestock nutrition. Soybean oil finds its use in both the food and feed industries. The pressing plant addresses the growing demand for local and accessible raw materials, reducing dependence on imports from distant countries.

This step reflects the company's strategy to respond to climatic changes affecting the variety of crops grown. Soybeans, as a warm-climate crop, are becoming increasingly important in Czech agriculture. Through its activities, Fabio Produkt supports the development of this promising crop and offers concrete solutions for effectively utilizing new opportunities and adapting to changing climatic conditions.



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◀ Photo: Plant in Nové Město na Moravě for processing used cooking oil.

2.

PREPARATION FOR NON-FINANCIAL REPORTING



Fabio Produkt has initiated a comprehensive value chain analysis and double materiality assessment as a key step in preparing for non-financial reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD). This European legislation, which will become mandatory under Czech law from 2025, obliges us to report regularly on non-financial matters as an integral part of our annual report.

Our analyses were based on current European sustainability reporting standards (ESRS) and the recommendations of the European Financial Reporting Advisory Group (EFRAG) from May 2024. The double materiality approach enabled us to identify how our operations impact the environment and society, and conversely, how external factors shape our ability to create long-term value. Through a professionally led process, we identified the key ESG issues that are most important for our business and the world around us.

The main goal of this analysis was to describe how we build on the examination of the value chain and how we identify and assess relevant sustainability issues. This process involved assessing both current and potential impacts of our activities on society and the environment, as well as considering related risks and opportunities. We focused on transparently defining the materiality priorities for each sustainability topic, with active engagement from key internal and external stakeholders.

Our analysis covers not only internal operational activities but also the entire value chain of Fabio Produkt. This approach includes both upstream and downstream segments, allowing us to comprehensively identify impacts, risks, and opportunities related not only to our operations but also to the activities of our suppliers, customers, and other stakeholders. We focused particularly on areas with the greatest potential impact on sustainability and activities that are key to our long-term responsibility to society and the environment.

The current analysis only includes Fabio Produkt spol. s r.o., while other companies listed in the organizational structure diagram – DÍTĚ SPEDITION s.r.o. and NAPRO s.r.o. – have not been included in the analysis. However, we plan to expand this analysis in the future for mandatory reporting purposes to include the entire Fabio Holding a.s. group and its consolidation scope, ensuring that the full spectrum of companies and their impact on sustainability and other reporting areas is incorporated.

Photo: The unique sunflower peeler and seed cleaner allows the company to shorten the supply chain, thereby reducing the oil's ecological footprint. ►



Process and Methodology of Double Materiality Analysis at Fabio Produkt

The double materiality analysis at Fabio Produkt incorporates two key perspectives: the „Inside-out“ approach (how our activities affect sustainability issues) and the „Outside-in“ approach (how sustainability issues affect our business). In line with the European Sustainability Reporting Standards (ESRS), we have implemented both approaches.

The double materiality analysis process involved the following steps:

1. Value Chain Analysis

The process began with the identification of key topics, which were determined through the involvement of significant stakeholders, review of scientific studies, analysis of relevant media, and evaluation of feedback, including complaints from customers and partners.

2. Selection of Stakeholders

A detailed analysis of the value chain allowed us to identify key internal and external stakeholders whose opinions and involvement were essential for ensuring the representativeness and comprehensiveness of the analysis. These included employees, suppliers, customers, community partners, and regulators.

3. Selection of Topics and Interviews

We conducted a series of structured interviews and workshops with stakeholders, employing a combination of qualitative and quantitative methods. This approach provided us with a comprehensive insight into their expectations, concerns, and priorities regarding sustainability.

4. Evaluation of Responses

The collected data was analyzed using quantitative averages and in-depth analysis of qualitative responses. This allowed us to assess not only the internal impacts on the environment and society but also the external risks and opportunities associated with our activities.

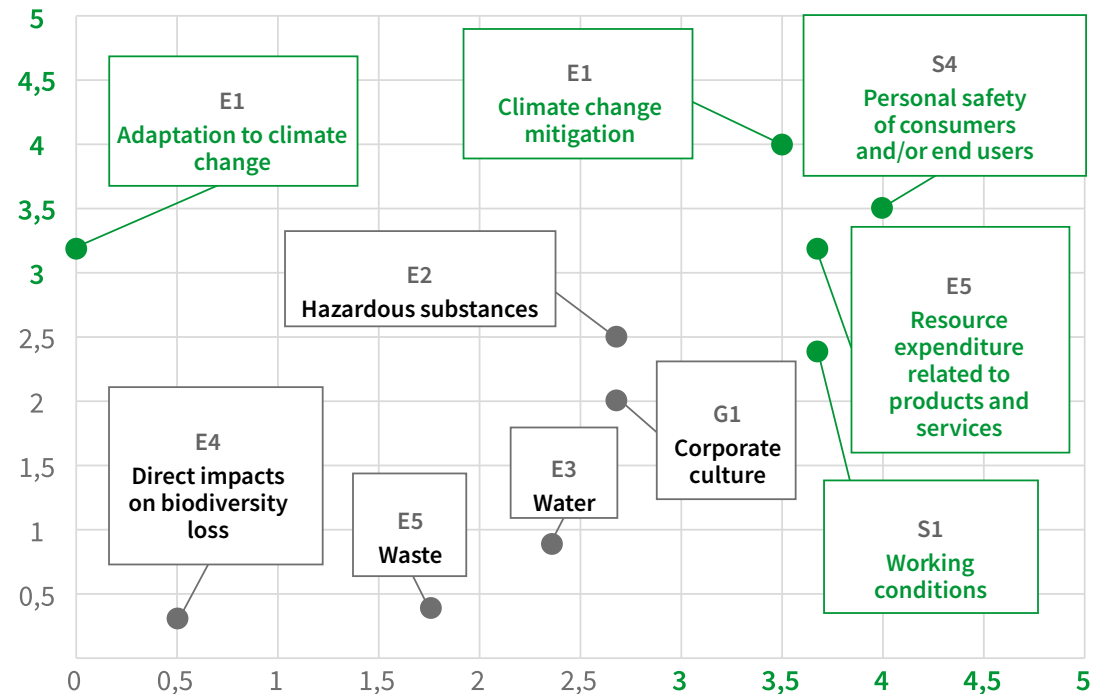
5. Identification of ESG Areas According to ESRS

Based on the analysis conducted, we identified the key ESG areas that need to be prioritized in our strategy and non-financial reporting. This step ensures that our activities comply with regulatory requirements and reflect the priorities of our stakeholders.

Matrix of Double Materiality Results and Its Interpretation

The double materiality matrix provides a visual overview of key topics identified based on the perspectives of financial materiality (Outside-in) and impact materiality (Inside-out). This matrix illustrates how specific sustainability aspects affect Fabio Produkt and how our activities contribute to broader environmental and societal impacts.

Stakeholders of Fabio Produkt assessed sustainability areas in terms of impact and financial significance. For each area, a methodology was applied that involved rating on a scale from -5 to 5. For impact significance, this scale represented a very negative impact (-5) to a very positive impact (5) on the company or the environment. For financial significance, the same scale was used to assess from critical financial risk (-5) to strategic financial opportunity (5). Based on the results obtained from surveys and interviews with key internal and external stakeholders, the significance threshold was set at a value of 3.0. The Y-axis represents financial (internal) significance, and the X-axis represents impact (external) significance.



▲ The double materiality matrix visually represents key topics, with the Y-axis showing financial significance and the X-axis showing environmental and social impact.

As a result, the following relevant ESRS topics for non-financial reporting arise:

- E1 – Climate Change Adaptation
- E1 – Climate Change Mitigation
- E5 – Resource Expenditure Related to Products and Services
- S1 – Working Conditions
- S4 – Personal Safety of Consumers and/or End Users

E1 – Climate Change Adaptation

The topic of climate change is critical for FABIO PRODUKT, as extreme weather events, such as droughts, frosts, and floods, can negatively impact crop yields and quality, posing a direct risk to its supply chain. FABIO PRODUKT is therefore actively involved in supporting regenerative agriculture, which enhances soil resilience to climate change, while also aiming to reduce the use of chemicals due to increased pest pressure and climate fluctuations.

The company is also approaching climate change adaptation through investments in new technologies and processes. An example is the soybean processing line, which responds to changes in agricultural conditions in the Czech Republic caused by global warming. This initiative not only strengthens the local raw material base but also expands the product portfolio of FABIO PRODUKT.

E1 – Climate Change Mitigation

FABIO PRODUKT aims to minimize the negative environmental impacts associated with high energy consumption in operations. Although the company has already invested in energy-saving technologies and renewable sources, the share of energy from fossil fuels remains significant. FABIO PRODUKT plans to expand existing photovoltaic power plants and establish battery storage systems for energy accumulation.

Electrification of the vehicle fleet is another key initiative for the company. FABIO PRODUKT is gradually introducing electric vehicles, including trucks, which replace vehicles with internal combustion engines. This step contributes to a significant reduction in CO₂ emissions and supports the company's long-term sustainability goals.

However, the introduction of these measures also brings new risks. Regulations such as the EU ETS 2 could increase transportation costs, thus raising logistics expenses. FABIO PRODUKT, however, views these risks as an opportunity for innovation and strengthening its position as a leader in sustainable logistics.

Photo: In Staré Místo, the main production plant focuses on cold pressing and physical refining without the use of chemicals. It also features unique technology for peeling sunflower seeds. ►

E5 – Resource Expenditure Related to Products and Services

FABIO PRODUKT places great emphasis on the principles of a circular economy. The company recycles used cooking oils, which it processes in its own recycling plant, contributing to the conservation of natural resources and reducing greenhouse gas emissions. The resulting recycled products are environmentally friendly and find application in technical uses, for example.

At the same time, the company is working on developing more sustainable packaging materials to reduce the environmental burden associated with single-use plastics. FABIO PRODUKT is considering utilizing grant programs and collaborating with research institutions on innovative solutions that enable the production of compostable or more easily recyclable packaging.

S1 – Working Conditions

FABIO PRODUKT has long emphasized the safety and good working conditions of its employees. The company regularly conducts safety and first aid training, provides protective equipment, and ensures open communication with employees through trust boxes and regular meetings with management. These activities contribute to increased safety, employee satisfaction, and loyalty.

S4 – Personal Safety of Consumers and/or End Users

FABIO PRODUKT is committed to high safety and quality standards for its products. Certifications and strict hygiene standards ensure food safety, while minimizing the use of chemicals during production contributes to better oil and feed quality. These steps are an integral part of the company's strategy focused on responsible business practices and the protection of the health of end consumers.



Compliance with EU Taxonomy

The EU Taxonomy represents a classification system that defines criteria for identifying economic activities that contribute to sustainability goals, such as climate change mitigation. An activity labeled as „eligible“ means it falls within the scope recognized by the Taxonomy, but does not meet all the criteria to achieve full compliance. In contrast, an activity that is „aligned“ not only contributes to sustainable goals but also meets the stringent requirements of the EU Taxonomy, including preventing negative environmental impacts.

This system will become crucial for access to financing in the future. Therefore, in 2024, Fabio Produkt conducted its first pilot analysis of the alignment of its activities with the EU Taxonomy. This analysis provided valuable insights and identified areas with significant potential for further improvement.

Fabio Produkt analyzed its key activities in the context of the EU Taxonomy criteria to assess their alignment or eligibility. The activities evaluated included:

- **Collection and transportation of non-hazardous waste in segregated components at the source:**
This activity involves the separate collection and transportation of waste for further use, such as recycling or reuse. In the case of Fabio Produkt, it pertains to the collection of used cooking oils, which involves a systematic process of collecting this valuable waste material from selected establishments such as restaurants, hotels, and catering operations. The oil is then transported for further processing at the company's facilities, where it is transformed into technical oils for further use. **This activity is thus evaluated as aligned with the EU Taxonomy for the year 2023.**
- **Processing of non-hazardous waste materials into secondary raw materials for further use:**
This activity involves the construction and operation of facilities for sorting and processing waste into secondary raw materials. FABIO PRODUKT processes used oils at its own facilities, transforming them into technical oils intended for further use in sectors such as forestry, agriculture, and construction. **This activity is also evaluated as aligned with the EU Taxonomy for the year 2023.**
- **Road freight transportation:**
At Fabio Produkt, road freight is used both for the transportation of the company's goods and products and as a service provided to third parties. **This activity is therefore evaluated as only eligible under the EU Taxonomy for the year 2023.**



Details of the Evaluation Results

After evaluating the sustainability of activities, key financial indicators (revenue, CAPEX, OPEX) are analyzed at both the company-wide level and for individual activities eligible or aligned with the EU Taxonomy. The aggregated values indicate the overall sustainability performance of the company, while assigning indicators to specific activities allows for a more detailed assessment of their contribution to environmental goals.

In the pilot phase, data on waste collection and processing was not available by individual activities, so the values are presented together. Revenue is based on the figures from the Profit and Loss Statement for the year 2023. Capital and operating expenditures have not yet been mapped and will be added as soon as the necessary information becomes available. For future reports, it will be necessary to allocate revenue between individual activities and set up a precise tracking system, which is planned for 2025.

Photo: Staré Místo production plant. ►





3.

**ENVIRONMENTAL
AREA**

Electromobility at Fabio Produkt

Fabio Produkt has long been committed to innovation and responsible environmental practices. In 2024, the company significantly strengthened its strategy in electromobility, further reducing its dependence on fossil fuels and supporting the use of renewable energy sources.

New Electric Vehicles in the Fleet

One of the key steps taken by Fabio Produkt is the expansion of its fleet with electric vehicles. In 2024, five new electric executive cars were added to the fleet. Additionally, the company purchased five small operational vehicles, ideal for daily tasks with low operating costs and zero emissions.

Another significant addition is the acquisition of larger utility vehicles, such as a 12-ton delivery truck and an electric tractor. These vehicles will enable more efficient and eco-friendly transportation of products and goods, which is crucial for meeting sustainable development goals. In mid-2024, Fabio Produkt also became the owner of **the first electric telescopic handler, the JCB 525-60E, in the Czech Republic**. The machine is equipped with a 24 kWh battery, ensuring it operates throughout the entire workday with zero emissions.

Building the Infrastructure

To ensure a smooth transition to electromobility, Fabio Produkt is also investing in the development of charging infrastructure. The new electric chargers will serve not only the company's fleet but also employees, encouraging broader adoption of electromobility within the company.

Long-Term Vehicle Fleet Renewal Plan

Electromobility is part of Fabio Produkt's broader plan for the ongoing replacement of older vehicles with newer, lower-emission models. Currently, vehicles are being replaced with models that meet the EURO 6 standard, which significantly reduces greenhouse gas emissions and other harmful substances. This approach ensures that the transition to more sustainable transportation will be systematic and long-term.



Photo above: Company electric cars for operations employees. ▲

Photo below: Handing over the electric loader in Staré Místo. ►



Photovoltaics at Fabio Produkt

Fabio Produkt has long demonstrated that sustainability and modern technology go hand in hand. In 2025, the company will continue to make significant investments in renewable energy, particularly through the expansion of photovoltaic systems on the roofs of its facilities.

Photovoltaics as the Right Trend

By installing photovoltaic panels on the roofs of warehouses and other facilities, the company has already made significant use of clean solar energy. In 2023, Fabio Produkt generated 305 MWh of green electricity, representing a major step towards energy independence and a reduction in CO₂ emissions.

Fabio Produkt plans further expansion of its photovoltaic capacity in 2025:

- **Staré Místo:** Capacity will be increased by an additional 130 kWh on the roofs of local warehouses.
- **Nové Město na Moravě:** Expansion on the roofs will provide a total capacity of 250 kWp, which, along with a planned 500 kWh battery storage system, will meet the energy needs of the entire site.
- **Černožice:** Installation will be planned for the roofs of warehouses and the parking area.

Largest Investments in 2025–2026

The development of photovoltaics will be one of the most significant investments for Fabio Produkt in the next two years. With investment loans amounting to approximately CZK 90 million, it will be one of the largest projects of its kind in the Czech Republic.

Key components of the project include:

- The construction of a **1.4 MWp photovoltaic power plant** at the Fabio Logistics site.
- The installation of one of the largest battery storage systems in the Czech Republic with a capacity of 7-8 MWh at Staré Místo.

These projects will enable the company to cover a significant portion of its energy needs with clean electricity, contributing to a substantial reduction in operating costs and emissions. Furthermore, the investment in battery storage will ensure energy stability.

◀ **Photo: Photovoltaic panels on the roofs of Staré Místo production plant.**



Resource Efficiency at Fabio Produkt

Our company places significant emphasis on resource-efficient practices, even though water consumption is not closely monitored due to the low volumes used in our operations. Drinking water is primarily used for employee facilities, while rainwater is utilized for washing company vehicles and in some production processes. The retention of rainwater has become a standard feature in all new investments, supporting sustainable management of this resource.

As part of our transition to using our own water sources, we are focusing on identifying suitable locations for extracting water from private wells. This step not only reduces dependence on municipal water supplies but also helps address issues related to water stress. Our company is also working to reduce overall water consumption and implement technologies that improve water management efficiency. These initiatives not only lower the environmental impact but also ensure the long-term sustainability of water resources for future generations.

In addition, Fabio Produkt actively uses heat recovery technologies in most of its operations. Heat recovery allows for the efficient use of waste heat, significantly reducing energy demands and improving overall energy efficiency. This approach brings both environmental and economic benefits.

◀ **Photo: The oil recycling operation in Nové Město na Moravě is one of the most energy self-sufficient. The recycling of packaging materials from production is also concentrated here.**

Regenerative Agriculture – A Core Activity Still Impacting the Family Business

Fabio Agro is one of the pioneers of regenerative agriculture in the Czech Republic, treating the soil as a living ecosystem. This approach enhances natural processes within agroecosystems while minimizing soil disturbance through mechanical or chemical means. As a result, the soil retains water more effectively, binds nutrients, improves its structure, and helps control weeds and diseases. This holistic method is based on minimal soil disturbance and maximum support for microbial life within the soil.

Regenerative agriculture practices include reducing soil disturbance, maintaining permanent plant cover, increasing biodiversity, and ensuring live roots are present in the soil throughout the year. In arable land, we use direct seeding technologies that replace traditional plowing with biological processes. A significant element of our farming method is the inclusion of cover crops in crop rotations, which promotes natural soil regeneration, enhances humus formation, and retains more water in the landscape.

At its core, **regenerative agriculture aims to restore the natural ecological and biological processes in the soil.** It is one of the few modern technologies capable of actively removing carbon dioxide from the atmosphere. The cultivation of diverse cover crops allows for CO₂ capture through photosynthesis and its storage in the soil via the root system. This method not only improves soil quality and crop yields but also strengthens soil resilience against climate change.

Main Principles and Benefits:

- Minimal soil disturbance and permanent plant cover
- Increased biodiversity
- Reduced chemical inputs and support for natural soil regeneration
- CO₂ capture and storage in the soil through cover crops

Regenerative agriculture is based on the self-renewing and self-regulating abilities of the soil to create a healthy and resilient ecosystem, aiming to prevent soil degradation caused by mechanical processing, chemicals, industrial fertilizers, and other harmful practices.

Photo: sowing catch crops is an important aspect of regenerative agriculture, it takes place without prior plowing of the soil, which is another key element of this approach. ►



Circular Economy

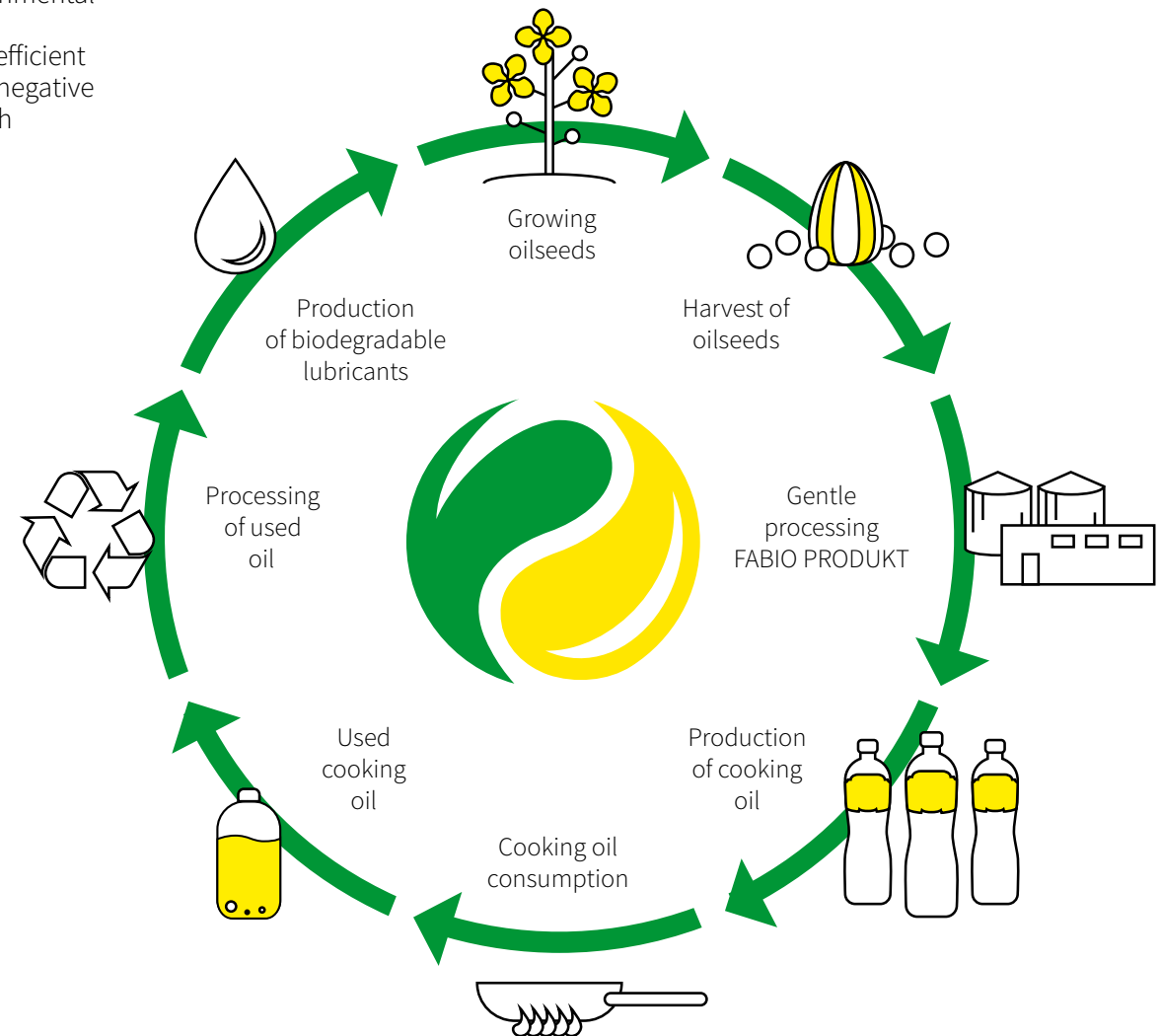
The circular economy is a cornerstone of our business. We strive to use natural resources as efficiently and sustainably as possible, emphasizing their reintegration into the cycle. From the beginning of our business, we have focused on minimizing waste during production, and all our packaging is fully recyclable. As a result, our manufacturing process is virtually waste-free; everything is processed in some way, and the rest is sorted.

Our activities involve the production of vegetable oils with minimal environmental impact, the use of recyclable packaging, and energy-efficient processes. Our vision is based on several key principles. First and foremost, we aim for efficient vegetable oil production without chemicals, minimal waste, and reduced negative environmental impacts. This includes using high-quality raw materials with verified origins, sustainable energy sources, and environmentally friendly processes.

We have successfully adapted to the principles of the circular economy, positioning ourselves for better prosperity in the near future, where sustainability and responsibility will become increasingly important. A key element of our vision is a fully integrated system for recycling used cooking oils. Our business model now accounts for the collection, recycling, and reuse of products within the supply chain. We offer comprehensive recycling services, leading to reduced waste production. This system includes collecting used oils from households and restaurants, followed by processing in a separate facility and converting them into new products, such as biodegradable oils for technical use. Last year, we managed to collect around 3,000 tons of used oil, and this number is steadily increasing.

We support innovations in vegetable oil production that minimize environmental impact and maximize renewability and recyclability. We collaborate with trusted partners to create a more sustainable supply chain and achieve shared corporate responsibility goals. We communicate to our customers and end consumers through various channels that we produce vegetable oils with a lower carbon footprint.

SUSTAINABLE LIFE CYCLE OF OILS



A large, stylized yellow outline of a person's head and shoulders is positioned on the left side of the slide. The head is composed of two circles of different sizes, and the shoulders are represented by two curved lines extending downwards and outwards.

4.

**SOCIAL
RESPONSIBILITY**

Fabio Produkt, spol. s r.o. is a company with a personalized approach to its employees. Currently, we employ over 200 people who work in our operations in Holín, distribution warehouses in Olomouc, Staré Místo, and Prague, as well as in production in Holín, Staré Místo, and Nové Město na Moravě. Many of our employees in administrative and technical positions have been with the company for many years, with some celebrating their 20th work anniversary. Many have successfully advanced to leadership roles. The company prioritizes promoting internal staff for vacant positions, allowing for career progression and professional growth.

We recognize that our employees are our most valuable asset, and this principle is a cornerstone of our company's values. We focus primarily on safety, healthcare, appropriate working conditions, and tools. We aim to offer fair and motivating compensation for quality work, as well as support for education and skills development.

Due to the geographic spread of our operations, employees have limited opportunities for regular face-to-face interaction. For this reason, we organize annual company events. In the summer, we host an **Open House Day**, primarily for employees' families and guests, and at the end of the year, we hold a pre-Christmas event. Both are centered around a relaxed and friendly atmosphere. Throughout the year, we also organize team-building activities, and twice a year, we publish an internal magazine, „Fábiák.“

Our employees also traditionally participate in sports events, both large official ones (such as the Jičínská 50 or Weber Cityrun Jičín), which help promote sport and tourism in the region, as well as smaller internal events like volleyball or bowling tournaments.

For many of our employees, our company is a true passion. Despite some challenging days when things don't always go as planned, everyone understands that we are part of a large team. Each person is important, and we owe everyone a big thank you for their hard work, dedication, willingness, patience, and loyalty.

Photo: The company's employees have the opportunity to meet each year at the event called „Open House Day“. In addition to the accompanying program, during the event visitors are introduced to the operation at the selected Fabio Produkt center. ►



Human Resources

Human capital is one of the most crucial components of any organization, and this is also true for Fabio Produkt spol. s r.o. This capital includes the knowledge, skills, abilities, and creativity of employees, which contribute to achieving the company's goals. Investments in human capital, such as professional training, personal development support, and the building of corporate culture, lead to higher productivity and long-term competitiveness.

For example, regular employee training focused on technical knowledge or soft skills, such as communication and team leadership, can improve effectiveness not only on an individual level but also at the team level. Investments in employee health and well-being, such as mental health support programs or flexible working hours, can contribute to higher satisfaction and loyalty.

Mandatory and Optional Employee Training

The company places a strong emphasis on employee education, offering both mandatory and voluntary training. Mandatory training includes initial and regular courses focused on occupational health and safety (OH&S), fire protection (FP), hygienic minimums, proper manufacturing practices according to HACCP standards, driver training, and working at heights. Special training sessions are conducted as needed, for example, in response to specific problems or situations. In addition, the company offers voluntary training that allows employees to develop further skills, such as proficiency in office software (e.g., Excel, Helios), first aid, leadership, or topics related to sustainability and carbon footprint reduction.

Fair Approach to Employees

A fair approach is a key element of employee satisfaction and motivation at Fabio Produkt. This approach includes transparent communication, even distribution of work load, fair compensation, and access to opportunities. Respect for individual rights and adherence to ethical standards ensure a healthy work environment where everyone feels like a valuable contributor.

Fabio Produkt implements policies that ensure equal treatment regardless of gender, age, ethnic origin, or health status. Specific measures include the introduction of anonymous recruitment processes and regular evaluations of compensation structures to ensure fairness.

Apprenticeship Programs and Young Leaders

We actively engage with vocational schools in our region, offering job opportunities and internships. We are supportive of apprenticeship programs that effectively connect education with practical experience, preparing young people for future career challenges in the food industry.

Mentoring is an integral part of these programs. Experienced employees assist young colleagues in overcoming challenges and developing their skills. Another key aspect is fostering creativity and innovation, which young leaders can bring into company processes. Fabio Produkt focuses on creating opportunities for young talent through professional internships, collaboration on writing bachelor theses, and company tours.

Employee Engagement

Employee engagement is a crucial element in achieving company goals and building a positive corporate culture at Fabio Produkt. Employees actively participate in decision-making processes through regular meetings and idea-sharing, such as using suggestion boxes and bulletin boards. The company culture plan includes regular performance reviews by management, aimed at improving communication, identifying training needs, and enhancing the work environment. These activities support motivation, loyalty, and professional development.

An important part of the company culture is organizing events that promote collaboration and team cohesion. Regular activities include Open Days, Christmas parties, and sporting events like the Jičínská 50 and City Run races. These events not only improve interpersonal relationships but also strengthen team spirit and company identity. Furthermore, the company's achievements and progress are regularly shared through the company newsletter, which helps improve employee awareness and involvement.

The company also focuses on regular training and meetings concerning quality and safety, allowing employees to actively contribute to process improvements and reducing deficiencies. These activities contribute to long-term performance enhancement and the creation of an inspiring work environment where every voice is valued and employees feel like an essential part of Fabio Produkt's success.

Equal Opportunities and Diversity

Fabio Produkt places a strong emphasis on equal opportunities and diversity as key values to support innovation, effective decision-making processes, and company culture. The company is committed to creating an inclusive environment where different perspectives and experiences are respected, contributing to better collaboration and creativity across teams.

Women make up the majority of the company's leadership, demonstrating its commitment to gender equality and creating equal opportunities at the senior management level. Fabio Produkt guarantees equal pay for equal work, actively promoting fair working conditions. The prohibition of discrimination is a cornerstone of all human resources processes, ensuring a fair and safe work environment.

The company supports equality and diversity in recruitment, career advancement, and training. It also places a strong focus on work-life balance, contributing to higher employee satisfaction and motivation. These principles not only strengthen individual development but also enhance the company's ability to respond to dynamic market changes and build stronger, more resilient teams.

Community Support and Impact on Regional Economy

Community support is a key aspect of responsible business, and Fabio Produkt is deeply committed to contributing to the region in which it operates. The company focuses on strengthening cooperation with local suppliers, which supports the development of the regional economy. Fabio Produkt operates three stores, Fabio Ochutnejte Region, in Jičín, Turnov, and Vrchlabí, which support small local producers and farmers by providing a platform to deliver their products to consumers. Purchases from local partners and the support of small businesses not only reduce the ecological footprint but also help maintain jobs in the region.

Fabio Produkt actively seeks opportunities to contribute to the improvement of the economic and social environment in the region, aiming to source key commodities from as close to the area as possible. The company also regularly participates in regional competitions and markets.

Additionally, the company focuses on long-term projects aimed at improving the local environment, such as promoting regional products and organizing project days.



Life changing muffins

With the organization **Apropos Jičín**, which supports people with disabilities, we have been working together for a long time. With financial donations, we donate raw materials to their workshop, in which clients improve their work and social skills through various activities. For them, one hand-baked muffin delivered to our shop represents an important step in pushing their own boundaries, increasing self-confidence and independence.

Community Events and Sponsorship

Fabio Produkt regularly organizes and supports community events that help connect people and strengthen relationships within the community. These events include cultural activities, sports competitions, and environmental campaigns that raise awareness about the importance of sustainability and responsible consumption. The company also participates in charitable initiatives focused on supporting disadvantaged groups. Additionally, Fabio Produkt engages in environmental activities, such as tree planting, contributing to nature protection and improving the quality of life for residents.

Sponsorships

Education

- **Project Days** – Held at Fabio Ochutnejte Region stores for local primary school students, focusing on regional foods, recycling, etc.
- **Health Days** – Public education on plant-based oils as an important part of a healthy, balanced diet.

Sports and Culture

- **Jičínská 50 a City run** – Cycling and running events open to the public, supporting sports in the region.
- **Community Events**, including children's performances, prom nights, etc.

Social Support

- **Apropo Jičín** – Financial support for care of individuals with disabilities.
- **Hospice Duha Hořice** – Financial support for hospice care.
- **Food Bank of the Hradec Králové Region** – Non-financial support.
- **Člověk v tísní (People in Need)**
- **Contributions for the purchase of social vehicles.**

Photo above: Official thank you for support at the Apropa Jičín benefit. ▲

Photo below: Team Fabio at Jičínská50. ►



5.

GOVERNANCE: MANAGEMENT OF FABIO PRODUKT

Company Structure

Fabio Holding represents an integrated group of companies that together form a strong and comprehensive structure focused on various aspects of production, logistics, and agriculture. This holding company brings together several subsidiaries, each specializing in specific activities, thereby contributing to achieving synergistic effects across the entire spectrum of business.



Fabio Produkt

Fabio Produkt is a key part of the holding, focusing on the production of food and feed ingredients. With an emphasis on innovation, sustainability, and quality, this company covers a wide range of manufacturing activities, from the pressing of vegetable oils to the production of feed ingredients like soy expellers. Its goal is not only to meet market demands but also to support modern agricultural and industrial trends that take ecological responsibility into account.



Fabio Logistics

Another important pillar of the group is Fabio Logistics, which ensures the efficient transportation and distribution of products across the entire production and commercial supply chain. This division specializes in modern logistical solutions that enable fast and reliable transportation of goods, whether raw materials for production or final products heading to end customers. Fabio Logistics is synonymous with efficiency and precise supply chain management.



Fabio Agro

Fabio Agro represents the agricultural division of the holding and is an important component in ensuring a stable raw material base. This part of the group focuses on the cultivation of agricultural crops and supports sustainable agriculture that reflects climate change and market requirements. Fabio Agro also actively collaborates with Czech farmers and strives to introduce innovative approaches that increase the productivity and ecological friendliness of agricultural production.



Bell Zvolen

Bell Zvolen is another component of the holding, specializing in the production and distribution of vegetable oils. This division is a symbol of quality and tradition, with its products being highly valued not only in the Slovak market but also in the Czech Republic.



200
employees



3 FABIO shops

Farmer and local food products
Jičín, Turnov, Vrchlabí



Fabio Logistics

Domestic and international
transport, logistics



4 production plants

Holín

Company headquarters, production and packaging of oils, distribution warehouse (bulk oil, tropical oil)

Staré Místo

Seed processing and pressing plant, distribution warehouse (press cakes, bulk oil, wholesale)

Nové Město na Moravě

Collection, recycling and processing of used cooking oils (UCO) for production of technical oils and lubricants LESPOL

NAPRO Olomouc

Production of fruit fillings, jams, syrups and vegetable sauces, distribution warehouse

4 distribution warehouses

Černožice, Olomouc, Praha, Staré Místo



2 production plants

Bell Zvolen

Production plant and distribution warehouse

Vadovce

Collection plant for processing of used oil

2 distribution warehouses

Liptovský Mikuláš, Zvolen



Corporate Culture and Values of Fabio Produkt

At our company, we believe that success is not only based on the quality of our products but primarily on the values that guide us and the culture we build together. The corporate culture of Fabio Produkt spol. s r.o. is founded on the principles of integrity, collaboration, and innovation.

Our Values

1. Honesty and Integrity

We act honestly and with respect toward everyone we work with. We believe that ethical behavior and transparency are key to building long-term trust and a good reputation.

2. Quality and Responsibility

We ensure the highest standards of quality in our products and services, as evidenced by our certifications. Each of us contributes to fulfilling our commitment to responsibility toward customers, communities, and the environment.

3. Collaboration and Teamwork

Success is achieved together. We support an inclusive environment where every opinion matters and where mutual respect enhances our ability to deliver exceptional results.

4. Innovation and Growth

We seek new ways to improve. We encourage creativity and openness to change because we believe that innovation is the driving force behind our long-term growth.

5. Sustainability and Care

Our activities are guided by consideration for the planet and people. We prioritize sustainability in every step of our business and actively strive to improve the quality of life in the communities in which we operate.

Corporate Culture

The corporate culture at Fabio Produkt spol. s r.o. reflects our values. We create an environment that supports professional growth, personal responsibility, and open communication. Our employees are key to our success, which is why we invest in their development, safety, and well-being. In our work, we adhere to principles of mutual respect, fair dealings, and high professionalism. We honor diversity and support equal opportunities for all. We believe that only together can we achieve great things.

Photo: Fabio Produkt participates in various food fairs every year. ►





Prevention of Corruption and Bribery

Fabio Produkt spol. s r.o. is committed to the highest standards of ethical conduct and compliance with all applicable laws and regulations related to the prevention of corruption and bribery. We firmly believe that honesty and integrity are the foundations of long-term success. We consider all forms of corruption, including bribery, to be unacceptable and incompatible with our values, principles, and responsibilities toward customers, business partners, employees, and communities.

Our Principles

1. Zero Tolerance for Corruption

Any offer, provision, acceptance, or mediation of bribes is strictly prohibited within our company.

2. Compliance with Laws

All our activities comply with the relevant legal provisions and international anti-corruption standards, including anti-bribery laws and regulations.

3. Transparency

We act openly and ensure that all our transactions and relationships are transparent and properly documented.

4. Training and Awareness

Employees and partners are regularly trained on corruption and bribery prevention, ensuring they understand their obligations and are capable of identifying risks.

5. Reporting Suspicious Activities

We have established secure and confidential channels for reporting any suspicions of corrupt activities. Every report will be investigated, and corrective actions will be taken if necessary.

◀ Photo: Oil tanks in Holín at sunset.

Every employee, business partner, and supplier of Fabio Produkt spol. s r.o. is required to comply with the principles of this statement. Any violation of our anti-corruption and anti-bribery rules may lead to disciplinary actions, including termination of cooperation or employment, and potentially legal consequences.

Fabio Produkt is dedicated to protecting its reputation as a trustworthy and ethical partner. We will continue to actively promote responsible and transparent business practices that foster trust and fair relationships. We believe that, together, we can contribute to creating a business environment that is fair, honest, and free of corruption.

Ethical Code

The Ethical Code of Fabio Produkt outlines the fundamental rules that define our approach to responsible business practices. We focus on ethical, transparent, and responsible conduct that respects the needs of society, the environment, and the legal framework. The code serves as a guide for all employees, management members, and suppliers, setting standards for everyday activities.

Our Values

- **Honesty:** We act with integrity and fairness, ensuring that our actions reflect our commitment to ethical business practices.
- **Responsibility:** We take responsibility for our impact on society, the environment, and our stakeholders. We strive to create positive change.
- **Sustainability:** We prioritize environmental protection, aiming to minimize negative impacts and actively contribute to sustainable practices in all our operations.
- **Diversity and Inclusion:** We value and respect diversity, fostering an inclusive work environment where diverse perspectives and experiences are welcomed.
- **Teamwork and Innovation:** Collaboration and creativity are at the heart of our approach. We continually seek improvements and new solutions to drive our success.

Adhering to the principles of this code is a fundamental responsibility for all employees and partners. Management ensures training, support, and the proper implementation of the rules. Violations of the code or legal obligations may result in disciplinary actions. The company provides mechanisms for reporting issues and protecting the rights of employees and communities, ensuring confidentiality and fair resolution.

Whistleblowing Policy (Problem Resolution and Reporting Concerns)

Our company has implemented a whistleblowing policy that promotes transparency, ethical behavior, and accountability across all activities. This policy provides employees, suppliers, and other stakeholders with a clear framework for reporting suspected unethical, illegal, or inappropriate conduct. It also protects whistleblowers from retaliation and ensures a safe and confidential environment for submitting reports.

Reports can be made through anonymous trust boxes, email, or direct contact with designated company representatives. Fabio Produkt guarantees the protection of whistleblower identities, unless required by law, and ensures a fair and thorough investigation of each report. Confidentiality, safety, and support are key pillars of this policy.

Fabio Produkt is committed to ensuring an ethical working environment. We believe that an open approach to reporting concerns contributes to the long-term success and trust of our employees, customers, and partners. Our policy is an integral part of our corporate culture and contributes to the long-term sustainability and success of the company.

Certifications

Certification in the food industry plays a key role in ensuring product quality, safety, and sustainability. In an environment of growing consumer demands, stricter regulatory requirements, and the global market, certification is not only a tool to demonstrate compliance with standards but also an essential means of building trust with customers and business partners.

The certification processes include verifying whether manufacturing processes, management systems, and the products themselves meet the relevant standards established by national or international organizations. Our company is certified in all key areas:

- **Food Safety:** IFS FOOD Higher Level focuses on identifying and controlling risks associated with the production and distribution of food products.
- **Product Quality:** GMP+2020, YUM, IFS FOOD ensure consistent product quality and management efficiency.
- **Sustainability:** RSPO, ISCC (for Nové Město na Moravě + warehouses and commodities), ISO 14001 focus on environmental and social responsibility within the supply chain.
- **Specific Labels:** BIO (for trade), KOSHER guarantee compliance with specific product requirements.

Certifications provide food industry companies with a competitive advantage, improve access to international markets, and ensure customer confidence that they are purchasing safe and high-quality products. At the same time, they serve as a preventive measure against potential issues such as complaints, non-compliant products, or brand reputation damage.

List of Certifications of Fabio Produkt spol. s r.o.:

- **IFS FOOD Higher Level**
- **RSPO**
- **GMP+2020**
- **ISO 14001**
- **ISCC** (for Nové Město na Moravě + warehouses and commodities)
- **BIO** (for trade)
- **KOSHER**



IFS FOOD

The international norm for ensuring the safety and quality of food



ISO 14001

Environmental management norm



ISCC

Biofuel sustainability certification, greenhouse gas reduction in biofuel and bioliquid use

Trader – ISCC certified material trading: **collection, recycling and processing of UCO** (used cooking oil)



GMP+

Feed safety certification



RSPO

Responsible palm oil manipulation and production certification

RSPO-4-1150-19-000-00



BIO

Purchase/sale



Kosher

Highest level of kosher supervision



6.

**VISION FOR
THE FUTURE**

Fabio Produkt spol. s r.o. aims to be a recognized leader in the food industry and oil processing, known for its quality, innovative approach, and responsible business practices.

1. Leader in Sustainability

Our goal is to become a model in environmentally friendly production. We aim to further develop our initiatives in waste reduction, renewable energy, and recycling, contributing to the protection of natural resources.

2. Global Expansion

We plan to strengthen our presence in international markets, expand exports, and become a key player in supply chains not only in Europe but worldwide.

3. Innovative Product

We will continue to expand our product offerings, particularly in the areas of healthy, eco-friendly, and technologically advanced solutions, such as spray oils and fortified foods.

4. Investment in People

We are focused on supporting our employees, providing education, and creating a work environment that inspires performance and creativity.

5. Partnership and Trust

We aim to be a trusted partner for our customers, suppliers, and the community. Our vision is to build long-term partnerships based on trust and mutual growth.

Together, we can ensure that our products and activities bring value not only today but also in the future.

Photo: Staré Místo production plant. ►





Conclusion

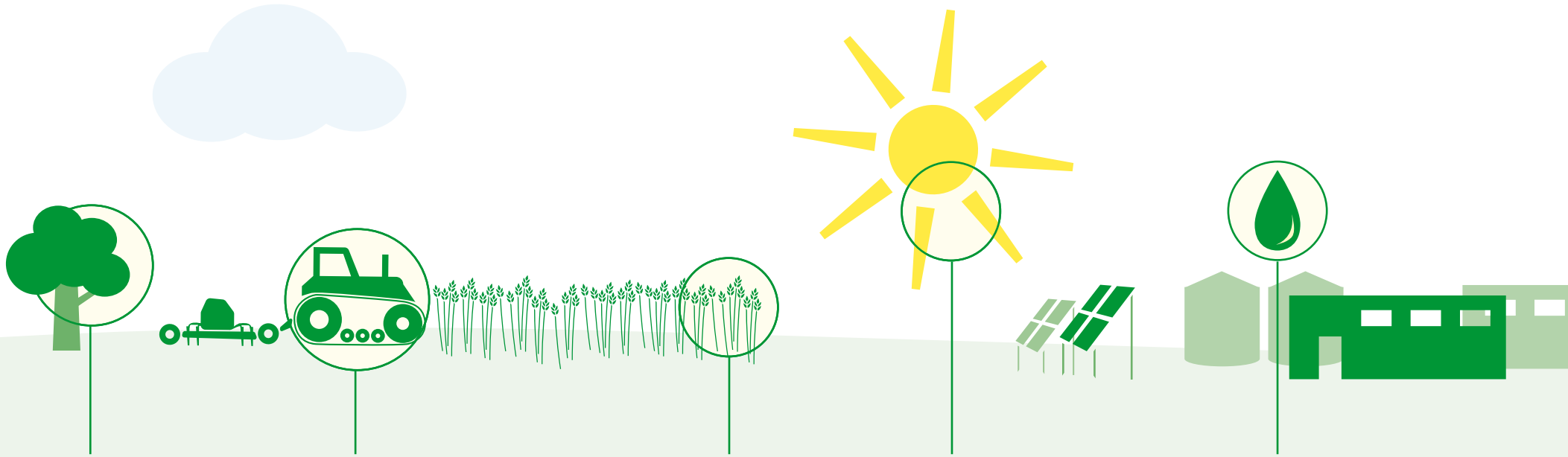
Fabio Produkt continues to intensively work on integrating environmental, social, and governance (ESG) topics into its operations and reporting. This report provides a comprehensive overview of our activities, progress, and plans in the area of sustainability, with the aim of offering meaningful, accurate, and reliable information to our readers.

This ESG report covers the period from January 1, 2023, to December 31, 2023, with some data updated at the time of the report's publication. In this report, we have thoroughly presented our activities in areas such as emissions reduction, responsible water management, circular economy, diversity, working conditions, and adherence to ethical principles, which form the foundation of our corporate philosophy.

The commitments and goals outlined may be influenced by factors beyond the company's control, and their future development cannot be predicted. Nevertheless, we remain firmly committed to fulfilling our promises and continuing to contribute to sustainable development through innovation, responsible business practices, and collaboration with all stakeholders.

We welcome feedback that will help us further improve our sustainability efforts and contribute to the achievement of our goals. Thank you for your trust and interest in the sustainable development of Fabio Produkt.

10 reasons to choose our products



Corporate responsibility and values

Our corporate values lie in creating a positive impact on society and the environment. Our corporate responsibility is not just about words, but concrete actions aimed at long-term sustainability.

Regenerative agriculture

Our agricultural production focuses on increasing the content of long-term bound carbon in the soil, retaining water in the landscape, and improving soil structures – all through natural ecological and biological processes, with maximum support for microbial life in the soil.

Certified quality raw materials

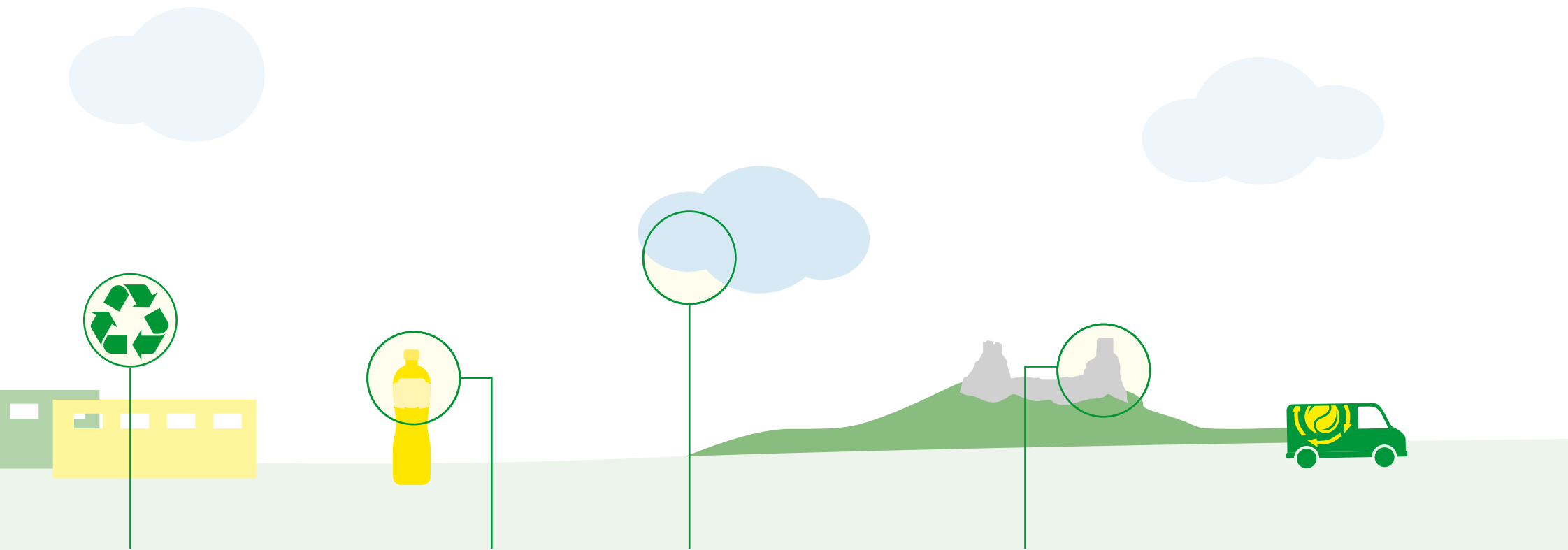
All our production processes meet the requirements of strict food standards, as evidenced by obtained certificates and certifications. We carefully select raw material suppliers and use certified ingredients, we trace the origin of raw materials and support products from sustainable agriculture.

Sustainable resources: e-mobility and photovoltaics

We harness clean energy from the sun through photovoltaic systems located on the roofs of our facilities, reduce dependence on fossil fuels by purchasing electric vehicles, and support renewable sources.

Zero-waste production

We cold-press oils and gently refine it without any use of chemicals. The entire production is zero-waste; we recycle and process the oils for further use without ecological impact.



Recycling

We offer a certified system for collecting used kitchen oils from companies and municipalities. We recycle and process waste into raw materials and products for further technical use with minimal impact on the environment.

Ecological packaging

Our efforts towards ecological packaging and zero-waste production are rooted in the belief that we can create quality products without any negative impact on the environment. All our packaging is fully recyclable. We prefer species-appropriate packaging made from recycled paper and films in optimal quantities and logistics. We recycle packaging materials and damaged returnable packaging ourselves.

Carbon neutrality

We produce oils with a lower carbon footprint. From the very beginning of our business, we use energy-efficient processes and invest in innovations to minimize our environmental impact.

Support for the region

By purchasing raw materials and products from regional farmers and producers, we directly contribute to the sustainability and prosperity of our region. We actively seek opportunities to participate in improving the socio-economic environment in our region.

Transparency and cooperation

We are open and transparent about our practices and initiatives towards sustainability. We collaborate with trustworthy partners to create a more sustainable supply chain and achieve common goals.



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FABIO PRODUKT spol. s r.o., Holín 92, 50601 Jičín

IČ: 25252933, DIČ: CZ25252933

fabioprodukt@fabioprodukt.cz - +420 493 522 673

www.fabioprodukt.cz - www.fabioprodukt.com

The company is registered in the Commercial Register maintained by the Regional Court in Hradec Králové, section C, entry 10216.