



UN GLOBAL COMPACT COMMUNICATION ON PROGRESS (COP) & CORPORATE SOCIAL RESPONSIBILITY (CSR) SUMMARY REPORT 2014

This Report focuses on our core work and accomplishments through the year (September 2013 - November 2014), and describes the priorities, challenges, and achievements within our movement.

This Report is an integral part of our separate website for the Sustainability & Corporate Social Responsibility (<http://www.csr-dkggroup.com>).

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Statement of Continued Support

2013-2014 saw years of great changes in Greece. What has not changed, however, is our commitment to corporate responsibility. It remains as strong as ever.

The social purpose of our business is something that we are very proud of and of course it's central to how our people feel about working here.

By doing business responsibly and building relationships with customers and the communities we are part of, we're managing our risks and motivating our people – ensuring we'll be around for the long term to deliver on our commitments. This means doing all we can to help our customers when the big things happen in life. To be trusted, respected for the way we do things, sustainable in our business practices, and make a real contribution to society through our corporate responsibility agenda.

What gives our corporate responsibility strategy the edge is the dedication of our people. They demonstrate their commitment by acting responsibly every day – putting our customers first and giving them great service. Even during this challenging year, our corporate responsibility agenda has remained core to who we are and what we do.

Throughout this report you'll see details of some great achievements during the reporting period.



Christos D. Katsanos
Executive Director



“What gives our corporate responsibility strategy the edge is the dedication of our people.”

Christos D. Katsanos

At a Glance

DKG Group is a diversified international group of companies and initiatives with operations in different divisions. Actually we are a consulting, inspection, urban farming, foliage based architecture, intelligent crop supplies and training facilitator body, offering specialized sustainable solutions to individuals, professional groups and corporations within the fresh produce and agro supplies trade industry creating value through people, and for people, all driven by a brand-centric philosophy.

Although the headquarters of the Group is located in Thessaloniki, Greece, with additional advocacy office operating in Crete, Greece, the activities are conducted principally in Balkan and Southeast Mediterranean Countries (*Greece, Romania, Bulgaria, Serbia, FYROM, Bosnia, Montenegro, Albania, Cyprus, Egypt and Turkey*).



CONSULTING

Specialized sustainable solutions are provided by DKG Consulting to individuals, professional groups and corporations within the fresh produce industry creating value through people, and for people, all driven by a brand-centric philosophy.

DKG Consulting services are focused on greenhouse and farm activities include general advice regarding hydroponic techniques, crop or product selection, cultivar (variety/ies) selection, plant propagation processes, general cultivation practices, distance crop monitoring, feeding solutions recipes, harvesting, packaging and post-harvest practices based on Total Greenhouse Management® and Total Farm Management® methodologies.

DKG Consulting Ltd is also a service provider for quality, environmental & food safety systems and brand building.

[DKG Consulting Website](#)

AGRICULTURAL SUPPLIES

IQ CROPS Ltd (member of DKG Group) provides intelligent agricultural supplies to the agricultural sector.

In general, IQ CROPS Ltd promotes innovative solutions based in new technologies and scientific results offering safety to the consumers and the environment towards natural systems and biological solutions that promote plant health and growth.

More specific:

- Trade (wholesale – retail level) and distribution of various agricultural products such as special types of fertilizers, growth agents and pesticides for professional growers as well as hobby market.
- Alternative forms of energy solutions (e.g. photovoltaic systems, geothermal heat, alternator of heat, wind generators, etc.)

[Iqcrops.com Website](#)

RESEARCH & TRAINING

The International Research & Training Centre for Sustainability (IRTC) is a training facilitator organisation that provides a greater understanding of key issues for the agriculture industry and provide solutions for those with an interest in the sector, through top quality speakers and presentations from industry leaders and researchers.

Training Programs :

- Total Greenhouse Management
- Total Farm Management
- Hydroponic techniques
- Greenhouse personnel technical skills
- GLOBALG.A.P. protocol
- AGRO 2-1&2-2 standard (Hellenic certification scheme for agriculture enterprises)
- ISO 9001:2008 (Quality)
- ISO 22000:2005 (Food safety)
- Total Quality Management and logistics

(In corporation with DKG Consulting Ltd, TUV Hellas (TUV NORD) SA, GreenQ B.V and University of Macedonia, Greece.

[IRTC Website](#)



BRANDING

TROPOS BRANDING Co: a one stop creative shop, led by [Christos D. Katsanos](#) and [Dimitris Gartzonikas](#).

We are creating stories for audiences of the digital age. In the [Social Age](#), digital storytelling is about making your reader part of the story – letting them tell it, retell it, live it, resolve it!!

We design brands from the ground up ([big B](#)), and help existing companies present themselves better ([little b](#)) by applying "Zero to Low Budget Branding" Methodology.

B2B is OK, B2C is fantastic but [H2H](#) is an ...obsession for us!!

What exactly do we do?

We are passionate with people. We do believe that the only constant situation in earth ischange itself! Solving the problems means that the people understand the change environment. In such cases our contribution consists to be Agents of Change.

Videostories, Copywriting, Identities, Art Direction, Web & Interactive, Product & Packaging Design, Advertising -Whatever it takes are our tools.

We're always interested in joining forces with Startups and established businesses alike through mutually beneficial Collaborative Marketing.

[TROPOS Branding Website](#)

FRESH PRODUCE

DRIKA Farm was founded in 1996 by Evangelos N. Drimtzias and Katerina Kaparaki. DRIKA Farm's facilities are located in an area of 9,5 Ha on the site Ammoudares -Ierapetra, Crete,Greece, 200 meters from the sea side.Its production focused in Mini Cucumber. In 2006 the second level of investments was implemented (upgrading heating oil to LPG, a thermal, freezer, packing). In 2008 the enterprise was awarded the GLOBALG.A.P. Certification by TUV HELLAS (TUV NORD) Certification Body. In 2011 DRIKA FARM became a proud member of The DKG Group of Companies and Initiatives in order to complete the whole chain "from the farm to the shelf".

[Drika Farm Website](#)

ASK ME

The AskMe Translation and Localisation Department of the DKG Group was formed with the objective to undertake complex translation projects, offering a complete range of translation and localisation services in the Greek market. Over these years, it has specialised in the development and implementation of advanced quality-driven Greek-specific localisation techniques and the provision of turn-key localisation solutions (from planning to post-production) for the Information Technology sector. As a result, significant framework-contracts and long-term collaborations have been established between DKG and FOODPLUS , GRODAN GROUP and EUROPEAN COMMISSION DIRECTORATE. Today AskMe offers a full range of technical translation and localisation services almost 6 man-years in total greenhouse management, inspection – certification and Project Management tasks.

[Askme Website](#)



AGRICULTURAL SUPPLIES

- IQ CROPS

TRAINING & RESEARCH

- IRTC

BRANDING

- TROPOS BRANDING

HYDROPONICS

- HYDROPONICS.GR
- GRODAN SUBSTRATES
- URBAN FARMING
- LIVE CELL

TRANSLATIONS

- ASK ME

FRESH PRODUCE

- DRIKA FARM

QUALITY SYSTEMS

SUSTAINABILITY

TOTAL GREENHOUSE MANAGEMENT

TOTAL FARM MANAGEMENT

- VITICULTURE
- AROMATICS &
MEDICINAL PLANTS
- ARBORICULTURE

SPONSORSHIP

- M-F
- RODOPI ULTRA TRAIL
- ORIZONTAS
- EN XORO
- LIMONCHELLO

Stakeholder Groups

DKG Group has identified and categorized its stakeholders into five main groups: Employees, clients, shareholders, Partners and other, the latter including both authorities and society at large.

- **Employees**
- **Partners**
- **Clients**
- **Shareholders**
- **Others** (professional and non-governmental organizations, international or regional bodies, authorities and local communities).

THE BOARD OF DIRECTORS

The Group conducts its business through its employees, the President and the Executive Director under the direction of the Board of Directors, all with a view toward enhancing the long-term value of the company.

The Board of Directors comprises the President, the Executive Director, the Finance Director, the Quality Executive and the Project Manager.

The Board is primarily responsible for the following:

- the strategic direction of the Group and the operations
- the integrity of financial statements and accounting practices
- the contribution to sustainable development
- the Human Resources

The Board of Directors holds regular quarterly meetings in order to review the Group's strategy, approve its business plan and budget, act on the Group's annual proxy statement.

MEET THE PEOPLE BEHIND THE GROUP

*Passion is the right word to
describe our people*

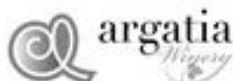
- **KATERINA KAPARAKI**
Production Manager
- **DIMITRA NOTIOU**
Management Assistant
- **ELENA GADONA**
Visual Communication
- **CHRISTINA PAPAIOANNOU**
Researcher & Trainer at IRTC
- **HAROULA SPINTHIROPOULOU Ph.D,**
Viticulturist & Oenologist
- **ELENI MATHAIOPOULOU**
Head of Translation & Localization
- **EVANGELOS DRIMTZIAS**
President
- **DIMITRIOS VOURIS**
Food Scientific
- **GREGORY DARIS**
IT Senior Consultant
- **LAMPROS PODIOTIS**
Finance & Accounting Services
- **DIMITRIS GARTZONIKAS**
Project Manager
- **CHRISTOS D. KATSANOS**
Executive Director
- **STEFANOS GIALIAS**
Roof Garden Expert
- **GREGORY KARAIKOS**
Green Walls Expert
- **DIMITRIOS DASKALAKIS**
Quality Management Executive
- **ANDREAS KIZIRIS**
Researcher & Trainer at IRTC
- **THANASIS MANOLOUDIS**
Energy & Renewable Sources Management Executive

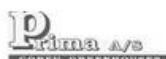


PARTNERS

DKG Group has forged strategic partnerships with leading global companies.

It is our pleasure to introduce you to a handful of the organizations whose accomplishments and commitments are representative of all the organizations we are fortunate to call our partners.





CUSTOMERS

We have the privilege of working with some of the most well-known companies in the world. Our clients engage us in a number of ways—we help them solve business problems, increase visibility and help them thrive in a networked world where customers and employees have become increasingly empowered. We view our clients as partners and work collaboratively with them to achieve results they can measure.

We work both diligently and intelligently to ensure that the needs of our clients come first.

We are only as good as the reputation of our clients

Sustainability Strategy

DKG Group's strategic vision is clear and consistent, is committed to sustainably and responsibly managing all aspects of its operations relating to all stakeholders.

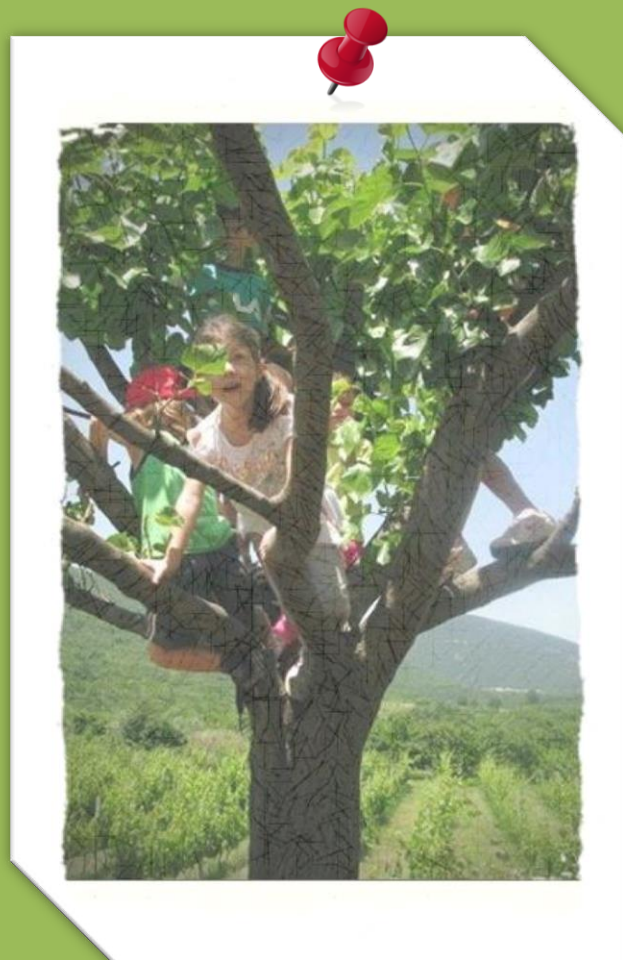
Group's commitment to sustainability provides a guiding framework for all management responsibilities and focuses particularly on achieving best practice standards in:

- Health & Safety
- Environment
- Governance
- People & Community

DKG Group has operated successfully for over 20 years. This success has been based on a solid foundation and commitment to the fundamental aspects of business.

From specialized sustainable consulting services within the fresh produce industry to the intelligent agricultural supplies, branding, research, training & translation services, members of the Group are seeking to create long-term value for stakeholders at each stage of its operations.

The fundamentals of Group are managed within a sustainability framework which has a strong focus on Health & Safety, Environment, Governance, and People & Community. In each of these areas, the Group sets and implements policies, develops



External Commitments

We are driven to be the very best at what we do. Our greatest satisfaction is to provide our clients with exceptional value and service. Along the way, we have been honored to receive recognition for our leadership, community service and success as a sustainability consulting firm.

We were proud to receive the following certificates:

- ISO 9001
- ISO 14001

A big part of our success has come through the sharing and learning that takes place with other leaders in corporate responsibility, including:

- United Nations Global Compact (UNGC)
- Global Reporting Initiative (Organizational Stakeholder)
- Quality protocol GLOBALG.A.P. (Associate Member)

CODE OF CONDUCT

Our Code of Conduct expresses our ethical position on issues such as:

- Respect for employees, stakeholders and customers
- A zero-tolerance policy for any form of discrimination or harassment
- Promoting honest, ethical and transparent conduct including in the handling of actual or apparent conflicts of interests between personal and professional relationships
- Conducting our business in good faith and with integrity
- Compliance with all applicable laws and regulations

We conduct business on the basis of fairness, good faith and integrity, and expect the same from parties with whom we do business. DKG Group expects its stakeholders to show the same ethical behavior in their business conduct.

OUR BRAND PROMISES

We are a reliable, cooperative, responsible and proactive partner whose creative initiatives help our customers - collaborators to create a unique competitive advantage in their respective businesses.

RELIABLE

We keep our promises and do our utmost to solve everyday problems. We adapt to our customers' changing needs and stand behind what we promise.

Cooperative

We put time and effort into understanding our partners' world. For us, an assignment always begins with listening and moves ahead as we share our expertise and experience. This is how we can together achieve our customers' objectives.

Responsible

We constantly seek out ways to improve our services and processes. We want to play a positive role in social development and are doing our best to protect the environment. Doing our part in being a good corporate citizen goes with successful business practice.

Proactive

We work unstintingly to improve our customers' business. We plan the future and develop new applications, ways of working and services that help our customers make big strides in accomplishing their own tasks.



Communication on Progress UN Global Compact (COP)

DKG Group has declared its support for the UN Global Compact. The Group respects the human-rights guidelines proclaimed in the Global Compact, and upholds international human-rights standards.



| Principles | Summary, measures and results | Additional Information |
|--|---|------------------------|
| Human Rights | | |
| Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. | <ul style="list-style-type: none"> - The DKG Group has had an internal Code of Conduct which states clearly that the Group undertakes to be an exemplary, reliable and fair business partner and employer at all times for all people with whom it deals. We recognize local, national and international laws, directives and standards, and complies with them in full. - All employees have received training on subjects covered by the Code of Conduct. and new employees receive their training as part of their job orientation. | 12 |
| Principle 2: Make sure they are not complicit in human rights abuses. | <ul style="list-style-type: none"> - DKG Group has not been complicit nor does ever expect to be complicit in violation of human rights abuses whether through direct involvement (through beneficial involvement via third party), nor assisting other parties by remaining silent. | 12 |
| Labor | | |
| Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | <ul style="list-style-type: none"> - Our employees are completely free to join labor unions, associations and similar organizations. - All employees are currently covered by collective agreements | 13-14 |
| Principle 4: The elimination of all forms of forced and compulsory labor. | <ul style="list-style-type: none"> - DKG group does not allow the use of any form of forced or compulsory labor. | 13-14 |
| Principle 5: The effective abolition of child labor. | <ul style="list-style-type: none"> - DKG Group categorically excludes child labor. - It is established a clear policy regarding the minimum age for employment, which complies with national law. | 13-14 |
| Principle 6: Eliminate discrimination in respect of employment and occupation. | <ul style="list-style-type: none"> - Protection of the principles of equality is anchored in the DKG Group Code of Conduct and specifies how employees are to behave and how DKG assumes responsibility as an employer in order to counteract discrimination. This includes the discrimination against any employee on the basis of race, color, region, age, sex or disability. | 13-14 |
| Environment | | |
| Principle 7: Business should support a precautionary approach to environmental challenges. | <ul style="list-style-type: none"> - The Group's wide Environmental Policy adheres to the Precautionary Principle. - The achievement of the ISO 14001 demonstrates that DKG has implemented a sustainable environmental management strategy | 15-18 |
| Principle 8: Undertake initiatives to promote greater environmental responsibility | <ul style="list-style-type: none"> - DKG Group has long stood for a high level of environmental awareness and been committed to environmentally friendly, resource-efficient production as well as the development of water-saving and sustainable products. Environmental criteria are considered in all decision-making processes. - DKG Group has had achieved certificate for quality and environment in accordance with ISO 9001 and ISO 14001. | 15-18 |
| Principle 9: Encourage the development and diffusion of environmentally friendly technologies. | <ul style="list-style-type: none"> - Sustainable agricultural practices are encouraged to be adopted by all of our clients, in order to increase the quality, the taste and quantity of their crops | 15-18 |
| Anti-corruption | | |
| Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. | <ul style="list-style-type: none"> - Our Code of Conduct details the behaviors we expect of our people and it addresses issues of conflicts of interest and bribery and corruption. - DKG Group fundamentally opposes any kind of corruption and bribery and is committed to high standards in combating them. - We ensure that all employees can understand and practice the Group Code of Conduct in everyday working life. - For a series of years, cases of corruption have not been recorded, neither allegations for suspected fraud, bribery or market abuse have been reported. | 19 |

All our employees and contractors are required to respect the human rights of fellow workers and communities where we operate, as stated in our business principles. We focus on areas across Group's activities where respect for human rights is particularly critical to the way we operate: labour conditions, communities and supply chains.

While it is the duty of governments to protect human rights, we recognize our responsibility to respect them. We work with international organizations, businesses, civil society and other bodies to understand and respond to current and emerging issues on the implementation of the UN Guiding Principles on Business and Human Rights.

HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Make sure they are not complicit in human rights abuses.

Assessment, Policy and Goals

DKG Group has an internal Code of Business Ethics which includes Human Rights considerations. This Code was first adopted in their current form by the Board of Directors. The Code of Business Ethics has been made available to all employees and is available in English and Greek. The Code is regularly reviewed and amended to ensure it remains as relevant as possible.

Implementation

Whistleblowing procedures are in place to ensure any suspicions of inappropriate conduct can be voiced. All employees are systematically made aware of the Code and the related Standards of Business Conduct. The internal guidance sets out examples of the types of wrongdoing which should be raised by employees, including non-compliance with legal obligations or a breach of human rights, as well as identifying who to contact.

Measurement of outcomes

None of our concern on human rights abuses are occurred during the year and our commitment is to ensure that we will not accept any associations for our stakeholders (employees, customers, suppliers) that do not support internationally proclaimed human rights.

LABOR

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

The elimination of all forms of forced and compulsory labor.

Principle 5

The effective abolition of child labor.

Principle 6

Eliminate discrimination in respect of employment and occupation.

- *We fully support an employee's right to choose whether or not to join a union.*
- *We forbid the use of any forced or compulsory labor within our own operations and the operations of our suppliers and contractors. We have policies and procedures in place to ensure that our recruitment practices are fully consistent with our human rights requirements in this regard.*
- *We assess the performance of our partners and clients against varied criteria that include labor practices and human rights.*
- *We forbid the use of any child labor within our own operations and the operations of our partners and clients. We have policies and procedures in place to ensure that our recruitment practices are fully consistent with our human rights requirements in this regard.*
- *DKG Groups' recruitment processes and practices ensure the protection and respect for all people and that no individual is discriminated against on the basis of race, color, religion, national origin, disability, sexual orientation, gender identity/expression, veteran status, genetic information, sex, or age.*
- *Our company Values continue to include "respect"—we treat all people with dignity and provide a diverse, inclusive work environment.*

Labor:

"We believe that respect for the dignity, rights and ambitions of all people is a cornerstone of business excellence in the 21st century. This policy extends to every of our employee. We expect also the customers, suppliers and contractors with whom we do business to embrace similar values and standards. We recognize and respect all labor and employment laws – including those respecting freedom of association, privacy and equal employment opportunity – wherever it operates."

Child Labor:

"We comply with all child labor laws. We understand that children may legitimately perform tasks that do not interfere with their education and do not negatively affect their health, safety and development. We seek to have a positive impact on the reduction of unlawful child labor and child exploitation. We expect also our customers, suppliers and contractors to embrace similar values and standards."

Equal Opportunities

DKG Group is an Equal Opportunity Employer and Prohibits Discrimination and Harassment of Any Kind.

DKG Group is committed to the principle of equal employment opportunity for all employees and to providing employees with a work environment free of discrimination and harassment. All employment decisions at DKG Group are based on business needs, job requirements and individual qualifications, without regard to race, color, religion or belief, national, social or ethnic origin, sex (including pregnancy), age, physical, mental or sensory disability, sexual orientation, gender identity and/or expression, marital, civil union or domestic partnership status, past or present military service, family medical history or genetic information, family or parental status, or any other status protected by the laws or regulations in the locations where we operate.

DKG Group will not tolerate discrimination or harassment based on any of these characteristics.

Health & Safety

Protection of the health and safety of the people who are affected by DKG Group's activities is such an important issues that has defined as one of the Group's core values.

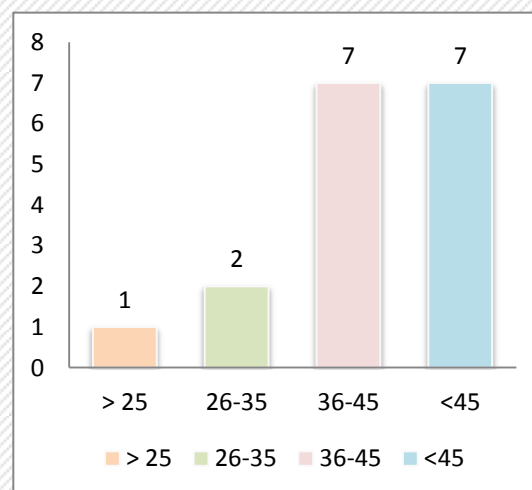
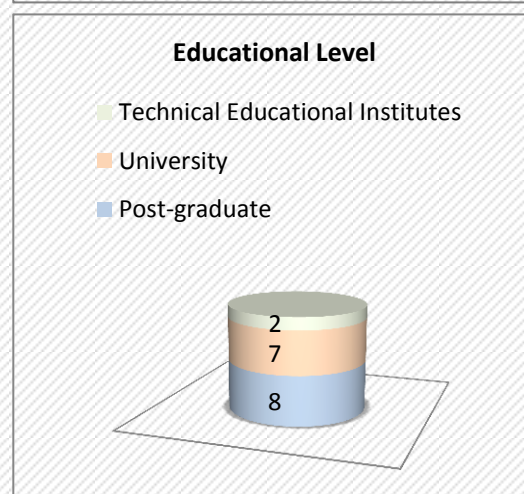
DKG Group is committed to creating safe and healthy work environment, aims to have zero injuries, zero occupational ill health and zero accidents. All of the Group's employees have medical insurance according to the Greek Law.

The Group's occupational health and safety management system tracks four key performance indicators: the number of injuries, the number of fatalities, the number of illness due to work and the number of other illness (e.g. flu). All indicators were and still are 0.

Training and Education

With the rapid evolution of the sustainability and corporate responsibility field, we recognize the importance of continuous learning. We set aside professional development funds for education and training opportunities, including conferences, seminars, external training and education opportunities.

| Health and Safety indicators 2013 - 2014 | Number of incidents | Days lost due to incidents |
|--|---------------------|----------------------------|
| Number of persons injured | 0 | 0 |
| Number of fatalities | 0 | 0 |
| Illness due to work | 0 | 0 |
| Other illness | 0 | 0 |
| Total | 0 | 0 |



ENVIROMENT

Principle 7:

Business should support a precautionary approach to environmental challenges.

Principle 8:

Undertake initiatives to promote greater environmental responsibility

Principle 9:

Encourage the development and diffusion of environmentally friendly technologies.

Our Environmental Code of Conduct is built on national and international norms and standards for environmental management. The Code sets a minimum applicable operating standard for all of the Group's businesses. Each business is expected to implement its own Environmental Management System, tailored to suit its size and type of activity.

Environmental data are consolidated annually, including the energy we use in our offices, the fuel consumed as we travel, and other elements necessary to calculate our environmental footprint. The data include our subsidiary companies where the Group has management control. The results are disclosed in this CSR report and are communicated internally to employees via the CSR representatives.

DKG Group monitors also its customers' environmental performance on regular basis to ensure the continual improvement. We know that the importance of protecting the environment is one of the key foundations of doing business and maintains a comprehensive infrastructure for planning, managing, assessing, improving, monitoring and measuring environmental impacts.

DKG Consulting Ltd (member of the DKG Group) has renewed ISO 14001:2004 (the international standard for environmental management systems) & ISO 9001:2008 (the International Quality Standard) Certifications, the scope of certifications is focusing to "Design, Implementation and Support of Total Greenhouse & Farm Management–Training on Total Greenhouse and Farm Management". The resulting certification applies to all solutions and service s delivered DKG's customers worldwide.

| | Water Consumption (m3) | Electricity Consumption (kWh) | Natural Gas Consumption | | Fuel Consumption (lt) | Paper Printing Consumption (sheets) | Ink cartridge | Toner |
|------|------------------------|-------------------------------|-------------------------|---------|-----------------------|-------------------------------------|----------------------------------|-------|
| | | | m3 | (kWh) | | | | |
| 2013 | 15 | 2305 | 308 | 3473,00 | 7591,28 | 2500 | 4 x 17 ml | |
| 2012 | 20 | 1853 | 306 | 3444,00 | 8235,06 | 1000 | 2 x 13ml | 1 |
| 2011 | 25 | 2565 | 658 | 7368,77 | 7187,01 | 2500 | 4 x 13ml | 12 |
| 2010 | 10 | 2507 | 449 | 5030,92 | 6093,98 | 2500 | 6 x 13ml 2 x 17 ml 1 x 9ml | 5 |
| 2009 | 23 | 2501 | 353 | 3949,97 | 9552.25 | 8500 | 4 x 13ml | 9 |

Sustainable Hydroponic Growing

- **Water conservation**
Hydroponic growing uses just one-twentieth the amount of water of field grown crops. The plants receive just the right amount of nutrient-rich water through a computer-controlled drip irrigation system that feeds the water and nutrients directly to plants' roots. Any un-used water from the plants is recycled, sterilized and reused to ensure quality and safety.
- **Soil & Land conservation**
We exercise soil-free growing practices, by using rockwool substrates, within our clean, sanitary, indoor greenhouse environments, which helps to control diseases. Apart, there is no depletion of soil nutrients and soil erosion.
- **Integrated Pest Management Practices (IPM)**
All of our Greenhouse clients implement stringent sanitary practices and introduces beneficial insects to maintain a safe, natural, pesticide free environment, to provide you with products that are not only delicious, but are also healthy for your family.
- **Carbon dioxide, heat, ventilation**
Our Greenhouse clients have turned science into an art. They use high-tech computer systems that monitor and control carbon dioxide levels, heat, ventilation and plant nutrition. Many greenhouses also store unused heat in large water tanks, that hot water runs through heating pipes during cooler evening temperatures

Because of this precision, their vegetables look and taste perfect without doing anything unnatural to them.



Sustainable Hydroponic production

Basalt, the raw material for stone wool, is extracted according to strict environmental regulations and in non-protected areas. The volcanic rock is turned into stone wool substrate by means of a certified process. Recycling stone wool after use means that less new basalt is required.

Sustainable Hydroponic cultivation

DRIKA Farm and all of our clients have a responsibility to practice sustainable cultivation. These sustainable growing practices and compliance with Good Agricultural Practices (GAP) ensure that greenhouses have limited environmental impact. Plants are grown in Grodan rockwool. Growing in this material means our plants can stretch their roots, and we can feed them water and nutrients directly where they need it – on their roots – rather than on their leaves or on other parts of the soil. Growing hydroponically means we feed our plants only as much nutrients as they need for optimum growth. Our growing methods mean we don't use herbicides. A plastic sheet, which suppresses weeds from growing up through our crops, covers the soil in our greenhouses. At the end of each growing season, the plastic sheet is removed to allow for a proper cleaning of the greenhouse. This cleaning ensures no pests or plant diseases from the previous crop are carried into the new growing season. To keep pests at bay we use biological controls. We're leaders in Integrated Pest Management (IPM) to protect plants from bad bugs and diseases. Our growers introduce predatory insects – like ladybugs – and mites to eliminate harmful pests.

Sustainable Hydroponic recycling

A sustainable end of life solutions. Used substrate slabs, blocks and plugs are recycled into new stone wool products or used in the production of bricks, cement, potting compost, or soil improvers. The plastic sheet is separated from the stone wool and used in the plastics industry to manufacture dashboards for the automotive industry.

FOOD SAFETY & PRODUCT RESPONSIBILITY

Here is how we and our clients grow hydroponically the safest produce you can buy.

✓ No dirt

Without dirt, plants cannot get soil-born diseases, cannot be invaded by grubs or other soil-based insects, and cannot absorb toxins and bacteria found in soil.

✓ No Pests

By applying an intensive Integrated Pest Management (IPM) program that uses beneficial insects to control pests and stimulate healthy plant growth. Outdoors, plants are more vulnerable to various types of diseases and insects whereas in a controlled environment have the ability to keep a lot of these pressures at bay, so we are able to keep our plants healthy by using also bees for pollination and beneficial predator insects.

✓ No Animal Waste Fertilizers

Plants receive just the right amount of nutrient-rich water that gives them everything they need. The plants are not in contact with fields where runoff from animals can carry bacteria. So no chemical residues or bacteria from animals can ever reach a plant.

✓ No Disease

Culture faces no such challenges since the plants grow in the perfect environment, by eliminating the dirt, the pests and the animal waste fertilizers, are unaffected by many diseases that plagues the open field grown.

✓ No Acid Rain, No Nasty Weather

Greenhouse protects the produce from the rain that carries pollutants or weather damage that ranges from bruises, marks and nicks to the loss of an entire crop. Greenhouse growing ensures optimal environmental conditions by using high-tech computer systems that replicates the best natural growing conditions where temperature, humidity and light are just at the right level.

Product Responsibility

DKG Group has committed to publicly share its views on the principles that are the foundation for product safety legislation or regulation. Consistent with our commitment to the principles, we support the development of responsible, science-based laws, regulations, standards, practices and procedures that safeguard the community, workplace and environment.

DRIKA Farm (member of DKG Group) and all of our clients embrace a strong commitment to growing sustainable products by applying Good Agricultural Practices (G.A.P) in order to increase the quality, the taste and quantity of their crops, and to promote safe and efficient working practice.

Apart, each of our client's products has the ability to trace the history, use or location of a product by means of registered identifications that is vital for consumer's safety.

Managing environmental issues across our supply chain

Consulting, training services according Good Agriculture Practices

DKG Group is focusing to meet increasingly high sustainability standards and to enable its stakeholders to positively influence their impact on environment and society.

As a service and training provider we are associate member of GLOBALG.A.P.[®] (the global partnership for safe and sustainable agriculture), we commit to respond to its recommendations by providing advice to greenhouse growers/suppliers to apply sustainable growing practices and compliance with Good Agricultural Practices (GAP).

Also Group's Executive Director Mr. Christos D. Katsanos is Official GLOBALGAP train-the public trainer and in cooperation with the Training Department of TUV HELLAS (TUV NORD) S.A. & IRTC, DKG Group offers training programs for corporations and individuals in the areas of GLOBALG.A.P. protocol, AGRO 2-1 & 2-2 standard (Greek certification scheme for agriculture enterprises) and ISO 22000 standard (HACCP- Hazard Analysis Critical Control Point).

Finally, the Group's department AskMe officially translates in Greek language GLOBALGAP[®] documents related to Fruit and Vegetables Certification (Integrated Farm Assurance).





Society

Providing Quality Training Programs

The International Research & Training Centre for Sustainability (IRTC), the training facilitator organization (member of DKG Group) has the honor and pleasure to organize and contributing to a series of innovative training seminars believing that beyond Value for Money offers a new concept in industry!!

IRTC last year organized or took part as speaker to the following training seminars, forums & symposiums:

- “**Advanced Hydroponics based on the Total Greenhouse Management Philosophy**” Seminar was taught to executives of the Company Agroktimeata Xiromerou of the Palouki Brothers. Participants had the chance to update their knowledge on hydroponic cultivation technique of tomato, cucumber and tomaccini snack.
- As part of the Educational Excursion of the Regional Technical & Agricultural School Ammochostou- Augorou the IRTC hosted students at the premises of the ZAMPPOURIS Farm at Lakkoma Halkidiki, where **Hydroponic Technical MarouliBest** applied (**Hydroponic Lettuce**). Students had the opportunity to see an innovative idea in practice, which develops according to the principles of **Integrated Farm Management** and the certified various types (and color) lettuce is the basis of branded Cut Salad product.
- IRTC presented **FRAOULABEST SYSTEM** in **IRLA CONFERENCE** at Patras, Greece. IRTC and it's affiliated dissemination tool hydroponics.gr participated in the parallel events of the Symposium by presenting a hands on business case named FRAOULABEST. The FraoulaBest (Hydroponic Strawberry) system is the extract of the research of IRTC's scientists in various geographical regions such as Cyprus, Serbia and Greece. The show case presented by Mr. Christos D. Katsanos , member of IRTC and Ms. Xenia Pitta , head agronomist of Tsahalos Group.
- IRTC represented by Mr. Christos D. Katsanos to Greek Agribusiness Forum 2013, which explored the theme: **'EXPORTS & SUPPLY PRODUCTION: TRADE AGREEMENTS AND DISTRIBUTION CHANNELS'**.
- A Marketing Seminar was organized by **Association of Medicinal and Aromatics Plants of Greece (AMAP's)**. IRTC represented by Mr. Christos D. Katsanos, which presentation was **“MODERN BRANDING - Features of a contemporary vertically integrated business with MAP (Medicinal Aromatics Plants) products for entering the market”**



Society Wellness & Volunteerism

The 5th anniversary ROUT 100miler was celebrated in the best possible way, since the race left the best impressions on the athletes that had the chance to compete in the beautiful forests of Rodopi. A long, although short in time journey of five years, reached this year's organization of Rodopi Advendurun, the beloved ROUT of the ultra-endurance and adventure Greek athletes. Year after year, since 2009, ROUT leads its athletes through a route of emotions, guided by the limits of their physical and mental endurance. In addition to the journey, above all a difficult 100 miles race of human endurance, which requires devotion and hard preparation.

Some members of DKG Group take active part as organizers, participants and some others as volunteers and supporters.

A special mention belongs rightfully to the people who supported the event for one more year. We mean of course the volunteers of ROUT, who year after year enrich their knowledge and their experience and offer valuable services, staying awake at the stations under all circumstances. In this year's race, the very good weather helped their effort and so they managed to maximize their support. The stations were organized mainly by them, and were autonomous in matters of food and first aides.

DKG Group supports children development by encouraging them take active part in physical, creative and entertainment activities and helping them to be equipped with creativity, imagination, self esteem, passion, perseverance and patience.





Society Cultural Herrytage



The DKG Group contributes to Cultural Heritage by taking active part as a co-founder to the Cultural Foundation "Methexis", that founded to meet the needs and beliefs of founders and its members who place as protractor the quality, culture, participation and cooperation and aims to the universality of the individual and the art of everyday life «The daily art of living».

For more please visit : www.m-f.gr & www.ekthesisyrako.blogspot.com/

"Orizontas" and "En Xoro" are two television show series that aims to educate and entertain those who are seeking adventure or cultural treasure. The "Orizontas" TV show based on natural beauty sides of physical activities and places around Greece. The "En Xoro" TV Show seek to preserve and exploit the rich cultural heritage of Epirus.

For more please visit: www.orizontas.org, www.enxoro.gr
& www.youtube.com/user/enxoro

ANTI - CORRUPTION

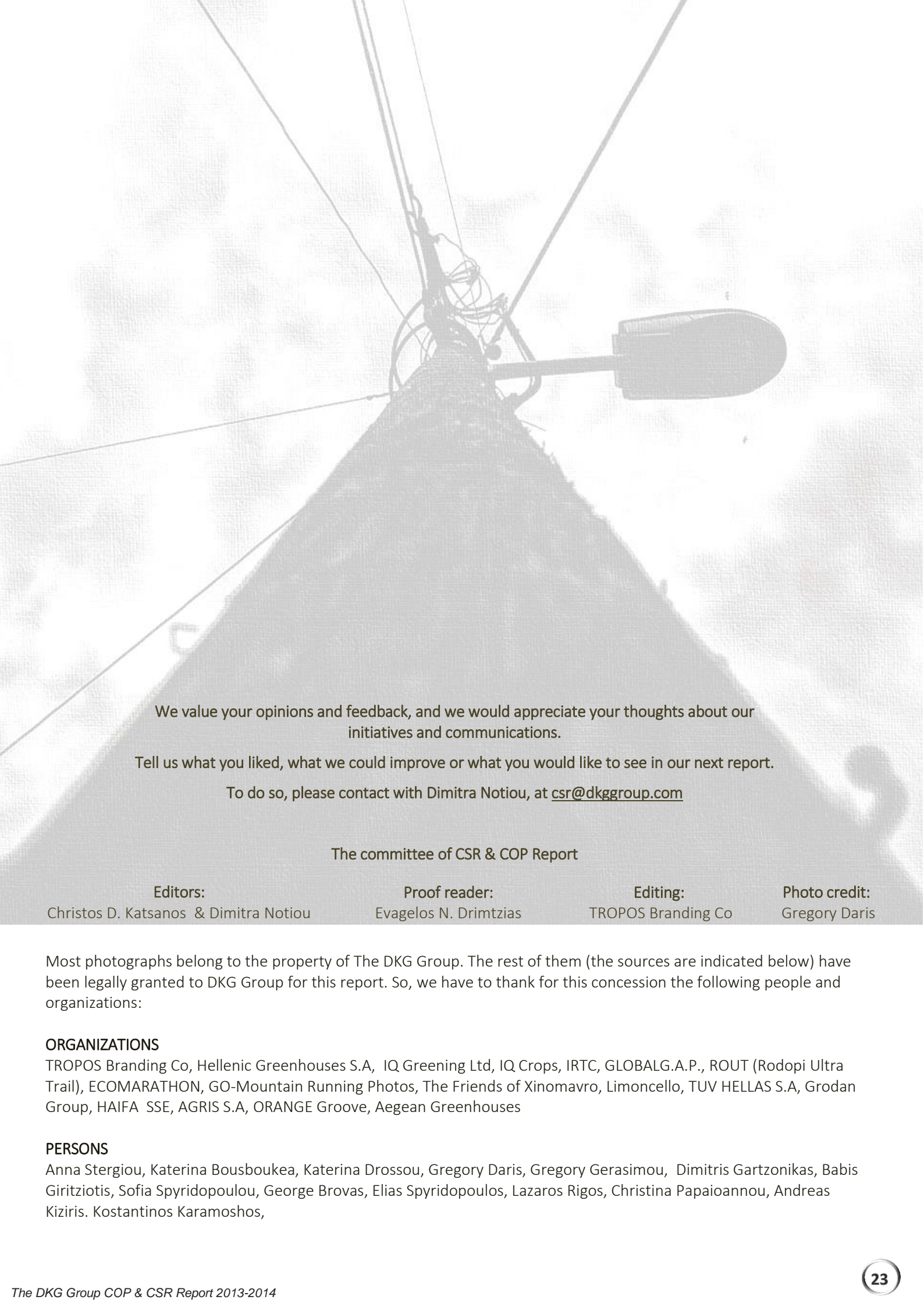
Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

Our Group's long-standing commitment to doing business with integrity means avoiding corruption in any form, including bribery, and complying with the anti-corruption laws of every country in which we operate.

The Group's Code of Business Conduct and Anti-Bribery Policy provide guidance on how to conduct business in a fair, ethical and legal manner.

We conduct periodic anti-bribery assessments and audits of our business to raise overall awareness, detect potential misconduct and monitor compliance with anti-corruption laws and policy. We continue to leverage opportunities to share learnings and successful practices across our system.



We value your opinions and feedback, and we would appreciate your thoughts about our initiatives and communications.

Tell us what you liked, what we could improve or what you would like to see in our next report.

To do so, please contact with Dimitra Notiou, at csr@dkggroup.com

The committee of CSR & COP Report

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ORGANIZATIONS

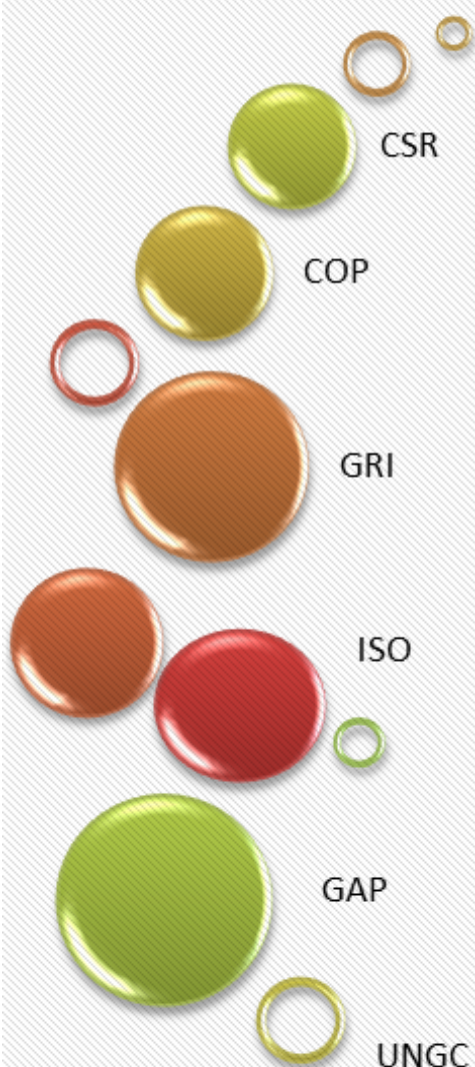
TROPOS Branding Co, Hellenic Greenhouses S.A, IQ Greening Ltd, IQ Crops, IRTC, GLOBALG.A.P., ROUT (Rodopi Ultra Trail), ECOMARATHON, GO-Mountain Running Photos, The Friends of Xinomavro, Limoncello, TUV HELLAS S.A, Grodan Group, HAIFA SSE, AGRIS S.A, ORANGE Groove, Aegean Greenhouses

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How we intend to make this CSR available to our Stakeholders

- ✓ DKG's COP & CSR will be published on the UN Global Compact website <http://www.unglobalcompact.org/>
- ✓ DKG's COP & CSR will be published on the DKG Group website <http://www.dkggroup.com/>
- ✓ DKG's COP & CSR will be published on the DKG Group CSR Website <http://csr-dkggroup.com/>
- ✓ DKG's COP & CSR will be sent via e-mail to all our employees



Abbreviations

| | |
|----------------|---|
| AGRO 2.1 & 2.2 | Standard (<i>Hellenic certification scheme for agriculture enterprises</i>) |
| COP | Communication on Progress |
| CSR | Corporate Social Responsibility |
| GRI | Global Reporting Initiative |
| IPM | Integrated Pest Management |
| IRTC | International Research and Training Centre for Sustainability |
| ISO | International Organisation for Standardisation |
| G.A.P. | Good Agricultural Practices |
| UNGC | United Nations Global Compact |



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