



ESG STRATEGY

2024



**CRAFTING EXCEPTIONAL
COMMERCIAL PROPERTIES:
EMPOWERING
NEW MARKET LEADERS**

THE BEAUTY IS **IN NATURE**

Since its creation in 2015, Alterra has been striving to build highly functional and beautiful real estate that would meet its clients' demands whilst respecting the environment and serving the needs of society.

Our ambition is to build facilities that reflect the Do No Significant Harm principle and enhance the site's natural features.

Alterra's main goal is to align with the European ESG principles and standards and become a beacon of sustainability in Ukraine.

We are building the real estate for the new leaders of the future, those who care about the environment and demand sustainability in every aspect of their lives and businesses.



WE TAKE CARE OF **THE NATURE**

Our ability to understand the needs of local communities makes us a trusted partner for projects of any scale, including massive commercial properties. And a unique combination of broad experience, local expertise, and strong belief empowers us to take up more challenges.

The next challenge we are ready to face is ensuring a high level of sustainability within our company and at our sites.

We believe this is an inevitable challenge for all Ukrainian businesses, which will bring prosperity to our country.

With the collective knowledge and expertise of 120+ employees and partners, we are building a better society, creating innovative and sustainable solutions while continuing to build beautiful benchmark projects.



ESG WAS INBUILT IN OUR VISION BEFORE IT BECAME MAINSTREAM

At Alterra Group, our commitment to ESG principles has been ingrained in our ethos for years. We have proactively implemented sustainable practices, such as the installation of solar panels on the roofs of our buildings for increasing energy efficiency and reducing carbon emissions.

Even before our strategy was set up, we recognized the importance of restoring local ecosystems instead of formalizing. Notably, our initiative to revive a once-neglected lake at the Port location exemplifies our commitment to ecological restoration.

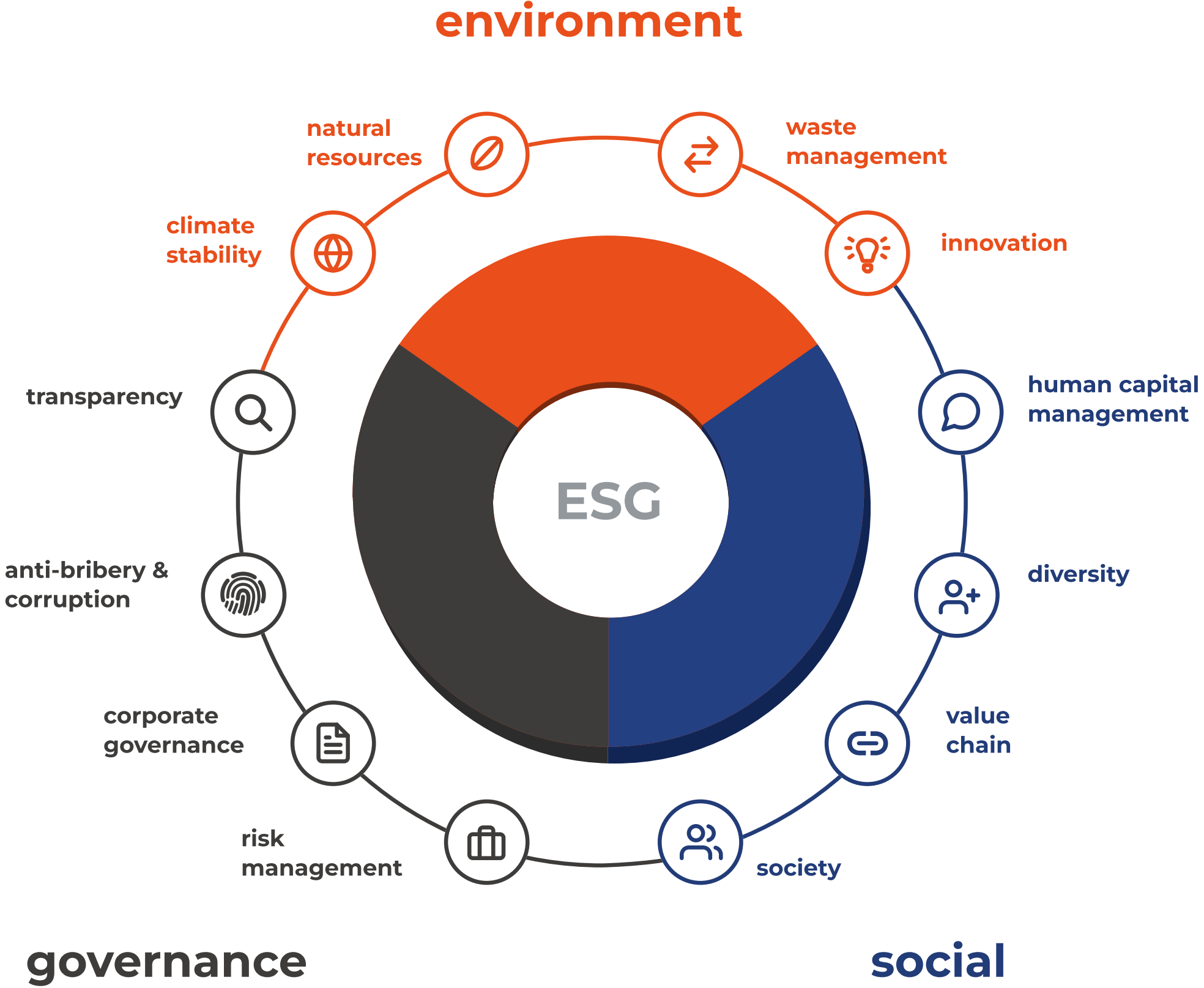
Moreover, our Prostir Warehouse Project stands as a testament to our commitment to creating inclusive spaces in Ukraine. By pioneering the first inclusive warehouse project in the country, we demonstrate our dedication to providing accessible and equitable opportunities for all members of society.



CREATING LONG-TERM VALUE

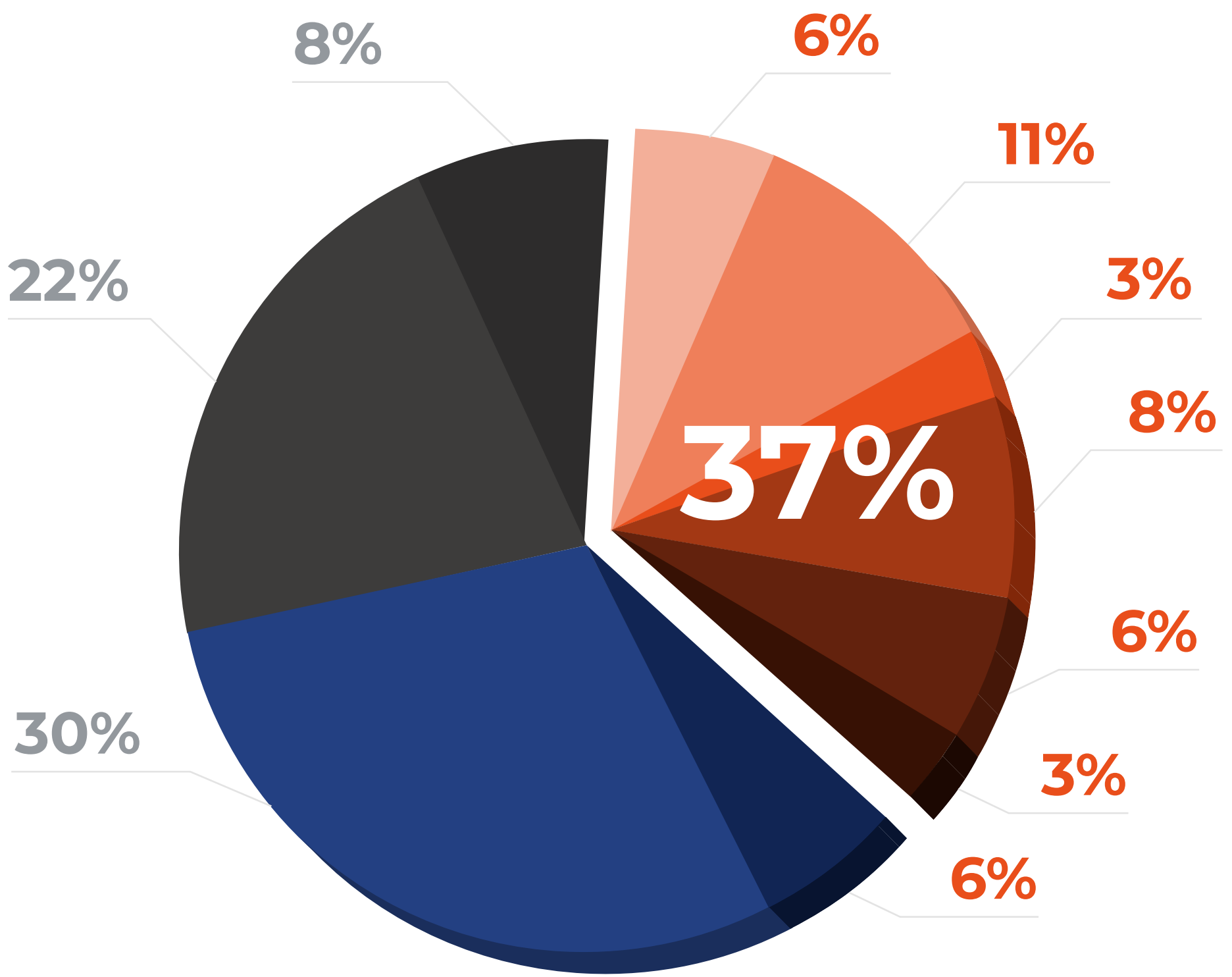
At Alterra, we always aim to participate in long-term global trends such as urbanization, cluster creation, and transition to a more sustainable construction environment. However, due to living at very challenging times, the only thing we can do is try to stay stable, persistent, and sustainable.

Current EU politics reflect our concerns regarding various environmental and social problems. That is why we adopted EU ESG standards as a part of the company's policies and challenges for Alterra's future development.



Considering the industry we are working in and admitting that we add to the world's pollution, our first goal is to reduce the environmental impact we make while working on construction sites.

We strongly believe that a fully sustainable future is only possible if all of us become united by a single goal - making our planet a better, cleaner, and safer place to live in.



Environmental impact

- residential (direct)
- residential (indirect)
- non-residential (direct)
- non-residential (indirect)
- building construction industry - concrete, aluminium and steel
- estimated emissions for bricks and glass
- other building and construction industry
- other industry
- transport
- other

ESG STRATEGY OBJECTIVES

Key objectives of fulfilling the goals of this ESG strategy:

- Limitation of the temperature rise to +1.5 °C.
- 50% decrease of CO2 emissions by 2030.

Business goals of this ESG strategy:

- Achieve ESG business standards both internally and with the external environment.
- Bring business policies and practices closer to the EU standards.

We have divided all our goals and tasks in two main categories: Environmental tasks and Taxonomy alignment tasks.



ENVIRONMENTAL TASKS

- Calculate the carbon footprint and reduce it in terms of reduce Scope 1 and Scope 2 by 5%.
- Develop a scheme for calculating CO2 emissions in terms of Scope 3.
- Increase the energy efficiency of the existing sites by 10%.
- Organize waste sorting at key facilities and construction sites up to 70%.
- Encourage employees to use CO2 Zero transport.
- Bringing the lake back to life at the Port site.
- Plant 100 trees on the territory of the existing facilities.



ENVIRONMENTAL TAXONOMY TASKS

- Assess the energy efficiency of key facilities.
- Bring PED (Primary Energy Demand) Basic Energy Consumption closer to the EU country standards at all key facilities.
- Conduct air tightness assessment of the existing facilities.
- Bring water pressure in the buildings to Taxonomy standards.
- Reduce impact on biodiversity by regulating night lighting.



SOCIAL TASKS

- Facilitate skill improvement among employees in the following areas: learning English.
- Disseminate ESG standards to clients
- Ensure the financial security of the product by providing a guarantee to residents for 5 years
- Enhance privacy and security of information by developing a system and labeling types of information
- Develop a supplier evaluation system to avoid conflicting sources and ensure supply chain transparency
- Organize efficient interaction with the Union of Veterans, the Federation of Employers and Vocational and Technical Educational Institutions
- Create a system of providing loans/financial assistance to employees
- Increase the percentage of employees with insurance, organize medical examinations



SOCIAL TAXONOMY TASKS

- Ensure equal gender conditions for all company employees. Achieve 100% tolerance rate towards representatives of other nationalities, race, and sexual orientation.
- Enhance safe working conditions and achieve a zero rate of injuries at a workplace.
- Adhere to the standards set forth in the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Principles for Responsible Investment (UNPRI), the OCED Guidelines for Multinational Enterprises, the UN Global Compact and the International Convention Framework.



ALTERRA GROUP PEOPLE

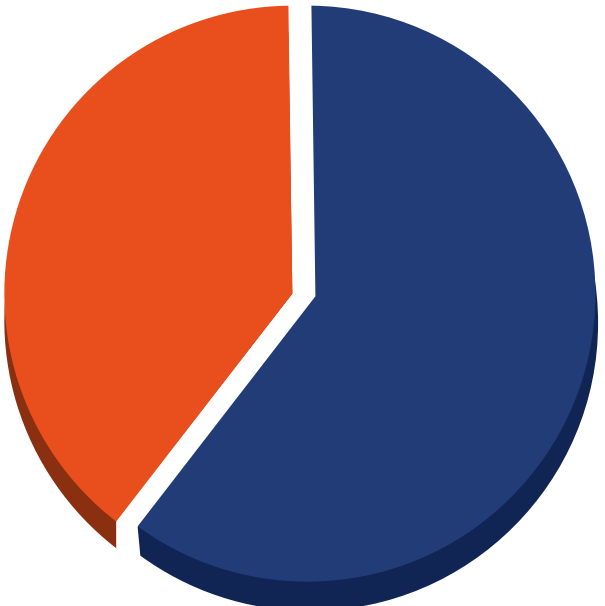
Our greatest asset is our diverse and dedicated team of over 120 employees. We foster an inclusive work environment where national, age and gender discrimination have no place.

At Alterra, everyone's voice is valued, and every individual is empowered to contribute their unique perspectives and talents to our projects. Our commitment to creating a culture of respect and equality ensures that all employees feel supported, appreciated, and motivated to excel in their roles. As a result, our team is not just a workforce but a community united by a shared passion for sustainability and a collective drive to make a positive impact in the world.



Employees gender scope

- male 48.74%
- female 51.26%



Top-management gender scope

- male 60.00%
- female 40.00%

GOVERNANCE TASKS

- Ensure the high level of business transparency by conducting business within the framework of tax legislation.
- Start creating annual Public Reports of the companies and prepare the 2024 Public Report.
- Develop an ESG-based remuneration system for top management.
- Standardize the principles of Responsible Investment: Incorporate ESG goals into investment analysis and decision-making processes by developing a system of "red lines" for investment decisions.
- Standardize the principles of Responsible Investment: Incorporate ESG goals into our ownership policies and practices.



WE ARE BUILDING THE FUTURE

Alterra is committed to embracing ESG principles to foster sustainability within our operations. By integrating these principles into our business practices, we aim to minimize environmental impact, prioritize the well-being of communities, and uphold ethical standards across all aspects of our projects.

Our dedication to ESG not only aligns with our values but also positions Alterra as a leader in responsible construction, driving positive change in the industry and creating a better future for generations to come.

Together, let's build a world where sustainability is not just a goal but a fundamental pillar of success.

