

**ETALON GROUP PLC**

**ESG Policy**

**Adopted on 14 December 2021**

## 1. General provisions

This Policy is a public document, and it specifies the uniform principles, approaches and areas of activity of Etalon Group PLC as well as Etalon Group company AO and other legal entities directly or indirectly controlled by Etalon Group company AO (hereinafter “**Etalon Group**” or “**Group**”) related to sustainable development, including issues of social and environmental responsibility as well as transparency in disclosing information about the Group’s strategy and corporate governance practices. The development and implementation of this Policy will help streamline the Group’s ESG-related activities (sustainability factors and risks) and meet the goals of improving the quality of the management thereof, business transparency and the impact of interaction with stakeholders, while strengthening the Company’s reputation and improving its investment case.

## 2. Terms and definitions

**Accountability** – the totality of the following elements:

- (A) compliance with legal requirements, standards, codes, principles, strategies and other voluntary commitments;
- (B) willingness to respond to issues of concern to stakeholders and to take appropriate corrective or preventive measures;
- (C) publication of reports on key topics in line with requests for information from stakeholders;
- (D) responsibility to stakeholders for decisions and activities.

**Company** – Etalon Group PLC.

**ESG (Environmental, Social and Corporate Governance)** – sustainability factors and risks (environmental protection, social development and corporate governance) that the Company takes into account in the process of making management and investment decisions.

**Etalon Group (“Group”)** – Etalon Group PLC, Etalon Group company AO and other legal entities directly or indirectly controlled by Etalon Group company AO.

**GRI Standards** – uniform standards and recommendations for the preparation of non-financial reports, developed by the international organisation Global Reporting Initiative.

**Interaction with stakeholders** – processes carried out within the Company to engage stakeholders in Etalon Group’s activities and to take their opinions into account when making decisions for achieving agreed targets.

**Non-financial reporting** – the totality of data and indicators reflecting the goals, approaches and results of companies’ activities in relation to all substantive issues of social responsibility and sustainability.

**NPS (Net Promoter Score)** – a measure that determines the level of customer loyalty – that is, customer loyalty to a product, company or brand – and their willingness to recommend a product/brand.

**Regions of operations** – the geographic areas in which Etalon Group operates.

**Stakeholder** – a group that can influence a company’s activities or, on the contrary, is able to be influenced by a company’s activities, the products it produces or the services it provides and related actions (AccountAbility’s AA1000 Stakeholder Engagement Standard [AA1000SES]).

**Sustainable development** – development that meets the needs of the present without undermining opportunities for future generations (ISO 26000:2010).

**UN Sustainable Development Goals (SDGs)** –17 sustainable development goals developed by the UN General Assembly to protect and improve the well-being of the planet.

### **3. Goals, objectives and principles of the ESG Policy**

- 3.1. The Group is aware of its responsibility for the economic, social and environmental consequences of its activities, and it carries out a set of measures to minimise its negative impact on the environment and society, as well as to promote the sustainable development of the regions where it operates.
- 3.2. Etalon Group’s ESG activities are aimed at positive changes inside and outside the Group, which is in line with the strategic interests of increasing business transparency and closer dialogue with society to increase the mutual benefits of cooperation.
- 3.3. A responsible approach to ESG issues is one of the key elements of Etalon Group’s corporate behaviour and helps to bolster its reputation and reduce strategic and operational risks, which ultimately helps to increase capitalisation and create value for a wide range of stakeholders.
- 3.4. The implementation of this Policy helps achieve the following objectives:
  - (A) establishing the basis for a centralised ESG management system within Etalon Group;
  - (B) developing specific and measurable ESG goals and integrating these goals and associated risks into the Company’s strategy and into the process of making operational decisions;
  - (C) expanding and improving ESG practices within Etalon Group and its subsidiaries, promoting a responsible approach to social and environmental issues and standards for disclosing information on corporate governance practices among Etalon Group partners;
  - (D) ensuring the transparency of Etalon Group’s activities by improving non-financial reporting in accordance with international standards, as well as through continuous monitoring of the effectiveness of ESG activities.
- 3.5. The Company’s ESG Policy is based on the following principles:
  - (A) compliance with the requirements of applicable laws and the obligations undertaken by Etalon Group, and responsibility for the consequences of the Group’s actions;
  - (B) observance of human rights and respect for the worth and dignity of human beings;
  - (C) information transparency;
  - (D) accountability: Etalon Group strives to disclose information about its policies, decisions and activities in an accurate, transparent manner and to a reasonable and

sufficient degree; and to publish, on a regular basis, reports on the impact of the Group's activities on society, the environment and the development of the regions where it operates;

- (E) open dialogue with stakeholders, taking into account their interests and expectations when making management decisions;
- (F) implementation of ESG initiatives mainly in the regions of operations, taking into account the specifics and needs of and the strategic orientation for the development of these regions;
- (G) an assessment of the performance of Etalon Group's ESG activities and continuous improvement thereof.

#### **4. ESG-related operations management and activity planning**

##### 4.1. ESG management system

- (A) Etalon Group's ESG management system is based on adherence to high standards of corporate governance, environmental protection and the prioritisation of the long-term development goals of our business and society.
- (B) The principles for managing ESG issues are reflected in Etalon Group's standards and policies.
- (C) Management of ESG-related activities is carried out within the framework of the general system for managing the Company's activities and is an integral part thereof.
- (D) Strategic ESG-related issues are under the purview of the Investor Relations and Information Disclosure Committee of Etalon Group PLC's Board of Directors.
- (E) The role of the Investor Relations and Information Disclosure Committee is to support the Board of Directors in the development and implementation of an ESG strategy and the preparation of reports on sustainable development, including methodological support for data collection. The Investor Relations and Information Disclosure Committee may engage the employees of subsidiaries to perform ESG-related tasks.
- (F) The day-to-day management of ESG-related issues is carried out by the President of Etalon Group company AO and his deputies in the relevant areas of business development.
- (G) The implementation of a strategy, policies and processes in various areas of sustainable development at the level of individual subsidiaries is the responsibility of specialised divisions.

##### 4.2. Planning

- (A) In order to implement the provisions of this Policy, corresponding documents are developed and applied at each planning level. At the same time, this Policy is the main document specifying the Group's sustainability goals.

- (B) Specific ESG-related objectives and activities are established by business plans and programmes for the subsequent calendar year for the Group’s individual subsidiaries and structural divisions.

#### 4.3. Oversight

The internal control and audit system is used to oversee compliance with legal requirements and the Group’s internal policies.

### 5. Stakeholder engagement

5.1. Etalon Group considers the basis of its success to be trust on the part of its stakeholders, as expressed through increased employee and customer loyalty, brand recognition and increased investment in Etalon Group’s GDRs. In connection with the above, the Group attaches great importance to regular interaction with all major stakeholder groups.

5.2. The Group’s main stakeholder groups are:

- (A) clients;
- (B) staff;
- (C) business partners: customers, suppliers and contractors;
- (D) Etalon Group shareholders and institutional investors;
- (E) society.

5.3. When interacting with stakeholders, Etalon Group adheres to the goals, objectives and principles listed in para. 3 of this Policy, and is also guided by the provisions of the ISO 26000:2010 international standard and the recommendations set out in AccountAbility’s AA1000 Stakeholder Engagement Standard (AA1000SES).

5.4. The Group’s approach to engaging with various stakeholder groups is presented below:

| Goals of engagement   | Main situations involving engagement  | Methods of engagement and areas for development  |
|---|---|--|
| <i>a) Customers</i>   |   |  |
| <ul style="list-style-type: none"> <li>- disseminating information about Etalon Group’s product</li> <li>- expanding the Group’s client base and increasing its NPS</li> <li>- improving the customer experience</li> <li>- analysing customer needs to improve the product and services</li> </ul> | <ul style="list-style-type: none"> <li>- advertising and marketing Etalon Group’s product</li> <li>- presale and aftersales service</li> <li>- processing communications</li> </ul> | <ul style="list-style-type: none"> <li>- interaction with customers via a hotline, social-media platforms, directly in sales offices or by e-mail</li> <li>- using advertising channels for interaction with the target audience</li> <li>- customisation of information channels and customer offers</li> <li>- refining our sales system</li> <li>- making engagement more effective by reducing the proportion of lost calls and processing time</li> <li>- using advanced technologies to analyse and assess consumer preferences</li> <li>- improving the system for analysing and recording communications to identify the most in-demand housing</li> </ul> |

| Goals of engagement   | Main situations involving engagement   | Methods of engagement and areas for development   |
|---|--|---|
|   |  | formats, their features and related services<br>- improving approaches and technologies to improve the quality of construction and services<br>- developing B2C services and mobile applications that simplify customers' access to services  |
| <i>b) Employees</i>   |  |   |
| <ul style="list-style-type: none"> <li>- attracting the most qualified candidates who are capable of sharing our values and making a significant contribution to Etalon Group's development</li> <li>- ensuring health and safety, professional growth and equal opportunities for all employees</li> <li>- creating a comfortable working atmosphere</li> <li>- transparency of the Group's strategy and goals for employees</li> </ul>    | <ul style="list-style-type: none"> <li>- recruitment and hiring</li> <li>- personnel management</li> </ul>   | <ul style="list-style-type: none"> <li>- using a variety sites to recruit and hire employees</li> <li>- collaborating with specialised universities that train specialists and offer practical experience in the industry</li> <li>- improving the personnel policy to make the Group more attractive as an employer</li> <li>- constantly improving the occupational health and safety systems;</li> <li>- onboarding and social support programmes, as well as financial and non-financial incentives for employees</li> <li>- training programmes for employees</li> <li>- implementing an anti-discrimination policy in accordance with legal requirements and Etalon Group by-laws</li> <li>- distributing important information via the corporate network and e-mail</li> </ul> |
| <i>c) Business partners: suppliers and contractors</i>  |  |   |
| <ul style="list-style-type: none"> <li>- long-term mutually beneficial cooperation that creates an opportunity to achieve operational efficiency and, as a result, excellent operating and financial results</li> <li>- development of expertise in carrying out industrial and residential construction projects</li> <li>- development, adaptation and distribution of new approaches and innovations among industry companies</li> </ul> | <ul style="list-style-type: none"> <li>- general contracting activities</li> <li>- supply of materials and equipment, interaction with contractors during the implementation of development projects</li> <li>- partnership in the application of new technologies and approaches to construction</li> </ul> | <ul style="list-style-type: none"> <li>- a Group policy to combat corruption and violations of antimonopoly laws</li> <li>- maintenance and continuous improvement of the quality control system for incoming materials and equipment</li> <li>- development and improvement of policies and approaches related to responsible supply chains: maintaining high standards for the quality of industrial facilities and housing projects under construction by improving construction technologies and incorporating innovations</li> <li>- establishment and improvement of our own avenues of research and development (R&amp;D)</li> <li>- application and dissemination of advanced technologies to find more efficient and ergonomic solutions, as</li> </ul>                      |

| Goals of engagement  | Main situations involving engagement   | Methods of engagement and areas for development  |
|--|--|--|
|  |  | well as to control quality and timing throughout the entire project cycle<br>- sharing the Company's own know-how through exchanges of experience and a system of B2B services   |
| <i>d) Etalon Group shareholders, institutional investors and interested parties</i>  |  |  |
| <ul style="list-style-type: none"> <li>- increasing Etalon Group's investment appeal</li> <li>- ensuring Etalon Group's success in capital markets</li> </ul>  | <ul style="list-style-type: none"> <li>- information disclosure</li> <li>- face-to-face and remote communication with the specified groups of investors and shareholders: participating in conferences, organising roadshows and visits to construction sites, holding meetings and conference calls</li> <li>- General Meeting of Shareholders</li> </ul> | <ul style="list-style-type: none"> <li>- timely disclosure of all necessary information about operating and financial results, important corporate events and stages of project implementation;</li> <li>- publication of annual reports, press releases, presentations and other current information;</li> <li>- improvement of the Company's communications policy</li> <li>- improvement of non-financial reporting</li> <li>- informing stakeholders about Etalon Group's targets, development plans and initiatives</li> <li>- conducting surveys and studies to assess shareholder opinions and expectations (perception study)</li> <li>- refining the Group's development strategy with due consideration for the interests of investors and the most promising areas for business growth</li> <li>- the adoption and maintenance of a clearly communicated dividend policy</li> </ul> |
| <i>e) Society</i>  |  |  |
| <ul style="list-style-type: none"> <li>- creating a comfortable urban environment</li> <li>- playing a role in the development of the regions of operations, including by creating jobs and improving the living conditions of the populace</li> <li>- protecting the environment and combating climate change and its impact</li> </ul> | <ul style="list-style-type: none"> <li>- implementing development projects</li> <li>- carrying out environmental and charitable activities as well as projects aimed at the development of local communities</li> </ul>  | <ul style="list-style-type: none"> <li>- creating infrastructural assets as separate projects as well as in the context of the implementation of multifunctional residential complexes or for integrated development projects</li> <li>- study and incorporation into Etalon Group's projects of state-of-the-art approaches to planning residential and public space</li> <li>- continuously improving the quality of design and construction, and incorporating innovations</li> <li>- ensuring strict compliance with the requirements of Russian environmental laws and the application of additional environmental measures, including environmental impact assessments and measures to limit the environmental impact at all stages of a project</li> <li>- developing and incorporating approaches and technologies that contribute to the efficient use of resources</li> </ul>        |

| Goals of engagement | Main situations involving engagement | Methods of engagement and areas for development  |
|---------------------|--------------------------------------|--|
|                     |                                      | - investing in the development of regions of operations: restoring historical monuments, and supporting and organising cultural and sporting events as well as charitable programmes |

## 6. Sustainability-related priorities

6.1. In developing its ESG Policy, strategy, activities and approaches, Etalon Group is guided by the UN Sustainable Development Goals, the interests of stakeholders and its assessment of industry risks and impacts. Taking into account its main groups of stakeholders, its business profile and its own capabilities, the Group has identified five of the 17 UN Sustainable Development Goals that it considers priorities:

- (A) good health and well-being;
- (B) industry, innovation and infrastructure;
- (C) sustainable cities and communities;
- (D) responsible consumption and production; and
- (E) climate action.

6.2. The Group's key sustainable development goals may change as it improves its ESG strategy and as specific measurable targets are established.

6.3. In accordance with the selected key goals, the Group carries out ESG activities in the following main areas:

(A) **Promotion of social and economic development and well-being of the regions where it operates**

Etalon Group is aware of its business responsibility to its customers and local communities. In this regard, one of Etalon Group's main activities is to sustain economic growth and improve the quality of life of the populace in the regions where it operates: the creation of high-quality residential and social infrastructure, the reconstruction of historical monuments, support for cultural and sporting events, charitable activities, promotion of healthy lifestyles and job creation through Etalon Group's expansion as well as through the implementation of integrated development projects and the construction of commercial infrastructure.

(B) **Environmental protection**

The Group strives to reduce the negative impact of its activities on the environment and to adopt best practices in taking an environmentally friendly approach to construction, including, but not limited to, environmental protection measures at all stages of the implementation of development projects, the use of state-of-the-art resource-efficient utility systems and more environmentally friendly materials, design

that takes into account the optimal level of energy efficiency and respect for the environment during the operation of buildings, and improvement of adjacent grounds.

**(C) Responsible production and development of a high-quality product in line with sustainability requirements**

The Group is taking steps to more broadly incorporate models of consumption and production that meet the key requirements of target groups of consumers in terms of quality and of functional, emotional and other product features in a particular segment but that, at the same time, call for the most efficient use of resources and minimise the use of materials and technologies that have an adverse impact on the environment.

**(D) Incorporation of innovations**

Etalon Group attaches importance to the development and incorporation of innovations to improve business processes, shorten the production cycle and improve the safety thereof, reduce the burden on the environment, and increase the consumer appeal of and demand for its product, which in turn should increase the Group's competitive advantages and its commercial success.

**(E) Ensuring occupational safety**

Etalon Group considers its employees to be one of the main components of successful business development and pays special attention to maintaining their health and safety. The Group carries out multi-tiered monitoring of the occupational health and safety systems at its construction sites, constantly improves these systems and takes additional measures to maintain the health of its employees and develop a safety culture.

**(F) Staff development and retention**

Etalon Group's personnel management strategy focuses on improving its performance by recruiting, developing and retaining talented employees. The Group provides employees with a variety of opportunities for professional and career development: competitive salaries and career planning, performance bonuses, training and professional development programmes using its own or third-party educational platforms, as well as non-financial incentives and various benefits.

**(G) Providing equal opportunities**

Etalon Group adheres to a policy of zero tolerance for discrimination on the basis of age, skin colour, ethnicity, sex or any other basis and makes every effort to ensure that career opportunities at Etalon Group depend solely on an employee's personal and professional qualifications. The Group strives to maintain in all its subsidiaries and divisions a corporate culture based on mutual respect for all employees and their active participation in the life of Etalon Group.

**(H) Developing human resources for the construction industry**

Etalon Group sees its task as developing young professionals with the necessary knowledge and skills to work in the construction industry. In order to develop human resources for the industry, the Group collaborates with leading universities to carry out educational programmes and research projects, offers students opportunities to

gain workplace experience, gives lectures and participates in other educational and training events.

(I) **Implementation and promotion of an ethical approach to doing business, and combating corruption and fraud**

In its activities, Etalon Group is guided by regulatory requirements and high standards of ethical behaviour; ensures the fair selection of suppliers and contractors; seeks to work with counterparties that have an impeccable reputation and to comply with legal and generally accepted norms of corporate and business ethics and other sustainability requirements; conducts internal audits and uses a hotline on corruption, fraud and violations of corporate ethics as an additional tool for monitoring compliance with legal and ethical standards.

**7. Non-financial reporting (see the list of non-financial disclosures in Annex 1 to this Policy)**

7.1. Etalon Group strives to ensure that information on the results of its sustainability activities is accessible and thorough by posting relevant information on its websites and publishing non-financial reports along with the Group's annual report.

7.2. The annual release of non-financial reports complies with the provisions of this Policy as well as the applicable laws of Cyprus and the Russian Federation regarding the disclosure of non-financial information.

7.3. The main principles for the preparation of non-financial reporting include:

- (A) publication of Etalon Group's sustainability reports on an annual basis to inform stakeholders;
- (B) preparation of these reports in accordance with, but not limited to, GRI Standards (as of the date of approval of this Policy), and giving due consideration to the best Russian and international sustainability experience, including the principles of the UN Global Compact;
- (C) timely posting of reports on Etalon Group's website for the purposes of informing stakeholders;
- (D) improvement of approaches to reporting in response to changes in the system used for planning and implementing Etalon Group's sustainability-related activities and the information needs of stakeholders.

**8. Further steps**

In the context of implementing its ESG Policy, the Group plans to:

8.1. improve its system for collecting, consolidating and keeping records on non-financial information;

8.2. expand its list of non-financial information for disclosure by including previously unpublished indicators, where appropriate (see the list of indicators in Annex 2 to this Policy);

- 8.3. set specific ESG goals consistent with the main UN Sustainable Development Goals selected by the Company and listed in para. 6.1;
- 8.4. regularly monitor progress towards the achievement of established goals;
- 8.5. review the selection of the main UN Sustainable Development Goals corresponding to the Group's development strategy, as necessary, but at least once every two years;
- 8.6. review, on an annual basis, the specific ESG goals mentioned in para. 8.3;
- 8.7. improve activities in the areas of sustainability and non-financial reporting based on stakeholder engagement, best practices and changes in ESG reporting standards.

## **9. Final provisions**

- 9.1. This Policy is a permanent by-law.
- 9.2. Compliance with the principles of this Policy is mandatory for all employees of Etalon Group.
- 9.3. This Policy may be approved, amended or terminated by a decision of the Board of Directors
- 9.4. This Policy shall enter into force as of the moment it is approved.
- 9.5. Oversight and responsibility for compliance with the provisions of this Policy rests with the Investor Relations and Information Disclosure Committee.
- 9.6. Other ESG-related by-laws adopted by Etalon Group shall not contravene the provisions of this Policy.
- 9.7. This Policy shall be subject to review at least once every two years and also in response to legislative amendments in order to comply with new legislative norms.

## Annex 1

### to ETALON GROUP PLC ESG Policy

#### LIST OF NON-FINANCIAL DISCLOSURES

| No.                         | Parameter                        | Description  | Standard   |
|-----------------------------|----------------------------------|--|--|
| <b>General disclosures</b>  |                                  |  |  |
| 1                           | Organisation's profile           | Business model, geography of operations, target markets and segments, project portfolio, organisational and legal form and ownership structure, scope of activities, headcount                       | GRI 102: General Disclosures                           |
| 2                           | Strategy                         | Statements from the Chairman of the Board of Directors and the CEO, including information on the Group's approach to ESG factors; main risks and opportunities                                       | GRI 102: General Disclosures                           |
| 3                           | Corporate values and principles  | Key principles, values and corporate standards, mechanisms for fulfilling the Group's ethical principles and monitoring compliance with said principles (consulting, training, reporting violations) | GRI 102: General Disclosures; GRI 205: Anti-corruption |
| 4                           | Reporting                        | Reporting period, list of material topics, index of GRI standards  | GRI 102: General Disclosures                           |
| 5                           | Material topics                  | Description of material topics and approach to managing them   | GRI 103: Management Approach                           |
| <b>Environmental issues</b> |                                  |  |  |
| 6                           | Materials                        | Total amount of building materials used  | GRI 301: Materials                                     |
| 7                           | Energy consumption               | Consumption of electricity, gasoline, diesel and natural gas   | GRI 302: Energy  |
| 8                           | Water usage                      | Volume of water withdrawn and discharged, sources of water used  | GRI 303: Water and Effluents                           |
| 9                           | Industrial waste                 | Total volume of waste, volume directed for disposal  | GRI 306: Waste   |
| 10                          | Violations of environmental laws | Fines for non-compliance with environmental laws and regulations   | GRI 307: Environmental Compliance                      |
| <b>Social topics</b>        |                                  |  |  |
| 11                          | Employment                       | Benefits provided to full-time employees; parental leave statistics  | GRI 401: Employment                                    |
| 12                          | Labour-management relations      | Minimum notice periods regarding substantial operational changes   | GRI 402: Labour/Management Relations                   |
| 13                          | Occupational health and safety   | Occupational health and safety system, hazard identification, risk assessment and  | GRI 403: Occupational                                  |

|                             |  |   |  |
|-----------------------------|--|---|--|
|                             |  | incident investigation, training on occupational health and safety and work-related injuries  | Health and Safety                        |
| 14                          | Training and education   | Average hours of training, programmes for upgrading employees' skills   | GRI 404: Training and Education          |
| 15                          | Gender equality  | Diversity of employees (by gender and age), including executive positions   | GRI 405: Diversity and Equal Opportunity |
| 16                          | Non-discrimination   | Incidents of discrimination and corrective actions taken by Etalon Group  | GRI 406: Non-discrimination              |
| 17                          | Local communities  | Community engagement, impact assessments and development programmes   | GRI 413: Local Communities               |
| <b>Corporate governance</b> |  |   |  |
| 18                          | Composition of the Board of Directors and Chairman of the Board of Directors | Composition of the Board of Directors and its committees; independence of the Chairman of the Board of Directors; functions of the Board of Directors in the development and approval of Etalon Group's mission, values, policies and goals | GRI 102: General Disclosures             |
| 19                          | Board of Directors' remuneration   | Policy on remuneration payable to members of the Board of Directors   | GRI 102: General Disclosures             |
| 20                          | Stakeholder engagement   | Key stakeholder groups and the Group's approach to engaging with them   | GRI 102: General Disclosures             |

## Annex 2

### to ETALON GROUP PLC ESG Policy

#### LIST OF ADDITIONAL NON-FINANCIAL INFORMATION TO BE DISCLOSED

| No.                  | Parameter   | Description   | Standard   |
|----------------------|---|---|--|
| <b>Environment</b>   |   |   |  |
| 1                    | Greenhouse gas emissions (CO <sub>2</sub> )         | The Group's approach to the management of greenhouse gas emissions; the volume of greenhouse gas emissions (CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, etc.) by scopes 1, 2 and 3; the Group's measures to reduce greenhouse gas emissions and the results of such measures  | GRI 305: Emissions                                       |
| 2                    | Pollutant emissions                                 | Volume of emissions into the atmosphere of NO <sub>x</sub> , SO <sub>x</sub> and other pollutants   | GRI 305: Emissions                                       |
| 3                    | Water consumption                                   | Volume of water withdrawn, including from natural sources, from municipal water supply systems and from other sources; volume of water reused; wastewater discharge   | GRI 303: Water and Effluents;<br>SASB Real Estate        |
| 4                    | Waste production                                    | Waste volume by hazard classes (classes I–V); methods of waste management: volume recycled, disposal, incineration, disposal at a landfill, transfer to third parties, etc.   | GRI 306: Waste   |
| 5                    | Energy efficiency                                   | Total amount of energy saved from activities, technologies and initiatives aimed at improving energy efficiency; energy-efficiency performance of buildings in the Group's project portfolio  | GRI 302: Energy<br>SASB Real Estate                      |
| 6                    | Environmentally friendly technologies and materials | Volume of building materials used, including those subject to recycling and reuse   | GRI 301: Materials                                       |
| 7                    | Violations of environmental laws, penalties         | Information on violations of environmental laws and penalties for said violations, including the amount of environmental fees, fines and overdue-payment surcharges for non-compliance with environmental regulations, total amount of non-monetary fines and number of orders, and the total number of lawsuits brought against Etalon Group in connection with non-compliance with environmental laws | GRI 307: Environmental Compliance;<br>SASB Home Builders |
| <b>Social topics</b> |   |   |  |
| 8                    | Injury statistics                                   | Number of workplace accidents, LTIFR, TRIR  | GRI 403: Occupational Health and Safety;                 |

|                             |   |  |  |
|-----------------------------|---|--|--|
|                             |   |  | SASB Home Builders                       |
| 9                           | Staff turnover                                    | Number of employees hired, number of employees dismissed, staff turnover rate  | GRI 401: Employment                      |
| 10                          | Gender equality                                   | Equality of opportunity for men and women, including career opportunities and training programmes for women  | GRI 405: Diversity and Equal Opportunity |
| <b>Corporate governance</b> |   |  |  |
| 11                          | Corporate governance and transparency policy      | Main focus areas of the ESG policy, approaches to managing sustainability-related issues, corresponding mechanisms and procedures; the role of the Board of Directors in shaping ESG goals, values and strategies  | GRI 102: General Disclosures             |
| 12                          | Anti-corruption                                   | Statistics on incidents of corruption and the Group's actions to prevent such incidents  | GRI 205: Anti-corruption                 |
| 13                          | Anti-fraud  | Statistics on incidents of fraud and the Group's actions to prevent such incidents   | GRI 102: General Disclosures             |
| 14                          | Policy on remuneration payable to directors       | Remuneration policy for members of the Board of Directors (fixed remuneration, bonuses, payments in connection with the achievement of KPIs, severance pay, etc.); process for determining and approving the amount of remuneration; taking into account the opinion of shareholders when determining remuneration for directors | GRI 102: General Disclosures             |
| <b>Managing ESG issues</b>  |   |  |  |
| 15                          | Sustainability-related key performance indicators | Measurable key performance indicators by the main criteria related to environmental impact, social responsibility and corporate governance   | GRI 102: General Disclosures 2016        |
| 16                          | ESG risk management                               | The Group's work with ESG risks, including the role of the Board of Directors in these processes   | GRI 102: General Disclosures             |