



APPROVED
by the Board of Directors
of MMC Norilsk Nickel
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Policy of Engagement with Indigenous Small-Numbered Peoples

Contents

Contents.....	2
1. Scope of Policy Application	3
2. Recognition of and Respect for the Rights of Indigenous Small- Numbered Peoples	4
3. Obligations and Operation Principles of Engagement with Indigenous Small- Numbered Peoples	5
4. Avoidance, Reduction and Mitigation of Potential Impacts.....	7
5. Fundamental Principles of Avoiding, Minimizing and Mitigating Potential Impacts	12
6. Monitoring, Reporting, and Auditing	17
7. General Provisions.....	17
8. Accountability	18

1. Scope of Policy Application

1.1. This Policy for Engagement with Indigenous Small-Numbered Peoples (the "Policy") establishes the principles and obligations on fulfilling the rights and taking into account the interests of Indigenous Small-Numbered Peoples that are affected or may be affected by operations of MMC Norilsk Nickel (hereinafter referred to as the "Company") and Nor Nickel Group's Russian business units (hereinafter referred to as the "Russian business units").

1.2. The requirements of this Policy are mandatory for execution by all employees of the Company and its Russian business units. The Company and its Russian business units will require compliance with the Policy by their contractors and suppliers that operate on the territories of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples.

1.3. The provisions of this Policy shall apply to:

1.3.1. The following groups:

1.3.1.1. Indigenous Small-Numbered Peoples of the Russian Federation:

- Nenets, Enets, Dolgan, Nganasan, and Evenki in the Taimyr Dolgano-Nenets Municipal District of the Krasnoyarsk Territory;
- Saami People in the Murmansk Region;
- Nenets and Komi reindeer herders in the Murmansk Region;
- other Indigenous Small-Numbered Peoples, including those in other regions of Russia, that may be affected by the operations of the Company or its Russian business units in the event of their expansion or alteration.

1.3.1.2. Individuals who do not belong to of Indigenous Small-Numbered Peoples but lead a traditional way of life and engage in traditional economic activities within the communities of Indigenous Small-Numbered Peoples in the Taimyr Dolgano-Nenets Municipal District of the Krasnoyarsk Territory and in the Murmansk Region.

1.3.2. The culture, occupations, traditional way of life, and economic activities of Indigenous Small-Numbered Peoples residing in the areas affected by the Company and its Russian business units or within their regions of operation. The areas affected by the Company and its Russian business units or influenced by its investments are identified based on exposure to actual and potential impacts on the rights and legitimate interests of Indigenous Small-Numbered Peoples, as well as on geographical locations, depending on sociocultural significance of these impacts for the respective Indigenous Small-Numbered Peoples. This takes into account interconnections between traditional occupations, historical migrations, livelihoods, animal migrations, and spiritual ties to ancestral territories.

1.3.3. All activities, investments, and initiatives of the Company and its Russian business units that affect or may potentially affect Indigenous Small-Numbered Peoples, including auxiliary activities such as gas production and transportation, electricity generation and transmission, port infrastructure operations, and activities involving roads and air services.

1.3.4. All stages of the Company's and its Russian business units' operations, including exploration, design, construction, extraction, smelting, processing, manufacturing of finished products, marketing, and sale of non-ferrous and precious metals, as well as mine closure.

1.3.5. Direct financial assistance to communities, obshchinas¹, and organisations of Indigenous Small-Numbered Peoples planned and implemented by the Company

¹ Obshchinas - registered territorial and family economic and cultural entities.

and its Russian business units.

1.3.6. Existing and future agreements aimed at supporting the sustainable development of Indigenous Small-Numbered Peoples, signed between the Company, its Russian business units, and representative bodies and organisations of Indigenous Small-Numbered Peoples.

1.4. The provisions of this Policy govern the current and future relationships between the Company, its Russian business units, and Indigenous Small-Numbered Peoples. The Company and its Russian business units review the experiences from their past engagement with Indigenous Small-Numbered Peoples and plan to incorporate these insights into their current and future operations.

1.5. If the Company or its Russian business units, jointly with other parties, holds a share (interest) in another Russian organization (not part of any of the Company's Russian business units) that is implementing projects on the territories of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples, the Company or its relevant Russian business unit shall conduct preliminary good-faith negotiations with other shareholders (members) of that organisation for the latter to establish its own policy for engaging with Indigenous Small-Numbered Peoples that is equivalent to this Policy.

1.6. The obligations that the Company and its Russian business units plan to fulfil with regard to Indigenous Small-Numbered Peoples shall be defined through the procedures set forth herein and be established through separate agreements concluded by the Company and its Russian business units based on the results of these procedures.

2. Recognition of and Respect for the Rights of Indigenous Small-Numbered Peoples

2.1. The Company and its Russian business units recognize and respect both the collective and individual rights of Indigenous Small-Numbered Peoples, as enshrined in the legislation of the Russian Federation and the international law. In particular, the Company and its Russian business units respect the collective rights of Indigenous Small-Numbered Peoples concerning their traditional lands, territories, and the natural resources located therein.

The Company and its Russian business units acknowledge that, according to the Constitution of the Russian Federation, land and other natural resources shall be used and protected as the basis of life and activity of the peoples residing on their respective territories.

2.2. The Company and its Russian business units recognize and respect the collective rights of Indigenous Small-Numbered Peoples in accordance with the provisions of the legislation of the Russian Federation, including, in particular, the Federal Law On Guarantees of the Rights of Obshchinas of Indigenous Small-Numbered Peoples of the Russian Federation; the Federal Law On General Principles of Organisation of Communities of Indigenous Small-Numbered Peoples of the North, Siberia, and the Far East of the Russian Federation; and the Federal Law On the Territories of Traditional Nature Use of Indigenous Small-Numbered Peoples of the North, Siberia, and Far East of the Russian Federation.

2.3. The Company and its Russian business units shall take into account the rights of Indigenous Peoples outlined in relevant international instruments, including the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Indigenous and Tribal Peoples Convention, 1989 of the International Labor Organization (ILO).

2.4. The Company and its Russian business units shall be guided in their activities by the most comprehensive provisions and high standards for the rights of Indigenous Peoples, as set forth in the legislation of the Russian Federation and the international legal instruments.

2.5. The Company and its Russian business units shall also take into account the provisions of the United Nations 2030 Agenda for Sustainable Development, the United Nations Guiding Principles on Business and Human Rights, and the United Nations Global Compact principles.

2.6. The Company and its Russian business units voluntarily adhere to the Position Statement on Indigenous Peoples and Mining by the International Council on Mining and Metals (ICMM) and the Initiative for Responsible Mining Assurance (IRMA).

2.7. The Company and its Russian business units shall follow the standards of the Global Reporting Initiative (GRI) and the recommendations of international standards ISO 26000:2010 and AA1000SES (2015).

2.8. The Company and its Russian business units consider self-identification as a fundamental criterion for determining affiliation with specific Indigenous Small-Numbered Peoples.

2.9. The Company and its Russian business units recognise that the traditional way of life of Indigenous Small-Numbered Peoples and their members encompasses economic activities, occupations, crafts, tangible and intangible culture, dignity, values, spirituality, beliefs, language, traditional knowledge, and historical and cultural ties to ancestral lands.

3. Obligations and Operation Principles of Engagement with Indigenous Small-Numbered Peoples

3.1. Recognition and respect for self-determined development priorities

3.1.1. The Company and its Russian business units recognise and respect the right of Indigenous Small-Numbered Peoples to determine their own development priorities in accordance with the legislation of the Russian Federation and the international law.

3.1.2. The Company and its Russian business units respect the dignity of Indigenous Small-Numbered Peoples and their aspirations to maintain quality of life aimed at achieving a high level of physical and mental health.

3.1.3. The Company and its Russian business units honour the history, perspectives, and preferences of Indigenous Small-Numbered Peoples, as well as their distinctiveness, traditions, heritage, and the natural environment upon which they rely.

3.1.4. In their engagement with Indigenous Peoples, the Company and its Russian business units shall be guided by the provisions of the Standard of Responsibility of Residents in the Arctic Zone of the Russian Federation in Relations with the Indigenous Small-Numbered Peoples Living and/or Carrying Out Traditional Economic Activities in the Arctic Zone of the Russian Federation (Order No. 181 of the Ministry for the Development of the Russian Far East and Arctic dated 23 November 2020).

3.1.5. The Company and its Russian business units shall take into account the provisions set forth in Section 2 hereof regarding providing Indigenous Peoples

with opportunities for informed participation in discussions about investments and operational activities that affect the interests of Indigenous Small-Numbered Peoples, as well as opportunities to benefit from such activities in a manner acceptable to them. This approach shall aim to support their economic, social, and cultural development. Such participation shall be facilitated through due diligence mechanisms, extensive consultations, good-faith negotiations, and the application of the principle of Free, Prior, and Informed Consent (FPIC) where required (according to Section 5.5 hereof).

3.2. Acknowledgement of the vulnerability of Indigenous Small-Numbered Peoples

The Company and its Russian business units shall recognise the vulnerability of Indigenous Small-Numbered Peoples to various natural and anthropogenic impacts, including climate change, natural disasters, and the loss of sociocultural, linguistic, and biological diversity.

3.3. Recognition of and respect for decision-making rights

3.3.1. The Company and its Russian business units shall acknowledge the collective right of Indigenous Small-Numbered Peoples to make decisions through their representative bodies and traditional consensus-building processes on matters affecting their rights and interests.

3.3.2. A priority objective of this Policy is to enable Indigenous Small-Numbered Peoples to exercise this right through effective participation in decision-making regarding the activities of the Company and its Russian business units that may affect them. The Company and its Russian business units shall provide Indigenous Peoples with time necessary to discuss among community members and reach a collective decision on projects that may affect Indigenous Small-Numbered Peoples. This includes enabling individual communities to develop decision-making mechanisms where none currently exist. At the request of Indigenous Small-Numbered Peoples, the Company and its Russian business units may assist them in reviewing the information provided and decision-making by engaging independent experts in law, accounting, environmental protection, and other relevant fields.

3.4. Commitment to culturally appropriate consultations, agreements, and disclosure of information

3.4.1. The Company and its Russian business units shall recognise the importance of dialogue and partnership with Indigenous Small-Numbered Peoples.

3.4.2. The Company and its Russian business units respect the collective right of Indigenous Small-Numbered Peoples to access information and therefore shall disclose details about their operations in accordance with IRMA standards and obligations imposed by ICM requirements, as well as GRI and other standards adopted by the Company.

3.4.3. The Company and its Russian business units shall conduct consultations with Indigenous Small-Numbered Peoples in a manner acceptable to them at all stages of their investment and operational activities, including planning, implementation, monitoring, and adjustment. They shall engage in good-faith negotiations and, where necessary, enter into agreements with Indigenous Small-Numbered Peoples.

3.5. Eradication of social discrimination

3.5.1. The Company and its Russian business units shall not tolerate any form of social discrimination against Indigenous Small-Numbered Peoples in hiring practices, access to corporate health and social protection programmes, equal pay for equal work, or freedom of association.

3.5.2. The Company and its Russian business units shall ensure equal opportunities for Indigenous Small-Numbered Peoples to collaborate with the Company and its Russian business units.

3.6. Development of relationship with Indigenous Small-Numbered Peoples

The Company and its Russian business units shall enhance relationships with Indigenous Small-Numbered Peoples based on the principle of their self-determined development by providing acceptable assistance, including financial, technical, expert, and educational assistance for the sustainable development to communities, obshchinas, and organisations of Indigenous Small-Numbered Peoples.

3.7. The Company shall develop a document setting forth guidelines for employee conduct in the territories resided by Indigenous Small-Numbered Peoples.

3.8. Allocation of financial resources for engagement

The Company and its Russian business units shall allocate sufficient financial resources necessary for planning, assessment, consultations, disclosure, negotiations, and monitoring of activities concerning Indigenous Small-Numbered Peoples, subject to obtaining required corporate approvals. Financial resources for organising engagement with Indigenous Small-Numbered Peoples shall not be part of the expenditures associated with their support programs.

4. Avoidance, Reduction and Mitigation of Potential Impacts

The Company and its Russian business units are committed to avoiding negative impacts on Indigenous Small-Numbered Peoples in all current and future operations. Recognising that the main occupations of Indigenous Small-Numbered Peoples include reindeer herding, fishing, hunting, gathering, and crafts, the Company and its Russian business units shall strive to avoid negative impacts on biological diversity and habitats of wild and domestic animals (including migration routes of reindeer and other animals), aquatic biological resources, birds, and plants, including medicinal herbs. The Company and its Russian business units shall implement effective measures to protect biological and water resources from pollution or other negative impacts.

The Company and its Russian business units shall minimise and mitigate negative impacts on the rights and interests of Indigenous Small-Numbered Peoples in the following key areas:

- a) environment;
- b) socioeconomic, cultural, and spiritual values;
- c) health and safety of Indigenous Small-Numbered Peoples;
- d) lands and territories of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples.

The Company and its Russian business units shall consult with Indigenous Small-Numbered Peoples prior to developing and implementing environmental protection and mitigation plans for the territories of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples.

4.1. Potential impact on lands and/or issues of acquisition of lands of traditional residence and/or traditional economic activities of Indigenous Small-Numbered Peoples

4.1.1. The Company and its Russian business units recognise that Indigenous Small-Numbered Peoples' relation to their traditional lands is closely linked to their identity and distinctive way of life and economic activities.

4.1.2. During due diligence activities, the Company and its Russian business units shall identify lands of traditional residence and/or traditional economic activities of Indigenous Small-Numbered Peoples and shall seek opportunities to use alternative lands.

4.1.3. Where it is necessary to use lands occupied by Indigenous Peoples, the Company and its Russian business units shall negotiate in good faith with affected Indigenous Small-Numbered Peoples in accordance with the principle of FPIC as enshrined in Section 5.5 hereof. This provision hereof applies to the use of new lands for industrial purposes, including their use to accommodate auxiliary facilities (power lines, gas pipelines) and associated facilities (roads, ports).

4.2. Potential extraction of the sub-surface resources

If the Company or its Russian business units intend to commence mining or exploration using mechanised exploration methods in territories of traditional residence and/or traditional economic activities of Indigenous Small-Numbered Peoples, they shall conduct preliminary due diligence activities. This includes a comprehensive environmental, social, and cultural impacts assessment, good-faith negotiations with the relevant Indigenous Small-Numbered Peoples under Section 5.2 hereof, and informing affected communities of Indigenous Small-Numbered Peoples in advance.

4.3. Potential use of critical surface resources

4.3.1. The Company and its Russian business units recognise the critical dependence of Indigenous Small-Numbered Peoples on natural resources, including renewable water and biological resources, and their importance for the livelihood, traditional way of life, food security, culture, occupations, and identity of Indigenous Small-Numbered Peoples.

4.3.2. The Company and its Russian business units respect the collective right of Indigenous Small-Numbered Peoples to maintain, control, protect, and develop their traditional lands and their intellectual property over traditional knowledge on genetic resources, seeds, medicines, and properties of fauna and flora.

4.3.3. The Company and its Russian business units shall conduct due diligence activities, including comprehensive environmental, social, and cultural impacts assessments, good-faith negotiations with affected Indigenous Small-Numbered Peoples, and informing affected communities of Indigenous Small-Numbered Peoples in advance.

4.3.4. The Company and its Russian business units shall immediately inform Indigenous Small-Numbered Peoples of any man-made accident. In case of man-made incidents at the Company's and its Russian business units' production sites that may result in a negative environmental and biological diversity impact on lands and water bodies used by Indigenous Small-Numbered Peoples, the Company shall conduct expert examinations in accordance with the legislation of the Russian Federation. The Company and its Russian business units shall disclose expert

information about the incident to the Indigenous Small-Numbered Peoples and consult with them in order to develop and agree on a response and mitigation plan, as well as compensation for the damage caused to the environment, traditional way of life, and food security of the Indigenous Small-Numbered Peoples. The Company shall take the most comprehensive approach to identifying affected settlements and communities of Indigenous Small-Numbered Peoples, taking into account both actually and potentially affected areas.

4.4. Potential relocation of Indigenous Small-Numbered Peoples

4.4.1. The Company and its Russian business units recognise that the physical relocation of Indigenous Small-Numbered Peoples is one of the most serious adverse impacts.

4.4.2. In exceptional circumstances, the Company shall perform all due diligence, conduct good-faith negotiations, and request FPIC for the relocation of affected Indigenous Small-Numbered Peoples in accordance with International Finance Corporation's Performance Standard 7 (IFC's PS7).

4.4.3. Relocation of Indigenous Small-Numbered Peoples shall also entail culturally appropriate, proportionate, and fair compensation, and the terms of relocation shall be set out in an agreement between the Company or its Russian business units and the Indigenous Small-Numbered Peoples, along with such other terms as may be necessary to mitigate negative impacts on their way of life.

4.4.4. The Company and its Russian business units shall not proceed with relocation without obtaining FPIC from Indigenous Small-Numbered Peoples.

4.4.5. The Company and its Russian business units recognise and shall facilitate the collective right of Indigenous Small-Numbered Peoples to return to their traditional lands or places of previous residence if the reasons for relocation are no longer in effect.

4.5. Avoidance of potential impact on reindeer herding, hunting, and fishing

4.5.1. The Company and its Russian business units recognise that traditional occupations of Indigenous Small-Numbered Peoples are important elements of their lifestyle, closely linked to their culture and identity.

4.5.2. The Company and its Russian business units shall conduct due diligence activities to prevent any adverse impact on the traditional occupations of Indigenous Small-Numbered Peoples.

4.5.3. The construction of new roads, gas pipelines, helicopter pads, and other auxiliary facilities and related structures that may affect traditional occupations require consultations and good-faith negotiations, and in specific cases, obtaining FPIC from affected Indigenous Small-Numbered Peoples.

4.5.4. The Company and its Russian business units shall avoid any adverse impact on the production capacity of the traditional nature use.

4.6. Empowerment of representative and decision-making bodies

4.6.1. The Company and its Russian business units recognise that the Indigenous Small-Numbered Peoples affected by their operations are represented by various traditional and formal institutions, organisations, obshchinas, elders, temporary or permanent ad hoc decision-making bodies, and recognised leaders of local

communities of Indigenous Small-Numbered Peoples.

4.6.2. The Company and its Russian business units shall use due diligence to identify recognised representative bodies and organisations of Indigenous Small-Numbered Peoples, and shall recognise that these representative bodies and organisations play a crucial role in the collective decision-making process of Indigenous Small-Numbered Peoples during consultations and in the preparation of agreements with the Company.

4.7. Avoidance of potential impact on sacred sites

4.7.1. The Company and its Russian business units recognise that Indigenous Small-Numbered Peoples honour and protect sacred sites, including burial sites and ancestral spirit sites, in accordance with their beliefs and traditions, and recognise that these sites are inextricably linked to intangible spiritual values and are of great cultural significance.

4.7.2. The Company and its Russian business units shall treat such sites with due reverence and in no way compromise the integrity of their spiritual or cultural significance. The Company and its Russian business units shall provide financial assistance to Indigenous Small-Numbered Peoples to identify and map such sacred sites.

4.7.3. The Company and its Russian business units shall bring information about the location of sacred sites to the attention of all its employees and representatives of contractors working in locations of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples. The Company shall provide an accessible grievance redress mechanism for Indigenous Peoples to report to the Company any trespassing, desecration, or destruction of sacred sites and burials by its employees or contractors. The Company and its Russian business units shall immediately respond to such reports and take measures to protect sacred sites.

4.8. Avoidance of potential exposure to hazardous waste

4.8.1. The Company and its Russian business units shall exercise responsible waste management and conduct due diligence activities to ensure that Indigenous Small-Numbered Peoples are not exposed to any hazardous waste. The Company and its Russian business units shall engage in consultations with Indigenous Small-Numbered Peoples and inform them about waste management plans, covering, among other things, the composition of waste, its potential impact, storage sites, and transportation methods and routes across the territories of residence and economic activities of Indigenous Peoples.

4.8.2. Waste management plans shall take into account existing animal migration routes, reindeer herding areas, seasonal hunting and fishing grounds, and other factors. The Company shall provide Indigenous Small-Numbered Peoples with an accessible grievance redress mechanism for Indigenous Peoples to report to the Company any exposure of hazardous materials and its impact. The Company and its Russian business units shall immediately respond to reports and take steps to address such impact.

4.9. Prevention of sexual harassment and potential exposure to imported diseases

4.9.1. The Company and its Russian business units shall take measures to protect the health of the Indigenous Small-Numbered Peoples affected by their operations

in rural and nomadic areas, and to implement responsible health policies to avoid the spread of infectious diseases by the Company's employees and contractor representatives.

4.9.2. Where required by applicable laws, the Company and its Russian business units shall conduct regular health examinations and periodic testing for infectious diseases among employees and contractor representatives who perform their official duties in areas of residence and economic activities of Indigenous Small-Numbered Peoples outside of urban settings.

The Company and its Russian business units shall take immediate action to mitigate any health effects, including endeavours to provide quality medical care to all affected individuals.

4.10. Avoidance of potential impact on mental health

4.10.1. The Company and its Russian business units recognise that violations of the rights of Indigenous Small-Numbered Peoples, including those associated with the loss of land by Indigenous Small-Numbered Peoples, water pollution, depletion of biological resources, desecration of sacred sites and burial grounds, disrespect for their culture and traditional occupations, transmission of infectious diseases, and offensive acts, can lead to mental health issues.

4.10.2. The Company and its Russian business units acknowledge that these mental health implications can, in turn, pose risks to the overall social well-being of Indigenous Small-Numbered Peoples, including risks of alcoholism, increased crime rates, and suicide.

4.10.3. The Company and its Russian business units shall strive to avoid negative impacts on the mental health of Indigenous Small-Numbered Peoples. They shall aim to promote the well-being, including mental well-being, of Indigenous Peoples residing within the Company's area of influence, through adequately funded programmes envisaged by the Benefit Sharing Mechanism or Indigenous Peoples Plans.

4.11. Avoidance of potential adverse impact on various social groups

4.11.1. Among Indigenous Small-Numbered Peoples, certain vulnerable social groups exist, including nomadic reindeer herders living in remote areas or tundra, elders, women, children, and individuals with disabilities. The Company and its Russian business units shall pay special attention to these social groups. The Company recognises that elders and women are respected by community members and play a crucial role in decision-making.

4.11.2. The Company and its Russian business units acknowledge that when exposed to external factors, these social groups are particularly vulnerable to negative effects resulting from industrial activities. In implementing this Policy, the Company and its Russian business units shall consider the interests of vulnerable social groups, such as women, children, youth, the elderly, and individuals with disabilities.

4.11.3. Nomadic reindeer herders, who rely on traditional reindeer herding as their primary source of livelihood and have limited access to information and communication technologies, may not have full access to consultations and negotiations with the Company and its Russian business units. These social groups are at risk of being excluded from the process of negotiating compensation agreements and benefit sharing mechanisms.

4.11.4. The Company and its Russian business units shall avoid adverse impacts on reindeer herding and seek to appropriately inform nomadic reindeer herders, and study and document their opinions and interests during consultations with Indigenous Small-Numbered Peoples regarding agreements, Indigenous Peoples Plans, projects, and procedures.

5. Fundamental Principles of Avoiding, Minimizing and Mitigating Potential Impacts

The Company and its Russian business units will conduct activities in accordance with the following key principles:

5.1. Due diligence activities

5.1.1. To monitor the risks of violations of the rights of Indigenous Peoples, the Company implements a human rights due diligence process to identify, prevent, mitigate, and remedy human rights violations.

5.1.2. The Company and its Russian business units commit to regularly identifying and assessing the potential and actual impacts on Indigenous Peoples directly and indirectly related to their operations, in accordance with internationally recognised methodologies.

5.1.3. The Company and its Russian business units shall conduct due diligence and comprehensive risk assessments to avoid, minimise, and mitigate the potential impact of their investments and operations on Indigenous Small-Numbered Peoples.

5.1.4. As part of their due diligence, the Company and its Russian business units shall carry out a comprehensive assessment of the impact of their existing and planned investments and operations on the environment, the social and cultural sphere, and human rights in accordance with the legislation of the Russian Federation. They shall also conduct all necessary expert examinations to determine the nature and extent of their impact on Indigenous Small-Numbered Peoples. This comprehensive environmental, social, and cultural impacts assessment may include ethnological examinations. Details on the required risk assessments are outlined in the Regulations on the Implementation of the Principles of Avoiding, Minimizing, and Mitigating Potential Impacts on Indigenous Small-Numbered Peoples. The Company and its Russian business units shall disclose the results of the impact assessment of proposed investments and operations to residents of the affected settlement, community, or social group, including through their representative bodies and organisations, in culturally appropriate formats such as personal meetings, public gatherings, and the distribution of printed materials, which may be held or provided in the languages of the relevant Indigenous Small-Numbered Peoples.

5.1.5. To ensure the participation of Indigenous Peoples in due diligence activities, including environmental, social, cultural, and human rights impacts assessments, the Company and Indigenous Small-Numbered Peoples may establish working groups, councils, and committees.

5.2. Good-faith negotiations and consultations with Indigenous Small-Numbered Peoples

5.2.1. The Company and its Russian business units shall engage in good-faith

negotiations with representatives of the Indigenous Small-Numbered Peoples' settlement, community, or social group affected or potentially affected by their investments and operations.

5.2.2. Negotiations shall aim to achieve fair and equitable agreement between the Company or its Russian business units and the affected Indigenous Small-Numbered Peoples in accordance with the documents specified in Section 2 hereof.

5.2.3. Negotiations shall be conducted at all times when discussing measures to minimise and mitigate impacts, and when developing the Indigenous Peoples Plan, and Benefit Sharing and Grievance Redress Mechanisms, considering, inter alia: (a) specific roles and obligations of both parties; (b) agreed management and implementation mechanisms with established timelines for fulfilling each party's obligations under the Plan and Mechanism; (c) measures to ensure continued access to lands; (d) development assistance.

5.2.4. The negotiations shall be conducted in a culturally appropriate manner. The Company shall engage in negotiations with the full participation and without undermining the roles and authority of recognised traditional and formal representative bodies and organisations of Indigenous Small-Numbered Peoples identified in the due diligence processes. Negotiations shall take place in the settlements where the affected communities of Indigenous Small-Numbered Peoples reside.

The Company and its Russian business units shall provide affected Indigenous Small-Numbered Peoples with time necessary to self-organise and identify their priorities, negotiating positions, coordinators, and points of contact.

5.2.5. The Company or its Russian business units shall identify representative bodies and organisations of Indigenous Small-Numbered Peoples and invite them to participate in consultations and negotiations. If necessary, they shall offer financial and technical assistance to strengthen their capacity for equitable participation in dialogue and engagement activities. By mutual agreement, the Company may invite independent experts or Russian human rights organisations to facilitate dialogue.

5.2.6. The Company or its Russian business units and Indigenous Small-Numbered Peoples may establish working groups, councils, or committees to facilitate engagement and dialogue. These bodies shall rely on decisions of residents of the relevant settlement, community, obshchina, or social group during negotiations on specific projects, agreements, or compensations.

Working groups, councils, or committees may serve as advisory bodies. They shall establish their own operational principles, openly and transparently addressing issues related to the implementation of this Policy, as well as other concerns, including participation principles, Indigenous Peoples Plans, sustainable development assistance programmes, and grant programmes.

5.2.7. The Company and its Russian business units shall obtain approval from the representative bodies, economic entities, or affected communities of Indigenous Small-Numbered Peoples prior to conducting geological exploration using mechanised exploration methods of mineral deposits in territories of traditional residence and traditional economic activities of Indigenous Small-Numbered Peoples.

5.3. Development and approval of the Plan for Engagement with Indigenous Peoples

5.3.1. The Company and its Russian business units shall develop an Indigenous Peoples Plan (hereinafter referred to as "the Plan") in accordance with Clause 5.2.3 hereof. The Plan shall be based on environmental, social, and cultural impacts assessments, as well as other expert examinations that determine the nature, scale, and extent of potential adverse impacts, proposing measures to avoid, minimize, and mitigate these impacts. The Company and its Russian business units shall create the Plan to avoid, minimise, or mitigate potential adverse impacts on the affected settlements, communities, and social groups of Indigenous Small-Numbered Peoples. The Plan shall be part of the agreement with Indigenous Small-Numbered Peoples and shall include a proportional and fair package of compensations and financial payments to communities or individuals from among the Indigenous Small-Numbered Peoples, where applicable, based on the results of negotiations with the relevant Indigenous Small-Numbered Peoples.

The Company and its Russian business units shall consult with the residents of affected settlements and communities regarding the development, implementation, and monitoring of the Plan. The Plan shall ensure the participation of Indigenous Small-Numbered Peoples in its implementation and monitoring. It shall include specific financial mechanisms to support the social and economic development, quality of life, and well-being of Indigenous Small-Numbered Peoples and their traditional territories. The Plan may also include activities to support a clean environment, traditional occupations and crafts, employment, and businesses of Indigenous Small-Numbered Peoples; measures to preserve and restore reindeer herding, Indigenous languages, and cultures; educational programmes; and capacity-building initiatives for Indigenous Small-Numbered Peoples.

In cases where Free, Prior, and Informed Consent (FPIC) has been obtained from Indigenous Small-Numbered Peoples for relocation from settlements, the Plan shall include a Relocation Action Programme that details the nature and scope of such relocation, its proposed conditions and timelines, as well as measures to restore the livelihoods of affected communities of Indigenous Small-Numbered Peoples to their previous levels. Where applicable, the Programme shall include an agreed Benefit Sharing Mechanism outlining the proposed benefits to be received by affected residents of settlements, communities, and individual social groups.

The Company and its Russian business units shall make Indigenous Small-Numbered Peoples aware of the agreed-upon finalised Plan for Engagement with Indigenous Peoples, as well as of the Relocation Action Programme, and the Benefit Sharing Mechanism. If necessary, they shall update the same, coordinating any changes with the relevant Indigenous Peoples.

5.4. Benefit Sharing Mechanism and development assistance

5.4.1. The Company shall develop a fair Benefit Sharing Mechanism (hereinafter referred to as "the Mechanism") covering both compensation for negative impacts and investments in the sustainable development of Indigenous Small-Numbered Peoples whose territories of traditional residence and economic activities are affected by the operations of the Company and its Russian business units. The Mechanism shall provide opportunities for affected Indigenous Small-Numbered Peoples to benefit equally from the Company's relevant sustainable development

assistance programmes and investments in line with their development priorities. Based on consultation results, the Company and its Russian business units may also provide the following types of development assistance: creating jobs in a safe working environment, prioritising local procurement, purchasing products from the traditional economic activities of Indigenous Small-Numbered Peoples, and providing assistance on a priority basis to businesses owned by Indigenous Small-Numbered Peoples. The Mechanism may also focus on capacity building for organisations of Indigenous Small-Numbered Peoples, improving local physical and technical infrastructure, organising educational tourism and health programmes, grant programmes, scholarship programmes for training in the fields relevant to Indigenous Small-Numbered Peoples, the Company or its Russian business units, providing services, transporting food, expanding transportation capabilities, compensating utility expenses, improving housing conditions, and providing technical assistance to households. The Mechanism shall be subject to discussion with the relevant Indigenous Small-Numbered Peoples in a consultation format. In these consultations, the Company and its Russian business units shall engage the residents of settlements located along the Company's cargo transportation routes.

5.4.2. The Company and its Russian business units shall provide culturally appropriate support for the sustainable development of Indigenous Small-Numbered Peoples, including through financial and technical assistance to communities, obshchinas, small enterprises, and organisations of Indigenous Small-Numbered Peoples, recognising their right to self-determined development. The Company and its Russian business units shall aim to support businesses, and craft and trade organisations of Indigenous Small-Numbered Peoples to strengthen their economic capacity. Upon targeted request, the Company and its Russian business units shall provide capacity building assistance to communities, obshchinas, and organisations of Indigenous Small-Numbered Peoples in areas they consider a priority.

5.5. Principle of Free, Prior, and Informed Consent

5.5.1. In circumstances where the rights of Indigenous Small-Numbered Peoples may be significantly affected (as outlined in Clause 5.5.3 hereof), the Company and its Russian business units shall proceed with planned investments and activities only after obtaining FPIC from the relevant Indigenous Small-Numbered Peoples. FPIC shall be secured through good-faith negotiations between representatives of the Company or its Russian business units and representatives of the affected settlement, community, or social group of Indigenous Small-Numbered Peoples. It shall be based on an equitable agreement with the affected settlement, community, or social group.

5.5.2. The Company and its Russian business units recognise that the consent obtained through the FPIC process shall have three key characteristics: (a) Free (free from intimidation, coercion, manipulation, and harassment); (b) Prior (consultations are conducted early in the conceptualisation and development of the planned activities, providing Indigenous Small-Numbered Peoples with sufficient time to make their own decisions); and (c) Informed (Indigenous Small-Numbered Peoples have information about all significant aspects of the planned activities). The Company shall be guided by the definition of FPIC outlined in the ICMM Indigenous Peoples and Mining Position Statement, as well as international standards.

5.5.3. The Company and its Russian business units shall negotiate to secure FPIC from Indigenous Small-Numbered Peoples in the following specific circumstances when planned activities might affect the traditional way of life and lands traditionally owned or used by Indigenous Small-Numbered Peoples:

5.5.3.1. Industrial use or development of subsurface resources (e.g., minerals, natural gas); commercial use of non-mineral natural and biological resources (e.g., timber, fish, reindeer); and commercial use of cultural resources (e.g., artefacts, crafts, traditional knowledge of Indigenous Small-Numbered Peoples) that may affect the rights and interests of Indigenous Small-Numbered Peoples, their territories of traditional residence and economic activities.

5.5.3.2. Acquisition of land for the construction of infrastructure, including auxiliary facilities (e.g., substations and power lines, gas pipelines, shipyards, helicopter pads) and related facilities (e.g., road networks, ports), except for infrastructure shared with Indigenous Peoples.

5.5.3.3. Relocation of families from their place of residence.

5.5.3.4. Establishment of transportation routes, methods and storage sites for chemicals and hazardous materials.

5.5.4. FPIC is implied for joint projects of the Company or its Russian business units and Indigenous Small-Numbered Peoples, their organisations, and third parties, including for cultural and educational projects, capacity-building initiatives, measures to support businesses run by Indigenous Small-Numbered Peoples, and investments in social, transportation, and energy infrastructure in settlements, undertaken by the Company at the request of the relevant Indigenous Small-Numbered Peoples and municipalities where they reside.

5.5.5. Based on mutual agreement, the Company and its Russian business units shall document all negotiations with the affected Indigenous Small-Numbered Peoples, as well as the outcomes of these negotiations, including the reached agreements, conditions of consent, or refusal to provide consent. In the case of securing FPIC from Indigenous Small-Numbered Peoples, it shall be formalised through the signing of a written agreement between the Company or its Russian business units and the affected community of Indigenous Small-Numbered Peoples. The agreement shall set forth the conditions for providing FPIC, such as compensation, benefit sharing, measures for minimising and mitigating impacts, and a grievance redress mechanism. The agreement shall be signed by a representative of the Company or its Russian business units and representatives of Indigenous Small-Numbered Peoples through their permanent or temporary representative or decision-making bodies.

5.6. **Grievance Redress Mechanism**

5.6.1. The Company shall ensure the ongoing operation of a grievance redress mechanism. This mechanism shall be publicly accessible and serve the function of processing complaints and recommendations regarding the Policy implementation. The Company shall conduct regular consultations with Indigenous Small-Numbered Peoples regarding the operation of this mechanism and gather feedback to enhance its effectiveness. The grievance redress mechanism shall take into account traditional conflict resolution practices of Indigenous Small-Numbered Peoples and align with their cultural preferences.

5.6.2. The grievance redress mechanism operating in relation to engagement with

Indigenous Small-Numbered Peoples shall be maintained by a third party (an independent expert). The results of the mechanism's operation shall be disclosed by the Company in a separate annual report (for more details on the establishment and operation of the mechanism, see the Regulations on the Implementation of the Principles of Avoiding, Minimizing, and Mitigating Potential Impacts on Indigenous Small-Numbered Peoples).

6. Monitoring, Reporting, and Auditing

The Company shall take the following measures aimed at monitoring and evaluating the implementation of this Policy:

6.1. The Company shall set up an internal mechanism for monitoring, evaluating, reporting, and communicating with regard to the implementation of the Policy, the Indigenous Peoples Plan, as well as any agreements, programmes, or initiatives related to Indigenous Small-Numbered Peoples.

The Company shall analyse its activities related to the rights of Indigenous Small-Numbered Peoples, report on them in accordance with ICMM guidelines, consider the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights in preparing reports on its engagement with Indigenous Small-Numbered Peoples, and disclose information in accordance with IRMA standards.

6.2. The Company shall register and document all official commitments, agreements, and arrangements with Indigenous Small-Numbered Peoples to ensure access to this information for current and future generations who may be affected by decisions made, as well as to maximise transparency in decision-making. Certain information may be subject to non-disclosure at the request of Indigenous Small-Numbered Peoples.

6.3. The Company shall report on its engagement with Indigenous Small-Numbered Peoples and its activities concerning their rights in Nor Nickel Group's Sustainability Report and Annual Report for the relevant year, as well as in other non-financial reports on economic, social, and environmental activities, in accordance with GRI standards.

6.4. The Company shall conduct an independent audit every three years to evaluate this Policy implementation and the adopted programmes concerning Indigenous Small-Numbered Peoples, including a review of the reporting documents of its Russian business units. The audit shall be performed with the involvement of independent experts on Indigenous Peoples and assess the results of stakeholder engagement in accordance with IRMA standards and ICMM principles.

Information regarding this Policy implementation and monitoring is available on the Company's webpage dedicated to Indigenous Small-Numbered Peoples.

7. General Provisions

7.1. The Company shall review this Policy as necessary, but at least once every five years, and shall update it in response to changes in the legislation of the Russian Federation and/or by mutual agreement with Indigenous Small-Numbered Peoples.

7.2. In the event that this Policy is translated into foreign languages or the languages of Indigenous Small-Numbered Peoples, the approved text of the Policy in Russian shall prevail.

7.3. In furtherance of this Policy, the Company shall develop the Regulations on the Implementation of the Principles of Avoiding, Minimizing, and Mitigating Potential Impacts on Indigenous Small-Numbered Peoples. This Policy shall apply in conjunction with other policies and documents of the Company.

8. Accountability

8.1. The Vice President for Federal and Regional Programmes at Nor Nickel shall be held accountable for any mismanagement or failure to oversee compliance herewith.

8.2. The Head of Nor Nickel's Federal and Regional Programmes Department shall be held accountable for any failure to introduce amendments and changes hereto in a timely manner.