



20 YEARS OF CORPORATE SUSTAINABILITY



SUSTAINABILITY REPORT
FOR 2023

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ABOUT THE REPORT. 20TH ANNIVERSARY OF NORNICKEL'S SUSTAINABILITY REPORTS

GRI 2-1, 2-3, 2-4, 2-5

The 2023 Sustainability Report (the "Report") is the 20th public non-financial report prepared by MMC Norilsk Nickel and addressed to a wide range of stakeholders.

Standards and guidances

This Report has been prepared in accordance with the GRI Standards (2021) and discloses the Company's contribution to the UN Sustainable Development Goals up to 2030. In producing the Report, the following documents were also used:

- Order of the Ministry of Economic Development of Russia No. 764 On Approval of Methodological Recommendations for Sustainability Reporting dated 1 November 2023;
- Bank of Russia's Information Letter No. IN-06-28/49 On Recommendations for Public Joint-Stock Companies to Disclose Non-Financial Information Regarding Their Operations dated 12 July 2021;
- SASB Metals & Mining Sustainability Accounting Standard (2021);
- UNCTAD Guidance on core indicators for entity reporting on contribution towards implementation of the UN Sustainable Development Goals;
- recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD);
- AccountAbility Standards AA1000SES (2015) and AA1000AP (2018).

In 2023, the Company analysed its readiness to adopt the provisions of IFRS S2 Climate-related Disclosures, with a plan put in place to make relevant disclosures. The Appendix contains information on disclosures that we piloted in line with the formats set out in IFRS S2. The above should not be treated as a statement of compliance set out in paragraph 72 of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.



Reporting boundaries

The Report covers operations of the Norilsk Nickel Group companies. For the purposes of this Report, Norilsk Nickel Group shall refer to MMC Norilsk Nickel and the entirety of operations of the Norilsk Nickel Group companies. Unless otherwise specified or required by the context, the terms "Company", "Group", "Nornickel" or "the Group companies" shall refer to Norilsk Nickel Group.

The Report contains information about MMC Norilsk Nickel's operations for the reporting period from 1 January 2023 to 31 December 2023, which is the same as the Group's financial reporting period. The Report contains important facts that are outside of the scope of the reporting period, as well as the Company's short, medium, and long-term plans.

The content of the Report has been determined in accordance with the requirements of the applicable standards and guidelines, with the Company's stakeholders engaged in the process. For details about material topics and the procedure for defining them, please see the [Definition of Material Topics](#) appendix. Quantitative indicators for material topics of sustainable development are disclosed for the Group's specific operations in accordance with the [Reporting Boundaries](#) appendix.

Approval and external assurance

This Report has undergone independent professional assurance of the disclosures' compliance with the GRI Standards, TCFD Recommendations, and passed public verification procedure.

The Report has been approved by MMC Norilsk Nickel's Management Board and Board of Directors.

Other sources of information about Norilsk Nickel Group



[Corporate website](#)



[Nornickel's website on ESG developments](#)

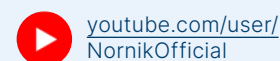
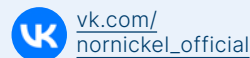


[Nornickel's sustainable development strategy](#)



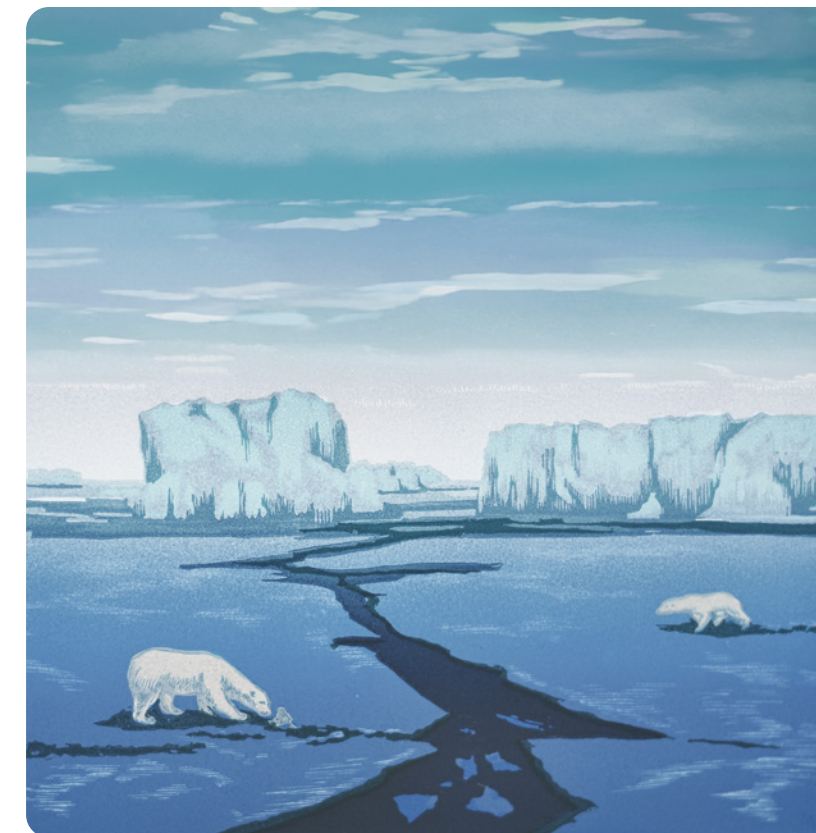
[Nornickel's annual reports](#)

Social media:



Artistic Perspectives of Exploration: The Explorer and the Artist

On an annual basis, Nornickel organises research expeditions on a scale and breadth that can rival the best research projects of the past years. In 2023–2024, the Company supported the idea of the "Artistic Perspectives of Exploration: The Explorer and the Artist" awareness raising project as the first ever consistent effort to rethink research in the Arctic using cultural contexts and artistic images. This Report features pictures by the Russian artists from the museum and exhibition complex «Norilsk Museum» funds Anatoly Shulzhinsky, Vladimir Meshkov, Boris Molchanov, Sergey Morozov, Emilia Goncharova, Motyummyaku Turdagin, Alexey Savanin, Alexander Abakumov, Alexander Sorokin, Anatoly Borodin, Anis Kronidova, Ulle Meister, Alexey Malinsky, Viktor Ogienko, Valery Kostarinov, Vladimir Malichev, Valery Kudrinsky, Vasily Denisov, Galiulla Fayzullin, Igor Senki, Ivan Karnaukhov, Maria Zaikina, Maria Ivanova, Nikolay Laptukov, Nikolay Loy, Nikolay Sivenkov, Nikolay Botulu, Oleg Kompaniets, Olga Rybnikova, Yuri Karachev.



ABOUT NORILSK NICKEL GROUP

Norilsk Nickel Group, a diversified mining and metallurgical company, is the world's leading producer of palladium and nickel and a major global producer of platinum, copper, and other low carbon footprint metals.

In 2023, Norinickel was making changes to its strategic plans as it shifted its focus to the markets of friendly countries, reinvented logistics chains, and reviewed ongoing and new projects. Norinickel remains committed to its sustainability strategy and the UN Global Compact, integrating these key principles into its operations. Our key production, social, and environmental projects keep going full steam ahead. Norinickel's commitment to ongoing improvement, fulfilment of obligations, and exceptional transparency is reflected in its 20th sustainability report.



PRESIDENT'S LETTER

GRI 2-22

Dear colleagues,

I present to you Nornickel's 2023 Sustainability Report.

In November 2023, MMC Norilsk Nickel's Board of Directors approved the Sustainable Social Development Strategy through 2030. The strategy covers four areas: health and safety, talent management and corporate culture, development of technologies and products that help foster technological and social progress, and involvement in the lives of local communities and society at large. Thus, we reaffirm our sustainability priorities.

Employee health and safety is the No. 1 priority. Our focus extends to providing a positive work environment, where employees enjoy comfort, can pursue professional advancement, and align with the emergent needs of the future economy.

Zero fatalities at our assets remains our primary goal. Last year, we managed to keep the injury rate unchanged vs 2022. Fostering a safety culture is a key focus for our team of professionals set to deliver fundamentals improvements in the way we manage health and safety. The Company has enhanced programmes designed to prevent workplace accidents.

In 2023, we continued with our major programme Made with Care to improve social and working conditions for employees. As part of it, the Company spent more than RUB 4.5 bn to upgrade public premises and amenity spaces.



In 2023, the Company increased salaries by 6.1%. In 2018–2022, salaries cumulatively went up by 62%, which is considerably above the inflation rate in this period.

Last year, we launched the Digital Investor incentive programme, the first of its kind, not only for Nornickel, but also for Russia at large. All employees that had been with the Company for more than a year received financial assets known as minetokens; equivalent to the price of Nornickel's shares, they entitle their holders to dividend-equivalent regular payments and proceeds from selling (or redeeming) their stake. The number of minetokens depends on the employee's length of service.

The Company places a special emphasis on its social strategy in the regions of operation. Last year, Nornickel progressed with a comprehensive plan to renovate the Norilsk Industrial District, which covers all aspects of life in Norilsk. A project of this scale to revamp an entire city beyond the Arctic Circle is unprecedented worldwide. Norilsk has been designated as a pivotal hub in Russia's Arctic zone, set to reap the advantages of forthcoming economic and infrastructural initiatives.

Nornickel contributes to the progress of humanity through its innovative products and research aimed at tackling social challenges, such as drinking water shortage.

Nornickel is actively introducing cutting-edge technology that goes beyond production. Among other things, the Company is testing digital

construction systems at renovation sites in Norilsk. Together with our IT partners, we are developing a strategy to integrate existing solutions and new modules in a system for managing construction projects.

The autumn of 2023 saw the launch of Russia's largest environmental initiative – the Sulphur Programme at Nadezhda Metallurgical Plant, which aims to deliver drastic cuts in sulphur dioxide emissions in Norilsk. It is a flagship environmental project for Nornickel in the scope of the Clean Air federal project. With its phased ramp-up, the Company will be able to meet statutory requirements for cutting sulphur dioxide emissions from Nadezhda Metallurgical Plant substantially. Nornickel's total investments in the Sulphur Programme will exceed RUB 180 bn. For us, this project is a symbol of upholding our commitments, above all to people of Norilsk.

We continue collaborating with research organisations to monitor the environment in the regions where our sites are located. Last year, the Siberian Branch of the Russian Academy of Sciences completed the second season of the Big Scientific Expedition, a large-scale research programme organised to assess environment footprint. The expedition covered an area of over 71,000 km² and is the first research of this scale conducted in Russia in recent years. We assessed the state of aquatic biota and their habitat, as well as developing evidence-based recommendations for their restoration. The research data will create a foundation for a corporate system to manage biodiversity impact

while also providing a blueprint for relevant conservation and monitoring programmes.

We continue our efforts to improve the quality of life for local communities. Nornickel supports indigenous peoples of the North, respects their traditions and lifestyle, and protects their interests. In 2023, residents of the Tukhard settlement were presented with a master plan for the new settlement. This project has been a unique experience of developing territories of indigenous peoples in the Arctic, modelling the path for renovating other settlements in remote parts of the Russian North. The proposed project features technologies and convenience, with its spacious houses, advanced utility systems, a landscaped embankment, a central square with leisure areas, community and fitness facilities, and all-season playgrounds and outdoor gyms sheltered from wind.

In 2023, Nornickel has reiterated unwavering dedication to its sustainability priorities, despite the flux of global trends and circumstances. This is the path that we consistently pursue, along with a focus on full transparency: in 2023, the Company released three new reports: [Climate Change Report](#), [Human Rights Report](#), and [Responsible Supply Chain Report](#). Our commitment to this approach will steadfastly continue through 2024.

Vladimir Potanin,
President and Chairman of MMC Norilsk Nickel's Management Board

CHAIRMAN'S LETTER

GRI 2-22



Dear colleagues,

In 2023, Nornickel broadened the scope of its endeavours in key areas of sustainable development. Recognition of our commitment came in the form of top-tier industry rankings and distinguished professional awards.

For example, Nornickel was named the first-degree laureate of the national Responsible Business Leadership award. Experts commended the Company's 2035 renovation programme for Norilsk, securing us an award in the Contribution to Sustainable Development of Territories category. We embarked on an ambitious initiative to revitalise the urban landscape of the Arctic fundamentally, ranging from housing and community amenities to improving public spaces and overhauling the transport infrastructure. We are especially proud to see best practices of Norilsk reflected in master plans for the key cities and towns in the Arctic, which were approved by the Russian Government in 2023.

The first stage of Nornickel's Sulphur Programme launched in autumn 2023, also won the Responsible Business Leadership national award in the Contribution to Addressing Strategic Environmental and Climate Challenges category.

The Clean Norilsk initiative, designed to clear the remnants of Soviet-era industrial waste, was honoured as the Best Project in the Russian Arctic.

Nornickel actively engages with all stakeholders to develop sustainable solutions and approaches that are thoughtful, balanced, and optimised. For example, by running one of Russia's largest programmes to support indigenous peoples, Nornickel is guided by the "Nothing about us without us" idea of respecting the interests and needs of indigenous minorities. Correspondingly, programme activities were conceived in consultations with local communities and following an ethnographic expert analysis.

Partnerships with government-run and research facilities, along with a focus on innovations and digital technologies, have once again proved an effective tool in implementing the corporate sustainability agenda. By teaming up with leading research organisations, Nornickel can successfully identify both risks and opportunities related to climate change. Reliance on digital technologies helps improve the Company's occupational health and safety management system.

MMC Norilsk Nickel's Board of Directors views sustainability as one of the top priorities on its agenda. Board composition meets the Moscow Exchange's listing rules and is aligned with the Corporate Governance Code recommended by the Bank of Russia. Nornickel's corporate governance framework is designed to take into account and balance the interests

of shareholders, the Board of Directors, management, employees, and other stakeholders.

In 2023, the Board's Sustainable Development and Climate Change Committee reviewed a number of key sustainability projects. Among other things, the Committee reviewed and approved Nornickel's Sustainable Social Development Strategy and updated the Environmental and Climate Change Strategy to reflect recent geopolitical developments and new challenges. The Committee looked into potential scenarios for the Company's in-house power generation through 2050, focusing on low-carbon technologies. It presented strategic guidelines for the Carbon Neutrality Strategy and integration of ESG metrics into the Company's risk appetite. The Committee was also actively involved in preparing the [2022 Sustainability Report and the Company's first standalone reports](#) dedicated to specific areas of focus.

We take pride in asserting that today the Company has established a sustainability culture that resonates with both its position as a leading metals and mining company, as well as the interests and values of contemporary society.

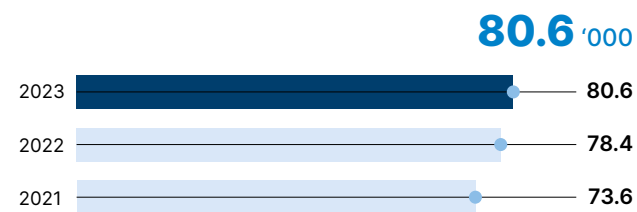
Andrey Bougrov,
Chairman of the Board of Directors

HIGHLIGHTS¹

Labour practices

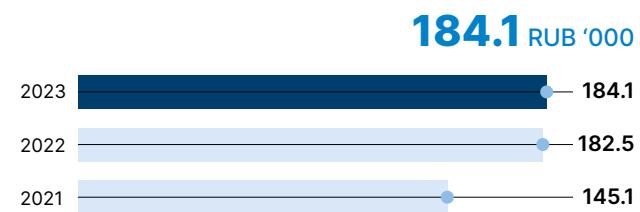
Employment

Nornickel's average headcount, ('000)



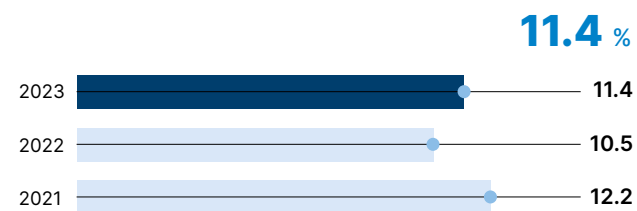
In 2023, the average headcount grew by 2.8%, resulting from our investment programme, expanded scope of works and services, organisational and technical changes.

Average monthly salary at Nornickel (RUB '000)



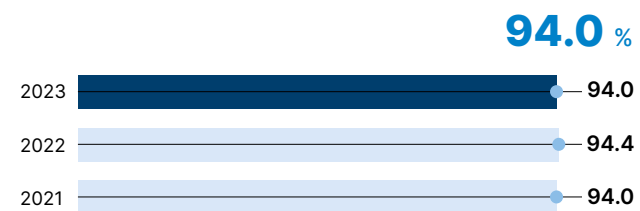
In 2023, the Company increased employee salaries by 6.1%. The monthly average pay at Nornickel is 2.5x the Russian average, standing at RUB 184,100.

Employee turnover %



By pursuing an effective human resources policy, the Company aims to reduce employee turnover, which rose marginally for 2023, among other things, driven by organisational and technical changes, to reach 11.4%.

Nornickel employees covered by collective bargaining agreements %

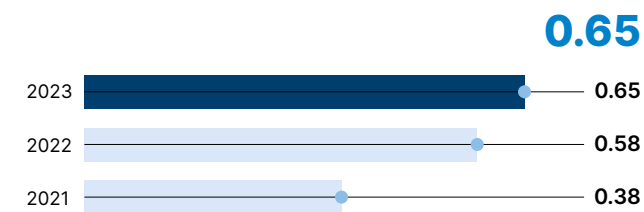


Nornickel respects the right of employees to enter into collective bargaining agreements, which currently cover the majority of the Group's personnel (over 94%).



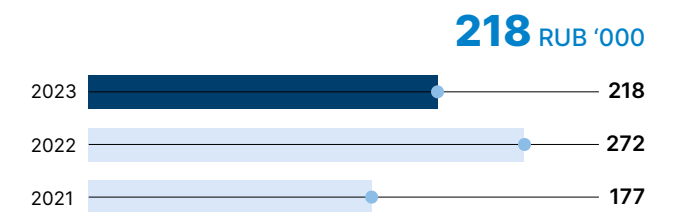
Health and safety

LTIFR



The increase in LTIFR is associated with a new approach to recording, classifying and investigating incidents at Nornickel.

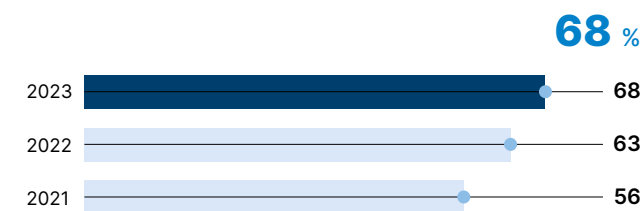
OHS expenses per employee (RUB '000)



The largest share of health and safety expenses came from purchasing personal protective equipment and making production facilities compliant with OHS requirements. Changes in this indicator, among other things, depend on the number and type of actual and planned activities to improve the OHS system during the reporting period.

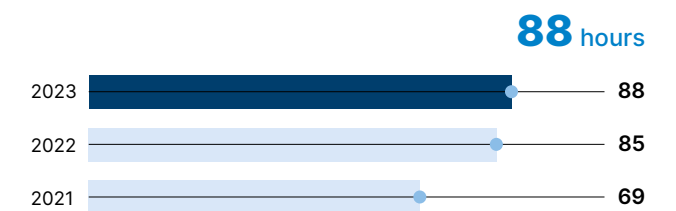
Human capital development

Employee engagement rate (%)



In 2021 to 2023, employee engagement has been improving on an annual basis, driven mostly by social protection that the Company guarantees through its extensive social benefits, along with respect and safety that all our employees enjoy.

Average annual training hours per employee (hours)



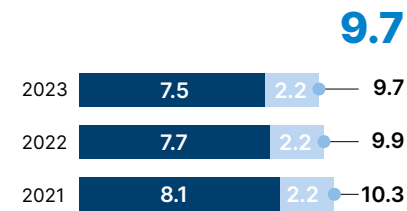
During the reporting year, we continued our training activities designed to improve critical, professional and managerial competencies of the employees, with the average annual training per employee going up by 3.5%.

¹ All intensity metrics are per RUB mln of IFRS revenue.

Environment

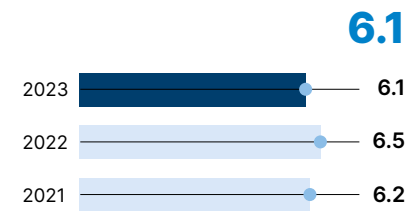
Climate change

GHG emissions (Scope 1 and 2)¹ mt of CO₂ equivalent



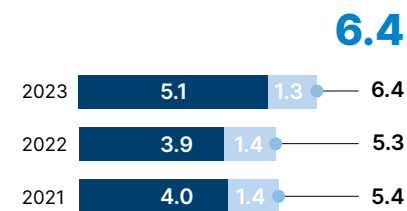
- Actual GHG emissions (Scope 1 and 2)
- Sulphur Programme GHG emissions provision

Actual GHG emissions intensity (Scope 1 and 2) t of CO₂ equivalent / RUB mln



In 2023, GHG emissions (Scope 1 and 2) were down by 2% as a result of higher energy efficiency, increased reliance on renewable energy (hydro power plants) in generation, and reduction in the volume of diesel fuel.

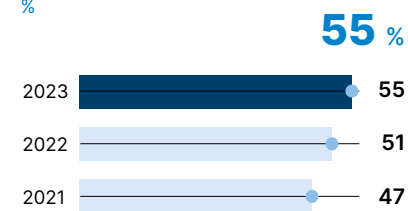
GHG emissions (Scope 3) mt of CO₂ equivalent



- Downstream
- Upstream

The key driver behind the higher Scope 3 (downstream) emissions in 2023 was a rise in the sales of semi-products (mainly iron ore concentrate from Bystrinsky GOK).

Share of renewables in electricity consumption %

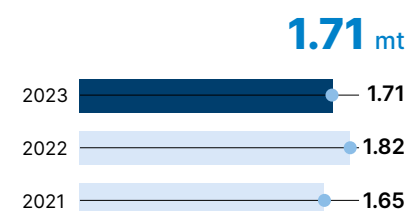


Projects to ramp up the use of renewables, achieve savings in fuel and energy consumption, and improve reliability of electricity and gas supplies helped increase the share of renewables in total electricity consumption.

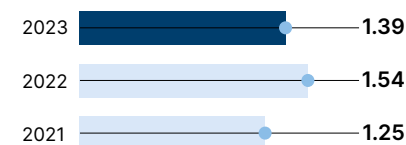
¹ Including a GHG emissions provision for the Sulphur Programme and GHG emissions generated from heat and electricity supply to the public.

Air

Air pollutant emissions mt



Air pollution intensity t / RUB mln

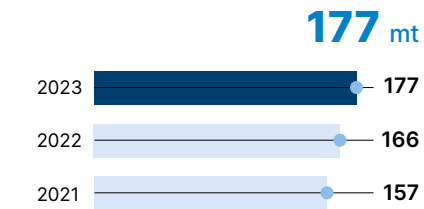


Air pollutant emissions were down by 6.1% vs 2022 as a result of the use of low-sulphur fuel at the Monchegorsk site and lower sulphur content in the concentrate fed to smelting facilities at Polar Division.



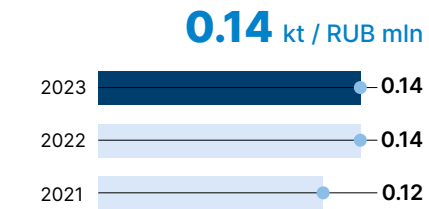
Waste

Waste generation mt

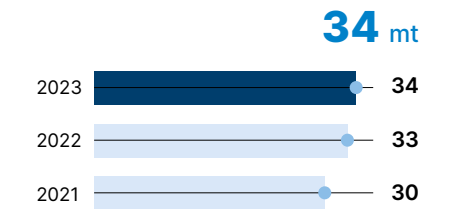


Waste generation in 2023 was up by 6.6% associated with the development of a new Mokulaevskoye limestone deposit.

Waste generation intensity kt / RUB mln



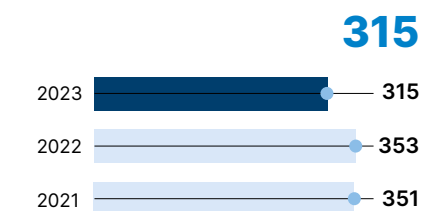
Waste recovery mt



In order to increase its waste recovery, Norinickel implements projects to process construction waste into certified crushed stone, sort waste in Monchegorsk, and transfer waste to third parties for recovery.

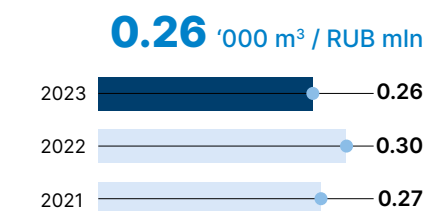
Water use

Total water withdrawal m³

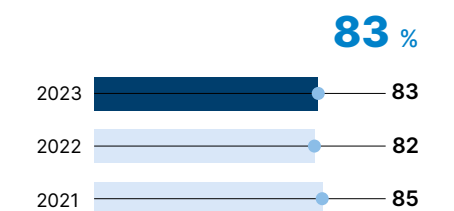


Total water withdrawal declined by 10.8% y-o-y following the introduction of automated power consumption metering for commercial purposes, water conservation, and reduction in the withdrawal of water used for HPP equipment cooling.

Water withdrawal intensity '000 m³ / RUB mln



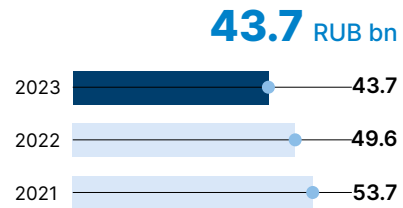
Share of water reused and recycled %



The Company's key production assets have a closed waster circuit to make sure water withdrawal remains fairly low.

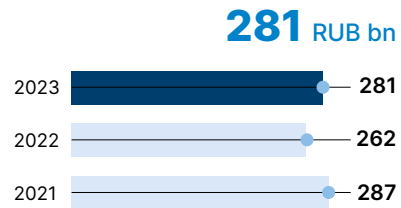
Development of regions and local communities

Spending on social programmes, charity, and social infrastructure¹, RUB bn



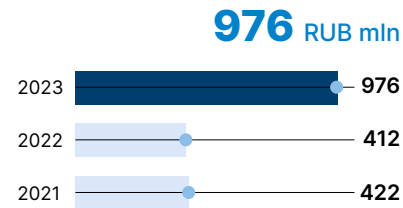
Nornickel's expenditure on charity and social projects, social programmes and benefits for its employees accounted for 3.5% of the Group's revenue for 2023.

Tax and non-tax payments to budgets of various levels, RUB bn



The changes in tax and non-tax payments in 2023 were associated with the introduction of export customs duties, windfall tax payment, and higher insurance payments and personal income tax.

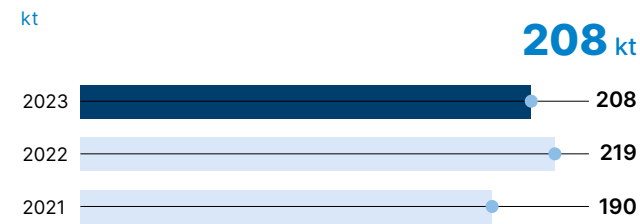
Support for indigenous Northern minorities, RUB mln



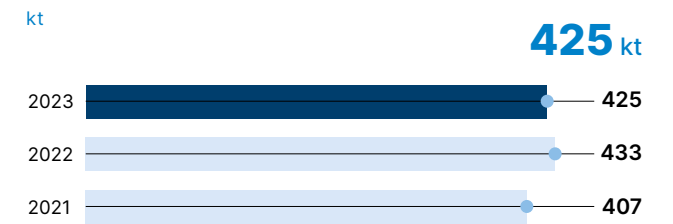
Nornickel continues to support indigenous peoples. In 2023, this expense item increased, as the Company constructed new facilities for them.

Operational performance¹

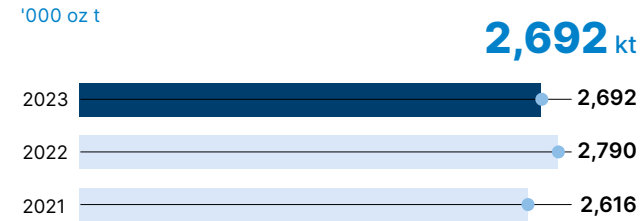
Production of nickel (from the Company's own feedstock)



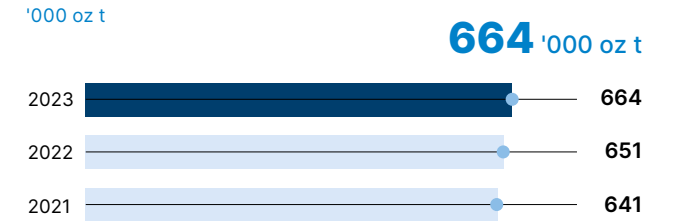
Production of copper (from the Company's own feedstock)



Production of palladium (from the Company's own feedstock)



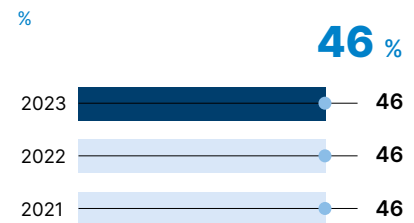
Production of platinum (from the Company's own feedstock)



In 2023, Nornickel marginally reduced the output of all metals except platinum, attributable to a temporary decline in the extraction of rich cupriferous ore, associated with transition to new mining machinery.

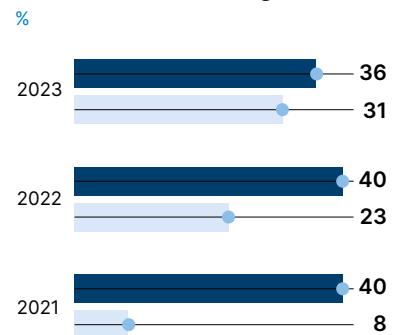
Corporate governance

Percentage of independent directors on the Board of Directors

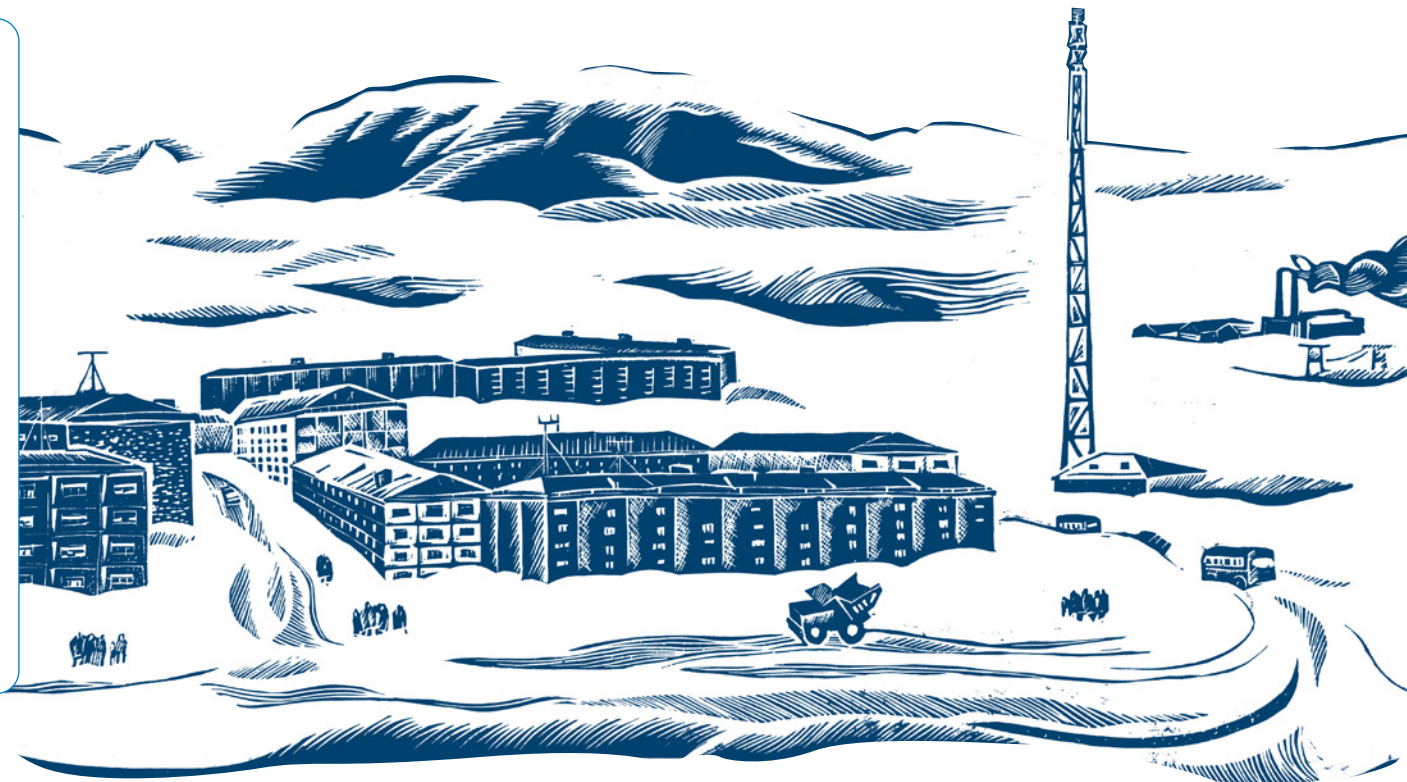


The Board of Directors is well-balanced in terms of independence of its members, contributing to effective decision-making that aligns with the highest global standards and caters to the interests of varied stakeholders.

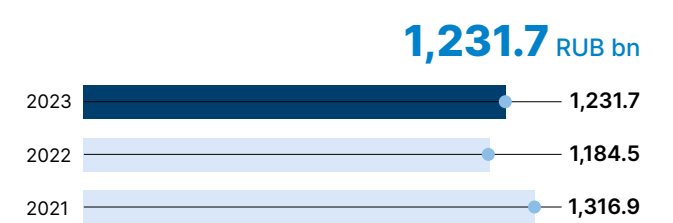
Percentage of women on the Board of Directors and Management Board



- Percentage of women on the Management Board, %
- Percentage of women on the Board of Directors, %



Revenue



In 2023, Nornickel sold all of its output and some of the metal stocks accumulated in 2022.

¹ Group data, including foreign companies of Kola Division.

¹ Excluding contingent liabilities in relation to future social projects.

NORILSK NICKEL GROUP PROFILE

GRI 2-1, 2-6

Norilsk Nickel Group is a diversified mining and metals holding company, the world's leading producer of palladium and metallic nickel and a major global producer of platinum, copper, and other low carbon footprint metals essential for the low-carbon economy and green transport.



Nornickel's products

Ni Nickel

Pd Palladium

Pt Platinum

Rh Rhodium

Cu Copper

Co Cobalt

Au Gold

Ag Silver

S Sulphur

Te Tellurium

Se Selenium

Ru Ruthenium

Ir Iridium

Position in the industry

Nornickel is the largest group of companies in the Russian Arctic. Its companies serve as a mainstay of local economies at five cities and towns: Norilsk, Dudinka, Monchegorsk, and Zapolyarny.

Reserves-to-production ratio at the current production level

> 70 years
(Norilsk and Kola Divisions)

> 20 years
(Trans-Baikal Division)

28 countries receive supplies of Nornickel's products

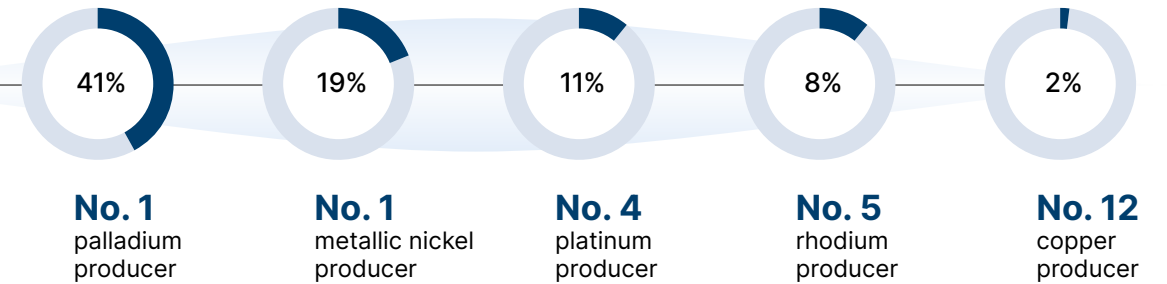
376 customers from across the globe

Proven and probable ore reserves¹

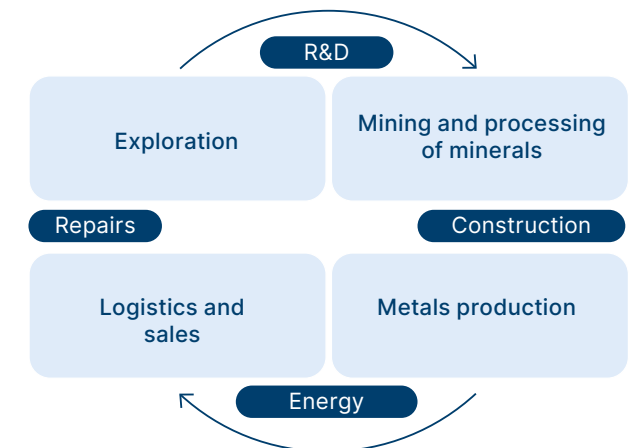
1 267 mt
Norilsk and Kola Divisions

283 mt
Trans-Baikal Division

Position in the industry²



Nornickel's competitive strength is its vertical integration, including a unique mineral resource base, full production cycle, from ore mining to refining, along with its own energy, transportation, and production support assets, as well as R&D capabilities.



¹ The key changes are driven by increased disseminated ore prices as compared to refining costs following macroeconomic outlook adjustments. The decline in proven rich ore reserves is attributable to developing deposits.

² For palladium, platinum, and rhodium markets – in terms of refined metals production (including tolling arrangements), for the copper market – in terms of mining (globally). Nickel market position includes data on metallic nickel production.

Nornickel's contribution to the International Cooperation and Exports national project

Relevant UN SDGs



Related federal projects

Industrial Exports

International Trade and Logistics

Nornickel's key business areas

Metal product exports

Development of the ice-breaking fleet and transportation along the Northern Sea Route

Transport accessibility in far-flung regions¹



Norilsk Nickel Group

As at the end of 2023, Nornickel Group comprised over 90 business units¹. Part of Group companies and branches were clustered into five main divisions responsible for operating and support activities: Norilsk, Kola, Trans-Baikal, Energy, and Sales.

The Group has its production facilities in Russia (the Norilsk Industrial District, Kola Peninsula, and Trans-Baikal Territory) and Finland.

MMC Norilsk Nickel's Head Office is located in Moscow. Head Office employees are also based in St Petersburg and Norilsk

¹ For more details, please see the [Transport Accessibility in Remote Locations](#) section.

¹ Including Russian and international business units.


Core companies and business units




NORILSK DIVISION




KOLA DIVISION

 Taimyr Peninsula, north of the Krasnoyarsk Territory, Russia

 The Company's key production asset comprising deposit development and full metals production cycle from mining of rich, cupriferous, disseminated copper-nickel sulphide ores to manufacturing of end products


 Oktyabrskoye and Talnakhskoye deposits (Taimyrsky, Oktyabrsky, Komsomolsky, Skalisty, and Mayak mines), Norilsk-1 deposit (Zapolyarny Mine), as well as nonmetallic deposits (Ozero Lesnoye, Gorozubovskoye, Kayerkanskoje, Mokulaevskoye, and Gribovskoye), development projects (Maslovskoye and the Western flank of the Oktyabrskoye deposit), and high-potential areas (Yuzhno-Norilskaya, Mikchagdinskaya, and Arylakhskaya)


 Mined ore is processed at Talnakh and Norilsk Concentrators and transportation of thickened concentrates via slurry pipelines to Nadezhda Metallurgical Plant, where copper-nickel concentrate, copper in semi-products from the Kola Division's Concentrator and gold concentrate from the Trans-Baikal Division are also processed


Production of high-grade nickel matte sent to Kola MMC, copper cathodes, commercial sulphur, selenium, precious metal concentrate

Division's key facilities

- Polar Division of MMC Norilsk Nickel
- Medvezhy Ruchey

 Kola Peninsula (Murmansk Region) and Harjavalta (Finland)

 Development of deposits of the Western Ore Cluster, mining and further processing of disseminated copper-nickel sulphide ores

 Kotselvaara-Kammikivi, Semiletka, Zhdanovskoye, Zapolyarnoye, Bystrinskoye, Tundrovoye, Sputnik, and Verkhneye deposits

 **Kola MMC**

Processing of mined ore at Zapolyarny Concentrator; processing of Polar Division's high-grade matte in Monchegorsk

Production of sulphide concentrate supplied to the Norilsk Division and for sale

Nickel cathodes, nickel carbonyl, electrolytic cobalt and cobalt concentrate, precious metal concentrates, copper in semi-products to be processed at the Norilsk Division, crushed converter matte, sulphuric acid, and saleable copper and nickel concentrates

 **Norilsk Nickel Harjavalta**

Processing of the Group's Russian feedstock and third-party nickel feedstock. Harjavalta is the only nickel refinery in Finland and one of the largest similar facilities in Europe

Nickel cathodes, briquettes, salts, powders and solutions, cobalt sulphate and solution and PGM-bearing copper cakesent for processing to the Norilsk Division

Division's key facilities

- Kola MMC
- Norilsk Nickel Harjavalta OY



TRANS-BAIKAL DIVISION

Trans-Baikal Territory, Gazimuro-Zavodsky municipal district

Exploration, mining and further processing of gold-iron-copper ores

Bystrinskoye deposit, development projects (Bystrinsko-Shirinskoye and Bugdainskoye deposits, flanks of

Bystrinskoye deposit), and high-potential areas (Alenuyskaya, Shamyanskaya, Mostovskaya, and Dogyinskaya)

Processing of mined ore at Bystrinsky Concentrator

Sales of copper and iron ore concentrates, and shipment of gold concentrate to the Norilsk Division

Division's key facilities

- GRK Bystrinskoye



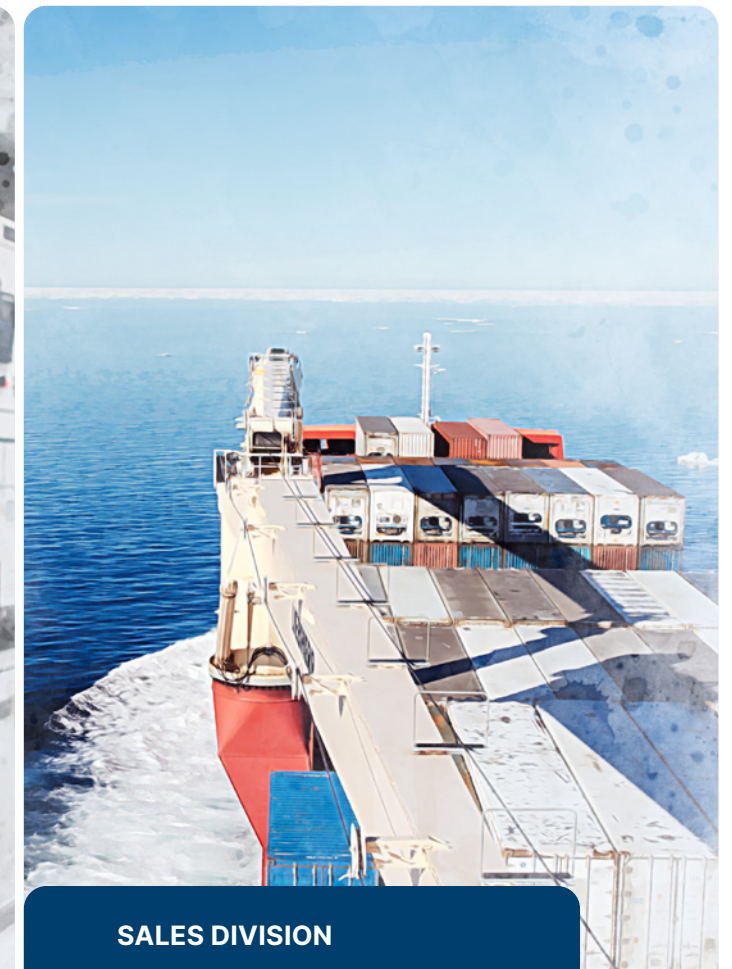
ENERGY DIVISION

Norilsk Industrial District

Generation of heat and electricity for the Company's production assets and other consumers, production of natural gas and gas concentrate, transportation, and organising the supplies and storage of light and dark petroleum products in the Far North

Division's key facilities

- NTEC
- Norilskgazprom
- Norilsktransgaz
- TFC



SALES DIVISION

Russia, Switzerland, China

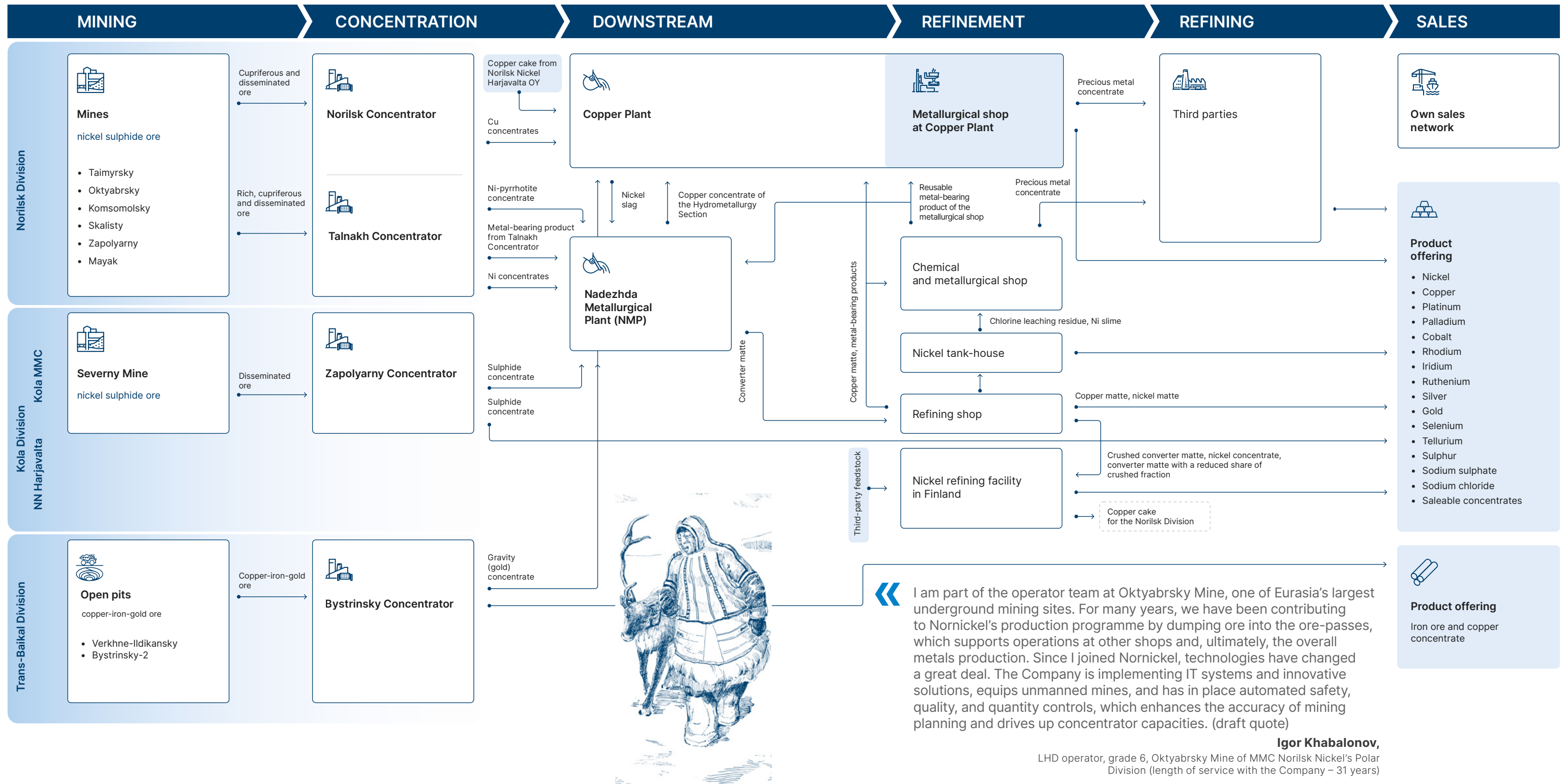
Identifying distribution channels for the Company's products, sales of end and semi-products, building and developing customer base, ensuring customer satisfaction with the product and service quality, venturing into new sales areas, forms and markets, conducting R&D in science and technology and market environment studies

Division's key facilities

- NORMETIMPEX
- NN Marketing
- Palladium Centre
- Companies of international distribution network

For more details on deposits and the Group's business model, please see [MMC Norilsk Nickel's Annual Report for 2023](#).

Production chain



SUSTAINABLE DEVELOPMENT AT NORILSK NICKEL GROUP

« Norilsk Nickel Group's non-financial reporting is a comprehensive and multi-faceted dashboard that provides a consistent overview of the Company's efforts to ensure a sustainable future. For 20 years now, we have been preparing and publishing our non-financial reports for the general public. In doing so, we rely on international standards and engage with our stakeholders to identify aspects of our operations that warrant more detailed disclosure. Every word in our disclosures is underpinned by action – to help develop human resources, protect the environment, ensure occupational safety, drive innovations, and support social development across our footprint. With twenty reports now completed and released, we remain firmly committed to sustainability and high quality of non-financial reporting.

Vladimir Zhukov,
Vice President, IR
and Sustainable Development



NORILSK NICKEL GROUP:

20 YEARS OF SUSTAINABLE DEVELOPMENT

Nornickel has one of the longest and most successful traditions of non-financial reporting in Russia¹. In 2005, the Company released its first social report, which is an important step on the path towards increasing corporate transparency for the benefit of the wide range of stakeholders. For 20 years, Nornickel has regularly been not only disclosing its financial and operating results, but also updating stakeholders on environmental initiatives, occupational health and safety, programmes for employees and local communities, R&D and innovations, and major aspects of corporate governance.



Every year, the Company enhances its level of disclosure, aligning with new and reviewed standards and recommendations on sustainability and responding to the growing requirements and needs of stakeholders and relevant changes within the Company. Over the past 20 years, the Company's non-financial reporting has undergone major transformations as its scope, boundaries, and list of disclosed quantitative and qualitative indicators continued expanding. For its reports, the Company utilises cutting-edge design and IT solutions.

Since 2005, Nornickel's reports have been subject to an independent professional review and assurance by an auditor, and public assurance since 2009.

¹ The Company published social reports for 2003–2007 and corporate social reports for 2008–2016. Since 2017, the Company has been releasing sustainability reports.

Standards and guidelines used by Nornickel in its sustainability reporting

Reporting year

2023

GRI Standards (2021)
UNCTAD
TCFD
SASB Mining & Metals
Methodological recommendations of the Russian Ministry of Economic Development (Order No. 764 dated 1 November 2023)
IFRS S2¹

2022

GRI Standards (2021)
UNCTAD
TCFD
SASB Mining & Metals

2021

GRI Standards (Comprehensive option)
UNCTAD
TCFD
SASB Mining & Metals

2019

GRI Standards (Comprehensive option)
UNCTAD
TCFD

2018

GRI Standards (Comprehensive option)
UNCTAD

2017

GRI Standards (Comprehensive option)

2013

GRI G4

2006

GRI G3

2003–2004

GRI G2

Awards received by Nornickel's sustainability reports



The high quality of Nornickel's reports is evidenced by awards of Russian and international report contests, including major annual events such as LACP Vision Awards, MerComm ARC Awards, Marcom Awards, Moscow Exchange's Annual Report Competition, and annual report contests hosted by Expert RA and RAEX.

>40 awards received by Nornickel's sustainability reports at various Russian and international contests since 2005



Some of Nornickel's awards won at the largest Russian and international contests since 2010

2010

2nd place in the Best Corporate Social Responsibility Report category of the Moscow Exchange's Annual Report Competition

2012

Winner in the Best Corporate Social Responsibility Report category of the Moscow Exchange's Annual Report Competition

2015

Platinum award in the LACP 2014/2015 Vision Awards, 5th place among the Top 50 best reports globally

2016

Winner in the Best Corporate Social Responsibility Report category of the Moscow Exchange's Annual Report Competition

2019

Winner in the Best Corporate Social Responsibility Report category of the Moscow Exchange's Annual Report Competition

Prize winner in the Best Sustainability Report category of the Annual Report Contest hosted by RAEX

2018

2nd place in the Best Corporate Social Responsibility Report category of the Moscow Exchange's Annual Report Competition

2017

Winner in the Best Design of the CSR Report category of the Annual Report Contest hosted by Expert RA

Platinum award in the LACP 2017/2018 Vision Awards, 7th place among the Top 100 best reports globally

2020

Platinum award in the Best CSR Report category of MarCom Awards

2021

Winner in the Best Corporate Social Responsibility and Sustainability Report category of the Moscow Exchange's Annual Report Competition

Prize winner in the Best Sustainability Report category of the Annual Report Contest hosted by RAEX

2022

See the Awards and Accolades appendix

Team success story

Nornickel Group's successful track record of sustainability reporting is a testament to the relentless dedication and collective effort of our team. Over the years, they have been advancing the Company's projects to upgrade production assets for greater eco-friendliness, improve health and safety, enhance social and working conditions for employees, foster development of personnel and corporate culture, drive innovations, and address other aspects of sustainable development.

Marking a milestone with its anniversary sustainability report, Nornickel offers stakeholders a concise summary of sustainability metrics and the key events that have shaped its ESG practices throughout two decades.



¹ The Appendix contains information on disclosures that we piloted in line with the formats set out in IFRS S2.

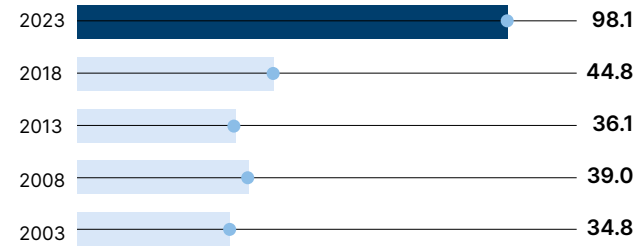
Key sustainability indicators in 2003–2023¹



Environmental expenditures (adjusted for the CPI)²

RUB bn

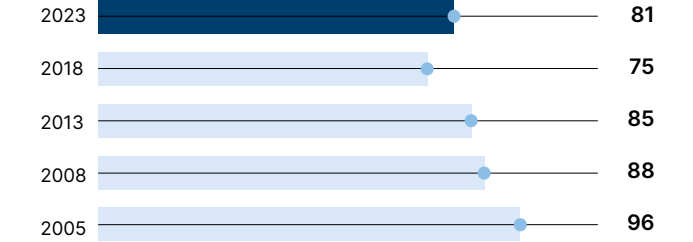
98.1 RUB bn



Nornickel Group headcount

'000

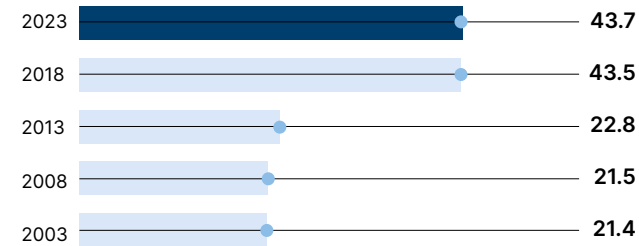
81 '000 people



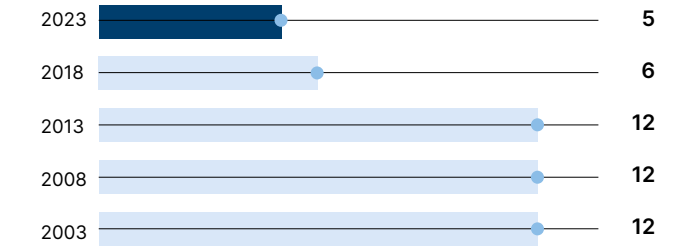
Social expenses (adjusted for the CPI)

RUB bn

43.7 RUB bn



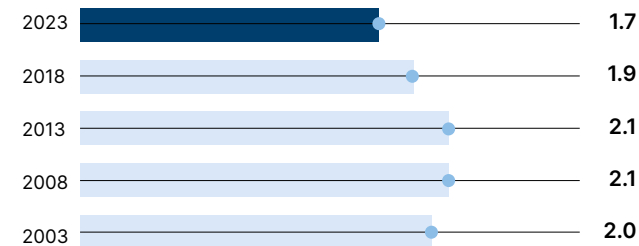
Fatalities



Air pollutant emissions

mt

1.7 mt



¹ The expenses are presented in 2023 prices.

² Consumer Price Index. Source: Federal State Statistics Service. Information about the CPI is available at <https://normativ.kontur.ru/document?moduleId=41&documentId=139128>

Timeline of Nornickel's major sustainability milestones, 2003–2023

- Approval of the Conceptual Framework for Social and Economic Development until 2015
- Approval of the Environmental Policy
- Start of preparation of semi-annual financial reports under the IFRS (with annual reports in place since 2002)
- Commencement of efforts to set up Board of Directors committees (audit, HR and remuneration committees)
- Introduction of an environmental monitoring system at Kola MMC
- Processing of industrial waste accumulated at the mining-impacted alluvial deposits of precious metals in Norilsk
- Establishment of the Norilsk Palladium Research Centre and launch of four projects to ramp up the use of palladium by various industries

- Approval of the Conceptual Framework for the Corporate Occupational Health and Safety Management System
- Assistance in upgrading and repairing 45 social infrastructure facilities in Norilsk
- Setting up the Norilsk Nickel Corporate University
- Launch of the Future of the North project for young talents
- Launch of a project to research migration and ensure protection of the lesser white-fronted goose

- Approval of the Occupational Health and Safety Policy
- Establishment of the Strategy Committee, Budget Committee, Social Policy Committee, and Corporate Governance Committee under the Board of Directors
- Establishment of a resource centre for training young workers
- Introduction of a new programme to provide financial assistance to unemployed pensioners
- Completion of the full-scale reconstruction of the Norilsk airport infrastructure
- Completion of field tests and development of a feasibility study for the Relict Oaks Reserve in the Trans-Baikal Territory
- Entering into an agreement with the Russian Ministry of Foreign Affairs on cooperation to counter illegal trade in precious metals
- Launch of a forensic chemistry lab at Gipronickel Institute

- Joining the Russian Union of Industrialists and Entrepreneurs and the Chamber of Commerce and Industry of the Russian Federation
- Commencement of the Your Home new corporate social programme
- Development of a 2011–2020 programme to relocate people living in Norilsk and Dudinka to other Russian regions with favourable climate conditions
- Completion of the modernisation of the Zapolyarye Health Resort in Sochi
- Completion of registration of products in line with REACH requirements
- Entering into agreements on reproduction of aquatic resources with the Taimyrsky and Putoransky reserves

- Approval of the first version of the Business Ethics Code
- Start of operation of the Naryn-1 (Borzya) – Gazimursky Zavod railway line, connection to the national railway
- Completion of the draft of a comprehensive investment plan for the Nickel settlement
- Financing of the construction of a sports and recreation centre in Dudinka
- Construction of a recreation camp for children in Gelendzhik and of the Arena-Norilsk sports and events mall
- Signing of a plan laying out detailed obligations to optimise the sulphur production process at Copper Plant and develop more effective catalytic solutions for treating waste gases as part of an agreement signed with Rosprirrodnadzor
- Obtaining of a permanent licence for the treatment and disposal of hazard classes 1–4 waste
- Counting of the bears living in the Kara Sea area

- Approval of the Health and Safety Strategy
- Joining the Anti-Corruption Charter of the Russian Business
- Approval by the Board of Directors of the Company's Anti-Corruption Policy
- Approval of the Code of Conduct and Ethics for Members of the Board of Directors
- Approval of the Human Capital Development Programme
- Launch of a project to implement an employee performance management system and a 360-degree review
- Signing of an agreement for the social and economic development of the Trans-Baikal Territory
- Opening of the world's northernmost ice arena Taimyr sponsored by the Company
- Launch of the World of New Opportunities charitable programme
- Implementation of a major landscaping project in Monchegorsk, Zapolyarny, and Nickel
- Drafting of a comprehensive security concept
- Drafting of a risk management development concept

- Approval of the Production Development Strategy until 2015 with a focus on resource-saving technology in mining, concentration and smelting
- Approval of the Employee Code of Ethics
- Approval of the Personnel Management Policy
- Establishing offices for operating, social and labour relations
- Introduction of the Complementary Corporate Pension Plan, one-off redundancy payments, and a corporate programme to improve social and working conditions at production sites
- Construction of a school in Tukhard for students of grades 1–3–x
- Launch of a programme to restore damaged land at Kola MMC

- Joining the Social Charter of the Russian Business
- Release of the first social report for 2003–2004
- Establishment of the corporate Social and Labour Council
- Launch of a mechanism for direct interaction among employees and the management (Corporate Forum)
- Introduction of a corporate distance learning system
- Launch of a programme for subsidised loans for employees, additional pension payments, and an additional vacation allowance
- Obtaining first certificates of compliance with the ISO 9001:2008 and ISO 14001:2004 for the Company's Integrated Quality and Environmental Management System

- Launch of the Co-Funded Pension Plan, the Health programme, and a programme to assist new employees from other regions to settle in Norilsk
- Establishment of the All-Russian Cross-Industry Association of Employers Engaged in Nickel and Precious Metals Mining

- Development of an occupational health and safety management system model and enactment of five corporate standards on occupational health and safety
- Establishment of the Board of Directors' Corporate Governance, Nomination and Remuneration Committee and the Accident Prevention Committee
- Signing the Social and Economic Cooperation Agreement with the Krasnoyarsk Territory Government
- Establishment of the captive NordStar airline to ensure social protection to employees and provide affordable air travel
- Launch of the Career Navigator programme for children and young people

- Development of a draft five-year programme for 2012–2016 to improve social and living conditions for employees
- Development of a municipal target programme for modernisation and overhaul of engineering infrastructure facilities for 2011–2020 jointly with the Norilsk Administration
- Establishment of the Nordavia – Regional Airlines corporate air company
- Introduction of a corporate scholarship for talented youth
- Introduction of annual reimbursement of vacation travel expenses and baggage fees for employees and their families
- Launch of the Nornickel Class career guidance project
- Commencement of tender procedures to develop a unique solution for sulphur dioxide capture
- Monitoring of the Kara and Barents Sea polar bear populations

- Approval of the Company's updated Production and Technical Development Strategy
- Updating of the HR Management Strategy
- Development and implementation of the Daddy Don't Forget Safety Rules! information campaign
- Completion of construction of two pre-school facilities in Norilsk
- Launch of the Between the Past and the Future project celebrating the 80th anniversary of the Norilsk Plant
- Support for the Zero Negative Environmental Impact nationwide campaign
- Approval of a project for the disposal of saline effluent from nickel refining at Kola MMC in Monchegorsk for 2014–2016
- Completion of one of the stages of a major programme to upgrade Kola MMC's Concentrator
- Development of the Shareholder's Personal Account

- Joining the UN Global Compact
- Taking part in drafting Norilsk 2030, a strategy for the city's social and economic development
- Completion of the construction of a visitor centre in Nickel for a state nature reserve
- Partnership agreement with the International University Sports Federation (FISU)
- Launch of the personal donations programme for Company employees
- Establishment of two clubs of socially responsible businessmen in Norilsk and the Murmansk Region to bring together the most active representatives of small and medium business
- Shutdown of the outdated Nickel Plant
- Piloting of a solid domestic and industrial waste landfill in the Tukhard settlement
- Completion of an upgrade and retrofit project for the tailings pipes at Nadezhda Metallurgical Plant
- Completion of the construction of a briquetting section for copper-nickel concentrate at Kola MMC (transition from an outdated feedstock preparation technology)

- Approval of the Information Security Policy
- Signing of an agreement with the Federal Agency for Ethnic Affairs (FAEA) on cooperation aimed at providing support to the indigenous peoples of the North
- Launch of the Norinickel's Leaders corporate development programme
- Completion of the renovation of the Norilsk Airport's runway
- Creation of the Union of Entities of the Copper and Nickel and Supporting Industries, an interregional cross-industry association of employers
- Approval of Bystrinsky GOK by the state environmental expert review board
- Commencement of the Sulphur Project at Copper Plant in Norilsk
- Contributing to the drafting of the UN resolution on combating illegal trafficking of precious metals
- Establishment of the National Association of International Information Security

- Development of a new Holistic Environmental Strategy
- Establishment of the Risk Management Committee of the Management Board led by the Company's President
- Establishment of the Environmental Department, Sustainable Development Department, and Environmental Monitoring Centre
- Migration to a division-based structure and introduction of large-scale changes to the Company's governance framework
- Approval of Norinickel's programme to support indigenous peoples until 2024
- Launch of the Norinickel Academy educational platform
- Setting up a dedicated ethnological expedition to study the indigenous minorities of the Taimyr Peninsula
- Establishment of the Monchegorsk Development Agency

- Establishment of Women in Mining Russia (WIM Russia), a non-profit organisation that aims to promote professional development of women
- Participation in drafting the Conceptual Framework for the Social and Economic Development of the Pechengsky District
- World of Taimyr grant competition
- Start of the Great Norilsk Expedition and development of a comprehensive land rehabilitation programme following the CHP-3 accident in Norilsk
- Quantitative assessment of indirect GHG emissions (Scope 3) in line with the GHG Protocol
- Shutdown of the smelting shop in Nickel
- Launch of the Technological Breakthrough 2.0 programme

- Development of a corporate standard for ecosystem biodiversity conservation and monitoring
- Launch of a project to create a workplace safety culture coaching system
- Revision of Norinickel's cardinal safety rules, OHS incentive programme and employee awareness raising initiatives
- Launch of the Digital Medicine project in Norilsk
- Commencement of the Employee Relocation programme
- Launch of the Tsifronikel Junior educational project for the children of employees
- Prior task force consultations with representatives of indigenous peoples in Lovozero
- Launch of the Big Scientific Expedition

- Entering into two agreements with the Russian Ministry of Natural Resources and Environment as part of the federal Biodiversity Conservation and Ecotourism Development project
 - Establishment of an air quality monitoring and forecasting system in Norilsk, Monchegorsk, Nickel, and Zapolyarny
 - Calculation of upstream Scope 3 GHG emissions
 - Finalisation of the supply chain Due Diligence Management System and implementation of all the steps covered by the OECD² Framework
 - Testing of an innovative technology of obtaining modified sulphur
 - Completion of the design of a digital engineering and operating model (3D model) at Kola MMC
- ² Organisation for Economic Cooperation and Development.

2015

2016

- Approval of the Fuel and Energy Development Strategy
- Introduction of the Accident Investigation corporate standard
- Signing of a master agreement on cooperation during the preparation and staging of the 29th Winter Universiade in Krasnoyarsk in 2019
- Launch of the Plant of Goodness corporate volunteering programme
- Opening of the world's northernmost water park in Norilsk
- Launch of a project to build a fibre optic communication line between Novy Urengoy and Norilsk
- Start of the Let's Do It! environmental marathon
- Piloting of Stage 1 of Talnakh Concentrator
- Completion of the first surveillance audit to certify compliance of the Corporate Integrated Quality and Environmental Management System with ISO 9001:2008 and ISO 14001:2004

2017

2018

- Approval of a roadmap to reduce air pollutant emissions at Polar Division for 2018–2023
- Approval of the Community Engagement Policy and the Housing Programme Policy
- Development of the Biodiversity Policy
- Access to broadband internet connection in Norilsk
- Establishment of Russia's first corporate security department sponsored by Norinickel – at the Moscow State Institute of International Relations (MGIMO)
- Completion of construction of two pre-school facilities in Norilsk
- Launch of Sulphur Programme 2.0
- Assessment of the Company's operations for compliance with the TFS (Together for Sustainability) initiative
- Start of operations of Stage 1 of new electrolysis cells at the nickel tankhouse of Kola MMC, which is designed to reduce emissions of sulphur dioxide and dust, cut down on metal losses, and improve the quality of products
- Signing of the Environmental Charter of the Krasnoyarsk Territory
- Launch of Bystrinsky GOK

2019

2020

- Signing of a joint declaration with the UNIDO¹ to run projects together, including those on green technologies
- Launch of Your Home, a new housing initiative
- Establishment of the Second School Centre, a specialised development institution in Nickel
- Development of a social support programme for employees facing redundancies following the smelting facility shutdown
- Launch of the SME Business Navigator project in Norilsk
- First assessment of GHG emissions in line with GHG Protocol requirements
- Approval of projects to cut emissions and improve environmental conditions at Kola MMC's Monchegorsk site
- Election of a new Board of Directors, with the majority of seats for the first time ever taken by independent directors
- Launch of the Smart City initiative

2021

- Approval of the Environmental and Climate Change Strategy through 2031
- Establishment of the Sustainable Development and Climate Change Committee
- Commencement of efforts to update and align the by-laws with ICMM and IRMA requirements
- Approval of a number of policies relating to sustainable development
- Development of the Due Diligence System standard (part of DDMS)
- Establishment of ESG competence centres across all divisions
- Signing of a four-party Agreement on Cooperation for Comprehensive Social and Economic Development of Norilsk for the period through 2024 and further through 2035
- Launch of the FPIC procedure for indigenous northern minorities living in Tukhard
- Signing of a Cooperation Agreement with the Kola Sámi Association
- Joining the Arctic Economic Council
- Shutdown of the refining stage copper chain at the metallurgical shop in Monchegorsk
- Launch of Great Norilsk Expedition 2.0

2022

- Modelling of climate change scenarios for the Norilsk Industrial District until 2050
- Development of a methodology and assessment of the carbon footprint of the Company's core products
- Production of the first batch of carbon-neutral nickel
- Completion of a Data Lake prototype
- Launch of an infrastructure service to create an air quality monitoring system in Norilsk as part of the City Online initiative

2023

- Approval of the Sustainable Social Development Strategy through 2030+
- Launch of the Digital Investor corporate programme
- Signing of a new agreement with the Murmansk Region for 2023–2025
- Ethnicity expert review for the Kolmozerskoye project
- Launch of the Sulphur Programme at Nadezhda Metallurgical Plant
- Completion of the second season of the Big Scientific Expedition
- Development of a methodology for calculating an integral indicator of ecosystem health (IIEH)
- First ever release of publicly available reports on climate change, human rights, and responsible supply chain

¹ Organisation for Economic Cooperation and Development.

SUSTAINABLE DEVELOPMENT STRATEGY

GRI 2-23, 2-24

Our mission

Our mission is to supply the world with non-ferrous metals, efficiently and safely using natural resources and capital to realise people's aspirations for development and technological progress.

Our values

People are our key value. Throughout its operations spanning more than eight decades in the Far North, Norinickel has built distinctive professional expertise that helps effectively navigate challenges

of unprecedented scale and intricacy, while keeping best-in-class product quality.

 <p>Reliability Ability to address any challenges to ensure success for the business</p>	 <p>Efficiency Delivering against our targets in due time and at minimum cost</p>	 <p>Professional excellence Ability to effectively deliver a strong performance</p>
 <p>Responsibility Desire to honour our commitments and take on responsibility for our decisions</p>	 <p>Growth Effective production ramp-up and upgrade, leverage of groundbreaking technologies and development of our people</p>	 <p>Teamwork Commitment and ability of our employees to achieve goals and objectives through teamwork</p>

GRI 2-6

Nornickel's strategic priorities:

<p>1 upgrading existing facilities and building new facilities to ramp up production of key metals;</p>	<p>2 improving environmental situation in the regions of operation;</p>	<p>3 maintaining financial stability</p>
--------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------	-----------------------------------------------------

The Company complements and expands its strategic priorities in sustainable development in the scope of the Environmental and Climate Change Strategy through 2031 and the Socially Sustainable Development Strategy through 2030.

Nornickel shapes and implements its development strategy in line with global trends, primarily the transition to a low-carbon economy, and the needs of its key stakeholders – employees, shareholders, investors, and consumers.

The basket of metals unlocks unique opportunities for us to join the leading pack in manufacturing materials required for the energy transition.

In the long run, our rapid growth will be driven by increasing demand for the metals we produce, needed to improve the energy efficiency

of transportation and develop renewable energy. A report by the Intergovernmental Panel on Climate Change (IPCC) shows that achievement of the Paris Agreement goal will require a substantial reduction in GHG emissions by 2050. Energy, transport, and construction were recognised as industries with the strongest potential to reduce emissions. The International

Energy Agency (IEA) identified the following metals and minerals¹ as critical for the global energy transition.

Industry/metal	Copper	Nickel	Cobalt	PGM	Lithium	REE	Chromium	Zinc	Aluminium
Solar power	●	●	●	●	●	●	●	●	●
Wind power	●	●	●	●	●	●	●	●	●
Hydropower	●	●	●	●	●	●	●	●	●
Concentrated solar power systems	●	●	●	●	●	●	●	●	●
Bioenergy	●	●	●	●	●	●	●	●	●
Geothermal power	●	●	●	●	●	●	●	●	●
Nuclear power	●	●	●	●	●	●	●	●	●
Power transmission lines	●	●	●	●	●	●	●	●	●
Electric vehicles and batteries	●	●	●	●	●	●	●	●	●
Hydrogen energy	●	●	●	●	●	●	●	●	●

Relative importance of metals and minerals for low-carbon energy technologies:

● high importance ● medium importance ● low importance

PGM – Platinum group metals

REE – rare earth elements

Nornickel's Production and Technical Development Strategy focused on its resource base development aims to maximise operating rates and ramp up production capacity of the existing mines. This includes scaling up operations by developing the South Cluster².

Our mid-term plans include the upgrade of the energy and logistics infrastructure enabling adaptation to physical risks of climate change and better reliability of our production assets in the long run.

¹ Source: [International Energy Agency](#)

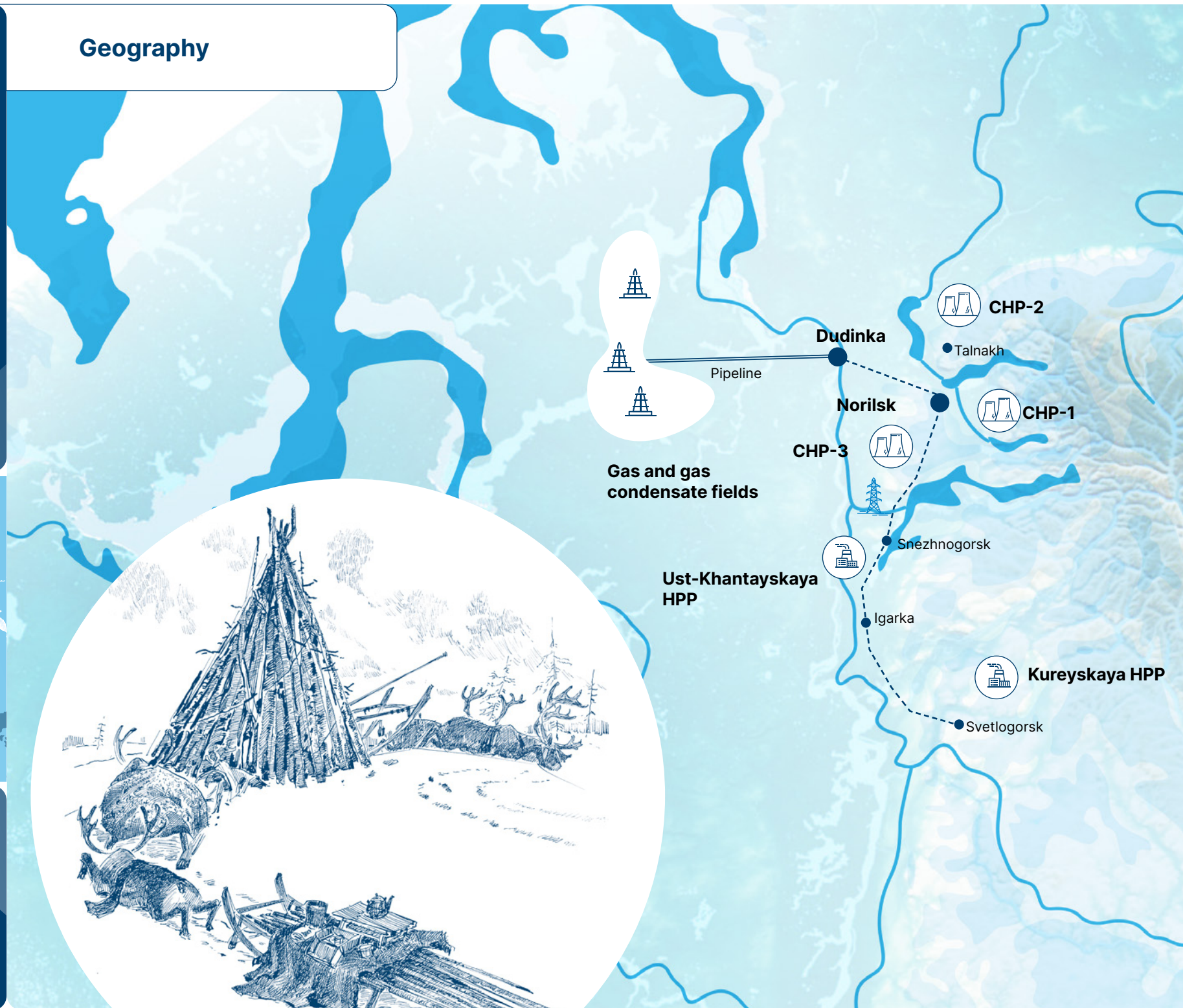
² For more details, please see [MMC Norilsk Nickel's Annual Report for 2023](#).

Power infrastructure modernisation through 2030

Programme objectives:

1. Modernise generating capacities and the grid infrastructure to replace the retiring equipment and grids;
2. Reduce physical risks and enhance long-term reliability;
3. Provide a reliable and uninterrupted electricity supply to households and industrial consumers;
4. Ensure compliance with industrial safety requirements, standards, regulations, and specifications for the operation of infrastructure facilities, such as power grids, heat, and water supply;
5. Prevent emergency shutdowns, which consequently lead to production halts.

Geography



Gas and gas condensate upstream and transportation

- Modernisation of the gas transmission and gas distribution networks
- Drilling and fit-out of five new gas wells at the Pelyatkinskoye gas condensate field



Power lines

- Modernisation of power grids



Water and heat supply networks

- Modernisation of water and heat supply networks



Combined heat and power plants

- Upgrade of two power units at CHP-2 in Norilsk
- New, more efficient, and fuel-saving equipment to minimise energy losses



Hydropower plants

- Increasing the share of electricity supplied by hydropower plants

Contribution to energy efficiency:

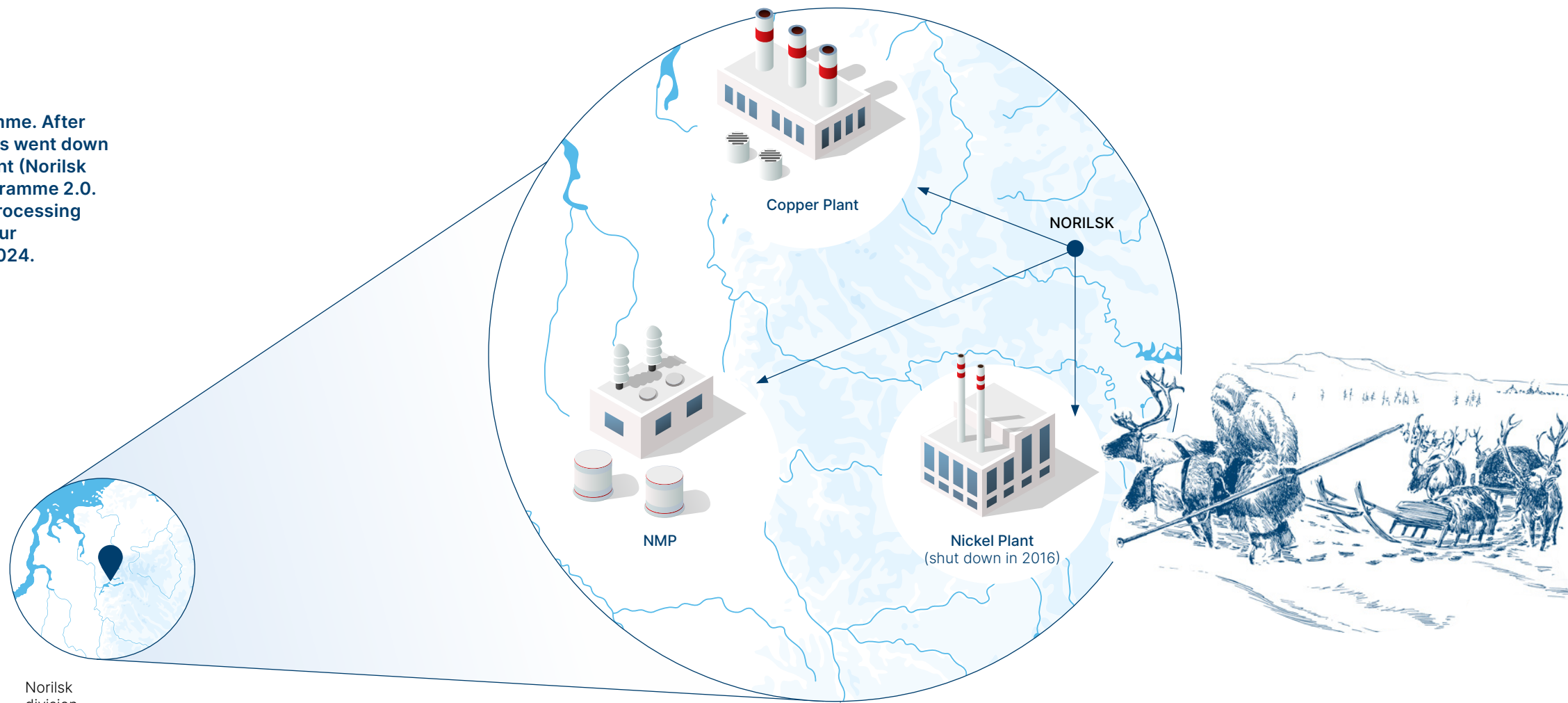
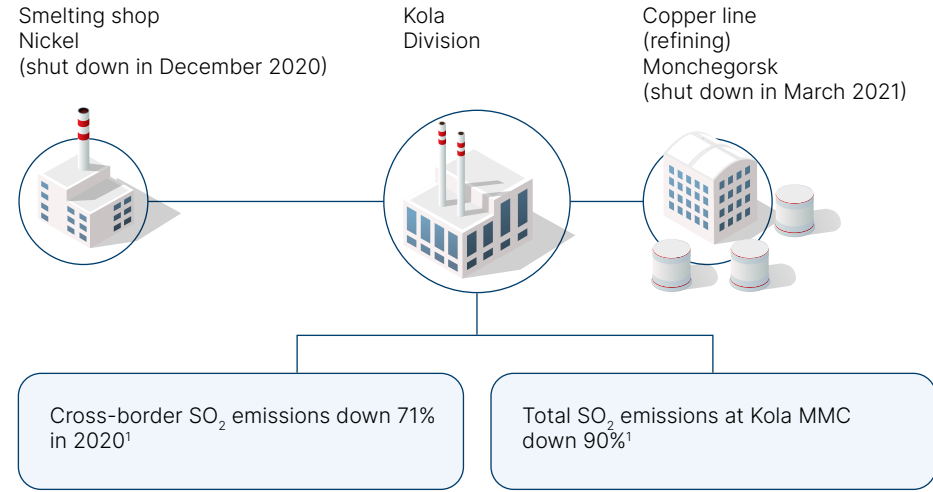
Focus on enhancing performance of new CHP power units and an overall reduction of energy losses along the energy generation and transmission chain

Sulphur Programme

To reduce our environmental footprint, we carry on with our Sulphur Programme. After we finished its stage on the Kola Peninsula in 2021, sulphur dioxide emissions went down 90% in 2022 compared to the 2015 baseline. In October 2023, Nadezhda Plant (Norilsk Division) initiated Norinickel's leading environmental initiative – Sulphur Programme 2.0. This marked the commencement of comprehensive trials for the inaugural processing line, which successfully resulted in the recovery of the first batches of sulphur dioxide. The plant is on track to reach its full design capacity by the end of 2024.

Sulphur Programme roadmap

Sulphur Programme 2.0: Reduction of SO₂ emissions

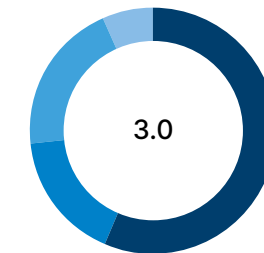


Norilsk division

Breakdown of the Company's investment programme for 2023–2024

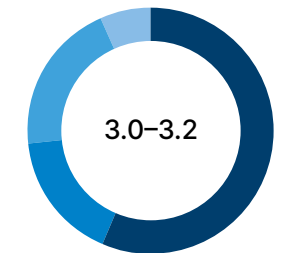
USD bn

2023



- Production continuity and growth
- Logistics and energy infrastructure

2024 (F)



- Environmental programme
- Social and other

Investments in key strategic projects for 2024 are estimated at USD 3.0–3.2 bn. The projections are subject to a number of factors, including FX fluctuations, supplier availability, and development of alternative design solutions (where necessary). Comprehensive review of design and import substitution solutions is currently underway. Once it is completed, we will further update our investment programme.

2020

2021

2023-2024

Implementation

Redesign, project updates

Optimisation of smelting operations to cut SO₂ emissions in the Russia-Norway border zone

Shutdown of the obsolete smelting shop in Nickel in December 2020

▼2x

50%¹ Reduction of SO₂ emissions in Nickel and Zapolyarny

Full shutdown of the obsolete copper line at the refining shop on the Kola Peninsula

Metallurgical Shop shut down in March 2021

▼7x

90%¹ reduction of total SO₂ emissions at Kola Division sites

Launch of Sulphur Programme 2.0 at Nadezhda Metallurgical Plant to recover furnace gases

~2x

45%¹ reduction of SO₂ emissions at Norilsk Division sites after the ramp-up to design capacity

Launch of Sulphur Programme 2.0 at Copper Plant to cut pollutant emissions substantially

~10x

up to 90%¹ reduction of SO₂ emissions at Norilsk Division sites after the ramp-up to design capacity

¹ Vs the baseline year (2015).

Environmental and Climate Change Strategy through 2031

Nornickel has the Environmental and Climate Change Strategy through 2031 approved by the Company's Board of Directors in 2021. The document covers six main areas of the environmental footprint – climate change, air, water,

tailings and waste, land and biodiversity – as well as organisational and methodological aspects of developing corporate sustainability management practices. The strategy is designed

to meet stakeholders' expectations, engage them and communicate with them on the way.



Key areas and targets of the Environmental and Climate Change Strategy through 2031

Strategic area	Target indicators	2023 results
Climate change	<ol style="list-style-type: none"> Maintaining absolute GHG emissions from operations (Scope 1 and 2) at around 10 mt of CO₂ equivalent through 2030 while growing production Keeping Scope 1 and 2 GHG emissions per tonne of Ni equivalent in the bottom quartile of the GHG intensity curve for the global metals and mining industry 	In 2023, absolute Scope 1 and 2 GHG emissions totalled 6.4 mt of CO ₂ equivalent, while the provision for Sulphur Programme GHG emissions totalled 2.2 mt of CO ₂ equivalent ¹
Air	<ol style="list-style-type: none"> Reducing SO₂ emissions by 90% vs 2015 	<p>Thanks to the Sulphur Programme, Kola Division's SO₂ emissions declined by 90% vs 2015.</p> <p>Nadezhda Plant (Norilsk Division) initiated comprehensive trials for the inaugural processing line, which successfully resulted in the recovery of the first batches of sulphur dioxide. The plant is on track to reach its full design capacity by the end of 2024.</p>
Water	<ol style="list-style-type: none"> No interregional or federal emergency situations Reducing pollutant discharges by 25% vs 2019 and achieving the maximum permissible emissions rate of 159 kt by 2031 Keeping fresh water withdrawal (excluding mining water) for production needs at 120 mcm (the level of 2020)² Keeping water recycling and reuse rates above 80% Eliminating the CHP-3 fuel spill consequences: a clean-up to normalise water indicators by the end of 2022 	<p>In 2023, there were no interregional or federal emergencies with environmental consequences</p> <p>The volume of pollutants discharged in 2023 went down 24.6% y-o-y</p> <p>In 2023, fresh water intake (excluding mining water) for production needs totalled 116 mcm²</p> <p>Water recycling and reuse rate was 82.7%</p> <p>The CHP-3 incident clean-up was completed</p>

¹ Excluding GHG emissions from heat and electricity supply to the public.

² Excluding the Energy Division.

Strategic area	Target indicators	2023 results
Tailings and waste	<ol style="list-style-type: none"> Disposing of 100% of tailings generated by new projects at environmentally safe facilities featuring best-in-class technologies, starting 2025 Eliminating (collection and processing) 100% of accumulated waste Increasing/maintaining the share of non-mineral waste (other than gypsum) recycling Increasing/maintaining the share of mineral waste recycling above 30% Increasing the share of gypsum waste recycling 	<p>Over the last five years, there have been no environmental incidents at the Company's hydraulic structures</p> <p>Nornickel helped collect 1 mt of waste and over 80 kt of scrap metal, dismantle 347 facilities, and clean more than 4.1 million m² of contaminated areas in the Norilsk Industrial District.</p> <p>The biological phase of disturbed land rehabilitation was carried out on an area of 78.8 ha. The project will continue until 2030</p> <p>Efforts are underway to increase/maintain the share of non-mineral waste recycling</p>
Land	<ol style="list-style-type: none"> Rehabilitation of 117 ha/year of disturbed land and land clean-up in towns and cities near production sites 	Some 131 ha of disturbed land were rehabilitated, including landscaping of 5 ha, reforestation of 112 ha, and reclamation of 14 ha
Biodiversity	<ol style="list-style-type: none"> Reducing a negative impact on biodiversity, including forest conservation near production sites 	The second season of the Big Scientific Expedition is over. The team discovered two new species and introduced two innovative scientific developments into the protocol of assessing the state of ecosystems
Stakeholder expectations, engagement and communications	<ol style="list-style-type: none"> Compliance with the TCFD principles Compliance with ICMM requirements Compliance with IRMA requirements 	<p>A Climate Change Report was released in compliance with TCFD recommendations</p> <p>The roadmap for compliance with international standards is in progress</p>

Throughout 2023, Nornickel updated its Strategy to accommodate a new external landscape, lessons learned, more stringent Russian environmental laws, and the heightened standards called for by our customers. The updated

Strategy is split into obligatory (meeting statutory requirements, seven target areas) and voluntary (incorporating additional measures) sections. It encompasses over 300 steps in total.

The Company's Board of Directors approved the new document in February 2024.

Sustainable Social Development Strategy through 2030

In 2023, Nornickel's Board of Directors approved the Sustainable Social Development Strategy through 2030 (the "Strategy"). The Strategy centres around four strategic priorities: health and safety, talent management and corporate culture, development of technologies and products that help foster technological and social progress, and involvement in the lives of local communities and society at large. The Strategy is pivotal to meeting the UN SDGs.

« Major businesses are intrinsically connected to the advancement of regions and prosperity of society at large. Nornickel is committed to its long-term strategic priorities. By focusing on each of them, we reaffirm our sustainability and honour our obligations to all stakeholders.


Employee health and safety is the No. 1 priority in Nornickel's Sustainable Social Development Strategy through 2030. It goes beyond industrial safety, as we strive to provide our people with conducive working conditions and opportunities for professional growth and development aligned with the needs of the economy of the future.

Larisa Zelkova,




Senior Vice President – HR, Social Policy and Public Relations



Goals, KPIs, and key initiatives to meet the Sustainable Social Development Strategy through 2030

Strategic priority	Goals	KPIs	Key activities
 Health and safety	Achieving zero fatalities and reducing workplace injuries and occupational diseases <hr/> Eradicating catastrophic accidents <hr/> Aligning working conditions with the needs of our staff <hr/> Consistently mitigating safety risks to an acceptable level	Zero fatalities at the Company's facilities and elimination of catastrophic accidents	<ul style="list-style-type: none"> Introducing a robust system for accident record-keeping and classification, enhancing incident investigation quality Instituting programmes to monitor employees' adherence to cardinal safety rules <hr/> <ul style="list-style-type: none"> Developing the system of financial and non-financial incentives to bolster adherence to safety rules Implementing a programme to overhaul safety culture at facilities Rolling out the I Understand initiative to every unit to embrace webinars, newsletters, and posters spotlighting strategies to counteract stress and burnout <hr/> <ul style="list-style-type: none"> Backing initiatives aimed at improving living standards <hr/> <ul style="list-style-type: none"> Assessing contractors' conformity with safety rules and deploying a rating system to incentivise exemplary contractor performance Advancing a system for production monitoring and ensuring compliance with industrial safety requirements Building capabilities and integrating fire risk management tools Perfecting the monitoring system for buildings and structures and ensuring timely, quality maintenance and repairs

➔ For more details, please see the [Occupational Health and Safety section](#).

Strategic priority	Goals	KPIs	Key activities	
 Talent management and corporate culture	Attracting young talent and experienced professionals, including to Russia's Far North	A Top-3 employer in Russia's mining and metallurgical sector according to leading rankings	<ul style="list-style-type: none"> Designing and refining the employer value proposition alongside communication channels and formats for engaging with job seekers Boosting visibility on job search platforms and tapping into new target recruitment regions Conducting targeted initiatives to recruit and bolster the involvement of young talent 	→ For more details, please see the Development of Human Capital section .
	Facilitating employee retention, professional growth and development		<ul style="list-style-type: none"> Introducing a competency assessment system for professional, managerial, and corporate skills, followed by tailored training suggestions Running projects to foster a continuous learning culture Rolling out a programme of appointments from the internal talent pool to all Company facilities Deploying the In Good Company corporate programme for young professionals 	
	Improving onboarding to welcome new employees and enhancing engagement of seasoned professionals		<ul style="list-style-type: none"> Enhancing and rolling out the comprehensive onboarding framework for roles at all tiers Putting to action insights gleaned from the annual employee engagement survey 	
 Development of technologies and products that help foster technological and social progress	Pioneering technologies and products that benefit society at large	Establishing KPIs congruent with the development and execution of these initiatives	<ul style="list-style-type: none"> Executing projects and initiatives to identify and design technology and products that address social needs via the Company's products, such as water purification systems using palladium, batteries for green transport, hydrogen energy solutions, etc. 	→ For more details, please see the Innovative Development section .
	Ensuring supply chain transparency in terms of social criteria	Supply chain transparency	<ul style="list-style-type: none"> Consistently exercising supply chain transparency measures, including assessments of corruption risks, publications of due diligence reports and ESG audit results, procurement disclosures, and adherence to industry association standards 	
 Involvement in the lives of local communities and society at large	Minimising the Company's impact on local communities	Uplifting the city life index	<ul style="list-style-type: none"> Expanding and merging current projects within a comprehensive framework for social risk management Establishing a framework for feedback collection from local communities Expanding a network of corporate healthcare centres Conducting scenario assessments on climate risk implications for the Company's operations and environmental footprint 	→ For more details, please see the Development of Local Communities section .
	Supporting the interests of indigenous minorities of the North	Strict adherence to the indigenous rights policy	<ul style="list-style-type: none"> Taking measures arising from arrangements with indigenous communities to mitigate critical risks facing the Company Expanding initiatives that build the capabilities of indigenous peoples Establishing a framework for feedback collection from indigenous peoples and integration of the Free, Prior and Informed Consent (FPIC) principles 	
	Fostering sustainable social and economic development across the Company's footprint	Uplifting the city life index ¹	<ul style="list-style-type: none"> Refining and implementing programmes to enhance life quality and mitigate critical risks facing the Company Running Smart City flagship projects Creating guidelines for managing climate change risks to urban infrastructure in the regions of operation 	
	Contributing to the well-being of society nationally and internationally	Contributing to 13 Russian national projects by integrating the UN Sustainable Development Goals into the Company's strategy and operations	<ul style="list-style-type: none"> Conducting pilot projects and rolling out best practices within our industry to contribute to 13 Russian national projects 	

¹ Russian city life index. [VEB.RF](#).

NORNICKEL'S CONTRIBUTION TO THE UN SDGs AND RUSSIA'S STRATEGIC PRIORITIES

Nornickel made a commitment to contribute to the achievement of the UN Sustainable Development Goals (SDGs) up to 2030. The Company also helps implement national projects and supports the fulfilment of Russia's national goals.

The Company has analysed UN SDGs and matched them against its own strategic priorities, material risks, goals and commitments, as well as best peer practices. The analysis showed that Nornickel makes a significant contribution to 13 SDGs, focusing specifically on Goals 3, 8, 9, 11, 12, and 13 as its core priorities.

RUB 338.5 bn spent in 2023 on SDG-linked projects (27.5% of consolidated IFRS revenue).



Nornickel's contribution to the UN SDGs in 2023 and progress along the national strategic priorities

SDGs

Goal 3:

Ensure healthy lives and promote well-being for all at all ages



Nornickel contribution in 2023

- 24,600 employees and their family members took part in health resort treatment and vacation programmes;
- the number of employees and their relatives holding VHI insurance policies was 85,200 people (up 1.1% vs 2022);
- our network of corporate healthcare centres keeps expanding: in 2023, we opened a corporate medical centre in Dudinka and an MRI Centre in Monchegorsk and launched target healthcare programmes;
- the Company organised regular corporate sports events, tournaments and training exercises (drawing over 22,000 people

to its sporting and fitness events in 2023) and launched the Sporty Nornickel corporate project.

➔ For more details, please see the [Occupational Health and Safety](#), [Human Capital Development](#), and [Development of Local Communities](#) sections.

Russia's strategic priorities

National projects:

- Healthcare
- Demography

National goal:

- Maintaining the population and supporting the people's health and well-being

SDGs

Goal 4:

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Nornickel contribution in 2023

- In 2023, the scope of employee training increased by 45% y-o-y to 314,000 man-sessions per year;
- the average number of annual training hours per employee (based on the average headcount) grew by 3% y-o-y to 88;
- the number of university students covered by Nornickel's corporate scholarship programmes increased six-fold to 454 people vs 2022;
- we created a digital encyclopedia-type platform, City of Professions, to facilitate career guidance for children in the cities where the Company operates;
- Nornickel developed an innovative educational solution, a chatbot with built-in AI to implement training programmes for line managers.

The Company carried out projects aimed at:

- the development of a youth ecosystem in order to unlock engineering potential for kids, teenagers, and young people aged 5 to 27;
- repairs and construction of educational infrastructure across the Company's footprint;
- cooperation with universities and vocational schools, including by signing partnership agreements, developing joint educational programmes and plans, and organising internships.

➔ For more details, please see the [Human Capital Development](#) and [Development of Local Communities](#) sections.

Russia's strategic priorities

National projects:

- Education
- Science and universities

National goal:

- Opportunities for self-fulfilment and talent development

Nornickel contribution in 2023

- In the reporting year, reused and recycled water accounted for 83% of total water consumed;
- the Company supplies water to Norilsk;
- in 2023, Yenisey River Shipping Company's fleet collected 13.3 kt of waste water and over 1 kt of waste, while also providing 4.36 kt of drinking water to vessels.

➔ For more details, please see the [Water](#) section.

Russia's strategic priorities

National project:

- Environment

National goals:

- Comfortable and safe living environment
- Maintaining the population and supporting the people's health and well-being

SDGs

Goal 7:

Ensure access to affordable, reliable, sustainable and modern energy for all



Nornickel contribution in 2023

- RES share in the Group's energy consumption rose by 7 p.p. y-o-y to 55%;
- the Company supplies electricity and heat to Norilsk residents;
- in 2023, Nornickel began to develop a partnership project to build small-capacity nuclear power plants in permafrost areas.

➔ For more details, please see the [Climate Change](#) section.

Russia's strategic priorities

National projects:

- Comprehensive plan for upgrading and expanding core infrastructure
- Environment

National goal:

- Comfortable and safe living environment

SDGs

Goal 8:

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Nornickel contribution in 2023

- In 2023, Nornickel performed a salary indexation by 6.1%, with average monthly salary amounting to RUB 184,100;
- the share of employees covered by collective bargaining agreements stood at 94%;
- the Company expanded the range of social programmes, with over 51,300 participants joining the Digital Investor motivation programme;
- we increased spending on improvements to social and working conditions by 40.6% y-o-y to RUB 4.5 bn;

- the Company builds ties with small and medium businesses across its footprint and implements initiatives to support entrepreneurs.

➔ For more details, please see the [Human Capital Development](#) and [Development of Local Communities](#) sections.

Russia's strategic priorities

National projects:

- Labour productivity
- Small and medium enterprises and support for individual entrepreneurial initiatives

National goals:

- Decent and efficient labour and successful entrepreneurship
- Opportunities for self-fulfilment and talent development

SDGs

Goal 9:

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



Nornickel contribution in 2023

- We implemented 117 projects in IT, innovations, and digitalisation (totally funding of RUB 7.6 bn).
- The Company took the following steps:
 - participated in the Metallurgy and Environment industrial competence centres;
 - helped foster the information security market in cooperation with developers and vendors of relevant products and services;
 - implemented digital projects in the regions of operation (increasing the reliability of Norilsk Airport

IT infrastructure, construction of a fibre optic communication line in the Norilsk Industrial District, creating a digital renovation platform for Norilsk);

- took part in a project to monitor the foundations of buildings and structures in Norilsk and monitor the air quality in the regions where the Company operates.

→ For more details, please see the [Innovative Development](#) section.

Russia's strategic priorities

National projects:

- Digital economy
- Environment

National goals:

- Digital transformation
- Comfortable and safe living environment

SDGs

Goal 11:

Make cities and human settlements inclusive, safe, resilient and sustainable



Nornickel contribution in 2023

- Pollutant emissions from Kola MMC decreased by over 90% vs 2015;
- the Sulphur Programme started at Nadezhda Metallurgical Plant in Norilsk;
- since the launch of the Clean Norilsk programme, 347 abandoned buildings were dismantled, over 1 mt of waste and 80 kt of scrap metal were disposed of, and a total area of 4.1 million m² was cleared;
- the Company piloted an air quality monitoring and forecasting system in Norilsk, Monchegorsk, Nickel, and Zapolyarny;

- the Company contributed to land improvement in the regions where it operates, housing construction, and infrastructure upgrade;
- the Company continued to implement tourism investment projects Valla Tunturi and Zatundra and support for the Bobrov Log Fun Park (opening of new pistes; launch of Snow Class, a social, tourist, and sports project; staging other environmental, awareness-raising, and educational events).

→ For more details, please see the [Development of Local Communities, Air and Tailings and Waste](#) sections.

Russia's strategic priorities

National projects:

- Environment
- Housing and urban environment
- Tourism and hospitality
- Culture

National goals:

- Comfortable and safe living environment
- Maintaining the population and supporting the people's health and well-being

SDGs

Goal 10:

Reduce inequality within and among countries



Nornickel contribution in 2023

- Expenses on relocating Norilsk and Dudinka residents to regions with better climate conditions stood at RUB 830 mln;
- the number of participants in the relocation support programme increased to 4,615 people;
- population mobility across Nornickel footprint increased (in 2023, Norilsk Airport was named an international airport);

the Company provides financial, consultation, educational, and other types of support to local indigenous communities.

→ For more details, please see the [Human Capital Development](#) and [Development of Local Communities](#) sections.

Russia's strategic priorities

National projects:

- Housing and urban environment
- Comprehensive plan for upgrading and expanding core infrastructure

National goals:

- Comfortable and safe living environment
- Opportunities for self-fulfilment and talent development

SDGs

Goal 12:

Ensure sustainable consumption and production patterns



Nornickel contribution in 2023

- In-house waste recycling and treatment amounted to 29.9 mt in 2023 (flat y-o-y);
- the Company continued to implement initiatives and projects contributing to increased waste recycling and treatment;
- we continue to adopt and use more advanced production technologies and take steps to upgrade and modernise

our facilities (for instance, NMP's new furnace enables the plant to process concentrates with lower sulphur content).

→ For more details, please see the [Tailings and Waste](#) section.

Russia's strategic priorities

National project:

- Environment

National goal:

- Comfortable and safe living environment

SDGs

Goal 13:

Take urgent action to combat climate change and its impacts



Nornickel contribution in 2023

- Scope 1 and 2 GHG emissions shrank by 2% y-o-y to 9.7 mt of CO₂ equivalent¹;
- We implemented the Roadmap to comply with the TCFD recommendations and developed a Climate Change Action Plan through 2025;
- the Company adopted the key focus areas for carbon neutrality through 2050.

→ For more details, please see the [Climate Change](#) section.

Russia's strategic priorities

National project:

- Environment

National goal:

- Comfortable and safe living environment

SDGs

Goal 16:

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Nornickel contribution in 2023

- We informed 100% of our employees about our anti-corruption practices;
- Nornickel developed an online anti-corruption course for the Board of Directors, the Management Board, and top managers;
- We organised an educational campaign on managing conflicts of interest for employees responsible for implementing anti-corruption procedures and legal team members across the Group;

- the Company approved the principles of interaction among its structural units engaged in contractor due diligence and corruption risk assessment;
- we drafted communication procedures to inform employees on effective anti-corruption measures, including the way, form, and frequency of educational and awareness raising events.

→ For more details, please see the [Business Ethics and Anti-corruption](#) section.

Russia's strategic priorities

National goal:

- Decent and efficient labour and successful entrepreneurship

SDGs

Goal 15:

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



Nornickel contribution in 2023

- We completed in full the rehabilitation of land plots contaminated by the fuel spill and disturbed during clean-up activities;
- 131 ha of disturbed land were rehabilitated, including landscaping of 5 ha, reforestation of 112 ha, and reclamation of 14 ha;
- we organised a second season of the Big Scientific Expedition to study biodiversity in the regions of operation.

→ For more details, please see the [Biodiversity](#) section.

Russia's strategic priorities

National project:

- Environment

National goal:

- Comfortable and safe living environment

SDGs

Goal 17:

Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development



Nornickel contribution in 2023

- Produced and exported metals supporting the development of low-carbon energy;
- took part in the 28th UN Climate Change Conference (COP28), the UN Economic Commission for Europe's forum in Geneva, and the Sustainable Mineral Supply Chain International Forum in Chengdu;
- built international ties in science, technology, and innovations;
- implemented a number of cooperation agreements with Rosprirodnadzor in order to preserve the environment and ensure environmental safety;
- engaged international experts, including from the UN, to develop a new policy on interactions with indigenous northern minorities.

- Nornickel Group was represented in 25 working bodies (committees, expert and working groups, etc.) established by non-governmental organisations and government authorities.

→ For more details, please see the [Stakeholder Engagement](#) and [Innovative Development](#) sections.

Russia's strategic priorities

National projects:

- International cooperation and exports
- Science and universities

National goals:

- Comfortable and safe living environment
- Decent and efficient labour and successful entrepreneurship

¹ Including a provision for the Sulphur Programme and GHG emissions generated from heat and electricity supply to the public.

SUSTAINABILITY MANAGEMENT

GRI 2-24

To effectively support the achievement of the Company's strategic sustainability goals, Nornickel is implementing a sustainability management system.

The sustainability management system includes, but is not limited to:

- policies and statements¹ that set out the principles and approaches applicable to all of Nornickel Group's Russian business units;
- goals, objectives and targets set out in the Environmental and Climate Change Strategy through 2031 and the Sustainable Social Development Strategy through 2030 (for more details, please see the [Sustainable Development Strategy](#) section), KPIs for the top management, as well as roadmaps and other by-laws;
- split of responsibilities for areas of sustainable development;
- organisational and methodological activities of the Sustainable Development Department.

The split of responsibilities for sustainability within the Company is based on a matrix approach: specific

aspects of sustainable development fall within the remit of functional units of the Head Office, branches, and business units. Most of said aspects are supervised by the Management Board, Board of Directors and its committees; in particular, the [Sustainable Development and Climate Change Committee](#) takes part in regularly monitoring and overseeing relevant programmes and practices.

As the key unit responsible for sustainability, the Sustainable Development Department is responsible for a consistent approach to effectively running the sustainability management model, develops and implements systems for assessing the Company's compliance with relevant provisions of international and national standards and recommendations, as well as requirements set forth by leading associations, agencies, and other stakeholders. At the senior

executive level, the coordination of how policies and internal procedures on sustainability are actually implemented falls within the remit of the Vice President for Investor Relations and Sustainable Development.

In 2023, we updated the professional competency model for the sustainable development vertical, including divisions, and put together test questions to evaluate the knowledge of employees across all competencies. A testing exercise is planned for 2024.

Employees of Nornickel have started to view their daily work not only as a way to achieve production objectives, but also as their personal contribution to sustainable development goals.

This is largely due to our efforts to reach out to people, and to integrate ESG principles into the Company's operations and existing business processes.

We will continue engaging our colleagues and partners in environmental and social initiatives to foster our shared sustainable future.

Irina Voronkova,

Head of the Sustainability Management Department, Polar Division (length of service with the Company – 41 years)

Sustainability-related KPIs of the top management

In 2023, sustainability-related indicators are included in Nornickel Group's annual team KPIs for the year. The priorities here are occupational health and safety and environmental protection. Respective indicators have a weight of 30% and 20%

respectively in team KPIs for the year 2023. Also, the Environmental Project Implementation indicator was selected as a KPI for the Long-Term Incentive Programme for the Group's Key Employees (total weight of 30%).

Period	The Group's annual team KPIs		Long-term KPIs
Focus area	Occupational health and safety	Environment	Ecology and environment
KPI weight	30%	20%	30%
KPI target	Achievement of the OHS plan depending on FIFR ¹	Reduction in GHG emissions and zero environmental incidents	Delivery of environmental projects

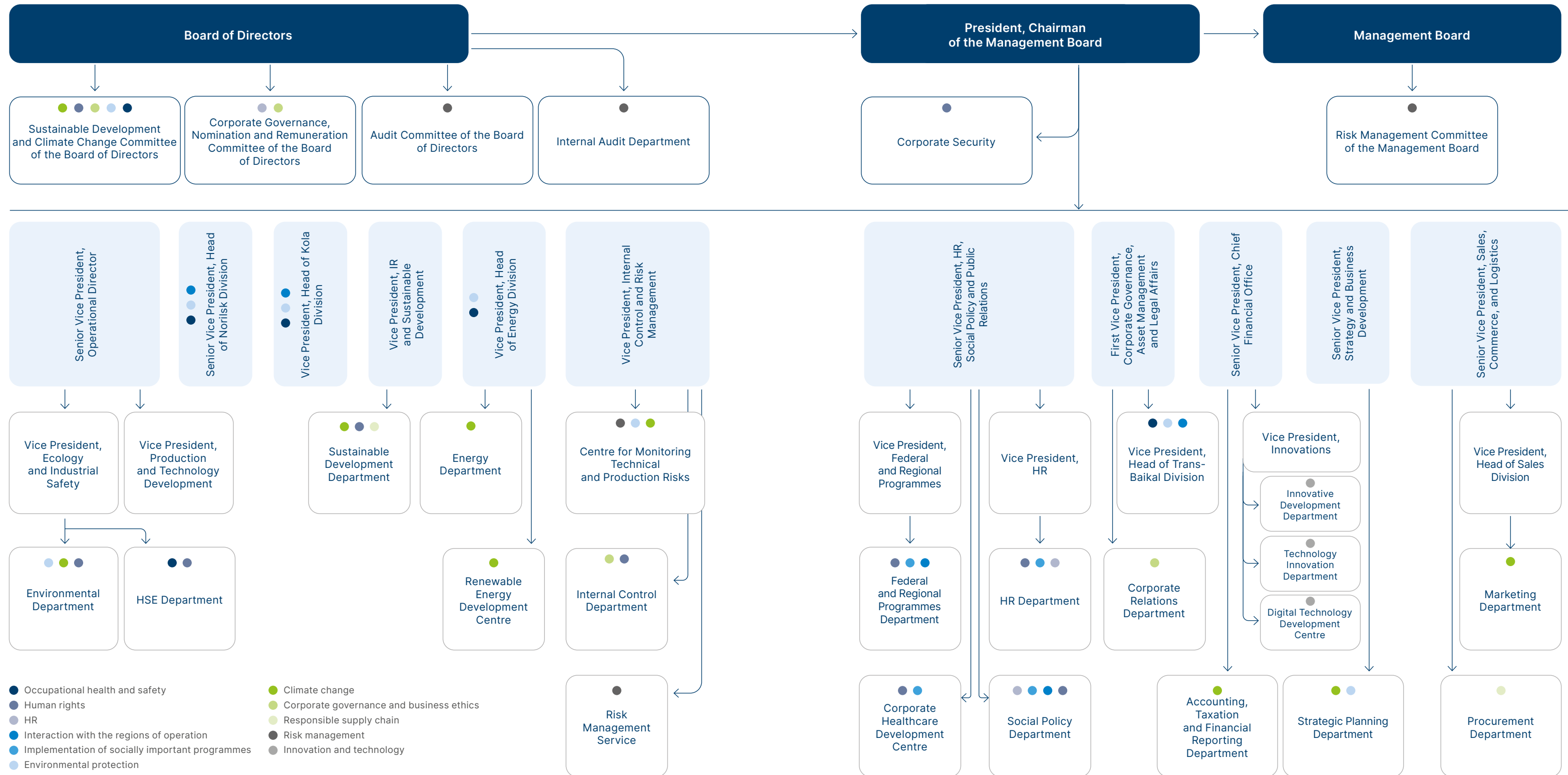
¹ The texts of the documents are available on the [Company's website](#).

¹ Fatal Injury Frequency Rate.



Split of responsibilities for key areas of sustainable development

GRI 2-9, 2-12, 2-13



Compliance with Russian and international sustainability standards and initiatives

GRI 2-28

In its operations, Nornickel is guided by provisions of international and national standards, guidelines and initiatives on sustainability, implements new

approaches and mechanisms in this domain, and relies on, applies, and helps spread international and industry best practices.

Participation in sustainability initiatives and compliance with sustainability standards

Initiative/standard	Status
UN Global Compact	Member since 2016
Together for Sustainability (Tfs) initiative	The Company meets the initiative's requirements based on results of a 2022 follow-up audit
International Platinum Group Metals Association (IPA)	Member since 1999
Nickel Institute	Member since 2005
Initiative for Responsible Mining Assurance (IRMA)	The roadmap for compliance with international standards is in progress
ICMM Mining Principles	
Global Battery Alliance (GBA)	Member since 2021
London Metal Exchange (LME)	In 2022, the Company provided the LME with its first ever RFA reports for 2021 (accepted by the LME). In 2023, the LME accepted the Company's 2022 RFA reports
Extractive Industries Transparency Initiative (EITI)	The Company has been disclosing data under the EITI since 2021
Global Reporting Initiative (GRI)	Annual reporting in line with the GRI Standards
UNCTAD Guidance on core indicators for entity reporting on contribution towards implementation of the UN Sustainable Development Goals	Since 2018, the Company has been making UNCTAD Guidance disclosures as part of its sustainability reports
SASB Metals & Mining Sustainability Accounting Standard	Since 2021, the Company has been using the SASB Metals & Mining Sustainability Accounting Standard for sustainability reporting purposes
TCFD (Task Force on Climate-Related Financial Disclosures) recommendations	Since 2019, the Company has been using the TCFD recommendations for sustainability reporting purposes. In 2023, Nornickel released its first Climate Change Report. The report's compliance with the TCFD recommendations was confirmed by an independent assurance report. For more details, please see the Climate Change section and the Climate Change Report
IFRS S2 Climate-related Disclosures	A decision was made to pilot climate-related disclosures in line with the formats set out in IFRS S2 and include them in the 2023 Sustainability Report

Initiative/standard

Status

Order of the Ministry of Economic Development of Russia No. 764 On Approval of Methodological Recommendations for Sustainability Reporting dated 1 November 2023

The 2023 Sustainability Report includes [Appendix "Disclosure under Order of the Ministry of Economic Development of Russia No. 764 dated 1 November 2023"](#)

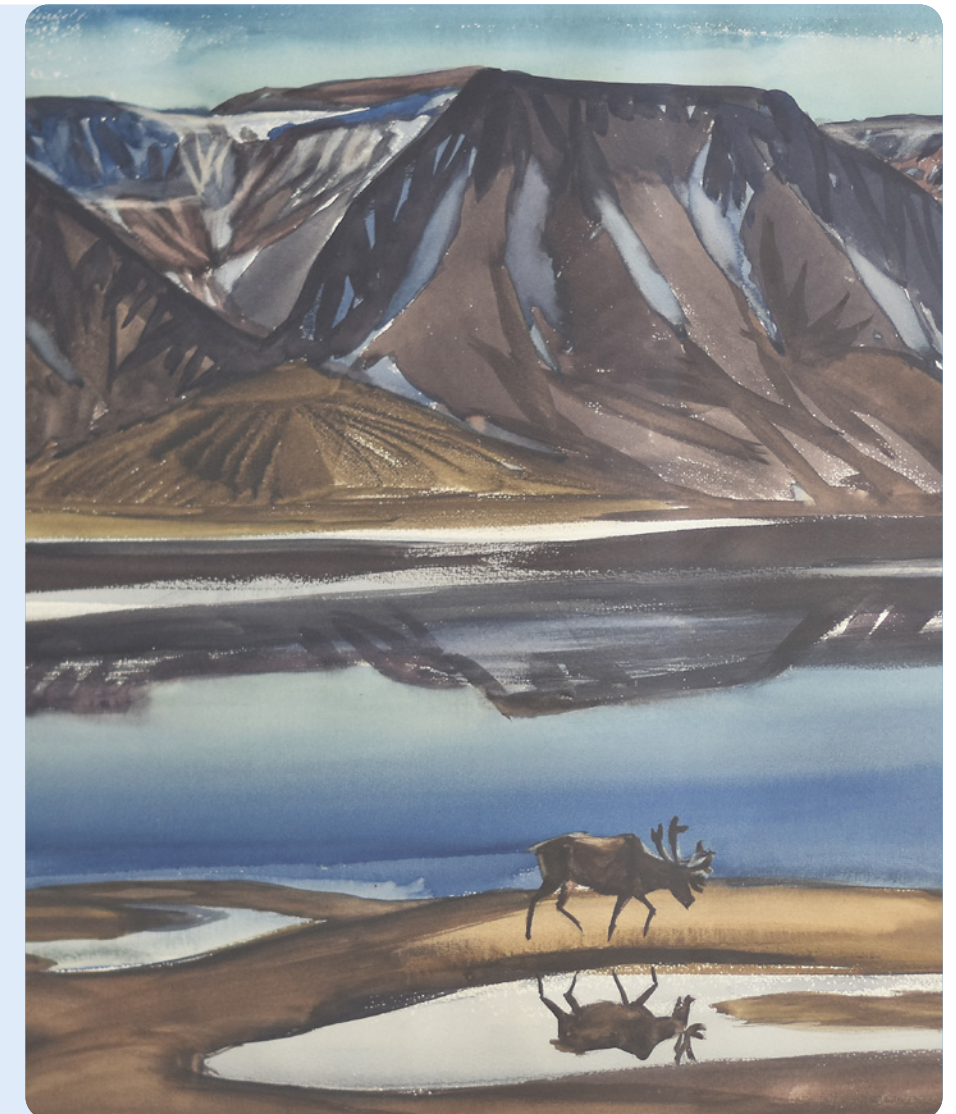
National ESG Alliance

One of the founders since December 2022

Roadmap for compliance with international standards: implementation

Based on a 2022 independent assessment of Nornickel's mining assets readiness for the IRMA certification, the Company developed and coordinated with relevant units a draft roadmap of corrective actions to ensure compliance with the IRMA requirements.

Also, in 2023, the Company completed activities of the ICMM compliance roadmap, including calculation of Scope 3 GHG emissions (upstream), approved an updated Corporate Trust Line Procedure, assessed the performance of the grievance mechanism, and installed small-scale monitoring stations for online monitoring of air quality in Norilsk and Monchegorsk.













In addition, the Company's production, transportation and R&D assets are subject to regular certification and surveillance audits for compliance with ISO international standards related

to quality management, environmental management, labour protection, and information security.

➔ For more details, please see the [Certification of the Corporate Integrated Quality Management System](#) appendix.

Nornickel's ESG ratings

The recognition from the expert community with high scores in environmental protection, social policy, and corporate governance serves as a testament to our continuous improvement and implementation of cutting-edge initiatives in sustainability.

Description	As at 31 December 2023
 SUSTAINALYTICS	ESG Risk Score: 44.0 out of 100 on a scale from 1 (low risk) to 100 (high risk)
 MSCI	ESG rating: B, score – 3.1 out of 10
 ecovadis	ESG Score: 58 out of 100 on a scale from 1 (low) to 100 (high)
 World Benchmarking Alliance	Human rights ranking (compliance with the Corporate Human Rights Benchmark – CHRb): score of 21.0 out of 100 on a scale from 1 (low) to 100 (high)
 RAEX	ESG Ranking: A, high ESG level
 Expert	ESG rating: ESG-III(a), strong sustainability commitment in key decision-making, outlook: stable ESG Transparency Ranking: 2 out of 2 on a scale from 0 (low) to 2 (high)
 АКРА	ESG rating: ESG-B, level: ESG-2 (meaning high assessment of the Company's environmental, social, and governance achievements)
 RBC	ESG Index by RBC: level I (high)
 ДаСтратегия	ESG rating – A, Best Corporate ESG Practice in Russia
 MOEX	Since 2023, Nornickel has been part of the Moscow Exchange's new stock index: MOEX – RAEX ESG Balanced Index

➔ For more details on the Company's awards in production, innovations, environmental protection, and social policy, see the [Awards and Accolades](#) section.

STAKEHOLDER ENGAGEMENT

GRI 2-29

Nornickel is committed to forging enduring stakeholder relationships anchored in respect and trust, mutual benefit, and well-being.

We adhere to both federal and regional laws of the Russian Federation and conform to established Russian and international standards for stakeholder engagement, which include:

- accountability principles – AccountAbility¹;
- ICMM's Mining Principles;
- requirements of the Initiative for Responsible Mining Assurance (IRMA);
- IFC Performance Standards;

- Standard of responsibility of residents in the Arctic zone of the Russian Federation in relations with the indigenous peoples living and/or carrying out traditional economic activities in the Arctic zone of the Russian Federation;
- United Nations Declaration on the Rights of Indigenous Peoples;
- International standard ISO 26000:2010.

The principles, duties, and initiatives related to stakeholder engagement are outlined in the Company's by-laws². Nornickel drafts stakeholder engagement plans on an annual basis.

Guided by a policy of transparency and disclosure, Nornickel regularly informs stakeholders about its operating

and financial results, social initiatives for employees and local communities, and sustainability efforts. Our impactful engagement with stakeholders is distinguished by interactive communication. In 2023, we gathered stakeholder feedback on their contentment with the quality and quantity of information and adherence to the principles articulated in the Company's Information Policy Regulations. This feedback was collected in employee and supplier surveys, public dialogues, Q&A sessions, via participation in conferences and commissions.

¹ AA1000AP (AA1000 Accountability Principles), AA1000SES (AA1000 Stakeholder Engagement Standard).

² MMC Norilsk Nickel's Stakeholder Engagement Policy, Business Ethics Code, and other by-laws are publicly available on the [Company's official website](#).

GRI 2-26

Shareholders, investors, brokers 1-2

Interests

- Capitalisation and liquidity growth;
- distribution of earnings;
- maintaining investment grade credit ratings and improving ESG rankings.

Interaction mechanisms

- General Meetings of Shareholders;
- one-on-one communication, phone calls, and emails (meetings, conferences, calls, site visits);
- website presentations and press releases.

2023 highlights

- Over 50 investor and shareholder events were held;
- the Digital Investor corporate programme was launched;
- a resolution was adopted to split the Company's ordinary shares;
- dividends were paid.

➔ For more details, please see the [Corporate Governance Framework](#) and [Social Policy](#) sections.

Analytical and rating agencies 3

Interests

- Transparency of information and timely disclosure of key facts;
- impact of the Company's operations on industry, society and environment.

Interaction mechanisms

- One-on-one communication, phone calls and emails (meetings, conferences, calls);

- website presentations and press releases.

2023 highlights

- The Company participated in global and Russian ratings, rankings, and indices;
- the annual report, sustainability report, and targeted ESG communications were published.

➔ For more details, please see the [Sustainability Management](#) section.

Suppliers and contractors 4

Interests

- Streamlining procurement as regards timelines and engagement procedures;
- accessibility of procurement procedures;
- participation in the Company's projects.

Interaction mechanisms

- Meetings, conferences, in-person and online negotiations;
- long-term agreements (contracts);
- supplier assessment and surveying;
- interaction through the Shipment Notice and SAP SRM portals.

2023 highlights

- Over 11,000 potential suppliers registered in SAP SRM;
- the pilot stage of the supplier ESG survey project was launched.

➔ For more details, please see the [Supply Chain Responsibility](#) section.

Customers 5

Interests

- Excellence in product quality, packaging, and labelling;
- delivery timing;
- information support of transactions;
- sustainable growth of sales markets and registration of products;
- strength of the Company's commitment to sustainability principles.

Interaction mechanisms

- Official meetings, conferences, exhibitions;
- annual customer satisfaction surveys;
- working with customers (processing customer complaints and grievances, responding to customer requests concerning sustainable development, analysing consumption patterns and prospects);
- working with regulators and commodity exchanges;
- holding independent sustainability audits.

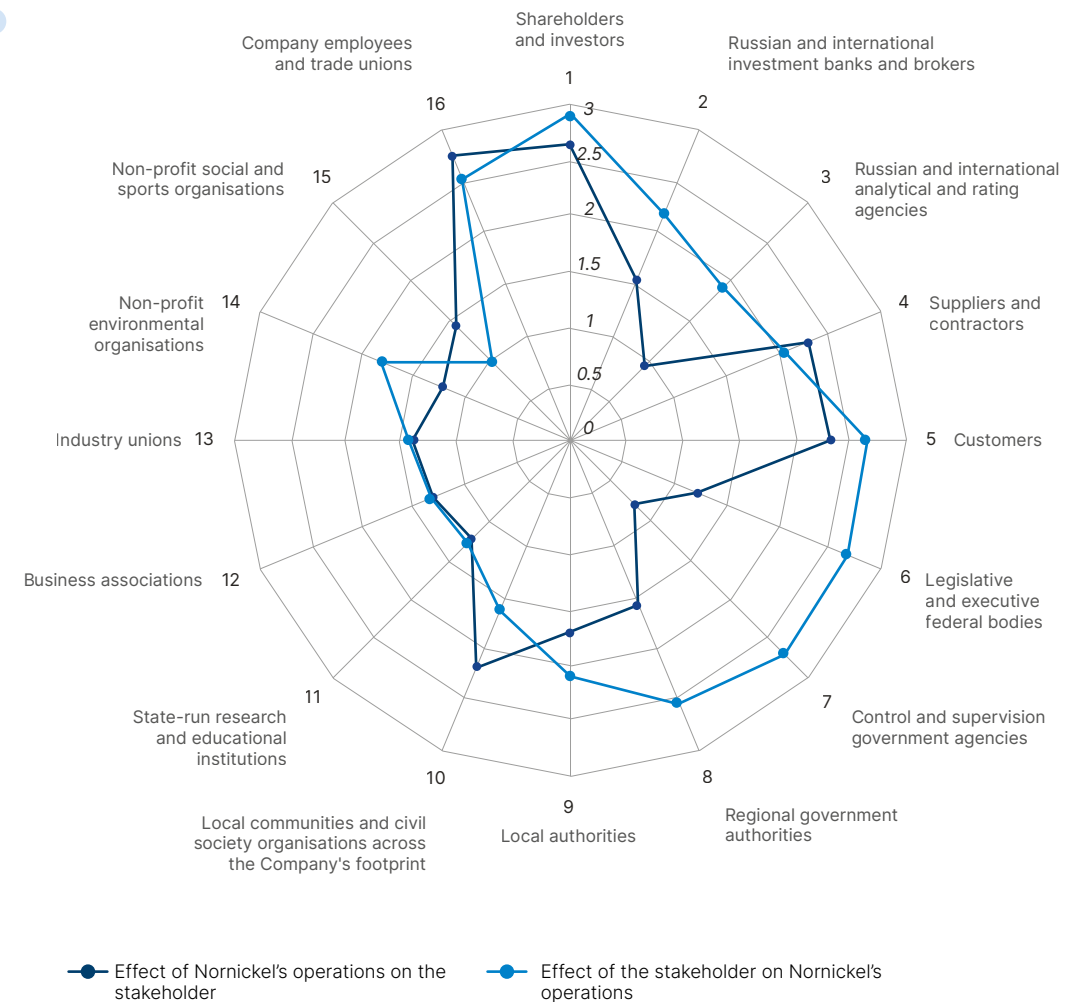
2023 highlights

- The customer satisfaction score came in at 2.87 out of 3.0, which is fully in line with Nornickel's target.

➔ For more details, please see the [Customer Satisfaction](#) section

Stakeholder map¹

GRI 2-29



Federal authorities, control and supervision agencies 6-7

Interests

- Implementation of socially important projects;
- compliance and regulatory improvements;
- discussion of draft regulations;

Interaction mechanisms

- Participation in working and expert groups, commissions, and committees;
- public hearings and conferences.

- business climate improvement;
- environmental protection;
- support for domestic producers.

2023 highlights

- An agreement was signed with Rostekhnadzor.

➔ For more details, please see the [Tax Strategy](#) and [Development of Local Communities](#) sections.

¹ Put together based on surveys of the Company's managers and employees

Representatives of regional authorities 8-10

Interests

- Tax payments to local budgets;
- improving the well-being of local communities;
- employment of local population;
- SME support;
- training of highly skilled professionals;
- environmental protection.

Interaction mechanisms

- Cooperation agreements;
- investment agreements;
- working and expert groups, commissions, committees and councils;
- one-on-one negotiations, working meetings;
- forums, conferences, fairs, and round table discussions.

2023 highlights

- Implementation of the Norilsk renovation programme;
- a cooperation agreement was concluded with the Murmansk Region effective until 2025;
- implementation of the programme for promoting social and economic development of the Taimyrsky Dolgano-Nenetsky Municipal District (support provided to indigenous communities).

→ For more details, please see the [Development of Local Communities](#) section.

Non-profit organisations 11-15

Interests

- Joint sustainability efforts focusing on environmental protection, R&D advances, social and economic development of regions;
- discussion of draft regulations;
- the balance of interests of shareholders, management team, government, employees, suppliers, consumers, public institutions, and other stakeholders.

Interaction mechanisms

- Parliamentary sessions, working and expert groups, commissions, committees and councils;
- joint R&D and business projects;
- open dialogues, working meetings;
- forums, conferences, fairs, and round table discussions;
- participation in dedicated public events and expert organisations to discuss key issues.

2023 highlights

- The second season of the Big Scientific Expedition was completed;
- Nornickel participated in the COP28 climate change conference;
- Nornickel participated in the UN Forum on Human Rights
- events were held as part of the World of New Opportunities programme (over 15,000 participants);
- Nornickel held meetings with non-profit organisations.

→ For more details, please see the [Environmental Protection](#) and [Development of Local Communities](#) sections.

Employees and trade unions 16

Interests

- Decent salaries;
- favourable and safe working conditions;
- social benefits and guarantees;
- the Company's stability as an employer;
- opportunities for personal and professional development.

Interaction mechanisms

- Joint commissions, committees and working groups; discussions with trade unions and labour councils, corporate communities;
- offices for operational, social and labour matters, the Corporate Trust Line;
- targeted polls, research focusing on engagement measurements and efficiency of social programmes;
- corporate media, booklets, information screens and boards, online portal, mobile app.

2023 highlights

- Nornickel Live, a Q&A session, and spring corporate dialogues were held;
- Supernika corporate mobile app was launched;
- the Digital Investor corporate programme was launched.

→ For more details, please see the [HR Management](#) and [Social Policy](#) sections.

Dialogue with investors

Nornickel maintains an ongoing dialogue with a wide range of Russian and international investors and equity analysts. The Company regularly organises conference calls and meetings with investors, takes part in investment conferences, and arranges site visits across its footprint.

In 2023, the Company remained committed to global best practices in disclosures in various formats, including annual and sustainability reports, press releases, presentations, and statements of material facts. Nornickel publishes its reports

in the Russian and English languages. Investor information is available in the [Investors](#) section on the Company's website.

In 2023, Nornickel took part in over 50 events for investors and shareholders.

The reporting year saw the Company continue to implement its strategy to engage with retail investors, whose numbers exceeded 400,000, or approximately 11% of Nornickel's shareholder base. A significant milestone was that over 50,000 Nornickel employees stepped into the realm of investment through the Digital Investor

programme. Strategically, Nornickel seeks to raise the proportion of retail investors to 25% of the authorised capital.

>50,000
employees have become our investors

Dialogue with local communities

Nornickel is committed to an ongoing dialogue with local communities in its regions of operation, seeking to positively influence their quality of life. The Company focuses on fostering conditions for unhindered development and improving the social environment's appeal. The Company's priority in this field is to support local social initiatives, engage people in cooperation, and boost social capital. Nornickel supports a number of important initiatives and activities through the efforts of territorial

development institutions (Norilsk Development Agency, Monchegorsk Development Agency, Second School Centre for Community Initiatives of the Pechengsky District), builds an open dialogue with the indigenous minorities of the North, and provides them with financial, advisory, and educational assistance.

→ For more details, please see the [Development of Local Communities](#) section.

Continuous work of regional development centres

Dialogue with employees

Nornickel continues to promote regular practices enhancing the dialogue between the top management and employees. In 2023, we completed the following initiatives in this area:

- Nornickel Live, the main Q&A session featuring the Company's Vice Presidents and Nornickel Live sessions in the Company's divisions featuring division heads and the top management of facilities (25,000 viewers);
- Corporate Dialogues featuring heads and key executives of facilities (roughly 3,000 attendees).

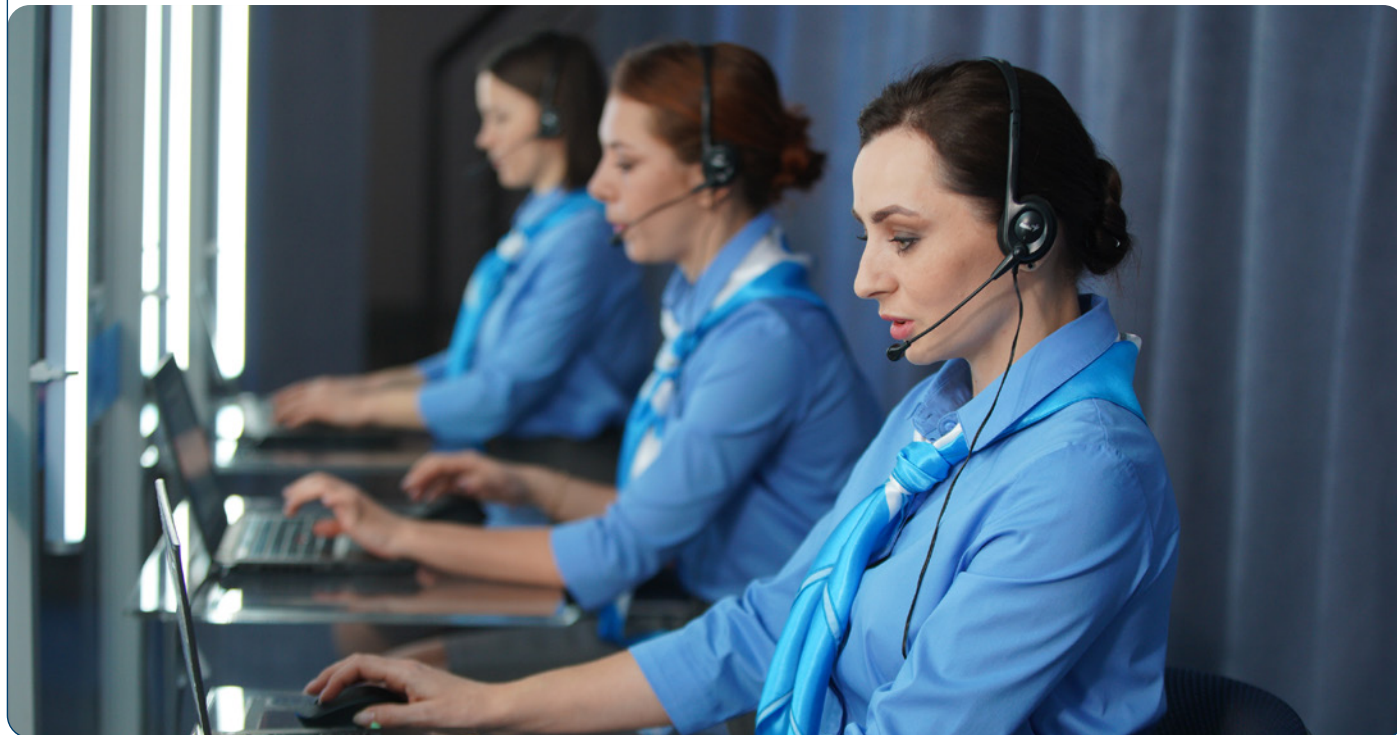
Employee interest is evidenced by the numbers of questions submitted (over 7,000 during the year) and the audience's active involvement.

Communications emphasise pivotal matters like remuneration framework, bonuses, social support, and safety culture. Seven awareness-raising campaigns on this agenda took place in 2023.

Effective engagement in such programmes is attained through multi-channel communication tactics and the training of numerous internal speakers. In 2023, we trained over 1,000 internal speakers to maintain interactive contact and engage with employees. The combined reach of these campaigns was over 250,000 individuals, with an average of more than three contacts per employee during the year.

Open communication channels between the management and employees create a transparent information environment, fostering trust, mitigating stress, and enhancing employee engagement.

Up to **68%**
growth in employee engagement



Environmental protection dialogue

Nornickel actively supports legislative initiatives in environmental protection, responsible natural resource use, and biodiversity conservation.

As part of agreements with Rosprirodnadzor, Nornickel shares information, and takes part in joint environmental initiatives, including the Clean Air federal project, and an initiative to develop and introduce automated metering and monitoring tools for emissions and effluents.

In 2023, Nornickel hosted a corporate environmental conference – Environmental Strategy: the Challenge of Time, alongside corporate workshops

on managing environmental risks and implementing environmental laws, tailored for the employees of branches and Russian business units.

Moreover, corporate volunteer groups devote their efforts to address environmental issues within the Company's regions of operation – tree planting, cleaning areas, etc.

2
important agreements with Rosprirodnadzor

Dialogue with business partners

Customers

In 2023, the Company supplied its products to 28 countries. Asia was the key sales market, with Europe retaining a significant share in the sales mix for certain categories of metals. Conversely, sales in the domestic market saw an uptick. The Group operates a worldwide sales office network in Russia, China, and Switzerland.

Sales of nickel products mirror global nickel consumption trends, primarily serving the production of stainless and specialty steels, alloys, as well as electroplating industries. Notably, the battery sector's significance is on the rise.

For platinum group metals, the automotive industry continues to be a key market, along with catalyst production for other processes, and, traditionally, the jewellery and medical devices sectors.

Suppliers

Management of a responsible supply chain enables the Company to promote the sustainability agenda among its suppliers, encourage their compliance with the respective corporate standards, and make procurement more effective. Nornickel's proprietary due diligence framework is cardinal in overseeing and selecting top-tier contractors. In 2021, the Company started to assess mineral suppliers, which was followed

by screening for compliance with Nornickel's Supplier Code of Conduct in 2023.

Satisfaction level:
2.87 (out of 3.0)
>11,000
potential suppliers registered in SAP SRM

Public and media relations

To inform our stakeholders, we use such formats as annual and sustainability reports, press releases, presentations, statements of material facts, and interactive tools.

Nornickel regards public reporting as a critical communication channel, adhering to international and national best practices. In 2023, dedicated reports addressing climate change, human rights, and responsible supply chains were published for the first time ever.

We disclose quarterly production results and accounting statements prepared under the Russian Accounting Standards (RAS) on the Company's website. Every six months, we publish IFRS financial statements, issuer reports, and affiliate lists.

Ranked 1
in terms of mentions in Russian media among M&M companies

Dialogue with authorities and non-profit organisations

Company representatives participate in parliamentary sessions and round table discussions, as well as in working groups set up by federal legislative and executive bodies and NGOs representing the industry and businesses.

The Company's experts engage in debates on draft regulations via anti-corruption due diligence and regulatory impact assessments. All of that helps maintain a meaningful dialogue with authorities, cut administrative red tape, and improve business climate in the country.

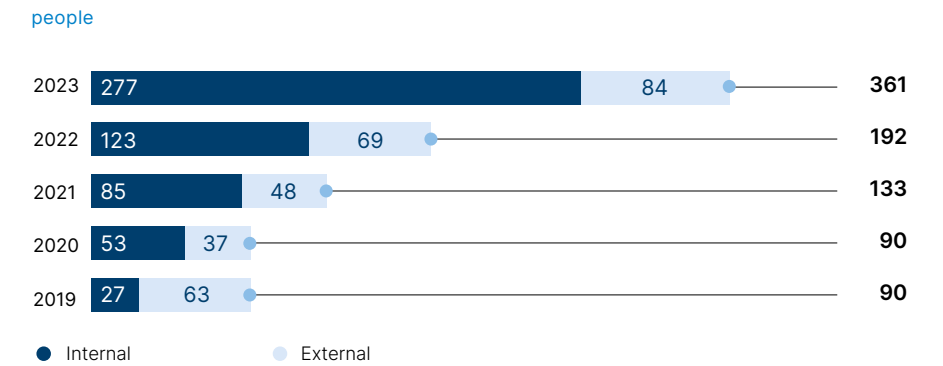
Represented in committees, commissions, expert and working groups

Dialogue with stakeholders in sustainability reporting

Each year, Nornickel engages in dialogues with stakeholders while drafting sustainability reports and conducts surveys to define the material topics. In 2023, surveys covered 361 people, up 63% from 2022.

Nornickel also presents its sustainability results to a wide range of stakeholders on an annual basis.

Number of stakeholders surveyed as part of the efforts to define priority topics for the Sustainability Report in 2019–2023¹



361 people participated in the survey to define priority topics for the report



¹ External stakeholders include federal and regional government authorities, local communities, non-profit organisations, mass media, buyers, partners, suppliers, shareholders, investors, etc. Internal stakeholders include all employees of Nornickel Group.

HUMAN CAPITAL DEVELOPMENT

The Company's approach to personnel management: changes over a 20-year span

People are at the core of Nornickel's success. Over the past years, the Company's main focus in HR management has been the improvement of social and working conditions and expansion of social benefits for its employees. In addition, we developed a systemic approach to professional education of all employee categories at the Corporate University, organised leadership programmes, and created corporate communities for like-minded people carrying out projects for the benefit of the Company and society.

In order to provide equal access to benefits and career opportunities for all employees, Nornickel developed a unified HR management system. As part of it, we implemented a grade system across the Group and automated monitoring and control of HR metrics.

Cementing Nornickel's leadership among the industry's employers is our strategic goal set out in the Human Capital Development Programme and Sustainable Social Development Strategy through 2030.

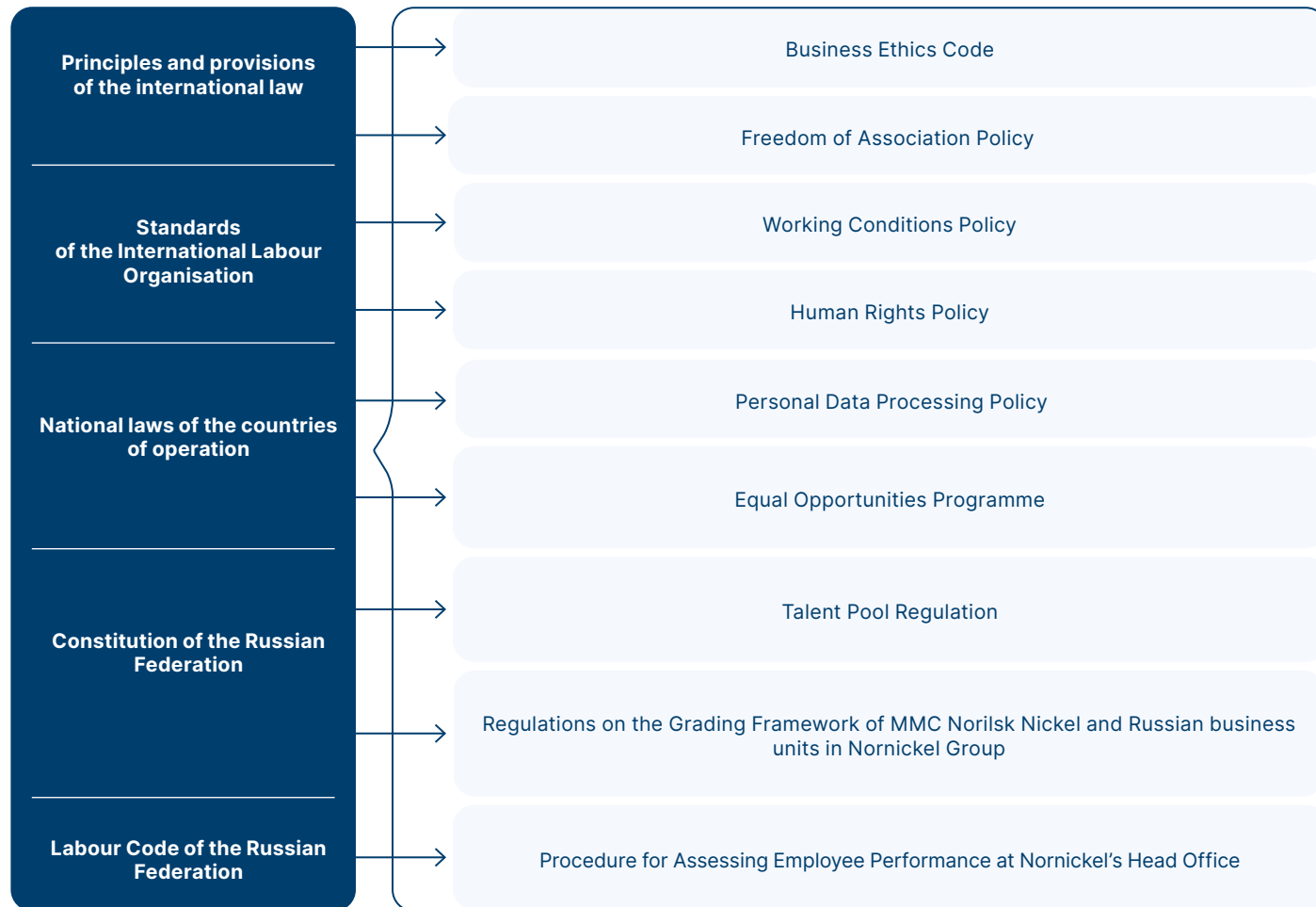


HR MANAGEMENT

Key HR management priorities



Nornickel's key HR management regulations¹

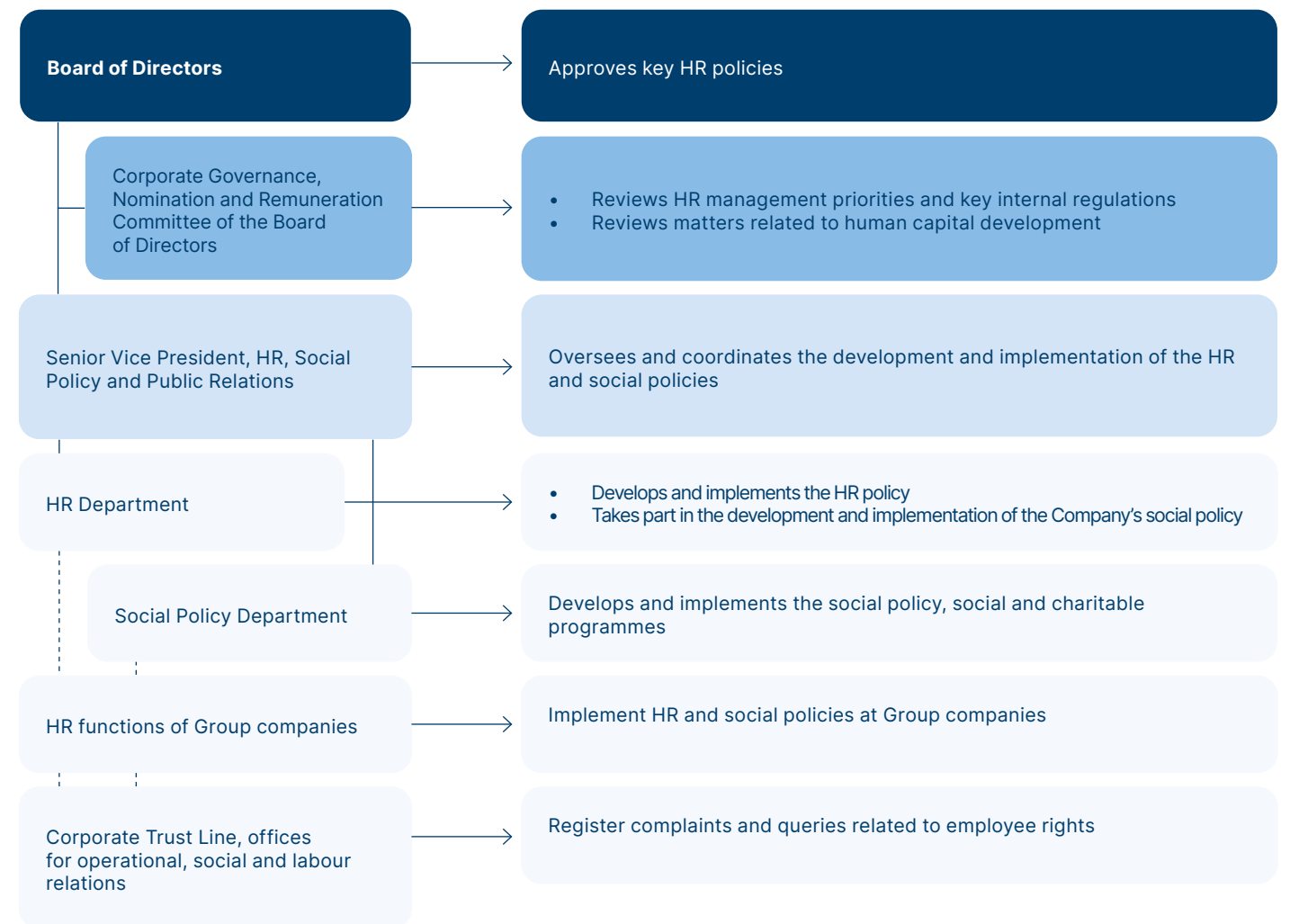


¹ The Board of Directors approved the above MMC Norilsk Nickel's policies and Equal Opportunities Programme.

HR management responsibilities are allocated among Nornickel's various governance bodies and business units in line with their terms of reference.

Key HR management responsibilities

GRI 2-9, 2-12, 2-13



In HR management, Nornickel adheres to international and national regulations and standards, as well as its by-laws.

Staff composition

GRI 2-7/SASB EM-MM-000.B

80,562

the Group's average headcount, of which 99.5% were employed at its Russian companies

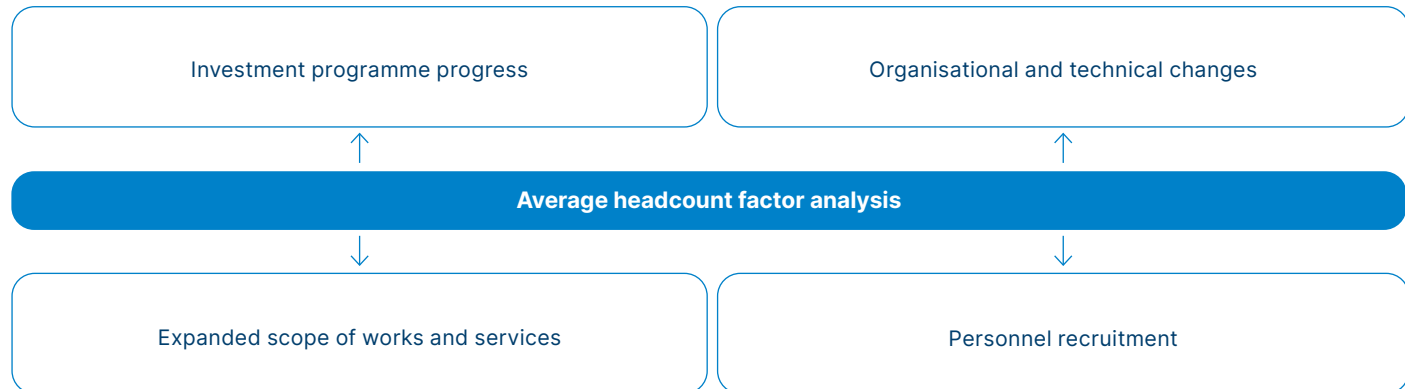
2.8%

growth in the average headcount (2023 vs 2022)

Strong employer brand

In 2023, Nornickel retained leadership in key rankings of the best employers according to HeadHunter, RBC, Forbes, Future Today, and other expert communities

➔ For more details, please see the [Awards and Accolades](#) appendix.



Nornickel is committed to recruiting and developing the best talent.

The headcount¹ of the Group's Russian operations as at the year-end stood at 82,100 employees, with most of them working full time (99%) and under permanent employment contracts (>94%).

As at the end of 2023, there were 1,013 employees working under civil contracts.

Locally hired employees

GRI 202-2

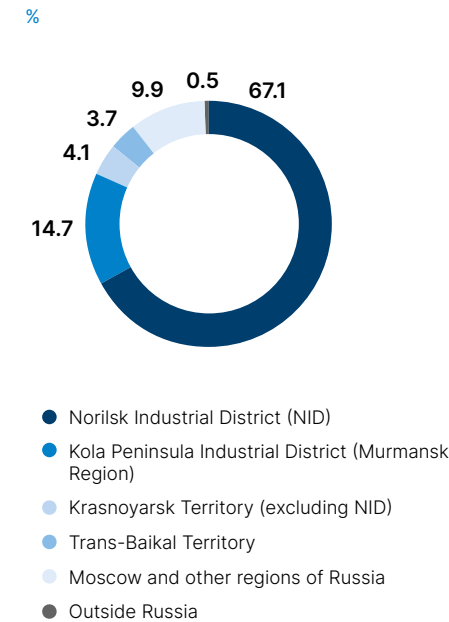
99.4%

share of locally hired executives across the Group's Russian companies in 2023

99.7%

share of locally hired¹ employees across Group companies as at the end of 2023

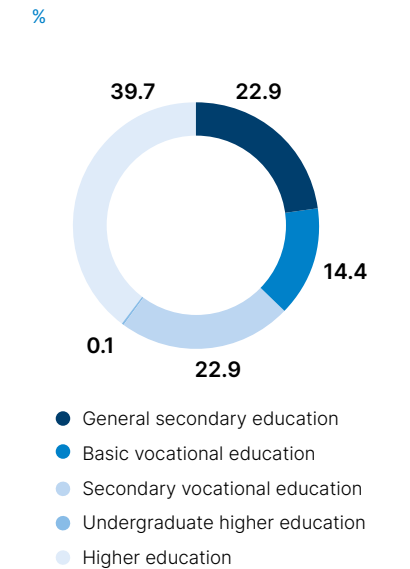
Group² personnel structure by territory in 2023



The majority of the Group's personnel is concentrated in the Norilsk Industrial District (67%) where most of the Group's production assets are located.

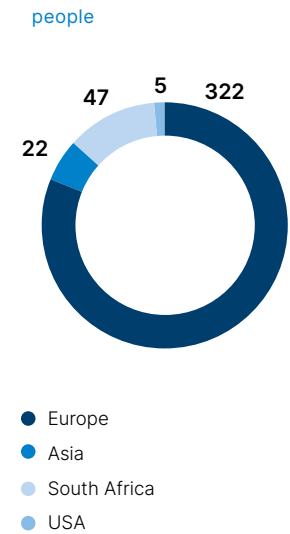
Nornickel takes the responsibility for its impact on the labour markets in the regions where it operates. In hiring personnel, we assess all candidates based on their work experience, qualifications, and education.

Personnel structure by education in 2023



More than one third of our employees (39.7%) have higher education qualifications. Most of them are executives. 22.9% of employees have secondary education qualifications, 22.9% – secondary vocational education qualifications, and 14.4% – basic vocational education qualifications. The share of employees with undergraduate higher education is below 1%.

Headcount of the Group's foreign operations in 2023



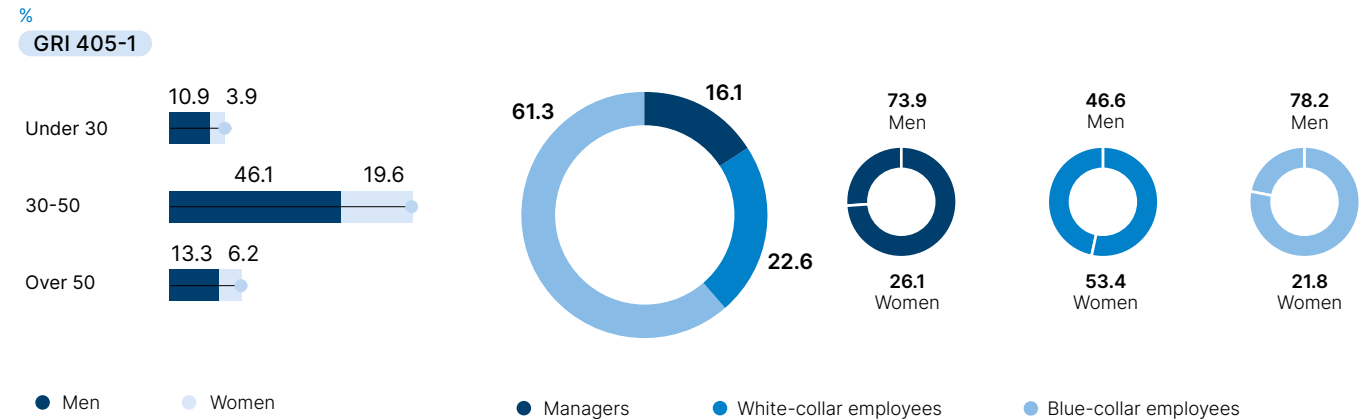
In 2023, the headcount of the Group's foreign operations was flat y-o-y and included: 322 employees in Europe, 47 in South Africa, 22 in Asia, and five in the USA.

¹ Including salaried employees and external part-timers.

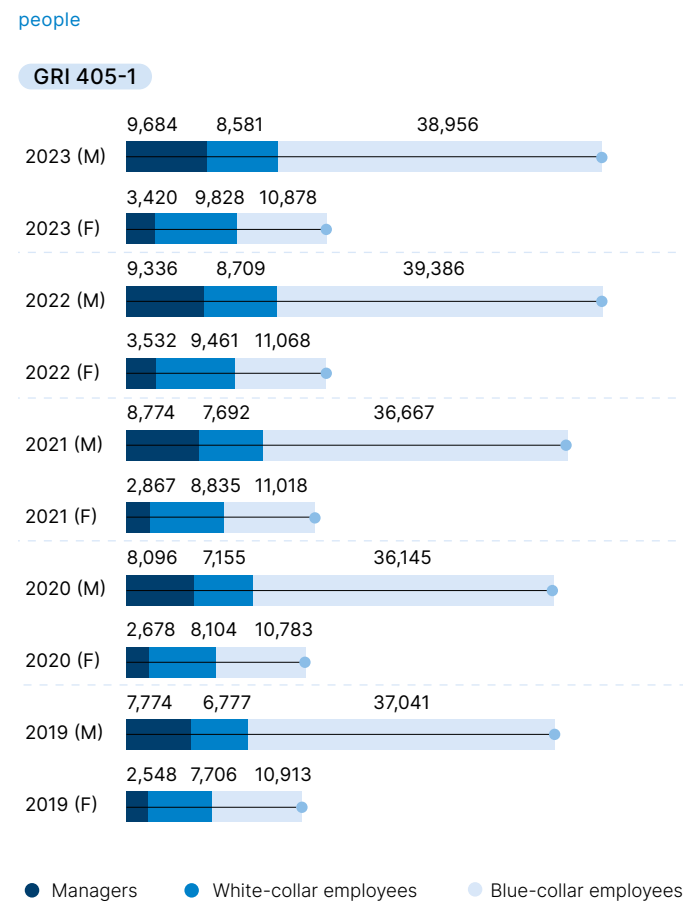
¹ Locally hired employees refer to the employees who are residents of the country where the relevant Group company is incorporated.

² Structure of salaried staff as at 31 December 2023. Group data, including foreign companies of Kola Division.

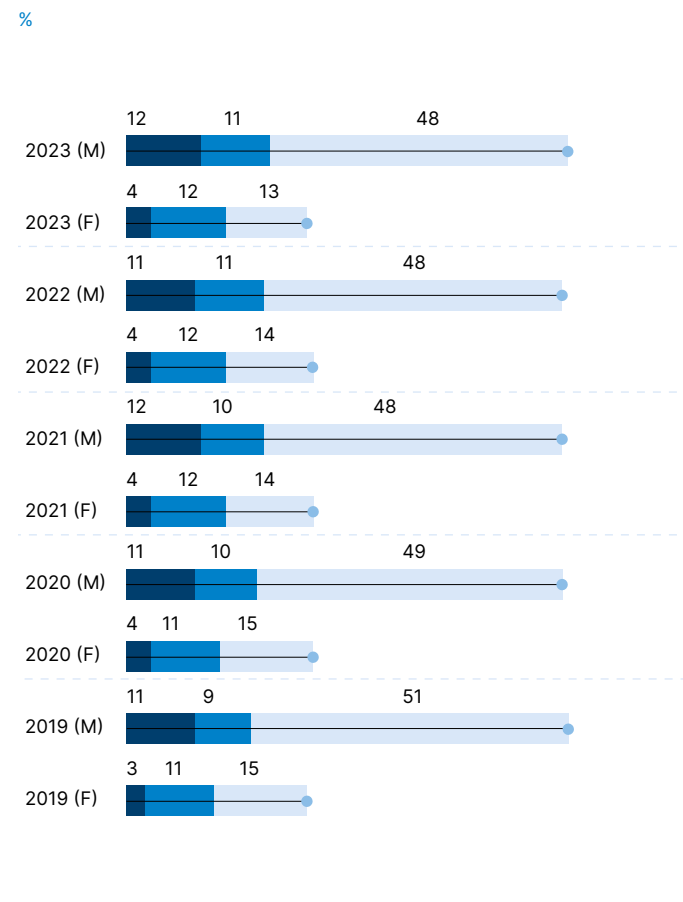
Personnel structure by gender and age in 2023¹



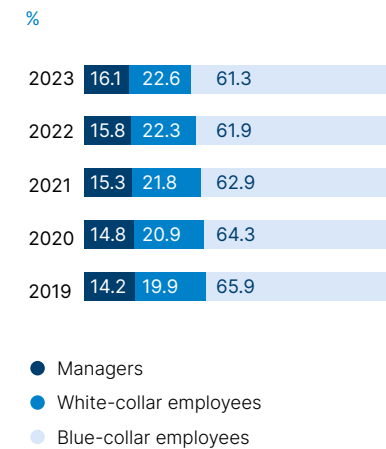
Personnel structure by gender and category in 2019–2023



Personnel structure by gender and category in 2019–2023²



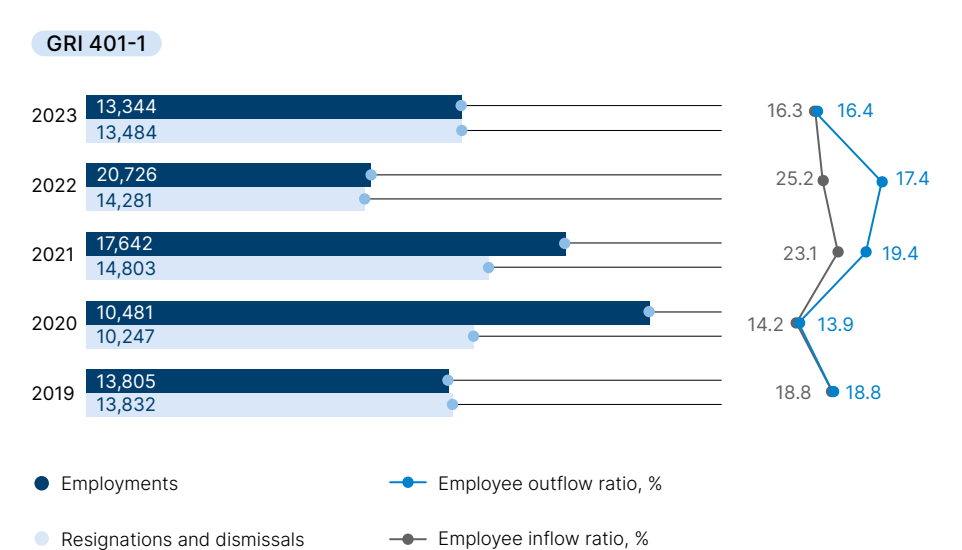
Personnel structure by category in 2019–2023



Blue-collar employees account for the largest part of the workforce (61.3%) due to the nature of the Group's operations. The share of men in the overall headcount in 2019–2023 remained stable at 70–71% due to the harsh working conditions in the climate of the Far North. Female employees prevail in the category of white-collar employees (52–53% in the reviewed historical period).



Key personnel turnover indicators¹



In 2023, Norinickel utilised shift-camp work arrangement, permanent and temporary jobs, and staff transfers within the Group to bolster its recruitment efforts. The Company hired 1,919 people for shift-camp work.

To engage prospective employees from different regions, we launched a recruitment centre in Irkutsk, with the existing centres in Orsk, Ufa, and Norilsk delivering over 14,000 interviews – a 31% increase from 2022. Norinickel's HR Support Centre also commenced operations in Norilsk to directly meet with job seekers and employees. This expansion provided varied application avenues: the corporate website, recruitment centres, a 24/7

call centre, and social media. In total, Norinickel received some 69,000 CVs in 2023.

The reporting year saw the introduction of Orbit, an automated recruitment system, which now keeps an applicant pool of over 270,000 CVs, synced with both internal HR systems and external job portals.

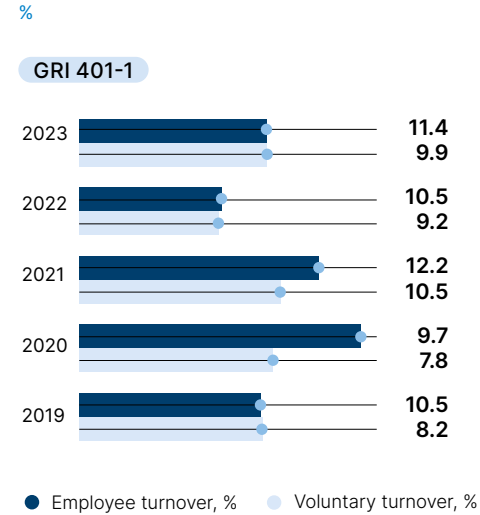
Promotion was also in focus, with over 4,000 employees ascending to superior roles within the Group. The re-hiring programme engaged 880 returners, drawing interest from over 3,300 former employees for Norinickel's vacancies.

¹ Unless otherwise specified, the indicators included in this report represent the Group's Russian operations.

² Data for 2019–2021 was updated as compared to data disclosed in the [2022 Sustainability Report](#).

¹ Russian companies of the Group. Employee inflow ratio: the ratio of new employments to total headcount at the end of the period. Employee outflow ratio: the ratio of all separations to total employments at the end of the period.

Employee turnover



Employee turnover¹ as at the end of 2023 came in at 11.4%. Voluntary turnover² remained stable at 7–8% during 2019–2020. However, in 2021, the figure peaked at 10.5% as a result of the closure and reconfiguration of smelting and metallurgical operations on the Kola Peninsula. By 2022, it had slipped

to 9.2%, and in 2023, it was slightly higher at 9.9%. Under the Sustainable Social Development Strategy, the Company aims to reduce turnover to 8% by 2026. This goal will be pursued through fostering employee professional growth, and the recruitment of young and seasoned professionals.

Personnel recruitment and training under the Sulphur Programme

The Company prioritised staff training at the inception of the Sulphur Programme,

necessitating recruitment of over 500 individuals for the sulphuric acid production and neutralisation shop. By year-end 2023, 418 people were hired, including 64 managers and white collars and 354 blue-collars workers.

In addition to traditional roles like maintenance technicians and electricians, new positions emerged, such as operators of neutralisation and oxidation equipment. Specialised training was created by Omsk

Polytechnic College, combining self-directed theoretical studies with hands-on experience at the Omsky Kauchuk plant.

Seasoned mentors at Norinickel's three Norilsk Division locations – Copper, Nadezhda Plants, and the Talnakh Concentrator – trained personnel for Nadezhda Plant's new facility.

Recruitment spans beyond Norilsk, drawing on both Polar Division's domestic talent and professionals from other regions, such as Vladikavkaz, Bashkortostan, Chelyabinsk Region, Trans-Baikal and Krasnoyarsk territories.



« Norinickel stands as a steadfast and dependable employer. The Company offers a workspace that is both comfortable and accommodating, guaranteeing fair pay, varied suite of social programmes and benefits, along with ample opportunities for career advancement and personal growth. These elements collectively serve as key motivators for most of the Company's workforce.

Maxim Ovchinnikov,

head of road transport, GRK Bystrinskoye (length of service with the Company – 27 years)

Commitment to employee rights

Nornickel respects employee rights and fully takes them into account in its operations.

1

Equal opportunities to unlock professional potential

2

Performance assessment on a fair and impartial basis

3

Employment and promotion based solely on professional abilities, knowledge, and skills

4

Development of and social support to employees, including upholding rights to social security, education, family welfare, shelter, freedom of artistic expression, and participation in cultural life

Commitment to respecting employee rights

5

Recruitment of people with disabilities and ensuring all the necessary working conditions, including work and rest schedule, annual and additional paid leaves, and financial aid¹

6

Respect for internal labour regulations, which are approved in consultation with the trade union organisation, and employees' working hours

7

Ban on child labour in any form, including the involvement of minors under 18 in hazardous and/or dangerous work

8

Ban on employment of women in harsh and dangerous working conditions in the mining industry

¹ The ratio of resignations, dismissals for breach of labour discipline, and negotiated terminations, to the average headcount for the year.

² The ratio of all resignations to the average headcount for the year.

¹ Employment quotas for employees with disabilities account for 2% of the average headcount, excluding employees involved in harsh, hazardous and/or dangerous work, depending on the region and company size.

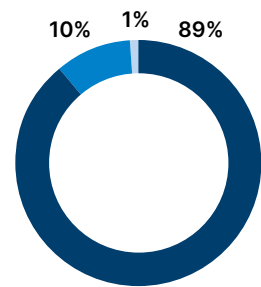
Open communications with employees give them an opportunity to be heard, contribute to Nornickel's progress, and drive improvements. In addition to the Corporate Trust Line, the Group

continued to run offices that address production, social, and labour concerns, ensuring swift and effective problem resolution.

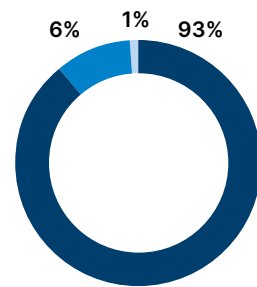
26 offices operated at the Group's companies in the Norilsk Industrial District in 2023

>2,500 staff meetings held in 2023

61,700 employees attended staff meetings



~50,000 queries received by offices in 2023



For **105,600** queries information and advisory assistance provided

- Social and working issues
- Legal issues
- Other issues

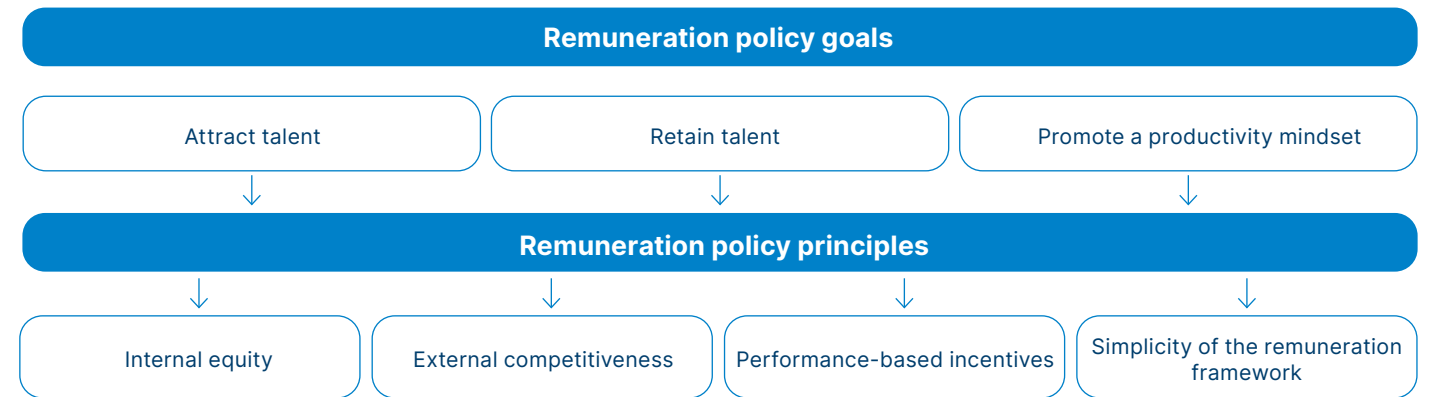
- Company's employees
- Former employees
- Other categories

INCENTIVES AND REWARDS

Nornickel boasts a comprehensive employee incentive framework combining financial and non-financial elements that

enhance work efficiency and productivity, bolster corporate culture, and amplify employee dedication.

The Company's Remuneration Policy oversees financial incentives.



The Company prohibits any discrimination in terms of setting and changing wages based on gender, age, race, nationality, origin, or religion.

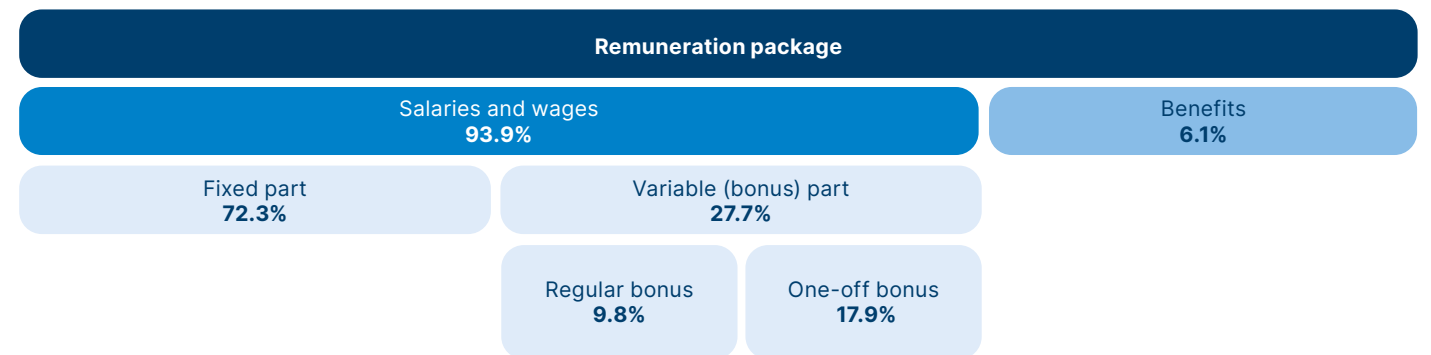
salaries, yearly bonuses, categories for voluntary health insurance, and other elements of remuneration and benefits.

The Company conducts ongoing salary reviews against the national average and in the regions of operation, considering cost of living indicators. Annual salary increments are formulated based on this data. Effective 1 July 2023, salaries were indexed with a 6.1% increase.

A grading framework has been established based on the point factor method of job evaluation that takes into account knowledge and skills, the complexity of tasks, and the level of responsibility. Grade determines fixed

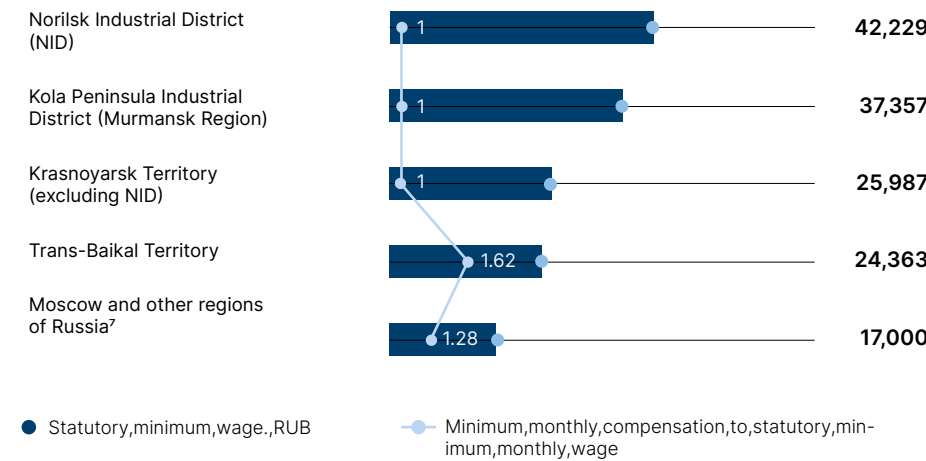
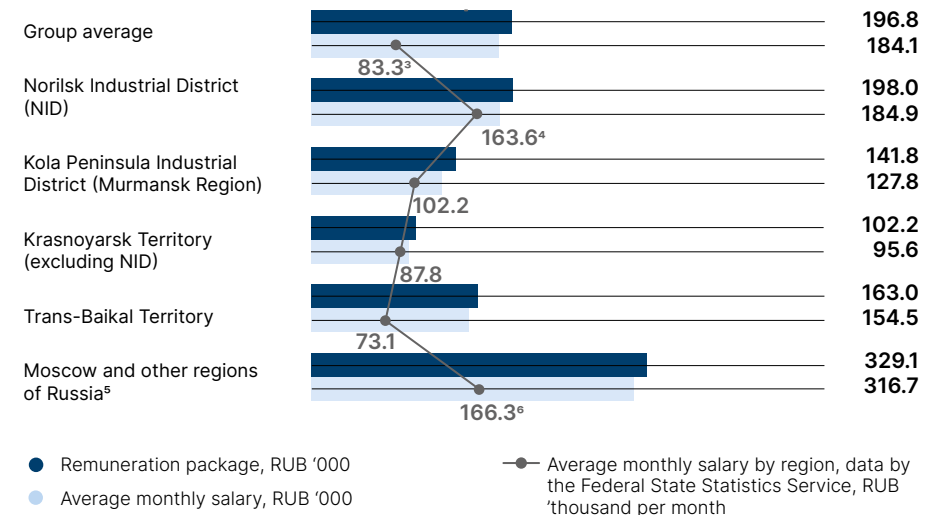
Policies are in place to determine fixed salaries, annual bonus scales, performance-based bonuses, PMO staff remuneration, and criteria for one-off bonuses. In 2023, Nornickel successfully automated the process for calculating annual performance bonuses across all employee categories.

Remuneration package across the Group's Russian operations in 2023, %



Key compensation indicators in 2023 by region^{1,2}

GRI 202-1

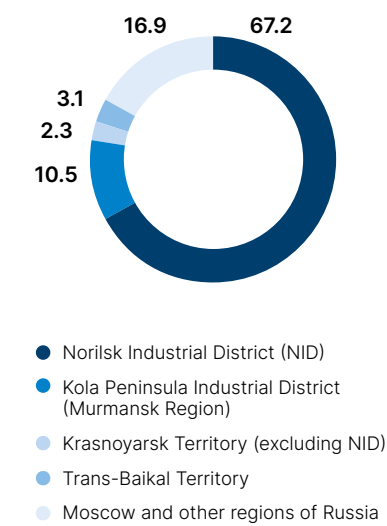


In 2023, a company-wide average monthly salary was 121.1% higher than the average nominal monthly salary accrued to the employees of organisations that are not small businesses across Russia. In particular, it was 49.5% and 110.4% higher than salaries at metal ore mining companies and metals companies respectively⁸.

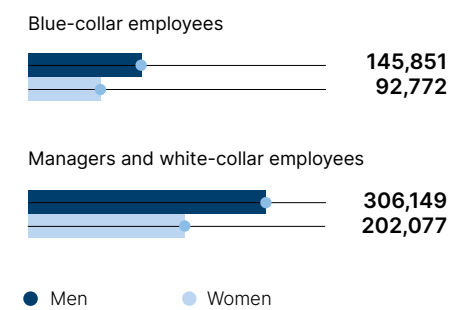
Work on weekends and overtime is paid in line with the Labour Code of the Russian Federation.

Differences in production roles between genders result in a pay gap, with a 57.2% disparity among workers⁹. For managers and white-collar employees

Share of regional payroll in total payroll, %



Remuneration breakdown by category and gender in 2023, RUB



the pay difference between men and women is 51.5%¹⁰.

Salary averages by age bracket are as follows: for employees aged 18 to 29, the average salary is RUB 135,700; for those aged 30 to 44 – RUB 184,400; and for employees over 45 – RUB 204,900.

The Digital Investor corporate programme

In 2023, Nornickel Group initiated Digital Investor, an innovative corporate programme, centred around cutting-edge, secure, hi-tech solutions – digital financial assets (DFAs) – linked to the price of Nornickel's shares. These minetokens entitle employees who hold them to obtain regular payments in the same amount as dividends on Nornickel's shares. The holders can also obtain proceeds from selling (or redeeming) their stake.

All personnel with a minimum length of service of one year as at 1 January 2023 are eligible. The quantity of DFAs allocated correlates with the employee's length of service. One DFA's value equals the price of a Nornickel share at issuance and redemption.

Length of service, years	Number of DFAs
Less than 1 year	–
1–4 years	2
5–9 years	4
10–14 years	6
15–19 years	8
20+ years	10

In the programme's first cycle, Nornickel finances 100% of the CFA's value for employees to purchase.

It comprises two waves spanning from March 2023 to March 2024:

- first wave: Norilsk Industrial District, Moscow, St Petersburg, Sochi, Saratov, Arkhangelsk, Krasnoyarsk Territory;
- second wave: Murmansk Region, Trans-Baikal Territory.

The programme's terms:

- CFAs can be sold to other investors;
- CFAs are redeemed automatically after five years, with payout equal to Nornickel share price at redemption time.

Concurrently with the programme kick-off, we launched an information campaign to raise awareness of the new instrument's specifics, employing tools like hot line, the official website, guides, and video content. To clarify further, we organised a series of webinars in financial literacy and investments featuring top-tier market experts. We also created a bespoke training programme and an online educational

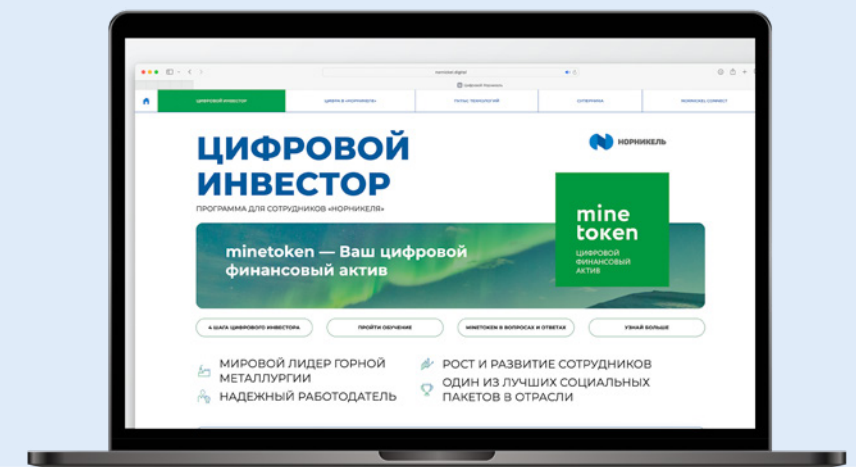
module for employees. In 2023, over 200 HR professionals were trained to become the programme's ambassadors and experts across Nornickel's assets. Additionally, 44,300 employees completed the Tsifronikel training.

By the year-end, over 51,300 Nornickel employees had joined in as digital investors, receiving minetokens.

This programme promotes a progressive model of company-employee relations where collective effort translates into shared success and rewards. This effect not only benefits individual employees but enhances Company-wide performance.

Operating expenditures on the Digital Investor programme in 2023

RUB 7.7 bn



¹ The definition of significant regions of operation is provided in the [glossary](#). This table discloses information only for Nornickel Group's key production and administrative BUs with at least 500 employees.
² Sources of data on average salaries across Russia's regions are the [Federal State Statistics Service](#) and the [Norilsk Administration](#).
³ The average monthly nominal salary in Russia in 2023 was RUB 83.3 thousand.
⁴ The average salary of employees in large and medium-sized organisations in Norilsk in 2023 was RUB 163.6 thousand.
⁵ Other regions include Saratov, Arkhangelsk, Krasnodar Territory, St Petersburg, and others. The average monthly nominal salary for other regions is given for Moscow as the region with the highest value among other regions of operation.
⁶ The average monthly nominal salary in Moscow in 2023 was RUB 166.3 thousand.
⁷ The data is presented for Saratov.
⁸ Source: Federal State Statistics Service: https://rosstat.gov.ru/labor_market_employment_salaries
⁹ The gap is measured as the variance between men's and women's average salaries divided by the women's average salary (among blue-collar employees).
¹⁰ The gap is measured as the variance between men's and women's average salaries divided by the women's average salary (among managers and white-collar employees).

CORPORATE CULTURE DEVELOPMENT

Developing its corporate culture, Nornickel unites proactive and motivated employees of various occupations from different facilities on the basis of the Company's values.

Business Ethics Code

Observance of professional and ethical standards and adoption of core corporate values by all employees contribute to better coordination, higher transparency, and stronger business reputation of the Company. In engaging with stakeholders, the Company and its employees are governed by the [Business Ethics Code of MMC Norilsk Nickel](#).

The Company has procedures in place to address potential breaches of the Business Ethics Code, providing employees with a secure and confidential channel to report violations which are then investigated by the respective functional units. To promote compliance with the Business Ethics Code, the Company has established a system of bonuses and incentives for employees.

Nornickel seeks to single out employees who most actively follow the principles of ethics and integrity in their work.

Training is provided to employees to explain the Code, including a training module on the Code integrated into the Our Values programme, Nornickel Live, and Corporate Dialogues.

Nornickel's corporate culture survey

In 2023, Nornickel conducted a survey on the current state of its corporate culture and the progress made as part of measures to develop it in 2016–2023.

The overall corporate culture assessment indicates its strengthening and homogeneity. Respondents noted that the Company has become more close-knit and adapted to existing changes and challenges.

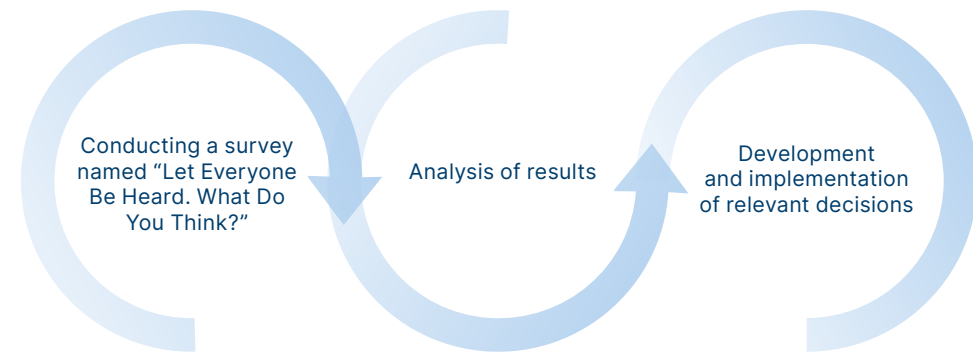
Key takeaways:

- most employees act in line with corporate values;
- among the Company's strengths, the respondents point out a social focus and environmental awareness, development of cooperation and promotion of innovations;
- efforts to develop corporate culture contribute to the growth of employee engagement and the expansion of vertical communications.

In addition, the survey revealed prerequisites to revise elements for the gradual transformation of the corporate culture, which include generational shift, changing environment and business priorities.

Engagement

Management decisions are made following an employee engagement survey conducted by Nornickel on an annual basis.



68% ^{+5 p.p.} (percentage point)
the engagement index in 2023

57,415 ^{+12.9%}
employees took part in the survey in 2023

+6 p.p.
above industry average employee engagement

The maximum growth in 2023 was observed for such engagement factors as employer brand (+7 p.p.), work/life balance (+5 p.p.), and the environmental index (+6 p.p.).

Based on the review of the survey results, more than 500 measures were implemented, 53% of which

are directly related to the achievement of current business objectives (progress of the production programme, ensuring uninterrupted operation of equipment, attracting specialists to remote areas). In addition, the Company focused efforts on enhancing the volume and quality of internal communications, strengthening the bonus component and developing

employee reward programmes, attracting young people, developing talent, and social partnerships.

« My entire career to date has been spent working at Nornickel. The possibility to gain new knowledge and experience, improve my skills, and, of course, interaction with people who will always help and give professional advice – this is what motivates me to work and grow in the Company for 28 years. It comes as no surprise that my eldest son also decided to cast his lot with the Company and now works at Norilsk Concentrator.

Yevgeny Sukhanov,
filterman, grade 5, Copper Plant, Polar Division of MMC Norilsk Nickel
(length of service with the Company – 28 years)

Employee awards

For special services to the country, the Company's employees are honoured with state awards. In celebration of professional holidays and anniversaries, the Company's most distinguished employees may

be nominated for departmental, regional and local government awards for outstanding achievements in labour.

The Company recognises the achievements of its employees at the corporate level in accordance

with the Award Policy approved by the Company and closely linked to Nor Nickel's values and strategic priorities.

For remarkable operating and management performance
For outstanding professional achievements

For promoting innovations that drive growth and add value

Corporate incentives at Nor Nickel

For efforts going beyond formal agreements
with the Company and business improvement initiatives

For outstanding professional achievements

Corporate incentive decisions are reserved to the remit of the Company's President. In addition to corporate incentives, there are internal

incentives awarded to employees on behalf of the management of enterprises where they work.

TRAINING PROGRAMMES

Nornickel's contribution to the Education National Project

Relevant UN SDGs



Related federal projects

Young Professionals

New Opportunities for Everyone

Social Mobility for Everyone

Key initiatives and focus areas

Staff training and development programmes, including the development of the Nor Nickel Academy educational platform

Corporate scholarships for university students and internships with the Group companies

Grants for educational institutions and projects through the World of New Opportunities charity programme (for more details, please see the [Development of Local Communities](#) section)

Nornickel relies on an ecosystem-based approach to staff training, emphasising continuous learning to achieve high professional performance and unlock employee potential.

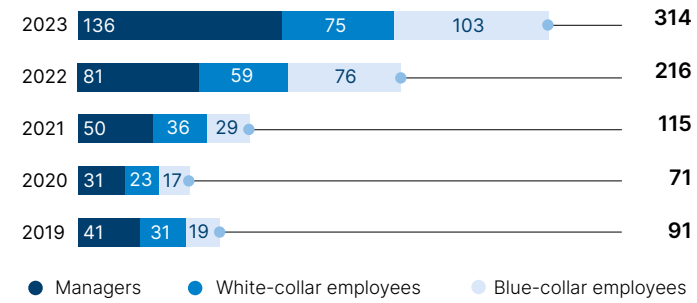
When developing and updating strategic and operational training plans and programmes, the Company considers its own needs and priorities, as well as the input and suggestions of internal stakeholders. Training initiatives cover various employee categories, including potential candidates.



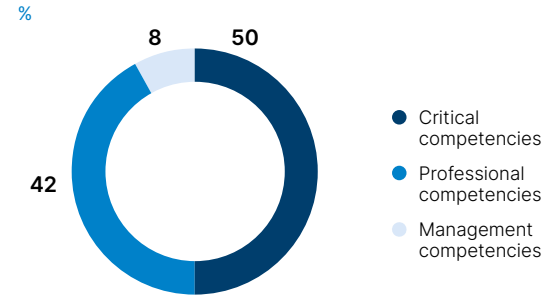
Key personnel training indicators

GRI 404-1

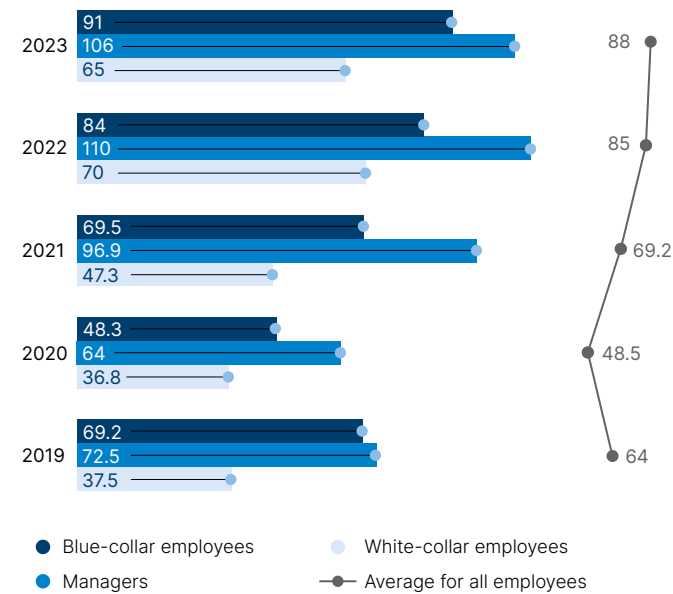
Total training man-sessions, including training, retraining and skill improvement, thousand



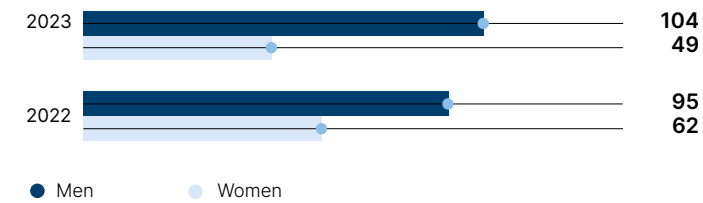
Competency development in 2023¹



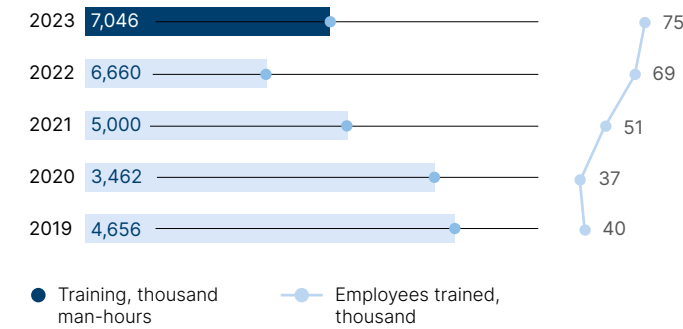
Average annual training hours per employee (based on average headcount)



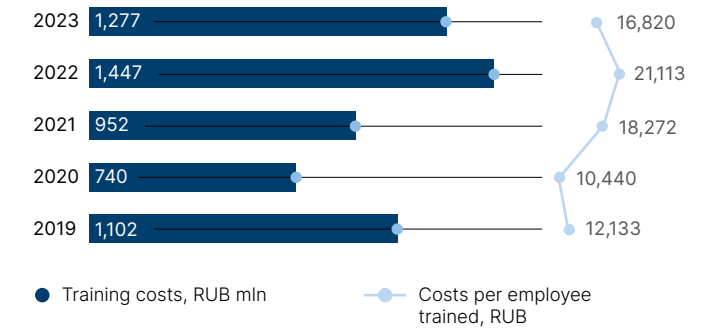
Average hours of training per year per employee



Total training and the number of trained employees



Training costs



The reduction in expenditures in 2023 was due to the increased availability of training programmes at Nornickel Academy and changes in the mix of training initiatives. Cascading management programmes from top to middle management also helped drive costs down.

The reporting year saw a structural shift towards internal training driven by the development of the Nornickel Academy platform as the number of its registered users surpassed 81,000 individuals.

The share of employees who received training grew further to 94.8% of the headcount, covering over 75,000 employees.

The split between remote and face-to-face training formats remained unchanged from the previous year at 70% and 30% respectively.

Operating expenditures on employee training in 2023

RUB 1.3 bn



¹ Share in total competency development training sessions (man-sessions).

Training Strategy for 2022–2025

GRI 404-2

In 2023, Nornickel continued the implementation of its Training Strategy for 2022–2025 with a focus on flexible, personalised, and forward-looking lifelong learning. The Company is gradually embracing digital platforms and networks to enhance educational opportunities.

Key training ecosystem elements



Manager: a role model for employees (mentor, coach, career and development sponsor)



Flexible learning environment: digital and in-person learning environments for an informed choice



Continuous learning culture: learning as a fundamental principle and a tool for achieving the desired results, development as a driver of personal fulfilment and career growth

« I like to be a mentor. I am more than happy to share my knowledge and skills with young talents and new hires. I believe that mentorship is an excellent tool for supporting and nurturing your co-workers.

Extensive practical experience and regular training sessions where we gain valuable knowledge and learn new tools help us arrange the process in the most efficient manner.

Andrey Khvalchev,

equipment maintenance and repair technician, grade 5, Mining Equipment Service Department, Pechengastroy (length of service with the Company – 42 years)

« In my 34 years with the Company, I have participated in the Best Electric and Gas Welders competition on several occasions. This means a lot to me, as professional skills competitions are an important growth point and a tool to test the knowledge and skills of professionals from all walks of life. They also provide a fascinating opportunity to exchange experiences and learn more about best practices.

Participation in such competitions inspires all of us to take a more diligent and responsible approach to our job duties and continuously improve our qualifications.

Vasily Vansovich,

electric and gas welder, grade 5, Norilsknickelremont Maintenance and Construction (length of service with the Company – 34 years)

Training Strategy progress in 2023: priorities and achievements by focus area

1

Enhancing professional excellence

Managing qualification levels

Professional training at Nornickel covers all personnel categories. In 2023, over 65% of our employees improved their qualifications and professional expertise. Face-to-face training was predominantly used for blue-collar workers, while distant learning was the preferred format for white-collar employees.

In 2023, a modular approach was incorporated into Nornickel's professional training practice, enabling internal business clients to participate in shaping learning tracks with a focus on comprehensive training and multiskilling. In line with the modular approach, 10 modular group training programmes were designed specifically for the Company's core jobs.

A unified automated system is in place to monitor professional competencies development, plan online testing of employees, and store test results. It also tracks any violations during the testing process and analyses examinee behaviour.

The Company is focused on attracting young talent and actively collaborates with universities and vocational schools. In 2023, the following initiatives were implemented:

- A five-party agreement was signed to implement the Professionalitet federal project, which involves the establishment of the Kola Metals and Mining Education and Production Centre in Monchegorsk with the participation of vocational schools.

- A roadmap was developed to create a Metals Educational Cluster in Norilsk, involving Nornickel, universities, and vocational schools.
- Twelve Company-specific competencies were added to the educational programmes of the Polar State University, with three new programmes developed.
- Collaboration between the Polar State University and Polar Division was launched to establish a centre for permafrost studies and deep horizon technologies.
- The process of organising student internships and practical training was improved, resulting in an increased number of interns. In 2023, the Company's facilities welcomed 516 interns enrolled as part of our Career Start programme. Additionally, over 200 interns were enrolled as part of the Polar College project. The Conquerors of the North online course for aspiring engineers and business management professionals attracted 2,724 participants. The First Arctic leadership programme saw its third enrolment of talented university graduates who can follow an accelerated career growth path and become first-line managers within 2.5 years (in 2023, over 4,000 applications were received and 20 finalists employed).
- During the summer period, student construction brigades were set up for future miners, metal workers, power engineers, and mechanics. This initiative offers students an opportunity to get first-hand experience in their chosen professions, bridge the gap between theoretical knowledge and practical skills, and work with advanced industry-specific equipment. In 2023, a total of 130 students from the Siberian

Federal University, the Polar State University, and the Polytechnic College of the Polar State University joined the construction brigades.

To facilitate career guidance for children, the Nornickel's [City of Professions encyclopedia](#)-type platform was created. It features an interactive map, specifically designed for schoolchildren, with three cities (Norilsk, Dudinka, Monchegorsk), 13 districts, and descriptions of 147 professions, offering a career aptitude test that provides personalised results highlighting strengths and weaknesses, along with recommendations, accessible through a personal account. The platform serves several target audiences, including schoolchildren, their parents, and career counsellors, and contributes to making informed decisions about future professions.

The Tsifronikel.Junior platform offers five-minute gamified lessons on topics such as cybersecurity, unmanned vehicles, and ecology specifically designed for schoolchildren aged 8 to 12 years old. Currently, the service has over 850 users.

The Company also implements projects that familiarise children with various professions, educational institutions, and the city. They involve guided tours to the facilities of the Company's Polar Division and Kola MMC, as well as to the Sulphur Programme showroom, career tracks (visits to universities and vocational schools), and meetings with professionals during events such as the Nornickel Hour and Nornickel Lessons.

2

Continuous leadership training

Developing corporate competencies and assisting managers in adapting to leadership roles

The Company invests in developing and enhancing a strong management team through continuous training of all managers. In 2023, a Leadership School programme was launched specifically for middle management. It covers three main focus areas: understanding one's leadership role, mastering advanced management practices, tools, and approaches, and gaining experience in cross-functional collaboration. In 2023, a total of 356 leaders completed the programme.

For managers and employees at all levels who underwent a 360-degree competency assessment, a 360-Degree Management programme for corporate and leadership competencies development was implemented in the reporting year. Participants had the autonomy to choose learning topics based on the results of the 360-degree assessment, discussions with their supervisors, and individual development plans. The programme stands out for its format, which combines interactive training sessions, business simulations, and the practical review of real management cases. A total of 59 in-person training sessions were conducted in Moscow, Norilsk, and Monchegorsk, with the participation of 1,081 employees. Furthermore, as part of the programme, all Company employees were also offered nine online workshops catering to skill development needs and garnering over 3,500 views.

Succession planning

To ensure a robust talent pipeline, the Company develops succession plans for all managerial positions on an annual basis.

195

talent committee meetings were held in 2023, with 28 of them involving top management of the Group

>2,200

candidates were evaluated during talent committee meetings

252 employees

were included in the talent pool, ready for promotion within 2023

81%

of managerial positions have either medium or high succession coverage

>4,000

employees experienced career growth by 1 or 2 job grades in 2023

90%

of Top 100 positions are covered by potential successors

In 2023, the Company's talent committees identified the its first-ever list of employees with critical competencies.

High-potential employees selected by the committees were offered to join a mentorship programme. In 2023, leaders from the Company's Top 100 positions, trained and CCE-accredited by the ICF, served as mentors and conducted 40 mentoring sessions.

In 2023, there was a significant increase in the percentage of internal appointments to the Top 100 positions. Out of 19 vacancies, 18 were filled from the Company's internal talent pool.

To support employee growth and development, the Company launched a Career Counselling service, offering individual career consultations. Employees can use the Company's corporate resources to schedule appointments with 38 dedicated career counsellors available through the service.

3

Creating a learning environment

Developing physical learning environment

Every year, Nornickel's infrastructure for employee training evolves to prioritise practical learning experiences. In 2023, the Company set up two fully-equipped lean production laboratories in Norilsk and Monchegorsk, and an advanced simulator in Talnakh enabling employees to hone more than 25 core skills related to working at heights. Over a span of four months, the simulator helped train more than 2,000 employees.

The Corporate University's training base at Kayerkansky's Anhydride mine trains skilled professionals for complex mining operations at metals and mining facilities. In 2023, the underground training base made it to the country's Top 15 industrial tourism destinations.

The new building of the Corporate University's branch in Monchegorsk became a key venue for holding training sessions (with over 1,000 individuals trained) and professional skill competitions as well as hosting various corporate events.

Nornickel Academy development

The Nornickel Academy learning platform became a familiar development tool for 81% of the Company's employees, who completed over 221,000 courses through the platform. The academy offers training courses for employees to enhance their professional and managerial competencies, while also providing insights into the latest trends in education, along with specific tools and recommendations. A collaborative effort with partners is underway to develop a reading room that currently offers over 10,000 freely available books to employees.

Fostering a continuous learning culture

In addition to developing physical and digital learning environments, the Company fosters a culture of continuous learning through various educational initiatives (such as Library Night, Each Day Is a Knowledge Day, New Life Starting on Monday, Tribune, Listen, It's Top Stuff (podcast), as well as open lectures and workshops).

4

Embracing new skills and technologies

Developing critical competencies: digital proficiency, occupational health and safety (OHS), and sustainability (ESG)

In 2023, the share of training dedicated to the development of critical competencies accounted for 50% of the overall training. All employee categories were covered by training programmes focusing on areas of digital proficiency, occupational health and safety (OHS), and sustainability (ESG).

To enrich employees' theoretical and practical knowledge in the field of ESG, online training courses (such as Sustainable Development, and Environmental Protection and Sustainable Use of Natural Resources) were designed and made accessible through the Nornickel Academy platform.

As part of the Digital Investor programme implementation in 2023, the Company prioritised, among other things, the development of financial literacy among its personnel. To this end, a series of webinars on topics covering

effective financial management and goal achievement as well as investment fundamentals were conducted for all Group employees. The webinar materials were uploaded to the Nornickel learning platform, ensuring easy access and availability for all employees.

5

Building a training system

Training takes centre stage among Nornickel's HR services, alongside recruitment, motivation, and compensation realms. Based on the research conducted in 2023, the level of internal clients' satisfaction (NPS index) with training reached 88%, up 4 p.p. y-o-y.

In 2023, the Company continued the transformation of its training system, encompassing the following initiatives:

- implementing the SAP Learning Solution module and automating processes;
- enhancing productivity by embracing lean manufacturing principles and identifying business processes gaps;
- integrating the Monchegorsk branch into the unified system of the Corporate University;
- rebranding the Corporate University.



Nornickel's youth ecosystem

In light of the scarcity of highly skilled professionals in the mining sector, waning interest in engineering careers, a shrinking working-age population, technological complexities, and emerging trends, Nornickel has reimagined its strategies for employee training and engagement. The Company is building an innovative infrastructure (ecosystem) to bring about long-term improvements in the quality of life in the Polar regions, addressing

its immediate employee training and motivation needs and creating a positive vision for the future.

By attracting new talent to the industry, enhancing employee competencies, and nurturing a pipeline of candidates eager to build careers in metals and mining, Nornickel has created a seamless candidate journey, spanning from school to university students and further to young professionals, all within the framework of a unified ecosystem.

As part of this educational ecosystem, Nornickel is developing multifaceted programmes tailored to various age groups, ranging from 5 to 35 years old. By employing state-of-the-art training methodologies such as community building, gamification, and accelerators, the Company is fostering a purposeful choice of pursuing engineering professions.

Category	Goals	Key initiatives and projects implemented by Nornickel
Children (ages 5–17) and their parents	<ul style="list-style-type: none"> Promoting and nurturing interest in engineering competencies Increasing the number of motivated prospective students applying to dedicated universities and vocational schools 	<ul style="list-style-type: none"> Nornickel Lessons Guided tours to the Group's facilities School Break SVET ON LIGA IMAKE City of Professions Tsifronikel.Junior
Students (ages 18–24)	<ul style="list-style-type: none"> Enhancing students' adaptability to the Company's production environment through practical knowledge and skills acquisition Increasing the Company's visibility in educational institutions Driving student engagement with the Company and the youth community in the regions where Nornickel operates Inspiring students to live and work in the Arctic region 	<ul style="list-style-type: none"> Hands-on educational programmes in partnership with educational institutions Conquerors of the North Career Start-Up Polar College Bystrinsky GOK's Generation FAST Student construction brigades
Young talent (up to 35 years old)	<ul style="list-style-type: none"> Attracting and retaining young talent across the Company's footprint Increasing employee loyalty and engagement in corporate activities Developing professional knowledge and skills Building and nurturing an internal corporate youth community 	<ul style="list-style-type: none"> In Good Company First Arctic Those Who Care Plant of Goodness

The development of a youth ecosystem has yielded notable outcomes, including an increase in student enrolment in educational institutions in the Arctic region, a rise in the number of CVs received by the Company,

and the improvement in the employee engagement index among young professionals.

Multiple programmes implemented to engage school students, university students, and young employees

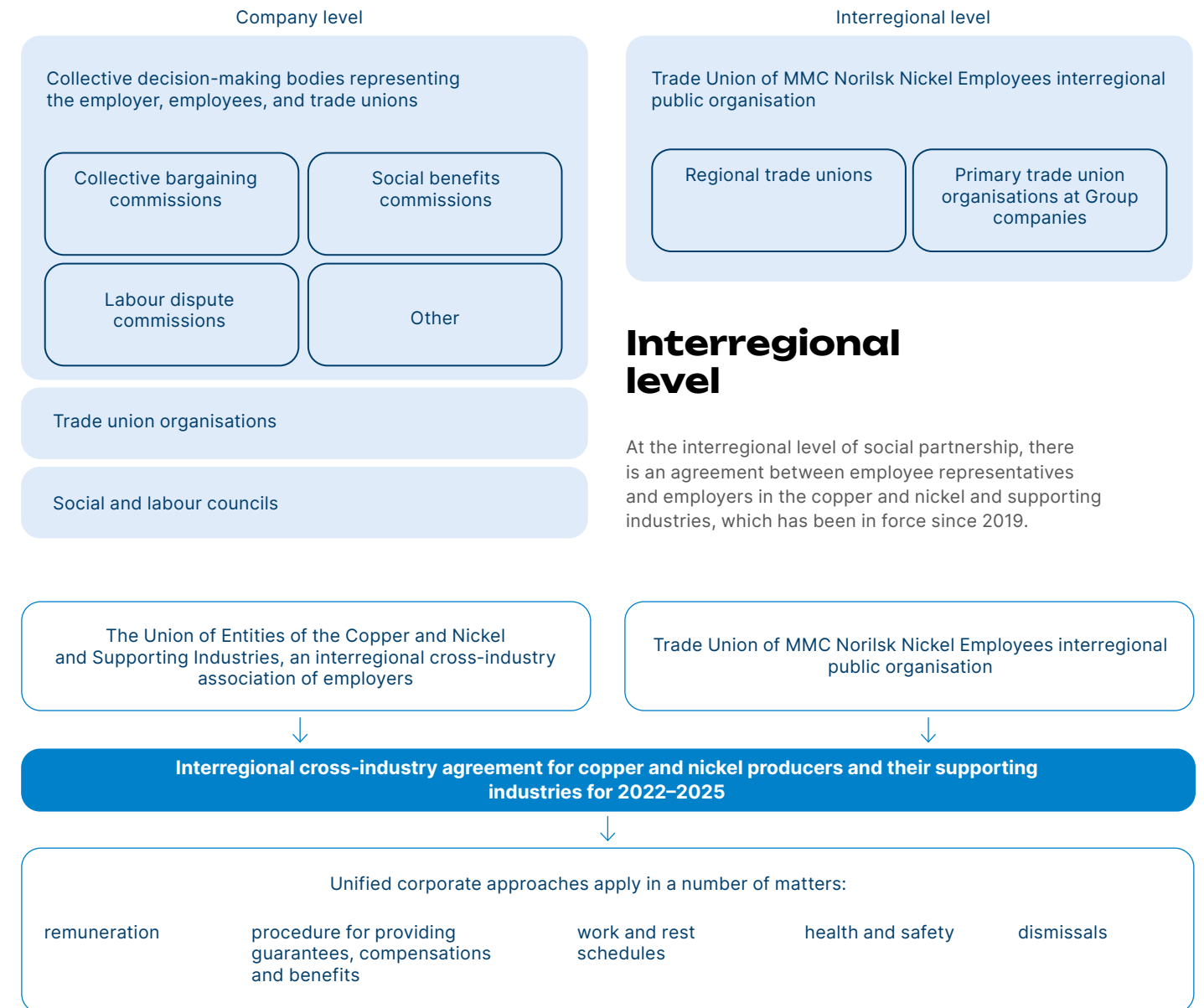
are designed to be further systematised, harmonised and integrated into a unified ecosystem in collaboration with universities, vocational schools, regional authorities, and other stakeholders.

SOCIAL PARTNERSHIP FRAMEWORK

GRI 2-26

In order to align the interests of the Group's employees and employers in terms of social and labour relations, Nornickel develops social partnership at the local, regional, and interregional levels.

Mechanisms for the representation of employee interests



As at the end of 2023, the agreement applied to 21 Group companies, covering 89.6% of the Group's employees.

Company level

The Company has in place an enterprise-level social partnership framework aligned with the Labour Code of the Russian Federation, collective bargaining agreements, the interregional cross-industry agreement for copper and nickel producers and their supporting industries for 2022–2025, and joint resolutions. We follow the [Freedom of Association Policy](#) approved by the Board of Directors.

In 2023, the trade unions and social and labour councils participated in the inspections of the sanitary condition of dietary and general food service providers and quality assessments of food served at the Group's facilities in the Norilsk Industrial District and the Murmansk Region.

As a way to improve understanding of the Company's plans or accomplishments and inform employees about resolutions adopted by the Group's management on social and labour matters, Nornickel presented Human Capital Development Programme and its preliminary results to trade unionists in the reporting year. Apart from that, trade union representatives participated in the awareness-raising campaign launched by the employer to highlight the launch of the Digital Investor corporate programme. The Company believes that such meetings give an opportunity to maintain a constructive dialogue with the representatives of its workforce and receive timely feedback on ongoing corporate changes.

GRI 2-30

22
collective bargaining agreements signed by Group companies

94%
Nornickel employees covered by collective bargaining agreements

7.3%
of the Group's employees are members of trade unions

76.5%
of the Company' employees are represented by social and labour councils

Social and labour relations at Group companies that do not have collective bargaining agreements (6% of Nornickel's employees) are governed through by-laws adopted by such companies in consultation with the employees' representative body (if any) as and when required by applicable Russian labour laws.

GRI 402-1

Nornickel notifies employees regarding significant changes in the Company's activities is full compliance with the Labour Code of the Russian Federation:

- the minimum notice period is at least two months prior to the start of such changes; or
- at least three months prior to the start of such changes if the redundancy decision may lead to large-scale dismissals.

These standards are formalised in all collective bargaining agreements.

SASB EM-MM-310a.2

No strikes and lockouts involving the Company's personnel were reported in 2023.

SOCIAL POLICY

Nornickel's contribution to Russia's national projects

Demography national project

Relevant UN SDGs



Related federal projects

Financial support for families upon the birth of children

Older generation

Promotion of public health

Sports as a way of life

Key initiatives and focus areas

Co-Funded Pension Plan, a corporate private pension programme

Nornickel's Veterans programme, which focuses on supporting unemployed pensioners

Sporting and mass public events programme

Creation of jobs across our footprint¹



¹ For more details, please see the [Development of Local Communities](#) section.

Healthcare national project

Relevant UN SDGs



Related federal projects

- Development of the primary health care system
- Creation of a network of national medical research centres and introduction of innovative medical technologies
- Fighting cardiovascular diseases
- Fighting cancer
- Providing healthcare facilities with skilled personnel

Key initiatives and focus areas

- Compensating employees and their families for health resort and vacation expenses (partial compensation for the cost of vouchers)
- Voluntary health insurance for employees and their families
- Conducting occupational health and safety training sessions¹
- Providing employees with PPE¹
- Corporate Healthcare project¹



Benefits and social support programmes

GRI 403-6

Nornickel has a system of social support for its employees, including a wide range of benefits and programmes.

- Health resort treatment and vacation to employees and their families at subsidised prices
- Annual payment (in excess of amounts currently required by Russian laws) of return travel to and from a place of vacation for employees and their families in the Far North and equivalent areas, including associated baggage fees
- Providing a relocation package to those moving to another region¹: lump sum payment for resettlement, reimbursement of travel expenses and baggage fees, monthly rental (sub-rental) payment / compensation for dormitory fees
- Additional employee pensions and other types of social benefits under the existing collective bargaining agreements and internal regulations
- One-off financial aid to employees experiencing certain major life events or hardships
- VHI for employees and their families
- Redundancy payments
- Other benefits and programmes aimed at the social support of employees



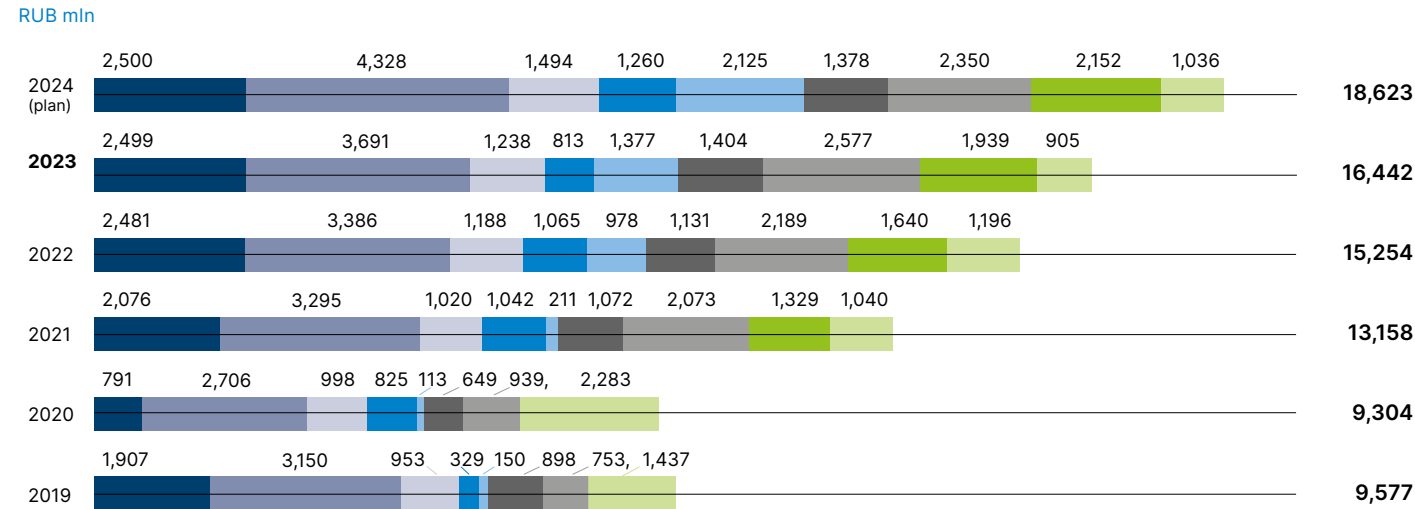
Benefits provided by Nornickel



¹ For more details, please see the [Occupational Health and Safety](#) section.

¹ Subject to provisions of the Employee Relocation programme.

Social expenses and benefits¹



- Health resort treatment and vacations of employees and their families
- Reimbursement of round trip travel expenses and baggage fees to employees and their families
- Pension plans
- Housing programmes
- Relocation assistance to new employees
- Social projects for employees (development of target categories, sporting events and holiday celebrations)
- Voluntary health and personal accident insurance
- Financial aid and additional benefits to retired and former employees and their families
- Other payments and social expenses (healthcare services, severance pay, etc.)

In 2023, social expenses and benefits totalled

RUB 16.4 bn

up 7.8% y-o-y. Travel and baggage (22.4%), VHI (15.7%), and health resort treatment and vacations (15.2%) accounted for the largest share in total expenses.

Special support for certain categories of employees:



employees with disabilities can apply for additional paid leave (three calendar days per year) and also receive an annual financial assistance of up to RUB 10,000;



special attention is paid to professional longevity: the Company provides free health resort vouchers for employees of pre-retirement age.



women on maternity leave receive an extra payment to reach the full amount of their permanent wages, and women on leave to care for children up to three years of age receive monthly financial assistance;



¹ The 2021–2022 data was adjusted to ensure comparability with the information provided in the [Development of Local Communities](#) section.

Employee comfort programme

To take care of its employees and provide them with comfortable working conditions, the Company runs a dedicated programme, which has been updated and extended several times over the 20-year period of its operation in accordance with the needs of employees: 2003–2010 – Workplace Amenities programme, 2011–2022 – programme to improve social and working conditions of employees, since 2023 – Made with Care employee comfort programme.

As at the end of 2023, the Group companies operated more than 3,500 sanitary, amenity, sports and fitness, catering, healthcare, and recreational facilities with a total area of over 370,000 m².

In the reporting year, 12 Nornickel's branches and Russian business units located in the Norilsk Industrial District, on the Kola Peninsula, and in Sochi participated in the Made with Care programme. The programme saw repairs in line with a group-wide standards handbook, in full compliance with modern architectural and technical requirements, which was recognised by international

awards WOW!HR and Green Property Awards (for more details, please see the [Awards and Accolades](#) appendix).

In 2023, we decided to expand the scope of the Made with Care programme. Repair works include the renovation of façades of administrative facilities, repair and equipping of classrooms, and reconstruction of tourist camping sites in the Norilsk Industrial District and on the Kola Peninsula.

2003–2023 results of the programme

- 848 social facilities repaired
- 464 relocatable buildings purchased
- the costs totalled RUB 15.7 bn

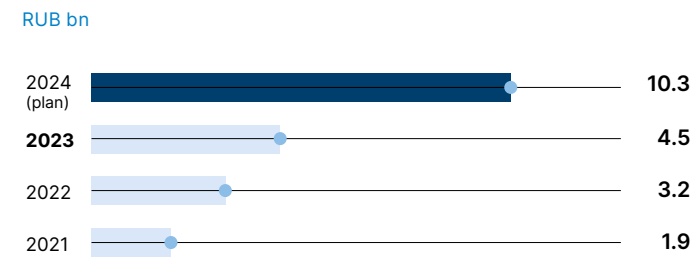
2023 results

- 138 social facilities overhauled
- the total area of repaired facilities was 21,000 m²
- social and working conditions improved for more than 8,600 employees
- the works cost RUB 4.5 bn (net of VAT)

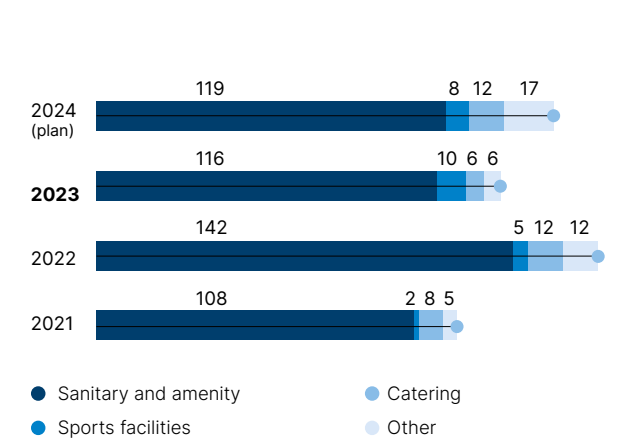
2024 targets

- 156 social facilities repaired
- repair of several entrances, common use areas, and façades of administrative facilities
- planned costs: RUB 10.3 bn

Costs of the programme to improve social and working conditions



Social facilities overhauled



OPEX on the Made with Care programme in 2023

RUB 4.0 bn

CAPEX on the Made with Care programme in 2023

RUB 0.5 bn

Health improvement programmes

GRI 403-6

Protecting and improving the health of employees, preventing diseases

and organising adequate family vacations are a significant part of Nornickel's social policy, which is also related to the specific natural and climatic conditions of the Arctic and working conditions at Group companies.

The collective bargaining agreement sets out obligations to implement health improvement and health resort treatment programmes for employees and their families.

Participants of key health improvement programmes, people

Key health improvement programmes	2021	2022	2023	2024 (plan)
Zapolyarye Health Resort (Sochi)	16,592	17,852	17,458	17,208
Including a health resort in the Mountain Olympic Village (7 days) + Zapolyarye Health Resort (14 days)	3,650	3,650	3,650	0
Kolsky Health and Spa Centre (Monchegorsk)	1,564	2,004	1,693	1,693
Vacations in third-party health resorts	1,988	4,190	3,824	2,753
• Russia and Belokurikha health resorts (Altai Territory)	837	895	852	849
• Golubaya Dal' Health Resort and holiday centre (Gelendzhik)	800	1,626	1,716	1,576
• Malaya Bukhta Health Resort (Anapa)	0	700	0	0
• Viktoriya, Tsentrosoyuz-Kislovodsk, Sechenov health resorts (the Caucasian Mineral Waters)	0	380	350	292
• A health resort in the Mountain Olympic Village (18 days)	324	0	0	0
• A health resort in the Mountain Olympic Village + Imeretinsky Resort	0	559	0	0
• Yantarny Bereg and Yantar health resorts (Kaliningrad Region)	0	0	880	0
• other non-corporate health resorts	27	30	26	36
Vacations for children (Vita Health Resort in Anapa, Universiade Village sports camp in Kazan)	1,330	1,527	1,592	1,682
International vacation programme (Bulgaria in 2021 and China in 2024)	3,041	14	0	1,120
TOTAL PARTICIPANTS	24,515	25,587	24,567	24,456

In total, 24,600 people took part in health improvement and wellness programmes in 2023. The most popular destination has traditionally been the Zapolyarye Health Resort (Sochi). The Kaliningrad Region became a new holiday destination in 2023. Children of the Company's

employees spent their summer holidays in a health resort on the Black Sea, and a children's sports group was organised at the Universiade Village in Kazan.

Health improvement and health resort treatment programmes are selected on an individual basis and in line with results of medical examinations of employees.

Operating expenditures on healthcare resort treatment in 2023

RUB **2.5** bn

In addition to health resort treatment, the Company promotes a healthy lifestyle by facilitating regular fitness sessions of its employees and holding annual corporate sports festivals and competitions (for more details, please see the [Sporting and Mass Public Events Programme](#) section).

Voluntary health insurance

All the Company's employees are provided with VHI policies that protect them from unforeseen medical expenses and guarantee qualified medical aid in an insured event. In addition, Nornickel allows its employees to insure a close relative (spouse, parent, or child) at a corporate rate.

The VHI policy covers a wide range of medical services. Given the specific nature of long holidays, employees living in the Far North can use VHI policies to access healthcare services not only where they live but in all the areas that the policy covers. All insurance programmes offer the same set of services for various personnel categories; the only difference is the level of healthcare centres and the region of coverage.

In 2023, Nornickel improved the terms of personal accident insurance in certain regions.

Co-Funded Pension Plan Programme

GRI 201-3

Since 2007, Nornickel's employees have been offered an opportunity to join the Co-Funded Pension Plan, a corporate private pension programme.

10,400

employees of 24 Group companies were participants of the Co-Funded Pension Programme as at the end of 2023

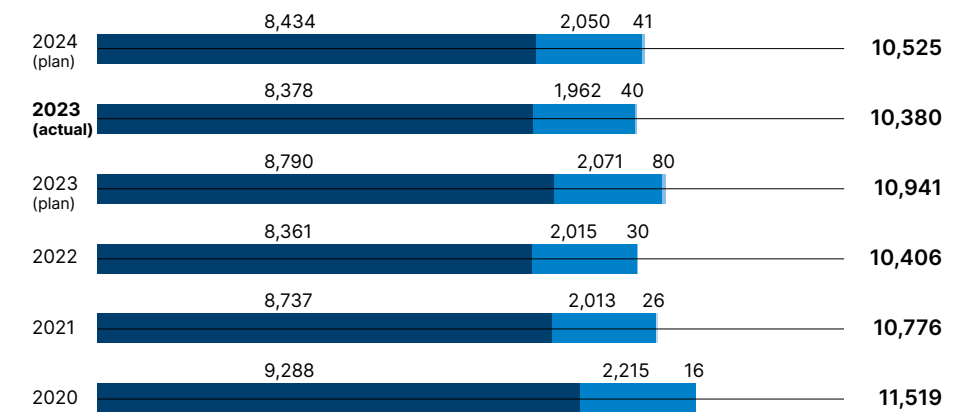
≈ **4,000**

people receive payments under the Co-Funded Pension Plan

The programme provides for two pension plans: Parity and Corporate. Under the Parity Plan, pension savings are co-funded by the employee and the Company on a parity (equal) basis. The Corporate Plan is designed for highly skilled employees and/or employees with highly sought-after occupations; within this plan, Nornickel finances private pension plans for such employees.

In 2023, an average participant contribution amounted to 3.9% of the employee's salary, or the Company's monthly average of RUB 6,718.

Participants of the Co-Funded Pension Plan, by region people



- Norilsk Industrial District (NID)
- Kola Peninsula Industrial District (Murmansk Region)
- Moscow and other regions of Russia

Co-Funded Pension Plan: 2023 highlights

Indicator	2023
TOTAL COMPANY COSTS (RUB MLN)	755.4¹
Participant contribution	
Average contribution per participant, % of wages	4
Average monthly contribution per participant, RUB '000	6.8
Company's contribution under the Parity Plan	
Average contribution per participant, % of wages	3.9
Average monthly contribution per participant, RUB '000	6.7

In addition to the Co-Funded Pension Plan Programme, the Company offers:

- Complementary Corporate Pension Plan (a lump-sum payment from the Company's funds for employees aged 55–65 with at least 20 years of service upon their resignation and relocation outside the Norilsk Industrial District) with 445 participants in 2023;
- Lifetime Monthly Corporate Pension Plan (for Company employees awarded the Badge of Honour) with 254 participants as at the end of 2023.

Operating expenditures on pension plans in 2023

RUB 1.2 bn

Programmes supporting former employees and their families

In addition to the non-governmental pension plan, the Company implements the following continuous support measures for former employees:

- the Company's Veterans programme supporting unemployed pensioners who permanently reside in Norilsk. The main eligibility criterion is the employee's length of service with the Company;
- the Pensioner Financial Aid Fund grants financial aid to former employees who retired prior

to 10 July 2001 provided they had been employed by the Company's units for more than 25 years and permanently reside outside of the Norilsk Industrial District. The Fund relies on voluntary monthly contributions from employee salaries and charitable contributions from the Company's budget;

- targeted financial assistance for former employees and their family members (paying for medical treatment, medications, funeral services, helping those in financial distress).



¹ According to the consolidated financial statements, total expenses under the programme amounted to RUB 769 mln in 2023. The discrepancy with the data presented herein is due to the review of expenses for previous reporting periods and inclusion of unaccounted expenses for the reporting period in the consolidated financial statements.

Housing programmes

The Company has been implementing housing programmes (Our Home / My Home and Your Home) for more than a decade. Under these programmes, participants get the opportunity to acquire apartments in the Moscow and Tver regions, Krasnodar Territory, and Yaroslavl on special terms.



Our Home / My Home programme

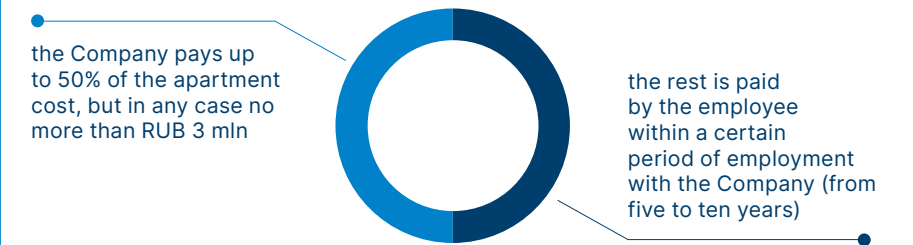
Employees are provided with housing under a commercial lease agreement with a purchase option

Your Home Programme

Employees receive housing under a sales and purchase agreement with payment by instalments

Participants: highly skilled and sought-after employees under 50 years of age with at least five years of continuous service, whose occupation/position falls within the priority focus areas.

The corporate Our Home / My Home and Your Home housing programmes use a co-financing mechanism:



6,118 apartments provided to the Company's employees since the start of the programmes

24 business units and branches of Nornickel Group covered by the programmes in Norilsk, the Taimyrsky Dolgano-Nenetsky Municipal District, Krasnoyarsk, and the Murmansk Region

> RUB 28 bn total investments in housing programmes (the purchase of apartments and infrastructure development)

Subsidised Loan Programme

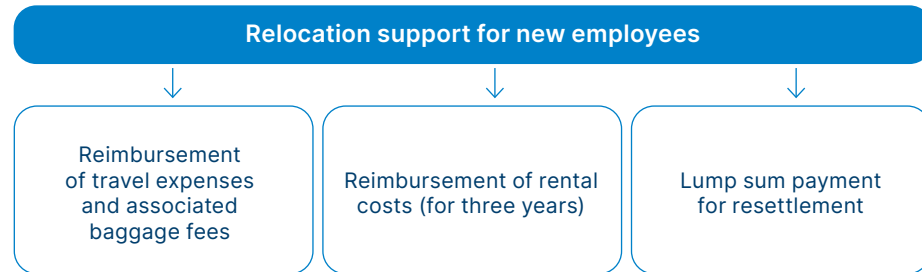
Employees receive partial reimbursement of mortgage loan interest and/or an interest-free loan for a down payment to purchase a home in any Russian region.

1,600 employees of the Company benefited from subsidised loans since the programme inception

26 business units and branches of Nornickel Group covered by the programme

Relocation support programme for new employees

Nornickel provides assistance in relocating newly hired employees, their family members and apprentices (candidates) with whom the Company has entered into professional training contracts to their place of work in Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District from other Russian regions.



In 2023, 17,100 employees accessed our automated system for employee onboarding covering 27 Group companies. Over 3,500 managers and more than 1,000 supervisors helped

with the onboarding of new employees, providing them with various kinds of support and assistance.

With 1,900 employees joining the relocation support programme in 2023, it now has a total of 4,615 participants.

Operating expenditures on the relocation support programme in 2023

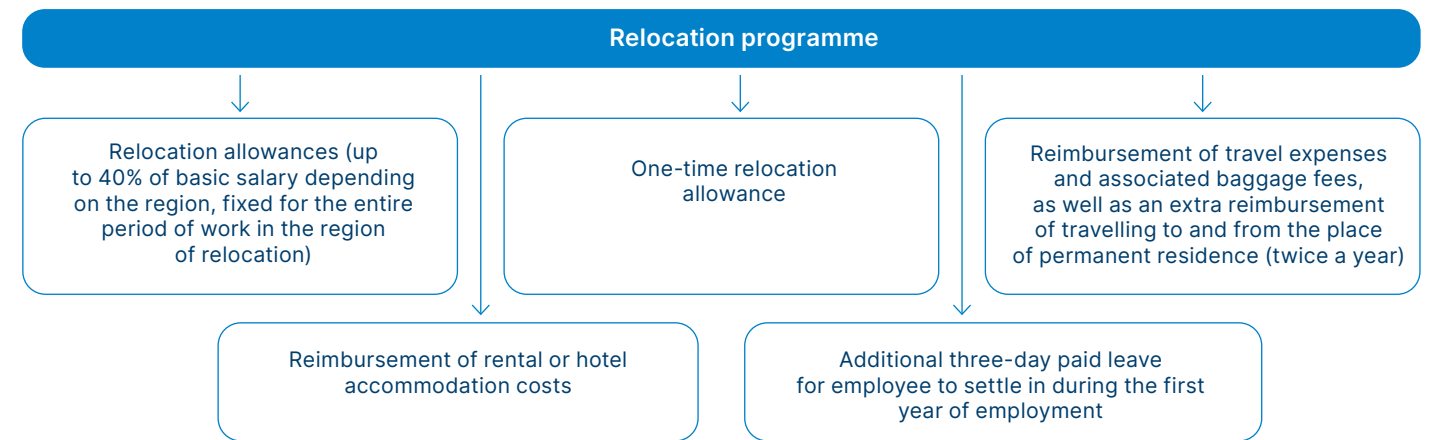
RUB 1.4 bn



Relocation programme

In 2023, Nornickel continued to implement its Relocation programme to ensure comfortable adaptation

of employees to a new place of residence when moving to another region to perform new job functions.



Our relocation programme provides employees with an opportunity for personal and professional growth and development, addresses the problem of filling vacancies

in a certain region in the absence of duly qualified candidates in the local labour market and within the company.

As at the end of 2023, it covered 61 of the Company's employees, including 27 new participants who joined in 2023.

Staff well-being support programme

The corporate Nornickel Will Support programme consists of three components: health, supporting those

in need, and training in useful knowledge and skills. The services are available to any employee of the Company.

Programme component	Description
Telemedicine – a health care service	Included in each employee's VHI package, Telemedicine provides online access to healthcare services without queues. Emergency and scheduled consultations are available. Appointments and communication with the doctor takes place via the insured person's personal account, where the history of visits and medical reports are also stored.
Remote advice on legal, psychological, financial, and healthy lifestyle issues	The PRAVOCARD service provides an opportunity to consult a qualified lawyer, psychologist, financier, or healthy lifestyle expert by phone, video conference, or online chat (in the mobile app or on the website). Everyone who joins the service receives a personal account with secure access, where the history of consultations is saved, and the number of such consultations is unlimited. In 2023, 3,331 consultations were given, with psychology being the most in-demand field. Employees are positive about the service, with an average rating of 4.97 out of 5.0.
Service of webinars with experts	Nornickel introduced a service of online training with leading experts, which can be accessed by the Company's employees from any location. In 2023, webinars covered such topics as managing emotions and stress, developing useful habits to achieve goals, being proactive and influencing one's social well-being, managing personal finances, and building family relationships. On average, there is one webinar per month with 300 to 500 online connections, while the rest of the staff can watch the recorded webinar later on.

Social support to employees facing redundancies due to closure of production facilities

GRI 404-2

As Nornickel decided to reconfigure its mining capacities in the Pechengsky District, including the mothballing of Kaula-Kotselvaara mine

and the resulting termination of production, a set of social support measures was developed for the mine's redundant employees and agreed with the Social and Labour Council and trade union organisations.

Mothballing of Kaula-Kotselvaara mine

Support for employees who decided to end their employment with the Company

- A severance payment of six months of employee's average salary (as well as additional payments for retired employees, socially disadvantaged categories of employees, and participants in the Succession Programme¹);
- early eligibility to a corporate pension for participants of corporate pension programmes subject to their eligibility to a pension based on old age, disability or long service;
- reimbursement of the cost of relocation for the employee and their family;
- reimbursement of associated baggage fees;
- an option to early terminate participation in housing programmes for the benefit of the employee;
- retention of the VHI policy for a calendar year from the date of dismissal.

Support for employees who move to work with other business units of the Company

- Reimbursement of rental costs associated with relocation to another city;
- retention of the salary level achieved by the time of being made redundant (for a calendar year);
- reimbursement of the cost of relocation for the employee and their family;
- reimbursement of associated baggage fees;
- priority right to participate in the Group's subsidised loan programmes with a view to purchasing housing at the new place of work;
- training / retraining / certification of qualifications for a new occupation/role at the cost of the Company.

We provided a full package of social benefits to the people facing redundancies at Kaula-Kotselvaara mine, including comfortable relocation to other sites, retraining, and pension plans. The Company launched a dedicated Nornickel Employment Centre focused

on providing comprehensive support to the employees facing redundancy (including information, consulting, and career guidance support) and cooperating with the other business units of Nornickel Group on employment opportunities for its redundant

employees. All staff-related measures were taken in compliance with the requirements of labour and employment legislation and our social support programme.

RUB 649 mln
estimated cost of the programme in 2023–2024

RUB 433 mln
actual cost of the programme in 2023 (86.7% paid to redundant employees as a compensation, severance pay, or financial aid)

226
redundant employees (including 190 mine employees, 36 employees of other business units who expressed a desire to terminate their employment)

299
employees obtained jobs within the Group

Development of corporate communities

Nornickel employees have the opportunity to share their interests with like-minded people beyond their job functions by joining corporate communities, which contribute to higher engagement, help build internal expertise and obtain new impulses for the development of the Company, its regions of operations, and each individual.

at improving the economic efficiency and achieving the Company's ESG goals (priority topics include occupational safety, environment and environmental protection, digitalisation, corporate culture development, increasing labour productivity, and promoting the employer brand).

There are two key actors at the heart of Those Who Care programme: business customers (managers) who identify the problem to be solved and participants who come together in teams to implement the project. As the team includes employees from different business units, such synergy helps view the problem in a different light and find new, effective solutions that meet the Company's needs and external trends. For the project to be successfully implemented, its participants can ask the business customer to provide them with managerial, administrative and financial resources. Mentors provide support at all stages, and external experts are involved whenever necessary. The participants can learn, attend regular meetings of the Change Practitioners Club, communicate with renowned experts, and join internships.

In 2023, the Trans-Baikal Division joined Norilsk and Kola divisions to participate in the programme. The project attracted a significant number of GRK Bystrinskoye employees.

Plant of Goodness corporate volunteering programme

The Plant of Goodness corporate volunteering programme covers a wide range of environmental and social projects that bring together employees around shared values and strengthen teamwork and communication between business units.

➔ For more details, please see the [Corporate Volunteering](#) section.

Those Who Care corporate programme

Since 2021, Nornickel has been building a platform for sharing experiences and constructive interaction that takes into account the interests of employees, managers and the Company as a whole by generating and then promoting the ideas of proactive employees aimed

« The team of metalworkers I work with frequently comes up with improvement initiatives. We think it very important that the results of our work are of high quality and durability. The Company welcomes every idea, and for me personally this is very encouraging.

I am an enthusiast of creative labour, so I am especially proud when I see that the structures we have erected on our production sites are already in operation.

496
employees from Monchegorsk, Murmansk, the Pechengsky District, and the Trans-Baikal Territory applied for the programme in 2023

21
managers became business customers

41 of 47
business tasks were selected as projects

41
project teams formed as a result of the selection process in 2023

Yevgeny Burov,
metalworker, grade 5, Construction Materials Plant of Norilsk Production Support Complex (length of service with the Company – 28 years)

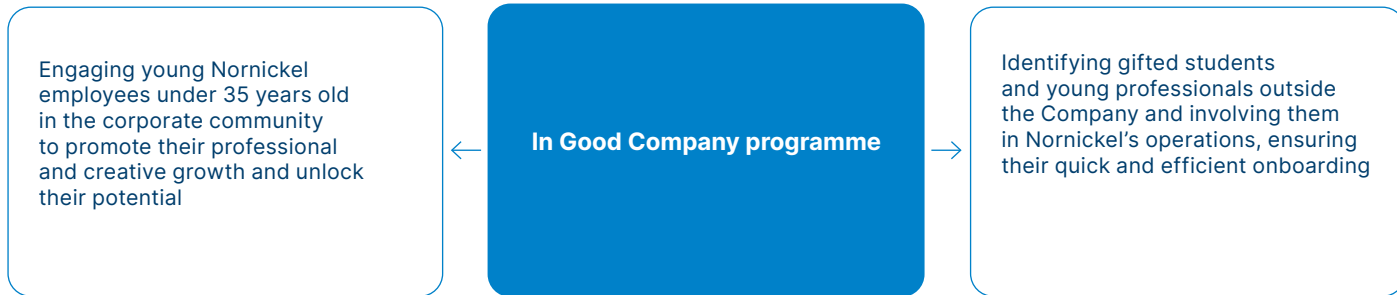
¹ Training of the employee facing redundancy by another Company employee who has reached the retirement age, with the severance payment to the mentoring employee upon the training completion.

In Good Company, a corporate youth programme

Launched in 2022, the In Good Company programme is Nornickel's first corporate community for young people with the focus on two target audiences:

the Company's employees under 35 and students and young professionals outside the Company.

The programme consists of four focus areas to allow each participant to unlock their potential and bring their ideas to life.



Track	Goal	Participants
Professional practice	Promoting out-of-the-box thinking. Building a team of like-minded people in a themed community	Innovators and facilitators aiming to boost the Company's efficiency and their own professional progress
Growth	Providing our young employees with an opportunity to achieve career and life success	Active, engaged and loyal young employees ready to develop and learn new things
Social practice	Involving young employees in territory development projects and retaining them in the regions where the Company operates through the creation of a social corporate community	Employees who are ready to address regional problems and are looking for new opportunities and approaches to do so
Creativity	Fostering the development of young people's creative, intellectual and sports skills. Involving people in the joint development and implementation of corporate events	Smart and creative people or anyone who wants to know more about the Company and the region

Participants will be able to kick start and deliver their own projects and earn points that can be exchanged for merchandise or one-on-one advice from Nornickel's top managers.

For the convenience of all participants, the Company runs a proprietary secure online app – a social network in which users are free to choose any number of tracks and activities and can find new friends and interests, as well as interact with each other regardless of position, profession or location.

Since 2023, the In Good Company programme has been helping young people navigate through Nornickel's corporate programmes and external partner projects.

In Good Company: statistics

> 25
large-scale events and off-track activities conducted online and offline

> 260
educational, useful and entertaining tasks made available in the app

> 6,600
employees registered in the app

> 12,600
tasks completed in the app

> 4,400
tests passed in the app

> 1,800
participants joined through the referral programme

> 300
prizes awarded to the most active participants

Women in Mining Russia

WIM Russia Association, of which Nornickel is a key partner, is focused on promoting professional development of women, raising awareness of engineering jobs in the mining industry, and developing a platform for professional communications.

In 2023, WIM Russia held its Talented Woman in the Extractive Industry award ceremony in Moscow for the third time. The award received 451 entries, which is 16% more than in 2022, and brought together women from 57 Russian and CIS companies, with 27 coming out winners. Nornickel's employees received five out of ten nominations:

- Leader of the Future – Anastasia Avdeyeva (Snegiryova), hydrometallurgical operator, Kola MMC;
- Innovator of the Year – Ksenia Struchkova, analyst engineer, GRK Bystrinskoye;
- Inspiring Leader – Yelena Varankina, Head of Office, Medvezhy Ruchey;

- Environmentalist of the Year – Natalia Semenova, manager of the Business System Development Analysis and Monitoring Team, Polar Division of MMC Norilsk Nickel;
- Internal Communicator of the Year – Marina Shevchenko, Head of OHS section, Norilskgazprom.

Another ten female employees of Nornickel became prize-winners in various nominations, and 13 earned a Jury's Choice award.

Participation in and winning the competition have an impact on the further development

and professional growth of the participants: for example, Nadezhda Platonova, the winner in 2022 Breakthrough of the Year nomination, was upgraded to the Head of the Occupational Health and Safety Department at MMC Norilsk Nickel, while Darya Shmakova, who won the 2022 Jury's Choice award in the Leader of the Future nomination, was promoted from the chief expert of gas treatment and recycling engineering support laboratory of Nornickel's Polar Division to the position of the Head of the Laboratory.

Sporting and mass public events programme

The Company traditionally supports programmes to promote physical activity and improve the health of its employees by creating opportunities to go in for various sports and take part in corporate competitions.

To coordinate the relevant policy, Nornickel has a dedicated council in place to organise and improve sports and physical activities in the Company and its Russian business units, as well as to review and approve the plan of corporate sports events for the current year. Information on the Company's mass sports events is published on the corporate portal and social networks.

The most prominent events of the sporting and public events calendar are corporate contests geared towards employees and local residents. In 2023, the following events were held:

- the 62nd Nornickel Spartakiad comprising 14 sports in the Spartakiad proper and 6 sports in the Spartakiad for retired athletes;
- the 69th Kola MMC Spartakiad comprising 17 sports;

- corporate competitions in alpine skiing and snowboarding, cross-country skiing, swimming, volleyball, futsal, basketball, and ice hockey, as well as "Dad, Mum and I – a Sporty Family" family competition and Polar Division Olympics;
- sports events dedicated to high days and holidays (Defender of the Fatherland Day (bullseye shooting tournament), Miner's Day (futsal tournament), Metallurgist Day (Nornickel's corporate track and field race));
- various tournaments in the following leagues: Night Hockey League, Zabeg. RF, etc.;
- training sessions in various sports.

In 2023, the Company joined the Association for the Development of Corporate Sports and created a user-friendly information portal on corporate competitions.

27,000

participants in our sporting and fitness events in 2023

55,000

views of all our corporate competitions streamed online in 2023

« Nornickel is a truly sports-oriented company supporting the construction of fitness training infrastructure in Russian regions, organisation of mass sports events, and involvement of employees in an active lifestyle to improve their health. The nickel tankhouse with which I have been associated for many years is at the forefront of sports: my colleagues and I win prizes at spartakiads and corporate competitions, are members of various sports teams, and attend meetings with famous athletes. The healthier the employees, the more productive they are.

Konstantin Smirnov,

head of nickel tankhouse, Kola MMC (length of service with the Company – 27 years)

Sporty Nornickel corporate project

To foster healthy habits among employees, encourage healthy lifestyles, and strengthen team spirit, the Company has developed Sporty Nornickel, a mobile app where users perform sports activities together, take part in healthy lifestyle

contests, and read useful materials. With the platform, you can go on a virtual journey through the regions where the Company operates. The app counts all the kilometres covered and minutes spent on training and uses a special ratio to convert

them into internal currency – "charges", which can be spent on the purchase of branded accessories and clothing as well as an additional healthy diet course.

107 teams registered in the app

92% employee engagement

>3,000 active users



CORPORATE VOLUNTEERING

Corporate volunteering at Nornickel promotes employee involvement in charitable activities and in addressing social issues and provides opportunities for personnel self-fulfilment and improvement of social well-being while also strengthening the Company's ties with local communities, charitable foundations, and other stakeholders.

The Company's socially significant volunteer initiatives are aimed at developing local communities and improving the well-being of local

residents, enhancing operational efficiency through better internal communications, creating soft skills, and providing non-financial incentives.

Plant of Goodness

The Plant of Goodness corporate volunteering programme brings together the Company's expertise and its vast track record of social and environmental initiatives. Since its inception in December 2015, the programme has expanded significantly. Over the eight years, it has expanded its outreach to more than 4,000 people from several hundred participants; the number of annual events has grown sevenfold, from 60 events in 2016 to 410 in 2023. The Plant of Goodness programme is now implemented in all cities where Nornickel operates. Nornickel's volunteers attend international and Russian forums and expert platforms as participants, speakers, and moderators. The skills and expertise they obtain doing this kind of work help them not just in everyday life, but also in their extra-professional skills and career pursuits.

2015
the year when the programme was launched

40+
partners involved in the implementation of the programme

In 2023, the Plant of Goodness won the Employer Brand Award & Summit in the Good Deeds category, which includes social projects involving employees and aimed at supporting local communities, volunteering, and charity.

~4,000
Company employees, representatives of non-profit organisations, and passionate citizens take part in the programme every year

410
volunteer events held in 2023 (development programmes, environmental marathons, ecological shifts, charity fair, personal donation programme)

LET'S DO IT! ENVIRONMENTAL MARATHON

782
volunteer teams since the launch of the marathon (2023: 206 teams)

7,900
employees took part in the marathon (2023: 1,700 employees)

>1,000
environmental projects implemented

>40 partners participate in the marathon annually

4 stages namely a communication stage, a project stage, a nature reserve stage, and a partnership stage

In 2023, to raise awareness of the environment and the issues of its conservation, the marathon developed various formats of educational games, which serve as a universal tool of environmental education both for children and adults.

Starting out as regular clean-up days held annually from May to September since 2016, the marathon has now evolved into environmental awareness initiatives in addition to clean-up, landscaping, and urban improvement.

Marathon participants have to accomplish general environmental tasks and complex individual projects.



CITY VOLUNTEERS CHARITY FAIR

>RUB 1.3 mln
collected during the auction held on 16 December 2023

Since 2019, the Plant of Goodness volunteers have been running the annual New Year's Eve charity fair. It features handmade items that volunteers from Norilsk, Krasnoyarsk, Moscow, Monchegorsk, Chita, Saratov, Pechengsky and Gazimuro-Zavodsky

>8
participating cities

districts make during the workshops held in advance. The fair runs in a hybrid format: one can buy a favourite item at a fixed price online at волонтерывсити.рф, attend a sale in one of the cities where the Company operates, or become an auction

2 participation formats
(in-person and online)

participant, which is held in person in a TV studio with live shots. Nor Nickel traditionally doubles the amount of donations raised during the fair. The funds are used to help children with special needs and restore rare animal populations.



YOUR ENVIRONMENT REGIONAL ECOLOGICAL SHIFTS

>250
volunteers from the Murmansk Region, Norilsk, Chita, Saratov, and Moscow visited ecological shifts in 2023

8
main sites where initiatives were implemented in 2023

Ecological shifts are organised annually in specially protected natural areas in order to foster partnership and communication, boost motivation, learn more about the Company and the environment, and share experience. 2023 saw volunteers:

- place information signs, build comfortable tent platforms, a pontoon, and improve the observation tower on Love Island in Monchegorsk, Murmansk Region;
- take part in the project called The Varlam Island – the Pearl of Pasvik in Nickel, Murmansk Region by arranging nature trails, repairing

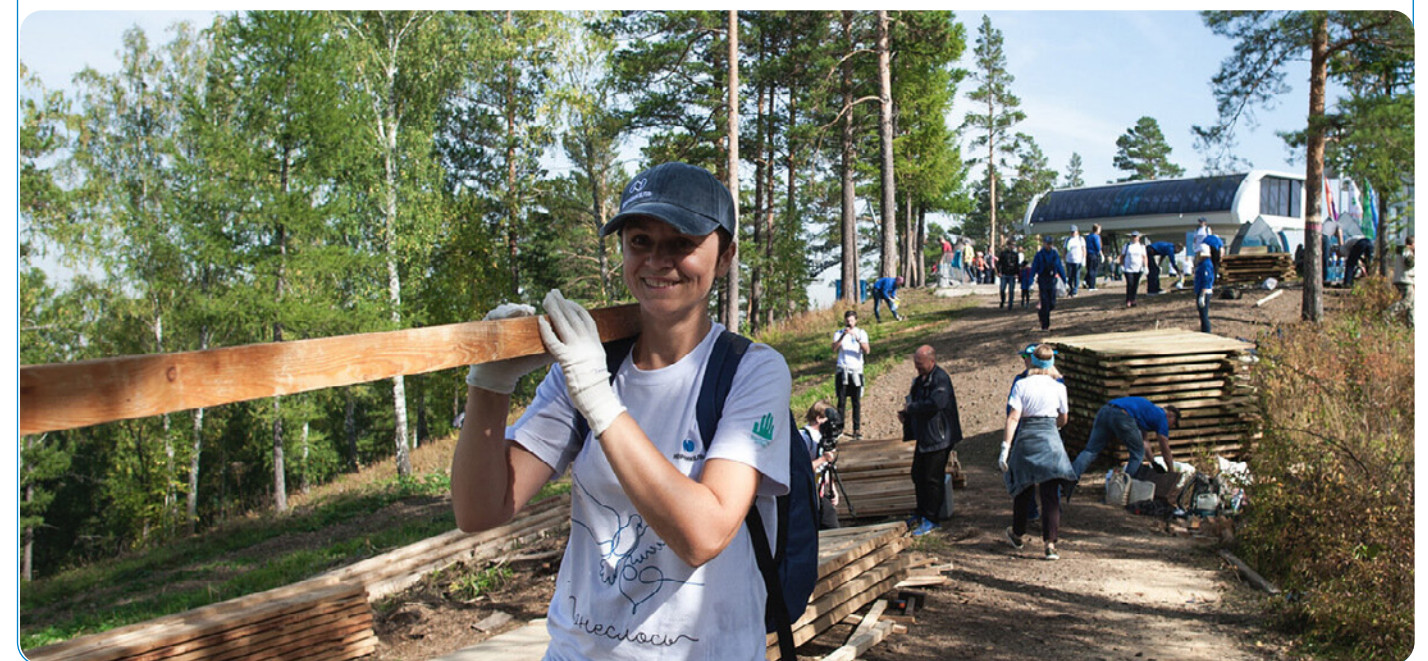
the reserve's entrance area, building pavilions and a bridge over a stream, and installing solar panels;

- landscape the tourist reception area and plant oak trees on the historical site of the Ugra National Park, Kaluga Region;
- improve nature trails at the isthmuses of Kapchuk Lake and Lama Lake at the Putoransky Nature Reserve, Krasnoyarsk Region;
- arrange sites for visitors and install information works of art at the Krasnoyarsk Pillars National Park;

>2,000
litres of rubbish were collected from the Kharaelakh River's bank line

3 kilometres
of nature trails were improved at the Daursky Nature Reserve

- improve the Adon-Chelon tourist infrastructure at the Daursky Nature Reserve, Trans-Baikal Territory;
- collect more than 2,000 litres of rubbish, arrange campfire areas, repair stands and a volleyball court on the bank of the Kharaelakh River in Norilsk;
- plant fruit trees to recreate historical gardens and clear a forest area at the Darovoye estate, Moscow Region.



ICEBREAKER EDUCATIONAL PROGRAMME

25 events
in 2023

Mentoring
key message for 2023

>700 tasks
completed by volunteers in 2023 as part of the Map of Useful Actions

MAP OF USEFUL ACTIONS
updated information platform

The Icebreaker programme seeks to develop extra-professional skills of leaders of the Plant of Goodness volunteering association by improving corporate communication and social design skills (creating and implementing initiatives in small towns by making the participants better learn the region's context and objectives).

psychological training, business games (Desert Survival, Intuition 2.0 and others), online games, master classes, workshops, and the first festival of cases called Benefit Exchange, which was attended by volunteers from other companies.

the programme. Mentorship was a key message of 2023 highlighted during all Icebreaker events.

Programme participants can find like-minded people from their region and implement a project for the benefit of the community and the whole city through the [Map of Useful Actions](#); in 2023, the platform was updated on the basis of feedback from volunteers who worked with it last season.

In 2023, various events were held in Moscow, Zapolyarny, Monchegorsk, Norilsk, Chita, and at Bystrinsky GOK, including The Night of the Triffids

There is a feedback mechanism implemented in the form of questionnaires and regular surveys, which helped collect and analyse opinions and suggestions from volunteers interested in improving



PARTNER PROJECTS

>50 experts
and

>100 corporate volunteers
took part in the Garden of Memory international campaign

~150 corporate volunteers
took part in the 2023 Siberian Perspective eco-summit

>2,000
pine seedlings were planted by volunteers during the All-Russian "Save a Forest" campaign

In 2023, Nornickel's volunteers took part in the following events:

- Siberian Perspective eco-summit dedicated to expert discussions of strategic plans for sustainable development and mechanisms for joint implementation of environmental volunteering projects and partner events. In 2023, the business agenda of the eco-summit included discussions on conscious consumption and responsible supply chain, as well as the role of businesses and consumers in these processes.

The second day of the summit is traditionally dedicated to volunteering. Corporate teams from the mining and metallurgical, chemical, transport, banking and other industries were engaged in landscaping and cleaning of the territory.

- the Garden of Memory international campaign seeks to commemorate everyone who died during the Great Patriotic War. Every year, more than 100 corporate volunteers plant over 2,000 pine seedlings as part of the campaign.

- the all-Russian "Save a Forest" campaign, the world's largest reforestation project. Nornickel's volunteers are reforesting the Kola Peninsula by planting over 2,000 pine seedlings each year.



OCCUPATIONAL HEALTH AND SAFETY

How has the Company's approach to occupational health and safety evolved over the past 20 years?

At Nornickel, we are aware of our responsibility for protecting the lives and health of employees involved in our operations. Over time, the Company's focus has somewhat shifted from a strict compliance approach to a risk-oriented approach: all incidents are subject to thorough investigation, and measures to prevent their recurrence are developed and put in place. The Company takes a proactive stance, working to prevent adverse events.

Today, Nornickel provides regular training in occupational health and safety, encourages employees to identify risks, fosters a safety culture, and gradually introduces innovative technologies, such as video analytics for wearing personal protective equipment, exoskeletons, and unmanned vehicles.



HEALTH AND SAFETY MANAGEMENT

GRI 403-1

Employee health and safety is our strategic priority. It is enshrined in the Company's Sustainable Social Development Strategy through 2030, Key Focus Areas in Occupational Health and Safety for 2023–2025¹, and the Occupational Health and Safety Policy.

Main occupational health and safety goals:

1

Zero catastrophic industrial accidents: prevent accidents at the Company's facilities that may have negative impact on people from across the Company's regions and the Company's production results

2

No work-related fatalities: zero tolerance to any work-related fatalities

3

Safe working conditions and mitigation of mining and processing risks

OHS regulations

Applicable Russian laws aligned with international laws, including conventions of the International Labour Organisation

Sustainable Social Development Strategy through 2030

Key Focus Areas in Occupational Health and Safety for 2023–2025

Occupational Health and Safety Policy

Corporate OHS standards

Regulations on the Occupational Health and Safety Management System

Regulations on the Industrial Safety Management System

OHS sections in collective bargaining agreements for the Group's Russian operations

Regulations and guidelines for all production processes

Project implementation plans and specifications for repair, construction, and installation works

Occupational health and safety guidelines for specific jobs and types of work at all Company's facilities

In 2023, the Company approved a corporate standard that establishes unified requirements for road safety initiatives in carrying out production activities, including preventing

road accidents and transport injuries, ensuring the safe operation of vehicles, improving labour discipline, and enhancing a safe driving culture.

Occupational health and safety responsibilities are allocated among Nornickel's various governance bodies and business units in line with their terms of reference.

¹ Designated as the Occupational Health and Safety Strategy in the sustainability reports for 2021 and 2022.



GRI 2-9, 2-12, 2-13

Board of Directors	<ul style="list-style-type: none"> Determines the Company's OHS strategy Monitors the Company's OHS performance
Senior Vice President – Operational Director	<ul style="list-style-type: none"> Improves the efficiency of OHS organisation and prevention initiatives Strengthens manager and expert responsibility for creating a healthy and safe working conditions Assesses the efficiency of OHS initiatives Improves the OHS management system
Vice President, Ecology and Industrial Safety	<ul style="list-style-type: none"> Develops and implements the Company's OHS strategy Organises and coordinates OHS activities and provides guidance on them and methodological support
HSE Department	<ul style="list-style-type: none"> Develops accident and injury prevention initiatives and oversees their implementation Develops OHS initiatives and monitors compliance with the applicable legislation

« Nornickel is actively fostering a culture of conscious and responsible approach to occupational health and safety. The cardinal safety rules, quality incident investigations, new training formats, identification of workplace risks, continuous monitoring of personal protective equipment usage, and numerous other initiatives are not mere formalities, but meaningful measures designed to save our lives and health.

Mikhail Borovik,
maintenance technician, grade 5,
Norilsknickelremont, Norilskremont
Production Association (length
of service with the Company – 33 years)

In 2023, recertification audits were conducted at the production sites of Polar Division, Murmansk and Polar Transport divisions, and at the Company's Head Office. According to the inspection and certification company Bureau Veritas Certification, Nornickel's OHS management system is highly mature and fully compliant with ISO 45001:2018 Occupational Health and Safety Management System. The auditors praised the project to enhance safety culture development and gave a positive assessment of risk-oriented approach tools, the use of information technologies, contractor relations, and the focus on continuous improvement of the management system.

Occupational health and safety certification

MMC Norilsk Nickel (Head Office, Polar Division, Polar Transport Division, Murmansk Transport Division)	ISO 45001:2018
Kola MMC	ISO 45001:2018
Pechengastroy	ISO 45001:2018
Norilsk Nickel Harjavalta	ISO 45001:2018



Contractor safety management

GRI 403-1, 403-2, 403-5

Nornickel procures production and technical supplies in the domestic market under master agreements. These state that the contractor recognises and commits to generally accepted principles in human rights (which include safe work) and labour relations, as stipulated by international regulations and in particular the UN Global Compact.

In addition to briefings, training is provided for contractors' employees: in 2023, the Company's specialists conducted trainings on the basics of safety culture, behavioural safety audits, and dynamic risk assessment.

On the sites of its facilities, the Group holds regular joint inspections of compliance with safety requirements at work,

and OHS council (committee) meetings involving contractor representatives. In case of failure to comply with OHS requirements, contractors are fined.

For violation of the cardinal safety rules, the contractor's employees are removed from the Company's territory and banned from entering any of the Group's entities for at least one year.

Zero tolerance to any work-related fatalities and non-compliance with the cardinal safety rules is reflected in the general terms and conditions of contractor agreements.

All works carried out by contractors in highly hazardous conditions are governed by the respective corporate standard. Work permits, operations certificates, process sheets, and guidelines must contain safety requirements to be met when organising and performing work. The Company checks compliance with these requirements during each shift.

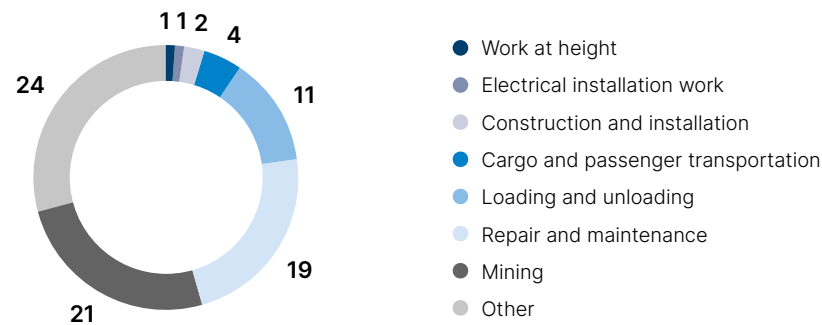
Prior to commencement of work, contractors' staff receive induction and task-oriented OHS briefings, including safety measures set forth in work execution plans.



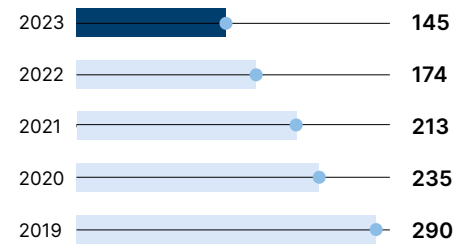
WORK-RELATED INJURIES

SASB EM-MM-320a.1, GRI 403-9, 403-10

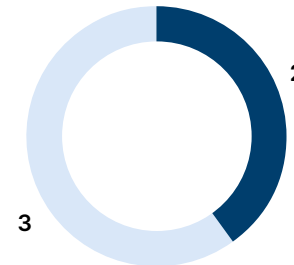
Number of injuries by work type in 2023



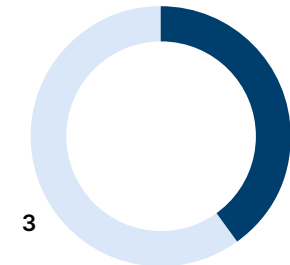
Occupational diseases identified



Number of fatalities by work type in 2023



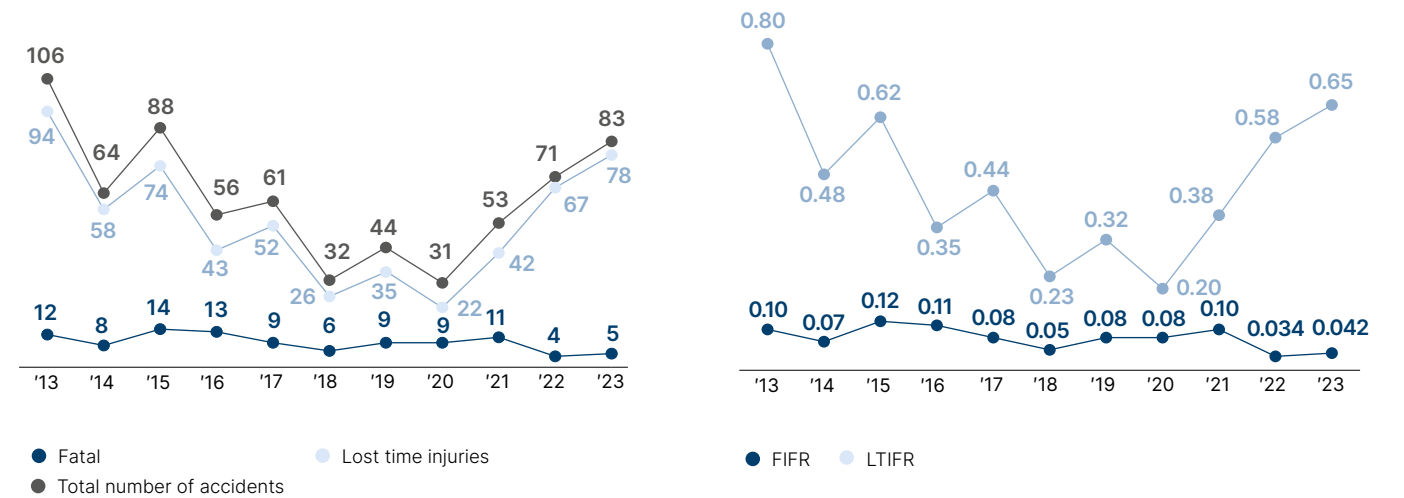
Number of fatalities by accident type in 2023



In 2023, the Group had five fatalities, two of which were caused by the collapse of structures at Kola and Norilsk divisions, another two occurred due to the run-over by underground equipment, and the last one came as a result of a drilling rig falling from a height at a mine.



Dynamics of accidents and work-related injury rates¹



In 2023, the Group had 78 lost time injuries, with lost time injury frequency rate (LTIFR) standing at 0.65. The increase in lost time

injury frequency rate (LTIFR) from 2020 to 2023 is associated with a new approach to recording, classifying, and investigating accidents.

Nornickel's indicators in this area are in line with the average for the global mining industry.

¹ The 2022 values were updated as regards the values shown in the [2022 Sustainability Report](#).

Investigation of fatalities

In the Company, all fatalities are subject to internal investigation and notification of the Board of Directors.

Based on the results of investigations into the collapse of structures at Kola and Norilsk divisions, measures were drafted and implemented to regulate the procedure for the maintenance and repair of ore haulage tracks, taking into account the results of instrumental non-destructive testing, a technical council was established to assess the quality of repairs, and wooden slabs for vertical mine workings were banned in favour of concrete slabs.

To eliminate the causes of accidents involving the run-over of self-propelled diesel equipment, the Company takes

a number of technical measures to equip underground machinery with a collision prevention system in order to stop the equipment when a pedestrian is in the danger zone, to build pedestrian walkways, traffic lights, curved mirrors, to develop uniform requirements for drawing up traffic patterns for vehicles and pedestrians in underground workings; safety zones were created for load-haul-dump drivers when working in the remote control mode; they also received additional training with skill testing.

The investigation of the accident involving a self-propelled drilling rig falling from a height resulted in the development of a standard design for fencing of vertical mine workings with a height difference, visualisation of hazardous

areas bearing a risk of falling from heights, provision of underground machinery drivers with up-to-date traffic patterns, and pilot tests on machinery navigation in underground mines.

Nornickel expresses its deepest condolences to the families and friends of the victims and reiterates its commitment to making zero work-related fatalities a key strategic priority. We will keep running dedicated programmes to prevent workplace accidents.

OHS SYSTEM DEVELOPMENT AND MITIGATION OF KEY RISKS

GRI 403-1, 403-2

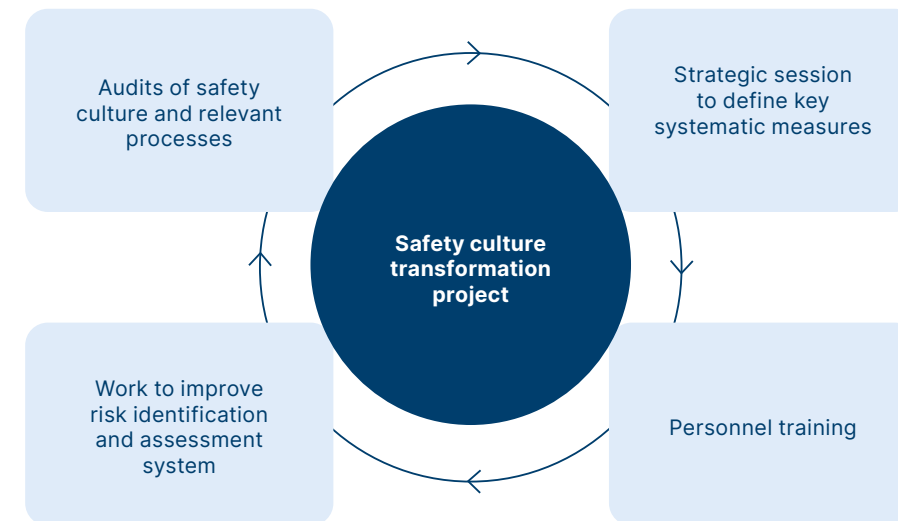
The Company plans to achieve its goals of reducing work-related injuries and eliminating fatalities by refining the Company-wide occupational health and safety system.

A 2023 milestone in this area was the decision to scale up of the project to transform the safety culture at Medvezhy Ruchey's Norilsk Concentrator to all of Polar Division's mines and Kola

MMC's Severny Mine. The project involves a persistent effort to identify and mitigate occupational risks.

The project yielded over 2,000 occupational health and safety risks identified by the workers and engineering staff at Norilsk Concentrator, Komsomolsky, Oktyabrsky, and Severny mines.

>2,000
occupational health and safety risks identified by the workers and engineering staff at Norilsk Concentrator, Komsomolsky, Oktyabrsky, and Severny mines



In 2023, Nornickel launched a dedicated unified incentive system with fixed payments for identifying occupational risks (from RUB 5,000 to RUB 10,000) depending on employee involvement in risk management. In the reporting year, 455

employees received cash benefits totalling RUB 3.4 mln. Employees are informed about this mechanism during training sessions on dynamic risk assessment; there are memos in place describing the reporting algorithm.

« We are learning to identify risks and prevent incidents, as the cost of indiscretion can be catastrophic. This process involves all employees from top managers to workers. We received training to evaluate each decision in terms of hazards. This enables employees to contribute to the development of safe production.

Alexander Shmakov,
mill operator, grade 5, Medvezhy Ruchey (length of service with the Company – 27 years)



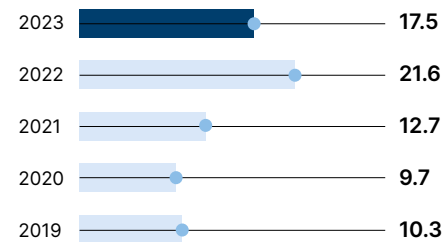
Nornickel's internal corporate standard regulates the procedure for refusing to work when there is a risk that threatens the life or health of the employee. Anyone who identifies the risk must report it to the relevant senior manager to address it. After informing the management, the employee exposed

to the risk may leave the workplace until the threat to his/her occupational health and safety is eliminated. The refusal to work under life- and health-threatening conditions may not constitute grounds for imposing any sanctions on the employee.

RUB 17.5 bn
Operating health and safety expenditures in 2023

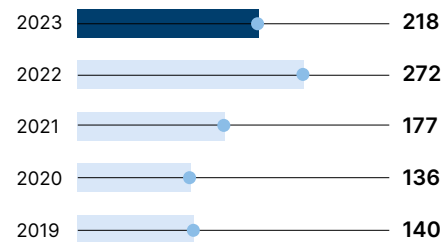
Occupational health and safety expenditures

RUB bn



Occupational health and safety expenditures per employee

RUB '000



The largest share of occupational health and safety expenses came from purchasing personal protective equipment (32%) and making production facilities compliant with OHS requirements (28%).

Special assessment of working conditions

11,719 workplaces subject to SAWC in 2023

16,583 employees underwent SAWC in 2023

RUB 19.8 mln costs related to SAWC across the Group's operations in 2023

Provision of personal protective equipment

- respirators
- earmuffs
- glasses/goggles
- gloves
- gas masks
- earplugs
- UV filters visors and helmets
- protective and regenerative creams
- protective outerwear and footwear

Hazardous and harmful workplace factors are identified in the course of a special assessment of working conditions (SAWC); its results are used to provide

employees with free of charge personal protective equipment, including respiratory, hearing, eye, and skin protection.

Provision of personal protective equipment

GRI 403-3

Underground work, extreme climate, operation and maintenance of mining machinery and heavy self-propelled vehicles result into the specific working conditions and certain impacts. Nornickel protects its employees from hazardous and harmful workplace hazards through the implementation of organisational safety measures and provision of PPE.

RUB 5.6 bn spent by Nornickel in 2023 to purchase personal protective equipment

An automated system for monitoring the use of personal protective equipment is in place in many of the Group's branches and Russian business units. Video analytics systems are further developed with a focus on identifying dangerous actions that can potentially lead to fatalities. In 2023, the Trans-Baikal Division upgraded the system with a new function – machine vision and artificial intelligence can now detect the absence of a safety harness or an unfastened safety sling. In 2024, the Company plans to roll-out a project to control the presence of employees in the area

of running lifting equipment, with sound and light alerts activated when employees approach a potentially dangerous zone of load falls/drops.

To provide employees with effective and comfortable PPE at the Group's industrial facilities, we organised tests of such equipment while switching to domestic suppliers' products in the reporting year.

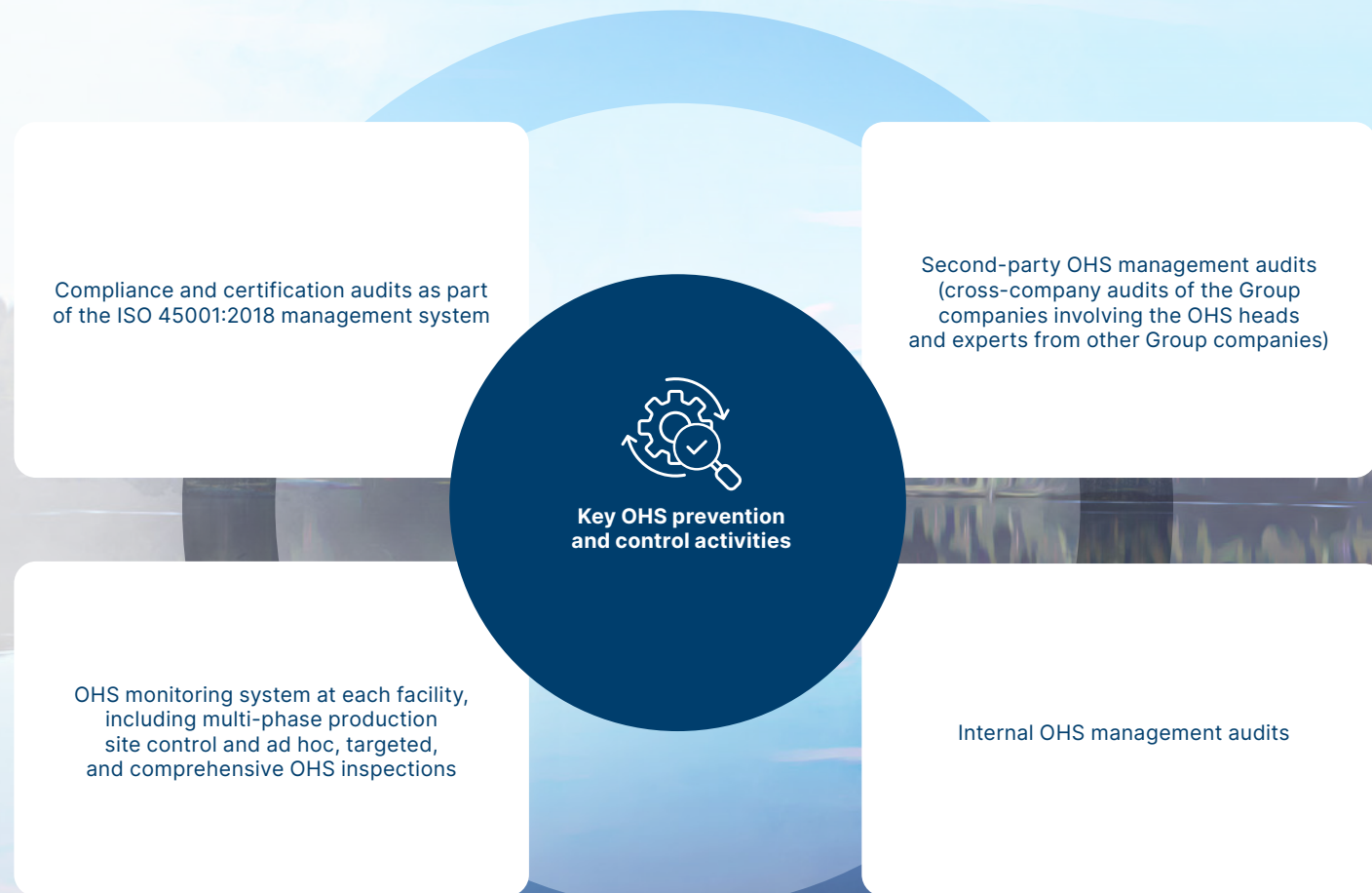
« The employees of the mine maintenance department treat heights in a special way: heights are not to be feared, but respected. Incessant use of a safety harness is one of the ways to show this respect. Our company is strict about this: it regularly inspects and tests our PPE, monitors our compliance with the cardinal safety rules, and takes other measures. Year after year, the Company confirms by deed, not by word, that employee health and safety is paramount.

Evgeny Matys,
manual electric welding operator, grade 5, Norilsknickelremont, Norilskshakhtservice Trust (length of service with the Company – 31 years)



OHS CONTROL AND PREVENTION

Nornickel regularly implements prevention and control activities to avert work-related injuries.



Key occupational health and safety performance indicators for accident prevention

KPIs	2019	2020	2021	2022	2023
Audits conducted					
By health and safety committees, '000	>29.8	>48.5	>50.3	>47.7	>49.7
Target audits conducted by managers, senior experts and committees of the Group's facilities and business units, '000	9.6	10.6	11.1	11.4	15.2
Ad hoc audits, '000	15.5	27.0	23.0	21.9	30.4
Number of comprehensive audits of occupational health and safety and relevant management systems	126	164	182	174	183
Coupons removed from the books of employees violating occupational health and safety requirements, '000	1.8	1.1	1.1	0.6	0.6
Employees subject to disciplinary action for the violation of occupational health and safety requirements, '000	6.3	5	3.3	2.1	1.9
Employees with reduced bonus payments, '000	>11.9	>10.0	>8.0	>6.5	>6.0
TOTAL, RUB MLN	>69.0	>59.0	>66.0	>61.5	>88.6
Employees incentivised for occupational health and safety involvement and lower workplace injury rate as per the audit results, '000	>6.5	>5.0	>5.0	>4.0	>1.8 ¹
TOTAL, RUB MLN	>57	>59	>69	>58	>19.7

The Company has in place the Cardinal Safety Rules mandatory for all staff members. Failure to abide by them leads to employee dismissal. In 2023, 50 employees were fired for breaking the Cardinal Safety Rules.

¹ The decrease in the number of employees incentivised for occupational health and safety involvement and lower work-related injury rate as per the audit results was due to the change in the bonus award criteria.

Occupational health and safety competitions

Nornickel has a corporate standard on organising team and individual OHS competitions for representatives of all the Group companies.

Team competitions are held across seven groups of Nornickel's production facilities.

During individual competitions, participants demonstrate their accomplishments in implementing initiatives, improvements,

ensuring zero accident and injury rates, contributing to production, engaging personnel in OHS activities, and raising awareness.

In 2023, results of individual competitions were announced with the following awards granted:

12 winners of occupational health and safety competitions in 2023

1 person

Best Occupational Health and Safety Head

5 people

Best Occupational Health and Safety Line Manager

1 person

Best Occupational Health and Safety Specialist

5 people

Best Occupational Health and Safety Compliant Worker

Occupational health and safety communication

Nornickel runs an ongoing Safe Labour communications programme.

Safe Labour programme highlights



In 2023, the Company worked to develop a new communications programme to foster safety culture dubbed Life and Safety – Work Environment providing for a unified internal communications system to inform employees. We plan to use dedicated apps, groups and chats

to regularly publish posts on OHS, including guides, description of various workplace situations, statistics, process flows, as well as trainings and tests to check the users' knowledge.

Broad media coverage of occupational safety topics is designed to shift employees' mindsets and augment their vested interest in their work safety. This strategic approach helps minimise injury, occupational disease, and workplace accident rates.



ENGAGEMENT OF EMPLOYEES IN OHS MANAGEMENT

GRI 2-26, 403-4

As one of the ways to engage employees in OHS management, Nornickel organises joint OHS committees (councils) made of representatives of the management, employees, and trade unions.

Joint committees were established in the majority of the Group companies and business units, except the Head Office¹ and Norilsk Nickel Corporate

University². Contractors participate in joint committee meetings that deal with matters related to contractor employees.

Authorised representatives of trade unions and staff in occupational health and safety were elected to participate in preventive activities across the Company's production units.

733 proposals to improve workplace conditions and OHS were submitted in 2023

>6,500 audits were held by the representatives in occupational health and safety in 2023

>78,000 employees of the Group companies that had joint committees with trade union as at the end of 2023 (around 98% of the Group's average headcount).

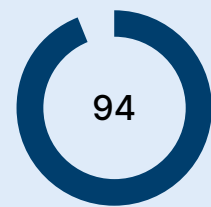
824 employees who represent trade unions and staff took part in preventive activities in 2023

Occupational health and safety topics covered in formal agreements with trade unions

SASB EM-MM-310a.1

A majority of production companies of the Group have collective bargaining agreements signed with employee representatives (including trade union organisations), which contain occupational health and safety provisions.

They cover more than **75,000** employees of the Group (approximately 94% of the Group's headcount).



● % of the Group's headcount

OHS TRAINING

GRI 403-5 / SASB EM-MM-320a.1

Nornickel employees are upskilled in OHS through briefings and training courses, which include dedicated comprehensive programme modules factoring into the specifics of our operations.

RUB 215 mln the Group's OHS training expenses

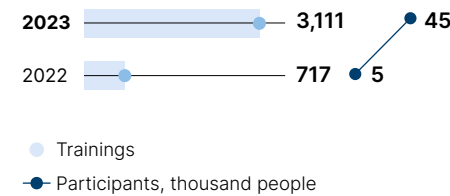
>57,000 employees of the Group received OHS pre-certification briefing, basic training, and certification in 2023

In 2023, a project on the workplace safety culture coaching proceeded to an active stage: there are trainings, team-building

events, and experience sharing between Group companies. The project involves two modules: Dynamic Risk Assessment (learning the risk assessment algorithm, working with checklists, identifying risks and taking measures to eliminate and minimise them) and Behavioural Safety Audit (learning management tools, discussing employees' risky actions in an informal manner).

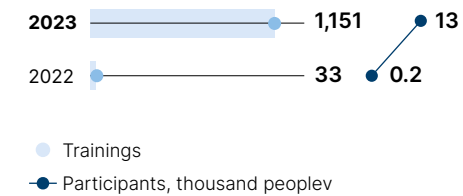
Workplace safety culture coaching system

Dynamic Risk Assessment



Target group: blue-collar employees

Behavioural Safety Audit



Target group: line managers

The Company's top managers and executives are involved in the process of risk management and training in new safety tools. In 2023, Stanislav Seleznev, Vice President for Ecology and Industrial Safety, conducted behavioural safety audit trainings for the managers of the Group's branches and Russian business units, and each and every member of Nornickel's Management Board.

¹ There is no internal trade union in place, but representatives of the Norilsk trade union take part in the HSE Committee meetings.

² The educational institution is not involved in industrial production.

Road safety

In 2023, Nornickel introduced a set of measures aimed at ensuring road safety. Along with the approval of the corporate road safety standard, the current road safety status was assessed in all Group's branches and Russian business units, including audits of Nornickel's road transport companies; action plans were developed for 2023–2025 to adjust the standard with due regard to the specifics of each of the Group's companies.

To improve driving discipline and enhance driving culture, we trained 2,855 Nornickel employees, including 100% of high-risk drivers (1,318), and 287 contractor employees. The Company's

executives acted as role models for the project: in the reporting year, 18 vice presidents and directors of Nornickel took safe driving courses.

In addition, briefings have been prepared on key road safety risks, including distracted driving, the effects of driver fatigue, and seatbelt use.

According to the collected accident data, the Company had 3.54 road accidents per 1 mln kilometres driven by the end of 2023.

Meetings with representatives of Russian oil and gas companies have been organised to share experience on road safety.

2,855 employees took safe driving courses in 2023

PREVENTION OF OCCUPATIONAL DISEASES

GRI 403-3

In order to study and reduce the potential impact of production factors, as well as prevent morbidity, Nornickel consistently monitors employees' health.

Employees undergo compulsory pre-employment examinations, and regular and ad hoc medical check-ups. Those who are involved in hazardous operations are subject to regular examinations held at least once in five years by healthcare organisations authorised to conduct pre-employment and regular check-ups. These serve to assess occupational health fitness and determine if the disease is work-related.

Before starting their working day, employees undergo pre-shift and pre-trip check-ups on site.

The Company provides employees working in hazardous conditions with foods, milk, and other equivalent food products for therapeutic purposes in compliance with the applicable laws and Nornickel's by-laws.

RUB 532 mln medical examination expenses in 2023

RUB 830 mln costs related to the maintenance of medical aid posts in 2023

RUB 1,753 mln special food and milk expenses in 2023



CORPORATE HEALTHCARE PROJECT

GRI 403-6

General physical and mental state, health status, and psychological stability directly affect workplace safety, labour productivity, and employee well-being. Growing a network of corporate medical facilities is one of the goals of the Company's Sustainable Social Development Strategy through 2030, which aims to provide employees, their families, and local communities with high-quality medical services, improve their accessibility and IT functions, and establish an effective corporate healthcare system.

Nornickel has been running the corporate healthcare development project since 2019. It involves the construction and upgrade of medical infrastructure facilities (healthcare centres, medical aid posts, medical examination rooms),

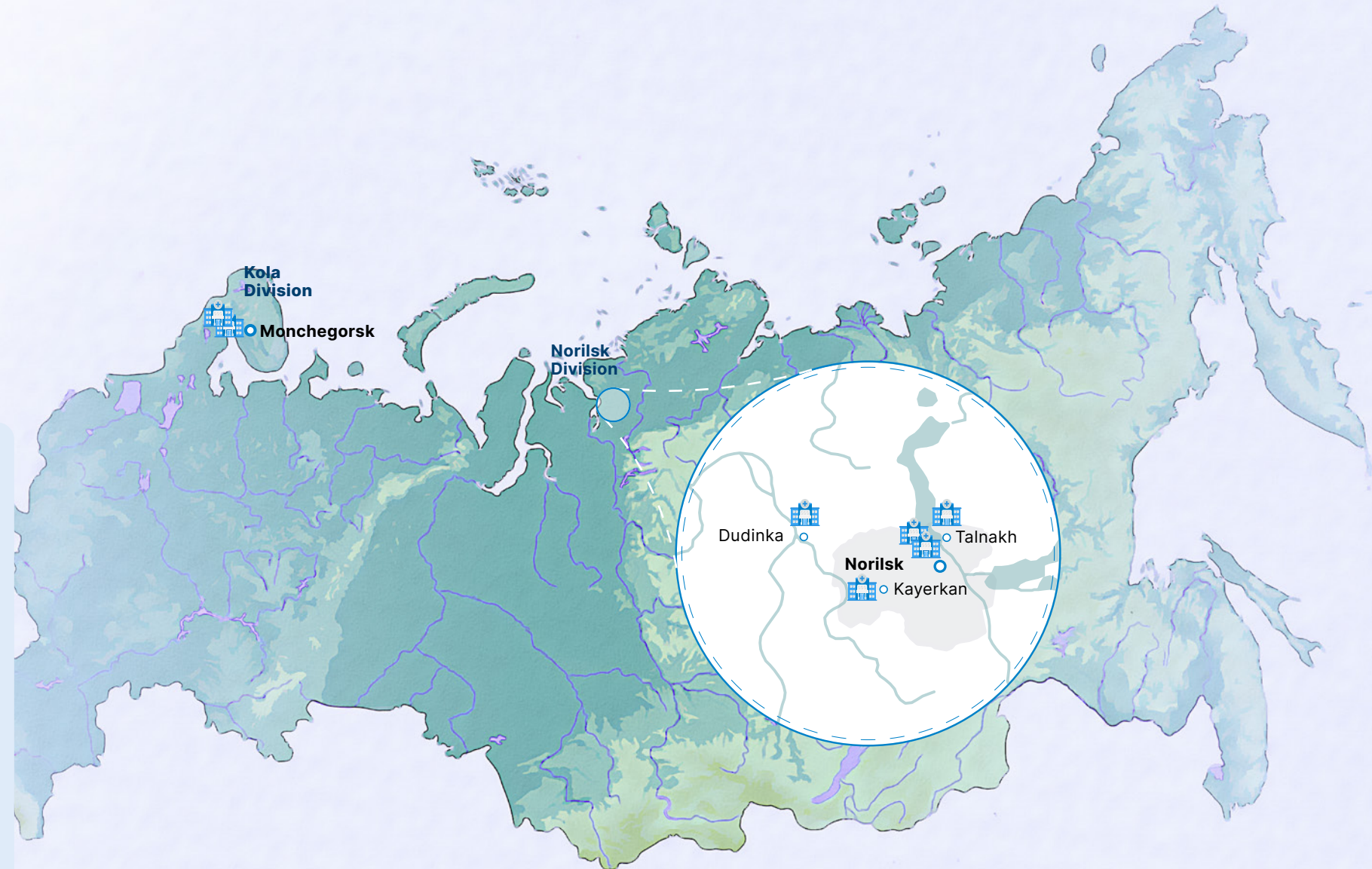
recruitment of highly qualified medical personnel, introduction of advanced information technologies, and promotion of healthcare in the regions where the Company operates.

Target

RUB 10 bn
total planned investment

7
healthcare facilities

>70
medical aid posts and examination rooms to be upgraded



As at the end of 2023, three healthcare centres, more than 30 medical aid posts, examination rooms, and workshop medical sections were commissioned to provide healthcare services to employees directly at work and prevent diseases.

Since their inception, healthcare facilities in the Norilsk Industrial District and Kola MMC have seen:

2.3 mln
pre-trip and pre-shift check-ups

21,300
paramedic visits

34,400
medical procedures

8,900
general practitioners' visits



Healthcare centres

Norilsk Division

Central outpatient facility in Norilsk

In late 2021, the Company opened its first corporate healthcare centre in Norilsk.

It provides medical help based on voluntary healthcare insurance (VHI) programme.




Central outpatient facility in 2023

-  **249 healthcare services**
-  **13 primary healthcare areas**
-  **183,500 healthcare services** provided since the facility's launch
-  **7–30 days – waiting times** for many specialists, which testifies to strong demand for healthcare services in the region

Dudinka Healthcare Centre

The Dudinka Healthcare Centre was put into operation in August 2023. The centre employs a general practitioner, a physiotherapist, a massage nurse, and nursing staff on a permanent basis. Experts in other medical fields from the central outpatient facility in Norilsk go the Dudinka Healthcare Centre to receive patients on a weekly basis.

Dudinka Healthcare Centre in 2023

-  **174 healthcare services**
-  **9 primary healthcare areas**
-  **3,103 healthcare services** provided in 2023

Work to build healthcare centres in the Talnakh, Kayerkan, and Central districts of Norilsk started in 2023. Scheduled commissioning:

- healthcare centre in the Talnakh District of Norilsk – in April 2025;
- healthcare centre in the Kayerkan District of Norilsk – in June 2025;
- healthcare centre in the Central District of Norilsk – in June 2030.

Disease Prevention Centre of the Corporate Health Centre

In addition to the MRI Centre, a Disease Prevention Centre is to be put into operation in 2026 on the premises of the Kolsky Health and Spa Centre.

Taking into account disease statistics and relevant trends, dedicated programmes have been implemented at healthcare centres since 2023, including Healthy Woman of the North (Monchegorsk), Healthy Heart, and Diabetes School (Norilsk, Dudinka). Training events, including lectures, excursions, and awareness raising campaigns (publications and videos) are also in place to protect employees' health.




→ For more information, please see [Nornickel's 2023 Human Rights Report](#).

Kola Division

MRI Centre

In July 2023, the Magnetic Resonance Imaging (MRI) Centre with the first in the city MRI scanner was commissioned at the Kolsky Health and Spa Centre in Monchegorsk. Services are provided under voluntary and compulsory health insurance (CHI) policies.

MRI Centre in 2023

-  **86 healthcare services**
-  **5 primary healthcare areas**
-  **317 MRI scans** (217 under VHI, 100 under CHI policies)

Medical aid posts and examination rooms

To address employee emergencies, take preventive measures, and monitor employee health, the Company has a workshop medical service. It is also responsible for identifying and assessing the risk of health hazards arising at the workplace, monitoring work-related health status, analysing the factors of occupational morbidity and ways to diminish them. The service seeks to deliver quality medical care to employees directly at work.



Digital Medicine

The Company has in place the Digital Medicine programme with innovative IT solutions in healthcare, including a mobile app for employees to quickly view their medical records, book a medical appointment, and find all the necessary information about healthcare centres. The programme has been operating in the Zapolyarye Health Resort since 2021 and in Norilsk since 2022, with Dudinka and the Kola Peninsula in the process of joining the programme. Initiatives to digitise the most important medical records, create self-diagnostic workplace systems for office employees, and a system for analysing the risks of disease development are underway.

In addition, the Company is actively rolling out programmes to promote a healthy lifestyle, including solutions that can help employees from all regions receive expert and up-to-date information on how to take care of their health.

In 2023, we embarked on a project to conduct comprehensive surveys of healthcare systems and their certain areas in cities and towns where our employees and their families live.

Operating expenditures on corporate healthcare in 2023

RUB 1,158 mln

Capital expenditures on corporate healthcare in 2023

RUB 526 mln

EMERGENCY PREPAREDNESS

To ensure reliable operation of equipment and processes, prevent emergencies, and eliminate the consequences of accidents for the environment and local communities, Nornickel takes a risk-based approach to occupational health and safety management

➔ For more details, please see the [Internal Control and Risk Management](#) section.

As the Company has more than 300 hazardous production facilities that use various hazardous substances in their processes, Nornickel's facilities remain prepared for any emergencies, including emergency containment and response.



Accident response plans at hazardous production facilities are approved by heads (deputy heads) of production units that operate such facilities, and heads (deputy heads responsible for approving action plans) of professional emergency rescue services and units engaged for emergency containment and response.

The plans are reviewed and approved in a timely manner.

« There is a special category of employees at Nornickel – fire fighters and rescuers. Our work might come unnoticed, but everyone can rely on us to come to their rescue and do everything possible (or even impossible) to ensure safety, be it at production sites, residential facilities, or underground mines, deep down below the earth's surface. We promptly respond to hazards to protect the lives and health of employees and safeguard the Company's property, as this is the key strategic priority of the Company's business.

Sergey Semenov,

Chief Manager, Civil Defence, Emergency and Fire Safety Department, MMC Norilsk Nickel (length of service with the Company – 5 years)

Effective periods

6 months

For underground mining facilities

1 year

For open-pit mining facilities

5 years

For hazard classes 1, 2, and 3 facilities¹

¹ Excluding facilities specified in the first two rows of this table.

Emergency preparedness system at hazardous production facilities

Federal Law No. 116-FZ On Industrial Safety of Hazardous Production Facilities dated 21 July 1997

Regulations on Accident Response Plans at Hazardous Production Facilities approved by Resolution No. 1437 of the Russian Government dated 15 September 2020

Accident response plans at hazardous production facilities (hazard classes 1, 2, 3)

- Agreements with professional emergency rescue services and organisations (mine rescue services and maintenance of mine rescue equipment)

- Auxiliary mine rescue teams at Polar Division and Kola MMC
- Monthly training and exercises in near-real conditions

- Drills involving employees and emergency rescue services
- Regular training in case of accidents, incidents, and emergencies

- Provisioning for emergency containment and response at hazardous production facilities

The Group companies put in place surveillance, warning, communication, and support systems in case of emergency

Radio communication, employee positioning, and telemetry system for underground machinery in the Group's mines

In 2023, Nornickel and Rostekhnadzor took measures to enhance occupational health and safety, including:

- continued implementation of the project to create a system for remote control over industrial safety at the hazard class 1 facility of Kola MMC (chlorine storage);
- deployment of the Buildings and Structures Monitoring System project: (covering 17 facilities and over 950 buildings and structures)

➔ For more details, please see the [Climate Change](#) section.

- steps to improve the quality of industrial safety expertise, administration, and management of hazardous production facilities' routine repairs.

In addition, to prevent incidents similar to the one that occurred at CHP-3 in 2020, the Company is reconstructing fuel storage facilities of CHP-1, CHP-2, and CHP-3 in Norilsk.

DEVELOPMENT OF LOCAL COMMUNITIES

How has the Company's dialogue with the regions of operations evolved over the past 20 years?

In its operations, Nornickel maintains an active dialogue with local authorities, civil society institutions, local communities, and indigenous peoples, seeking to keep well-established relations with them.

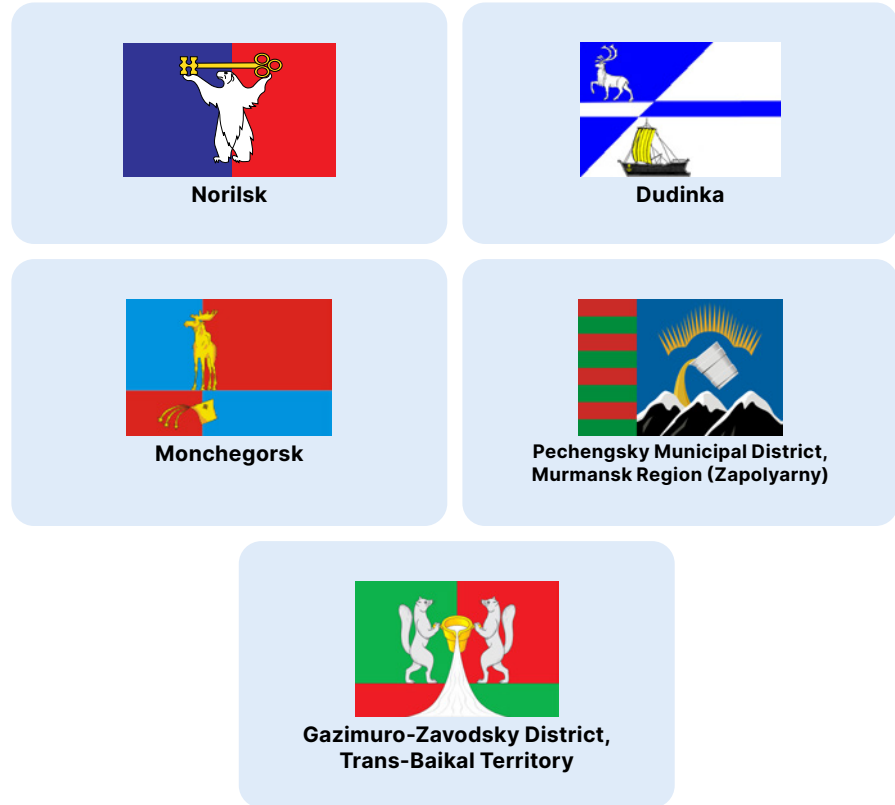
Over the past 20 years, the Company has tried various interaction formats by entering into long-term agreements on social and economic cooperation with regional authorities, participating in the drafting of regional development strategies, and contributing to efforts of territorial development agencies.

Nornickel also made timely tax payments, offered jobs across its footprint, pursued an environmental policy, and executed a large number of projects contributing to the social and economic development of local communities, as well as to their well-being and quality of life.

By maintaining an ongoing dialogue with the indigenous peoples living in Taimyr and the Murmansk Region, Nornickel recognises the right of indigenous peoples to set their development priorities and pays respect to their customs, traditions, and culture. From a patronage model, we have moved to joint agenda-setting based on indigenous peoples' determination of their development priorities.



The Group's key areas of operation in Russia



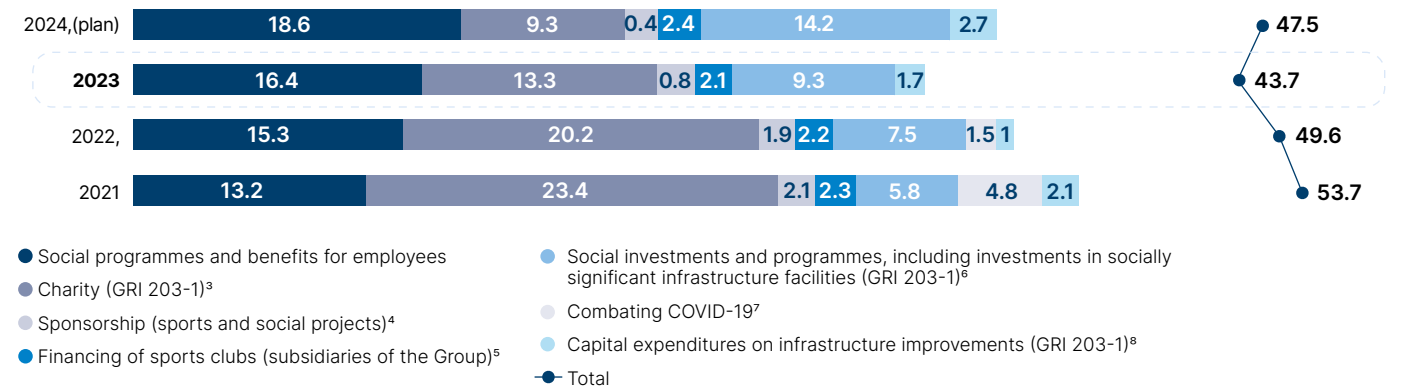
As one of the largest backbone companies in the metals and mining sector beyond the Arctic Circle, Nornickel seeks to make a systemic contribution to the social and economic development of the regions where it operates and public well-being through the important infrastructure projects. The Company's intentions are outlined in its Sustainable Social Development Strategy through 2030. Our goals, KPIs, and relevant measures are focused on ensuring leadership in shaping the industry's social agenda and a new quality of life for local residents and indigenous peoples.

Key focus areas for the development of local communities

<p>Contribution to economic development</p>	<ul style="list-style-type: none"> Budget payments Employment of local population Cooperation development 	<ul style="list-style-type: none"> Development of social infrastructure as part of the Group operations (power, transport)
<p>Improving the living standards for local communities</p>	<ul style="list-style-type: none"> Systemic implementation of charitable programmes Promotion of sports and culture Corporate volunteering 	<ul style="list-style-type: none"> Vocational training sponsorship Activities of territorial development agencies
<p>Infrastructure development</p>	<ul style="list-style-type: none"> Housing construction Land improvement Bridge and road reconstruction Construction and reconstruction of educational, healthcare, sports, cultural, and entertainment facilities 	<ul style="list-style-type: none"> Provision of access to high-speed internet connection in Norilsk Improvement of efficiency of utility services (Smart City initiative)

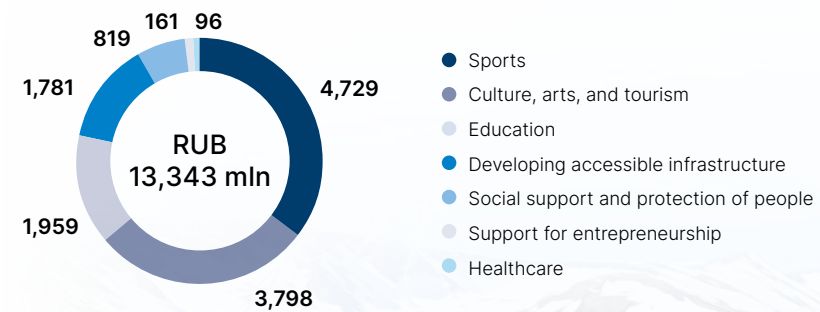
Nornickel's social infrastructure, social, charity, and sponsorship expenses^{1,2}

RUB bn



The Company's charitable activities in 2023

RUB mln



¹ In 2023, the Company changed the methodology for assessing this indicator. Comparable data for 2021–2022 was adjusted accordingly.
² Total expenses may not fully add up due to rounding.
³ Charity expenses exclude other social expenses and accrued social liabilities in the amount of RUB 1.5 bn in 2023 and RUB 2.3 bn in 2022. Starting 2021, the indicator includes the expenses of the Group's foreign companies.
⁴ Starting 2023, this section shows sponsorship expenses associated with external counterparties.
⁵ Starting 2023, expenditures to finance sports clubs (subsidiaries of Nornickel Group) are shown separately on the chart; expenses for 2021–2024 include contributions to the property of sports clubs (subsidiaries of Nornickel Group).
⁶ The indicator includes payments under long-term social commitments.
⁷ COVID-19 expenses include amounts allocated by the Group to prevent and combat the spread of the coronavirus infection. The expenses were not included in the current period due to the end of the pandemic and relative insignificance of such expenses in the current period.
⁸ Starting 2023, this indicator comprises capital investments to improve urban social infrastructure, including capital investments to construct social facilities under long-term arrangements.

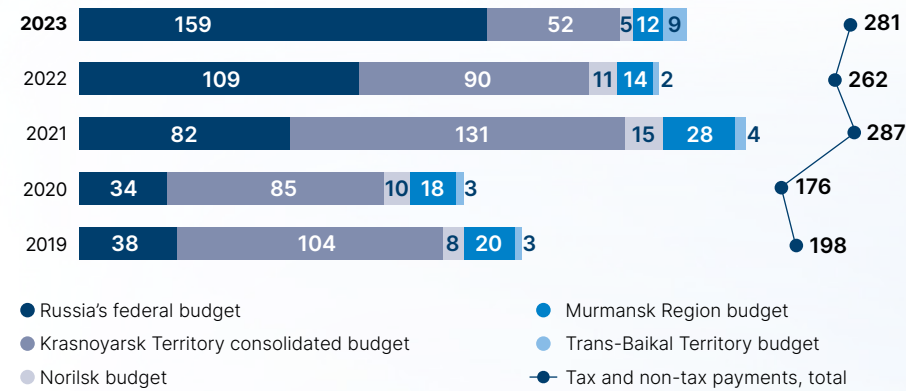
CONTRIBUTION TO THE ECONOMIC DEVELOPMENT OF LOCAL COMMUNITIES



Budget payments

Tax and non-tax payments to local, regional, and federal budgets¹

RUB bn



In 2023, Norinickel's tax and non-tax payments to budgets of various levels totalled RUB 281 bn. In 2023, tax revenues of the Company's regions of operation were mainly affected by the use of the Russian Ministry of Finance's methodology for distributing the income tax of the former members of the consolidated taxpayers group (CTG) among the regions. Thus, in 2023, 80% of income tax payments by former CTG members were aggregated in a "common basket" and then distributed proportionally between the regions depending on the share of regional CTGs' tax payments in previous years.

Employment of local population

GRI 203-2

The Company provides employment in the key regions where it operates by using the following recruitment methods:

- opening the Company's own Personnel recruitment centres (five as at the end of 2023);
- Cooperation with educational institutions to develop higher, vocational, and supplementary

education. Targeted demand for a wide range of mining and metals experts enables students to opt for a potential career path with the Group, complete an internship with their future employer and synch theoretical knowledge and practical skills. Apart from that, the Company donates books and specialised

equipment to students, and contributes to the maintenance works and campus construction at the educational institutions, thus improving the quality of training.

Registered unemployment in key communities¹, %

Region of operation	2019	2020	2021	2022	2023	Change 2023/2022
Norilsk	0.6	1.4	0.3	0.2	0.2	↔
Taimyrsky Dolgano-Nenetsky Municipal District	0.8	1.2	0.7	0.5	0.5	↔
Krasnoyarsk Territory	0.8	3.5	0.8	0.8	0.7	↓
Monchegorsk	2.2	2.2	1.7	1.2	0.6	↓
Zapolyarny	2.0	1.9	1.6	0.8	0.5	↓
Nickel town	3.3	3.0	2.2	1.4	0.7	↓
Murmansk Region	1.7	2.7	1.4	0.8	0.6	↓
Trans-Baikal Territory	1.0	5.3	1.5	1.1	0.8	↓

The Company's regions of operation have consistently low levels of unemployment that saw a y-o-y decline in 2023.

The registered unemployment rate across Russia came in at 0.6%

at year-end 2023 – in line with the level registered in the Company's regions of operation².

¹ Tax and non-tax payments include all taxes paid, net of VAT, as well as insurance payments and customs duties. Total income tax allocated to the regions from the federal basket using the methodology was RUB 82 bn, including RUB 65 bn for the Krasnoyarsk Territory, RUB 16 bn for the Murmansk Region, and RUB 1 bn for the Trans-Baikal Territory.

¹ As at the end of the reporting year.

² Source: [Federal State Statistics Service](#).

Supporting local suppliers

GRI 203-2

Nornickel's contribution to the Small and Medium-Sized Businesses and Support for Individual Entrepreneurs national project

Relevant UN SDGs



Related federal projects

Promotion of entrepreneurship

Expansion of SMEs' access to financial resources

Key initiatives and focus areas

Integration of local businesses into the Group's production chain

Programme to promote the social and economic development of Taimyr

[World of New Opportunities charitable programme](#)

GR Accelerator programme implementation

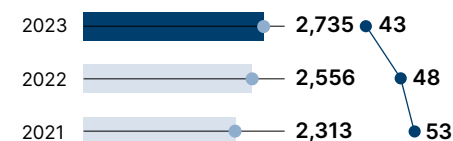
Nornickel develops partnerships across its footprint by signing long-term agreements, providing expert help in accelerator programmes, and assisting with the launch of new investment projects in the regions.

A decline in the number of procurement tenders for goods and services held by Kola MMC and GRK Bystrinskoye in 2023 was related to the external economic factors, as well as completion and suspension of certain investment projects and related procurement

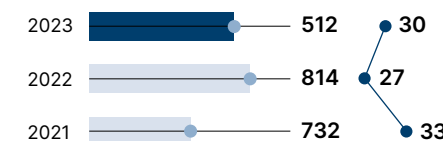
procedures. A larger number of tenders at Polar Division came on the back of active implementation of Sulphur Programme.



Procurement tenders held by Polar Division (Krasnoyarsk Territory)



Procurement tenders held by Kola MMC (Murmansk Region)



Procurement tenders held by GRK Bystrinskoye (Trans-Baikal Territory)



● Procurement tenders for goods and services held by the Company

● Locally awarded procurements as a share of tenders held by the Company, %

The Group's spending on local procurements, RUB bn

Indicator	2021			2022			2023		
	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory
The Group's spending on local procurements, including:	29.1	3.3	1.5	51.5	5.0	1.5	63.0	3.5	1.7
• services	23.5	3.0	1.3	38.7	4.8	1.1	52.3	3.3	1.3
• materials	4.8	0.3	0.2	11.9	0.2	0.4	9.8	0.2	0.4
• food supplies	0.8	-	-	0.9	-	-	0.9	-	0.001

In 2023, procurement expenses of the Company's facilities in the regions of operation amounted to RUB 68.1 bn, up 17% y-o-y. The growth was driven by the implementation of large-scale capital construction projects.



DEVELOPING LOCAL SOCIAL INFRASTRUCTURE

GRI 203-1

Nornickel's contribution to the Housing and Urban Environment national project

Relevant UN SDGs



Related federal projects

- Mortgage lending
- Housing
- Creating a comfortable urban environment

Key initiatives and focus areas

- Projects aimed at developing infrastructure in the regions of operation (including under the Comprehensive Plan of Social and Economic Development of Norilsk, construction of a new Tukhard settlement for indigenous peoples, and other local infrastructure projects)
- Measures to improve reliability of the fibre optic communication line in Norilsk
- Projects to upgrade power and heat generation, electrical grids and heat networks¹
- Our Home / My Home and Your Home housing programmes²



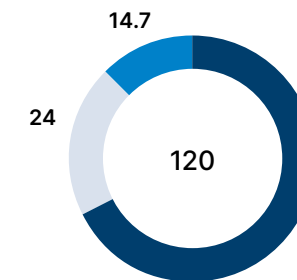
Krasnoyarsk Territory



Norilsk and Taimyrsky Dolgano-Nenetsky Municipal District

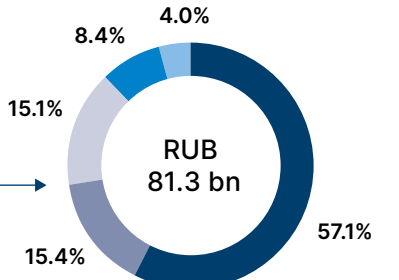
In 2023, Norilsk was added to the list of key cities and towns in the Russian Arctic. In 2023, efforts to promote investment, attract highly skilled talent, and create a favourable living environment for citizens in Norilsk continued with the ongoing implementation of a four-party Agreement on Cooperation for Comprehensive Social and Economic Development of Norilsk through 2024 and further through 2035¹.

Total funding for comprehensive development through 2035
RUB bn



- Nornickel
- Federal budget
- Regional budget

Focus areas of Nornickel's investments



- Housing renovation in Norilsk
- Utilities rehabilitation and upgrade
- Safety and security
- Social infrastructure development
- Assistance in relocation to regions with favourable living conditions

For many years, the Company has undertaken a plethora of projects in Norilsk, all directed at elevating the quality of life for local communities. As Norilsk residents, we can attest to the tangible improvements. Life in our city has seen a marked progress in comfort and quality – with notable enhancements in healthcare services, educational standards, landscaping, the construction of contemporary housing, and much more.

These improvements resonate not only with locals, but are also valued by the thousands of newcomers who relocate to Norilsk for opportunities offered by Nornickel's facilities.

Marat Kistaubayev,

LHD operator, grade six, First Mine Mechanisation Department, Polar Construction Company (length of service with the Company – 27 years)

¹ For more details, please see the [Climate Change](#) section.
² For more details, please see the [Social Policy](#) section.

¹ For more details about the Agreement, please see the [official website](#) of the city of Norilsk.

As part of the Agreement, the Russian Government approved a Comprehensive **Plan of Social and Economic Development of Norilsk¹**, encompassing projects for the construction, upgrade, and overhaul of residential buildings, social and infrastructure facilities, thermal stabilisation of soil, as well as urban improvement and landscaping of Norilsk.

Nornickel's expenditures under the Comprehensive Plan of Social and Economic Development of Norilsk in 2023

RUB 2.9 bn

Progress under the Comprehensive Plan of Social and Economic Development of Norilsk in 2023

Initiatives	Progress in 2023	Nornickel's investment in 2023 (RUB mln)
Construction of two multi-storey residential buildings located at 2B, 2C 50th October Anniversary St.	Active construction phase: floor construction, window installation, in-situ concrete work, wall masonry, and heating system installation in progress	572.8
Construction of four mid-rise residential buildings located at 29, 31 Laureatov St., 23 Pavlova St., and 7/10 Kirova St.	Positive opinion on the design documents for the projects issued by the state expert review agency. Installation of metal structures of the building frame, flights of stairs, elevator shafts underway at 23 Pavlova St., and 7/10 Kirova St. Permafrost recovery monitored in order to make a decision on the feasibility of construction on the land plots at 29, 31 Laureatov St.	905.3
Construction of an outpatient clinic for 1,000 visits per shift in the Talnakh District	Soil testing conducted, expert opinions received for five volumes of design documents. Design works underway	43.1
Provision of social payments for the purchase of housing to the residents of Norilsk relocating from Russia's Far North region	Social payments provided in line with the approved plan	830.0
Overhaul of a building to accommodate a kindergarten for 236 children in the Kayerkan District	Overhaul stage in progress	230.4
Integrated territory development in the Oganer municipal area of Norilsk (construction of eight residential buildings, a school for up to 1,100 children and a kindergarten for up to 270 children)	Design documents for the projects submitted for state expert review. Development of engineering documents underway	118.5
Construction (reconstruction) of houses in Norilsk's Central District	The Company's obligations to finance the activities of the City Administration in 2023 met	66.6
Reconstruction, overhaul (upgrade) of the municipal sewage system	Engineering and design for the overhaul of the municipal sewage system on Mira St., Leningradskaya St., and Komsomolskaya St. completed. Construction and installation works for the municipal sewage system on Mira St. started	112.6
Development of design and estimate documents and construction of a new water intake on the Norilskaya River	Engineering surveys and design of a new water intake on the Norilskaya River underway	34.8

¹ Order of the Russian Government No. 3528-r dated 10 December 2021.

Furthermore, the Company is running a number of additional initiatives for the renovation of Norilsk. These include sports, educational, cultural, and other infrastructure projects aimed at improving the quality of life for the city's local communities. Among other things,

- Repairs of the Fedorovsky Polar State University building
- Reconstruction of a building to create the Arctic Museum of Modern Art
- Construction of a swimming pool in Norilsk's Central District, a multidisciplinary innovative children's

education centre named after Vladimir Dolgikh in Norilsk's Central District (up to 1,100 students), a student campus, an Ice Arena in Norilsk's Central District, and a residential building for non-local teams at 15 Kirov St.

Design works now underway for all the facilities.

In addition, construction and installation works are underway to reconstruct a building located in Norilsk to accommodate the Tower, an all-season

public space. The new space will become a venue for business meetings, social events, and important municipal decision-making. The building itself is a cultural heritage site and contributes to the scenery of the city's historical part. The Tower will combine historical architecture and modern development trends.

The visualisation of Norilsk is now available on the [Norilsk 2035 digital platform](#) (for more details, please see the [Digital Technology](#) section).

Central District

Progress of the planned

59 projects as at the end of 2023:

- 10 projects completed
- 13 projects in progress
- 11 projects at the design stage
- 25 projects deemed prospective

Kayerkan

Progress of the planned

1 project as at the end of 2023:

- 1 project completed

Talnakh

Progress of the planned

12 projects as at the end of 2023:

- 1 project completed
- 3 projects in progress
- 8 projects deemed prospective

Snezhnogorsk

Progress of the planned

1 project as at the end of 2023:

- 1 project completed

Oganer

Progress of the planned

10 projects as at the end of 2023:

- 1 project completed
- 5 projects at the design stage
- 4 projects deemed prospective

Dudinka, one of the key operational locations of Nornickel, was also added to the federal list of key cities and towns in the Russian Arctic. In 2024, renovation plan for Dudinka is to be drafted in an effort to advance the comprehensive development of the Russian North.



Area

2,366.800 km²
(13.9% of Russia's territory)¹

Population

2,847,826
people



Mineral resources

- Oil, gas, coal, platinum and PGMs, copper, nickel, cobalt, lead, zinc, bauxite, gold, silver, iron



Industry

- Non-ferrous metallurgy
- Mining
- Solid fuel-based power and hydropower generation



Nornickel's performance in the Krasnoyarsk Territory

- Headcount: 57,200 employees²
- Average monthly salary: RUB 179,400
- Employee-related social expenses: RUB 4.5 bn

¹ Krasnoyarsk Territory Today.
² Krasnoyarsk Territory and Norilsk Industrial District

Krasnoyarsk Territory



Key areas of cooperation with the Krasnoyarsk Territory

Economic

- Implementation of major investment projects in the Krasnoyarsk Territory
- Heat and power supply to the communities and companies in Norilsk, Dudinka, and Igarka
- Participation in the Northern Supply Haul programme in the Arctic
- Development of a tourist cluster
- Promotion of commercial activity of indigenous communities of the North – creating conditions and infrastructure for the traditional use of natural resources
- Development of transport and the telecommunication infrastructure

Social

- Implementation of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020–2024
- Support for vocational and supplementary education
- Implementation of the World of New Opportunities charitable programme, the World of Taimyr and the Students of Taimyr initiatives, and the Plant of Goodness corporate volunteering programme; supporting and promoting local and regional public initiatives

Environmental

- Implementation of the Sulphur Programme and other initiatives to improve the environmental performance of production facilities
- Restoration and landscaping of urban territories
- Rehabilitation of areas affected by environmental incidents
- Development of Taimyr's specially protected natural areas
- Release of the juveniles of valuable fish species into water bodies
- Organisation and backing of environmental campaigns

Key projects in the Krasnoyarsk Territory

Social and economic partnership

1. Projects implemented under the Cooperation Agreement with the Krasnoyarsk Territory
2. Projects implemented under the Agreement on Air Passenger Transportation
3. Projects implemented by the Norilsk Development Agency
4. Convention of Social Entrepreneurs from the North

Quality of life

6. Comprehensive plan of social and economic development of the city of Norilsk
7. Our Home / My Home and Your Home employee housing programmes
8. We Are the City! social technologies forum
9. Agreement on cooperation aimed at providing support to the indigenous peoples of the North

Transport

5. Reconstruction of bridges in the Norilsk Industrial District

Sports

10. Federation of Northern Multisport Races
11. Support for the Bobrovoy Log Fun Park

Environmental

12. Increase in the Taimyr HPP Cascade capacities
13. Sulphur Programme (SO₂ capture at the Company's existing and planned facilities)
14. Clean Norilsk
15. Programme to build local treatment facilities
16. Zero Negative Environmental Impact campaign
17. Land rehabilitation programme
18. Release of the juveniles of valuable fish species into water bodies

Krasnoyarsk

In 2023, Nornickel-supported projects in Krasnoyarsk included the launch of the Yudinskaya Valley eco-park, ongoing renovation of the Krasnoyarsk State Opera and Ballet Theatre, and support for the Bobrov Log Fun Park.

Also, in response to the request of Krasnoyarsk's Mayor, Polar Division made a donation of RUB 49.9 mln in 2023 for the purchase of ten heated bus shelters to make the city's urban environment more comfortable.

Bobrov Log Fun Park

In 2023, the Bobrov Log Fun Park launched Snow Class, a major social project for 4th to 8th-grade school students, enabling them to learn alpine skiing during free time aligned with their school schedule. The project minimises parental involvement by offering round-trip bus transportation for students, providing them with rental ski equipment (boots, skis, helmets, goggles), ski passes for the training slope's conveyor belt, group lessons with instructors, and a snack. Snow Class students benefit from a 40% discount off the regular training price.

Presently, 270 students take part, with another 568 applications received from 40 schools across Krasnoyarsk. The project is planned to be expanded further to cover up to 1,000 children.

In 2023, the First Youth Forum on financial literacy "Health and Wealth in Bobrov Log: Invest wisely!" was held in the fun park. Experts, analysts, and bloggers spoke before school graduates and students. They discussed financial literacy and shared tips on how to manage your own money. The event, among other things, focused

on hands-on skills in pocket money management and personal budgeting. The turnout exceeded 300 participants.

The Green School project, which offered workshops, lectures, fun games, and a trade fair for children, was accomplished in the reporting year. A separate module of the Green School focused on specially protected natural areas that contribute to combating climate change. In 2023, two academic shifts of the school were held (four days each).

270 school students

take part in the Snow Class project

568 applications received from 40 schools across the city

up to **1,000** children projected further expansion of the project



Murmansk Region

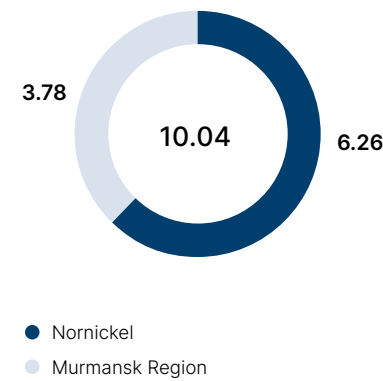
The cooperation agreement between the Government of the Murmansk Region and MMC Norilsk Nickel was signed back in 2019. In 2020 to 2022, a total of 36 projects were accomplished, with a combined investment of RUB 3.2 bn, including the delivery of an MRI scanner module to Monchegorsk, the repair and fit-out of the Monchegorsk Polytechnic College, and the improvement of energy

efficiency of educational facilities. The Kola Metals and Mining Educational Cluster is in the making based on vocational schools in Monchegorsk and the Pechengsky District. It is set to build a strong talent pipeline for the region's advanced industries.

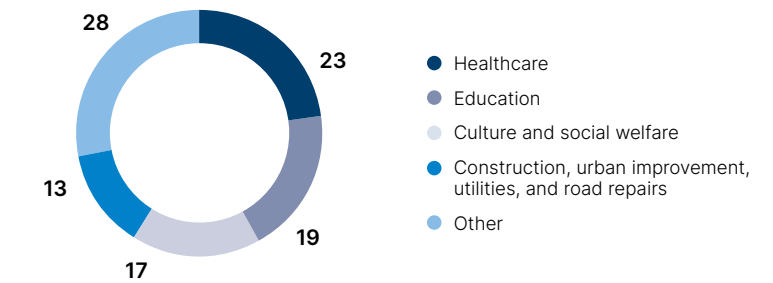
In the autumn of 2023, a new agreement was signed to drive the social and economic development

of the Murmansk Region from 2023 to 2025. The agreement entails a total investment of RUB 10.04 bn, with 62.4% of that sum to be co-funded by the Company. This amount will fuel 53 initiatives in Monchegorsk and the Pechengsky District from 2023 to 2025.

Total investment in 2023–2025, RUB mln



Focus areas of investments in 2023–2025, %



The new agreement covers a wide range of projects, including the construction of a new building for the Monchegorsk Central District Hospital, renovation of housing for doctors relocating to the region, reconstruction of community centres in Monchegorsk, Nikel, and Zapolyarny, the construction and renovation of residential, cultural, sports, and educational facilities. The document provides for designing a visitor centre for the Lapland Nature Reserve and the future tourist cluster of the Pechengsky Municipal District that will incorporate the Kola Superdeep Borehole, the Smelting Workshop, and the Kaula-Kotselvaara mine.

These projects and initiatives aim to improve the quality of life in the cities of the Murmansk Region, enhance their attractiveness for young people, and boost Arctic tourism.

2023 saw further implementation of the Programme for Social and Economic Development of the Pechengsky Municipal District through 2025 developed with participation of Nornickel. Progress under the programme included the preparation of design and estimate documents for a water intake in Nickel, the drafting of a 10-year development strategy for the Pechenga Polytechnic College, and the launch

of the Self-Employed Entrepreneurs: Path to Tourism project. While most of the programme's initiatives stay on the schedule, certain projects have been affected by the pandemic and geopolitical developments. Consequently, in 2023, adjustments were made to the programme to reflect public opinion and takeaways of strategic sessions, meetings, and discussions.

Nornickel also implements projects and initiatives beyond agreements and programmes. For instance, it supported the renovation of the Gulfstream multifunctional health and leisure centre, which opened its doors to residents and guests of Monchegorsk in 2023.

Area

144,900 km²¹

Population

657,085 people



Mineral resources

- Apatite, nickel, iron, copper, cobalt, palladium, platinum and PGMs, peat



Industry

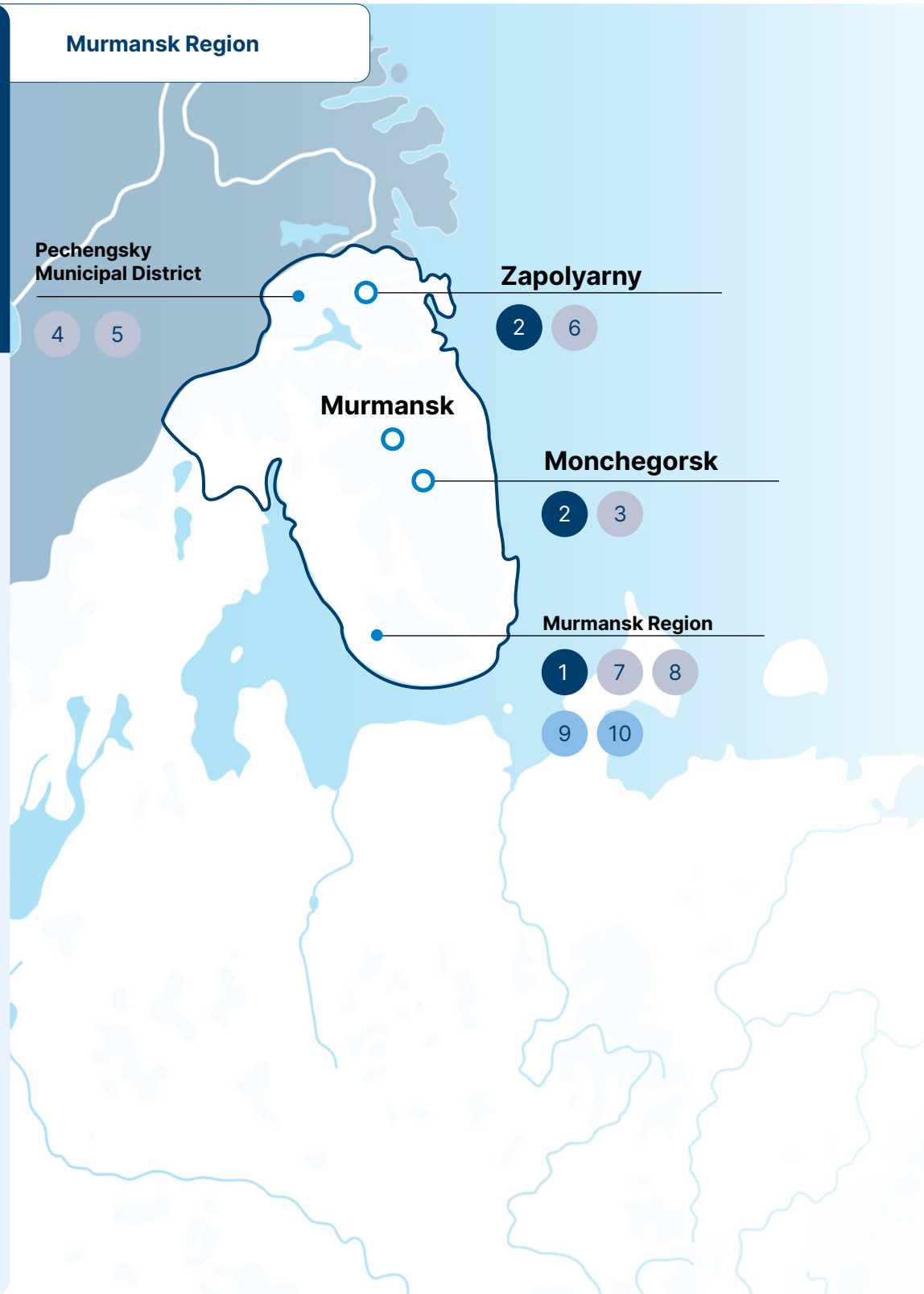
- Mining
- Metallurgy
- Fishing



Nornickel's performance in the Murmansk Region

- Headcount: 12,100 employees
- Average monthly salary: RUB 127,800
- Employee-related social expenses: RUB 1.1 bn

¹ General information about the Murmansk Region



Key areas of cooperation with the Murmansk Region

Economic

- Implementation of investment projects and development of production capacities
- Social and economic development of municipalities that are home to Kola MMC's operational activities
- Development of the transport infrastructure in the Arctic
- Development of a new tourism-driven economy along with the catering and hotel sector

Social

- Implementation of the World of New Opportunities charitable programme and the Plant of Goodness corporate volunteering programme; supporting and promoting regional public initiatives
- Development of social entrepreneurship

Environmental

- Cooperation on environmental protection, preservation of the Kola Peninsula's natural ecosystems and landscapes
- Organisation and backing of environmental campaigns.

Key projects in the Murmansk Region

● Social and economic partnership

1. Projects implemented under the Cooperation Agreement with the Murmansk Region Government for 2023–2025
2. Convention of Social Entrepreneurs from the North

● Quality of life

3. Projects implemented by the Monchegorsk Development Agency
4. Second School Centre for Community Initiatives of the Pechengsky District
5. Social and Economic Development Programme for the Pechengsky Municipal District of the Murmansk Region for 2021–2025
6. We Are the City! social technologies forum (organiser)
7. Programme of supporting the Murmansk Region in social infrastructure development in 2020–2024
8. Cooperation agreement with the Kola Sámi Association of the Murmansk Region

● Environmental

9. Zero Negative Environmental Impact campaign
10. Release of the juveniles of valuable fish species into water bodies

TRANS-BAIKAL TERRITORY

Area

431,500 km²¹

Population

984,340 people



Mineral resources

- Copper, uranium, molybdenum, titanium, gold, tungsten, iron, zinc, silver, lead, coal



Industry

- Mining
- Production and distribution of electricity, gas and water
- Non-ferrous metallurgy
- Machinery and equipment manufacturing
- Food production



Nornickel's performance in the Trans-Baikal Territory

- Headcount: 3,000 employees
- Average monthly salary: RUB 154,500
- Employee-related social expenses: RUB 123.2 mln

¹ General information about the Trans-Baikal Territory.



Key areas of cooperation with the Trans-Baikal Territory

Economic

- Bystrinskoye deposit development
- Transport infrastructure development

Social

- Training of mining industry employees
- Improvement of urban areas
- World of New Opportunities charitable programme

Environmental

- Cooperation on environmental protection, preservation of natural ecosystems and landscapes
- Release of the juveniles of valuable fish species into water bodies
- Organisation and backing of environmental campaigns

Sports

- Bystrinsky Sports project
- Trans-Baikal DartFest nationwide darts tournament
- Bystrinsky Marathon charity run

Key projects in the Trans-Baikal Territory

● Social and economic partnership

1. Projects implemented under the Cooperation Agreement with the Trans-Baikal Territory
2. Projects implemented under the Agreement on SME Support in the Trans-Baikal Territory
3. Projects implemented as part of the Programme of Social and Economic Development of the Trans-Baikal Territory in 2017–2026
4. Projects implemented under the Agreement to Support and Develop the Volunteer Movement in the Trans-Baikal Territory

● Education

5. First technological cluster for kids in the Trans-Baikal Territory

With the support of Nornickel, particularly through the efforts of GRK Bystrinskoye, the following initiatives were implemented in 2023 to promote the social and economic development of the Trans-Baikal Territory:

- involvement in educational projects across the Trans-Baikal Territory: the Young Geologist project (guided tours to GRK Bystrinskoye's facilities arranged for schoolchildren in 2023), funding for educational institutions (green light to set up ten fully-equipped Mining Classrooms in schools throughout the Trans-Baikal Territory);
- advancement of sports initiatives: launch of the Bystrinsky Sports project to develop courtyard sports throughout the entire region (football, lapta, chess, and valenki ice hockey), promotion of youth hockey (Red Machine project), funding for the rugby federation, sponsorship of Russian championships (in boxing and archery);
- restoration of the Church of the Assumption of the Blessed Virgin Mary in the village of Kalinino, Nerchinsky District: completion

of engineering and geological surveys, installation of construction scaffolding, and the commencement of emergency repair works;

- cultural events: Trans-Baikal Film Festival, Oleg Lundstrom Jazz Festival, participation of the Trans-Baikal Territory in the Russia exhibition at the All-Russia Exhibition Centre (VDNKh) in Moscow;
- industrial tourism: the Trans-Baikal Territory won the Industrial Potential category award for the Best Strategy to Unlock Regional Industrial Potential. Bystrinsky GOK was included in the Russian industrial tourism guidebook "Factory Trails".

The Company's total social investment in the region in 2023 amounted to

RUB 838 mln
(of which charitable endeavours account for RUB 215 mln)

Other Russian regions

Opening of a technological lyceum named after Vladimir Dolgikh in the Moscow Region

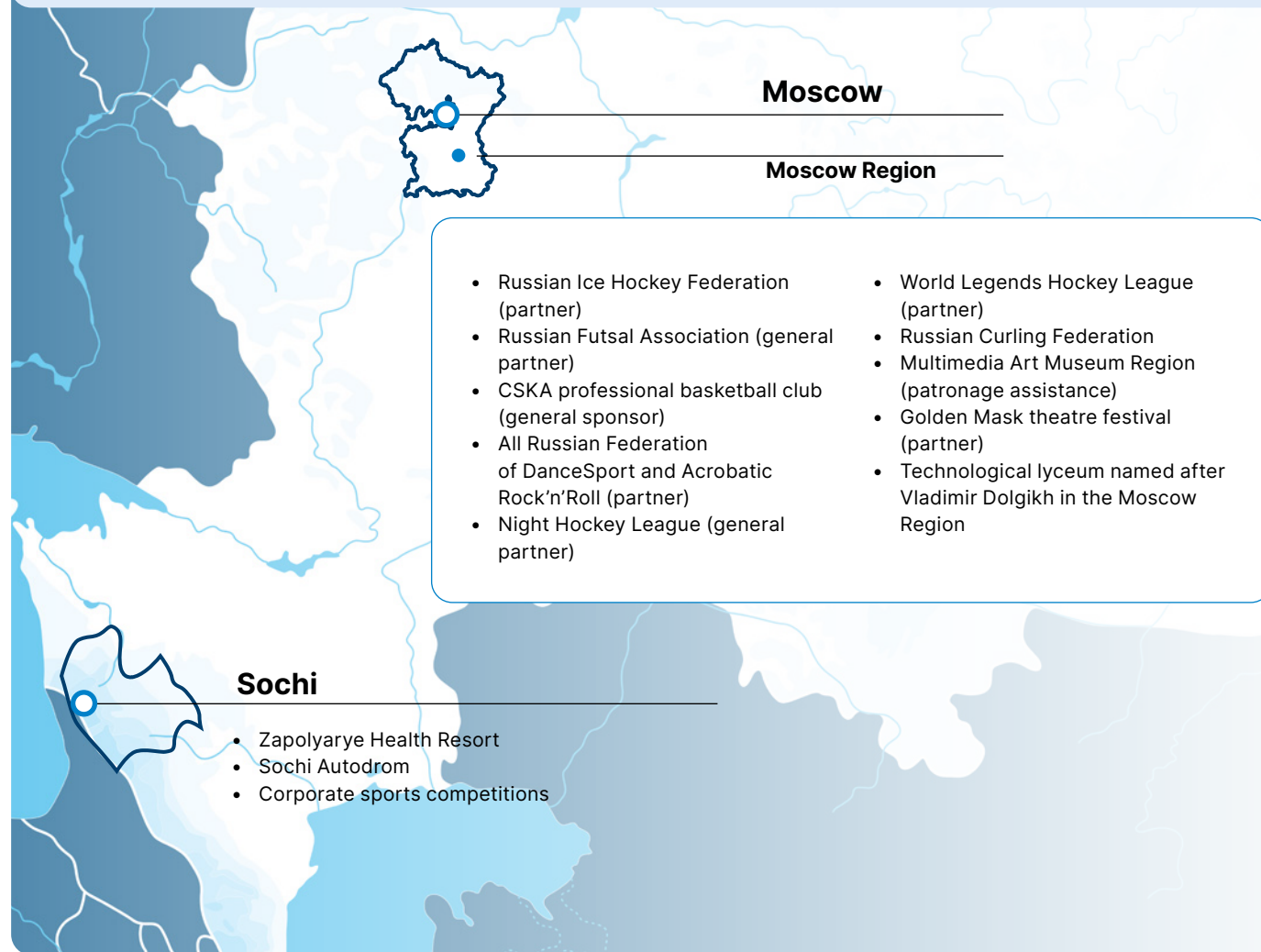
In 2023, a state-of-the-art lyceum opened its doors in the Istrinsky District of the Moscow Region with the support of Nornickel. The lyceum is one of most advanced schools in Russia ready to welcome up to 960 students and is part of an educational cluster. It also features a kindergarten for up to 320 children, a heated stadium with seating for up to 500 spectators, and children's playgrounds and sports areas. Additionally, there are plans

to construct two residential buildings to accommodate both teachers and students. The lyceum's key educational focus areas are IT, modern technologies, and engineering. Students will also study esports, economics, management, information security, and legislation. Special attention will be given to unmanned aerial vehicle technologies, gamification, and prototyping. The school provides a trilingual learning environment (Russian, English,

and Chinese). In 2023, students from 17 different regions across Russia were admitted to the lyceum.

Winners and runners-up of regional or final stages of the All-Russian School Olympiad are covered by Nornickel's scholarship programme.

Nornickel is undertaking a similar educational project in Norilsk. As part of this endeavour, the Company is set to open the High Latitude School for up to 1,100 students in 2026.



INTERACTION WITH INDIGENOUS PEOPLES

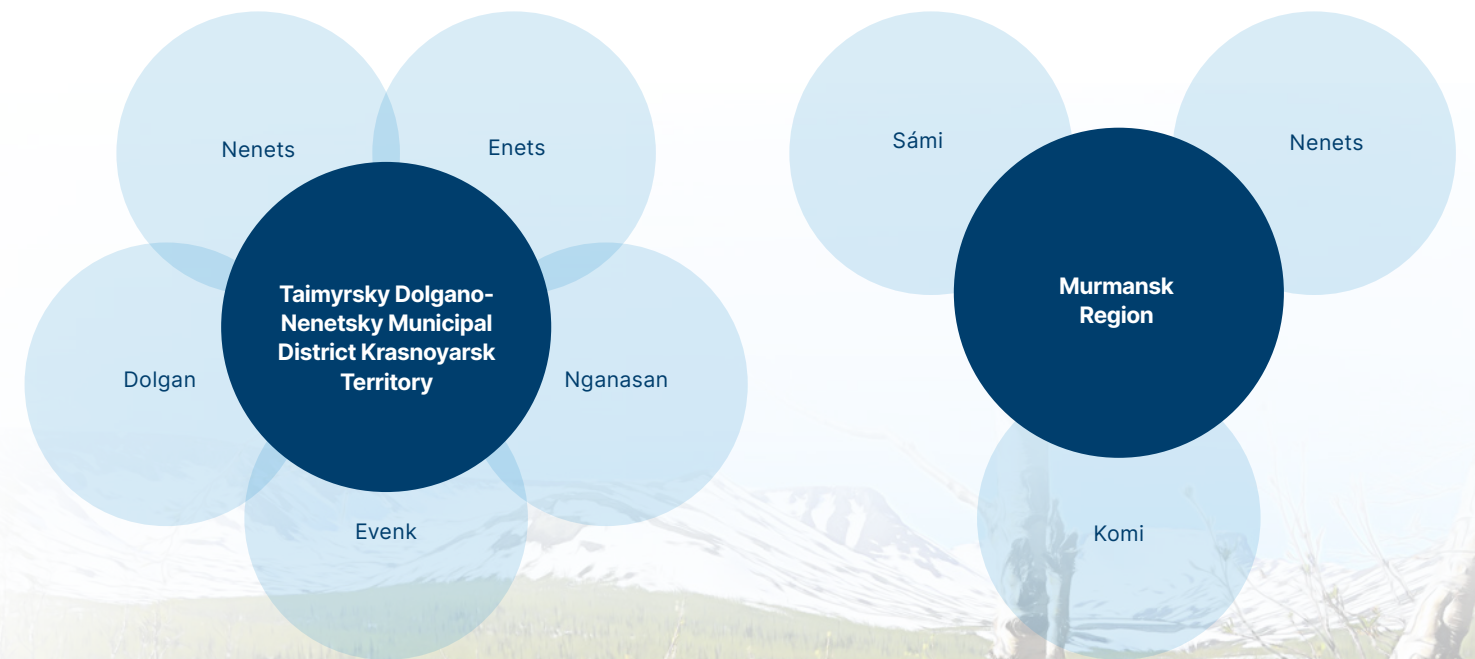
GRI 203-1, 411-1/ SASB EM-MM-210a.3, EM-MM-210b.1

Nornickel acknowledges and respects the indigenous rights enshrined in the Russian and international law. In its operations, the Company pays attention to the rights indigenous peoples have with respect to their traditional lands, territories, and associated natural resources. The Company seeks to strengthen and develop partnerships with indigenous peoples residing in the regions of operation.

0 violations of indigenous rights in 2023

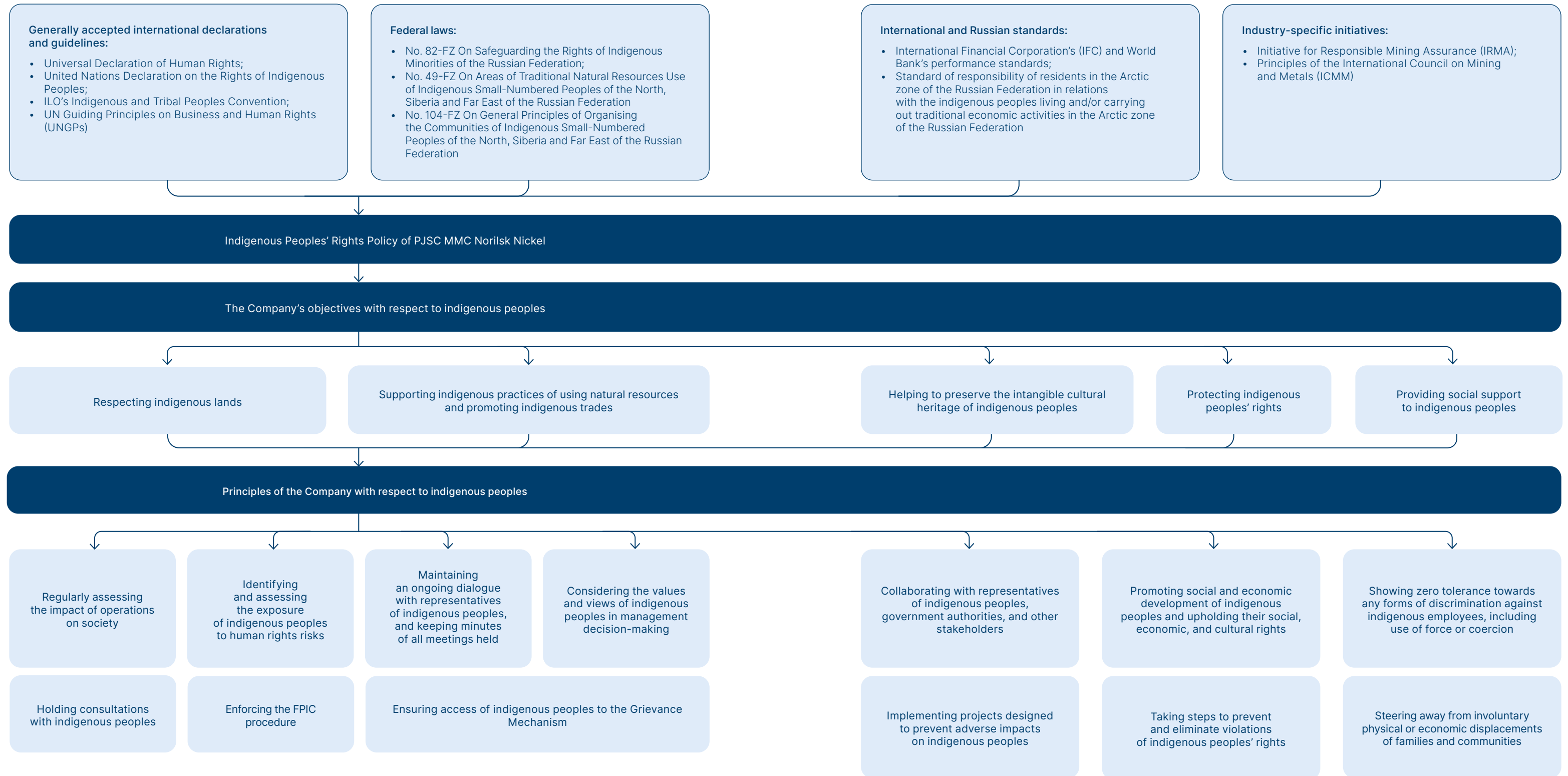
18 projects funded by the World of Taimyr competition

RUB 976 mln spent by the Company on projects to support the indigenous northern peoples in 2023



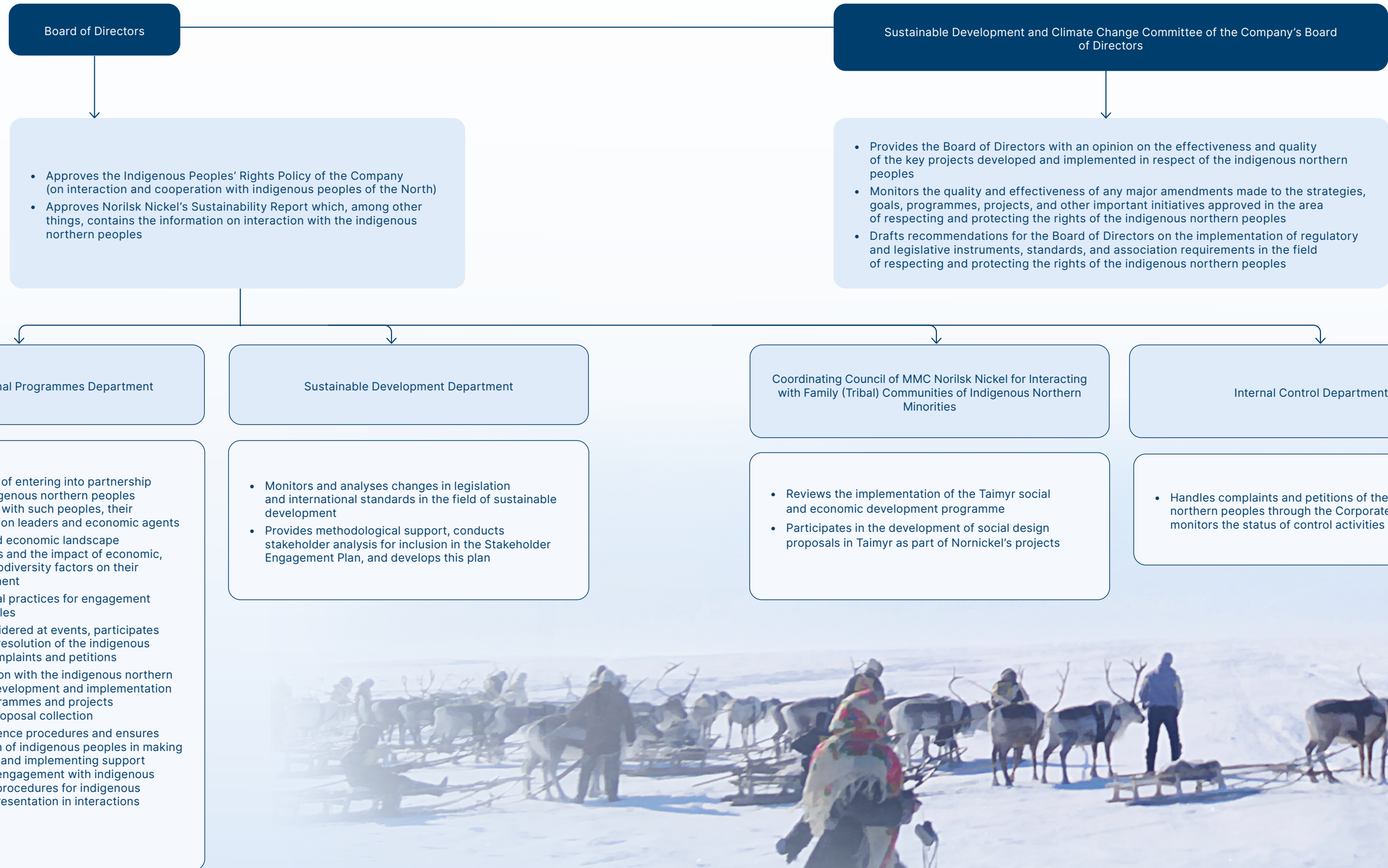
The Indigenous Peoples' Rights Policy of PJSC MMC Norilsk Nickel is the key document setting out principles, commitments, and allocation of responsibilities among the functional units of the Company in this area.

Key principles, standards and regulations



Responsibilities in interacting with indigenous northern peoples

GRI 2-9, 2-12, 2-13



Free, Prior and Informed Consent process

FPIC is a complex documented negotiation system enabling indigenous peoples to make well-informed decisions without external pressure based on the analysis of timely provided project information and offering them advisory assistance in the evaluation and consideration of such information. FPIC is not directly included in the national legislation of the Russian Federation. However, the UN requires that such consent be obtained for all projects affecting indigenous peoples. Consent is needed if the project is expected to have a significant impact on indigenous communities, including in cases of relocation or expropriation of land used for traditional economic activities.

Tukhard

Nornickel was the first company in the Russian Arctic to obtain FPIC for launching the Tukhard relocation and development programme. In the space of five months, three rounds of consultations and three communal meetings were held, during which residents agreed to join the FPIC process, and consented to further relocation and development of the settlement subject to the fulfilment of some of their conditions. Those conditions included participating in all stages of design and construction, choosing the location for the new settlement, defining the social and communal infrastructure needs, ensuring compliance with the outdoor design requirements, and having the necessary infrastructure for reindeer herding. Following extensive public opinion polls and a census held in 2023, residents were presented with a master plan for the new settlement and house layouts, and invited to take part in further discussions. The Company plans to complete the construction of the infrastructure agreed with the residents of the new settlement, as well as the acquisition of apartments in Dudinka in the mid-term.

Lovozero District of the Murmansk Region

The Company used lessons learned in Tukhard to engage in a meaningful dialogue with the Sámi, Nenets, and Komi peoples. In view of the planned Kolmozerskoye lithium deposit development, in 2022 Nornickel organised preliminary consultations with representatives of indigenous peoples residing in Lovozero and Krasnoshchelye (Murmansk Region) to inform local communities about the upcoming industrial project and invite them to join the FPIC process.

In 2023, a Working Group for the Indigenous Minorities and Reindeer Herders of the Murmansk Region was set up to discuss planned due diligence initiatives, the grievance mechanism, and ways to ensure that all opinions are considered and results are verified at all stages of the survey. The Working Group includes representatives of the Kola Sámi Association, Public Organisation of the Sámi People of the Murmansk Region, Council of Indigenous

Peoples under the Government of the Murmansk Region, and major reindeer herding farms. From July to September 2023, ethnographic and natural science research teams consisting of scientists, representatives of indigenous communities, and opinion leaders conducted fieldwork research for the ethnicity expert review. The findings of the expert review will be used to draft a plan for interaction with indigenous peoples, including measures to reduce impacts, compensatory actions, and a sustainable development plan, after which the FPIC procedure will be proposed to the indigenous communities of the Murmansk Region's Lovozero District.

Additionally, Nornickel is assisting the Sámi people in their sustainable development as part of the Cooperation Agreement between the Kola Sámi Association of the Murmansk Region and PJSC MMC Norilsk Nickel.



Activities of the Coordinating Council for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities at Polar Division

GRI 2-26

In 2021, Nornickel established a Coordinating Council for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities supervised by the Company's Senior Vice President, Head of Norilsk Division. The Council seeks to promote

an equitable and respectful dialogue and long-term cooperation with indigenous peoples. It also oversees Nornickel's Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020–2024.

Indigenous communities actively participated in the development of this programme, providing direct inputs and voicing their needs, demands, values, views, national and cultural traditions.

42 initiatives

under the Programme, including those seeking to support traditional economic activities of indigenous northern peoples (assessment of the carrying capacity of reindeer pastures, fish stocking of rivers, construction of food industry facilities), assess water bioresources of the Taimyr Peninsula's rivers based on relevant research, build housing and social facilities for the residents of Taimyr's settlements (first aid and obstetric facilities, children's playgrounds, community centres, school equipment), and promote education, culture, sports, and tourism (publishing of educational materials in indigenous languages, revival of writing systems, creation of language nests)

RUB 2 bn

total financing of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020–2024

RUB 300 mln

additional funding provided by the Coordinating Council to support indigenous northern peoples and promote traditional economic activities in 2021–2023 (RUB 100 mln on an annual basis)

57 communities

engaged in traditional economic activities on the Taimyr Peninsula have joined the Coordinating Council



Key projects in support of indigenous northern peoples in 2023

In 2023, the Company implemented the following initiatives as part of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District:

- constructing seven residential buildings in Volochanka and Ust-Avam;
- purchasing five flats in Dudinka for orphaned children;
- commissioning three first aid and obstetric facilities (Volochanka, Ust-Avam, Ust-Port), each providing accommodation for the families of medical staff furnished with pharmacy equipment, household furniture and appliances;
- conducting research to assess the water bioresources of the Khatanga and Yenisey rivers;

- arranging transportation of agricultural products (reindeer meat, northern species of fish) from settlements and hunting/fishing facilities located in the Taimyrsky Dolgano-Nenetsky Municipal District (cities of Dudinka and Norilsk) to retail chains for further resale;
- admitting students from indigenous northern communities to the Polar State University under the Students of Taimyr programme (at the end of 2023, there were 56 indigenous students studying at the university, up 40% y-o-y);
- providing 11 rural educational institutions with an additional internet resource, installing satellite and office equipment, introducing online lessons, and organising advanced training courses for teachers.

The assistance provided by the Company to the family (tribal) communities has proven its efficiency, with infrastructure across settlements gradually improving, traditional economic patterns gaining momentum, and their cultural practices and values resurrected and preserved.

In 2020–2023, we streamlined communications under the Coordinating Council and expanded the geography of our Programme (in previous years, eight localities of the Khatanga rural settlement and Lake Khantayskoye were included in the Programme).

In 2024, the Company plans to gather representatives of indigenous peoples to evaluate the results of our five-year partnership.

World of Taimyr project competition

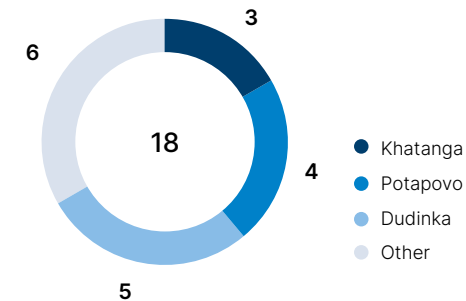
The Company uses the World of Taimyr project competition (held for the second time in 2023) to support public initiatives aimed at preserving the local culture, lifestyle, and traditions of Taimyr's indigenous peoples and creating conditions for the sustainable development of their traditional livelihoods. A special feature of the competition is the grant funding system, which welcomes only

the indigenous peoples of Taimyr, non-profit organisations, and municipal and public institutions implementing projects in the interests of indigenous peoples.

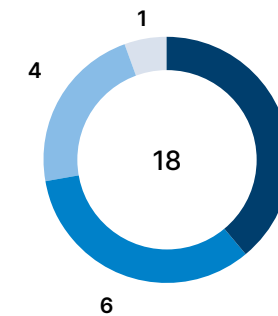
The 2023 funding totalled RUB 53 mln covering 18 social projects, which will be implemented by the end of 2024. The winners' public initiatives address

a wide variety of social issues: revive national languages, create a culture of environmental protection, hold landscaping campaigns, develop infrastructure across Taimyr settlements, preserve cultural heritage, and many more (for more details, please see the [World of New Opportunities](#) charitable programme subsection).

Applications funded in 2023–2024 by geography



Applications funded in 2023–2024 by nominations



- **Taimyr's Ideas**
(CHUM-ROOM. I Feel. I Am Able. I Can. Following in the Footsteps of Eternity Keepers. TriNity. EcoTaimyr 2.0. Fairy-Tale Beads. Fawn. Customs of Dolgans)
- **Taimyr Development**
Taimyr Contemporary. Year-round Accessible Sports. Thread of Renaissance. Heroes of Our Legends. Potapovo. USSU (Nomad Camp). Min Doydum 2 (My Homeland)
- **Taimyr's Opportunities**
This Is Where My Homeland Begins. Balykchyt (Fisherman). Ust-Yenisey Supply. Kutchuguy Balykchyt (Small Fisherman)
- **Taimyr Promotion**
Nasko – Resource Centre for Supporting NPOs



TRANSPORT ACCESSIBILITY IN REMOTE LOCATIONS

For 20 years, Nornickel has been building a transport infrastructure that meets the needs of businesses and local communities, ensures seamless supplies of feedstock and materials, helps deliver finished products to consumers, and provides logistics connection between regions.

In the 2000s, Nornickel established its own sea fleet consisting of diesel motor ships and a heavy-duty ice-class tanker of the Arctic Express type. In 2010, a railway unit of Murmansk Transport Division was created to ensure rail transportation of the Company's and Kola

MMC's cargo between Murmansk and Monchegorsk using the Company's own rolling stock. The opening of a new cargo transfer terminal in Murmansk in 2017 expanded our capabilities in this area and strengthened our market position. Transport accessibility guarantees continuity and sustainability of the Group's operations and well-being of local communities across its footprint.

« Timely delivery is key to meeting corporate production goals and maintaining seamless operations. My team and I are dedicated to ensuring cargo delivery on time.

Pavel Karpenko,
vehicle driver, NPTBT, Polar Division of MMC Norilsk Nickel (length of service with the Company – 32 years)

Nornickel's contribution to the Comprehensive Plan for Upgrading and Expanding Core Infrastructure national project

Relevant UN SDGs



Related federal projects

Northern Sea Route

Russia's seaports

Regional airports

Railway transport and transit transportation

Internal water routes.

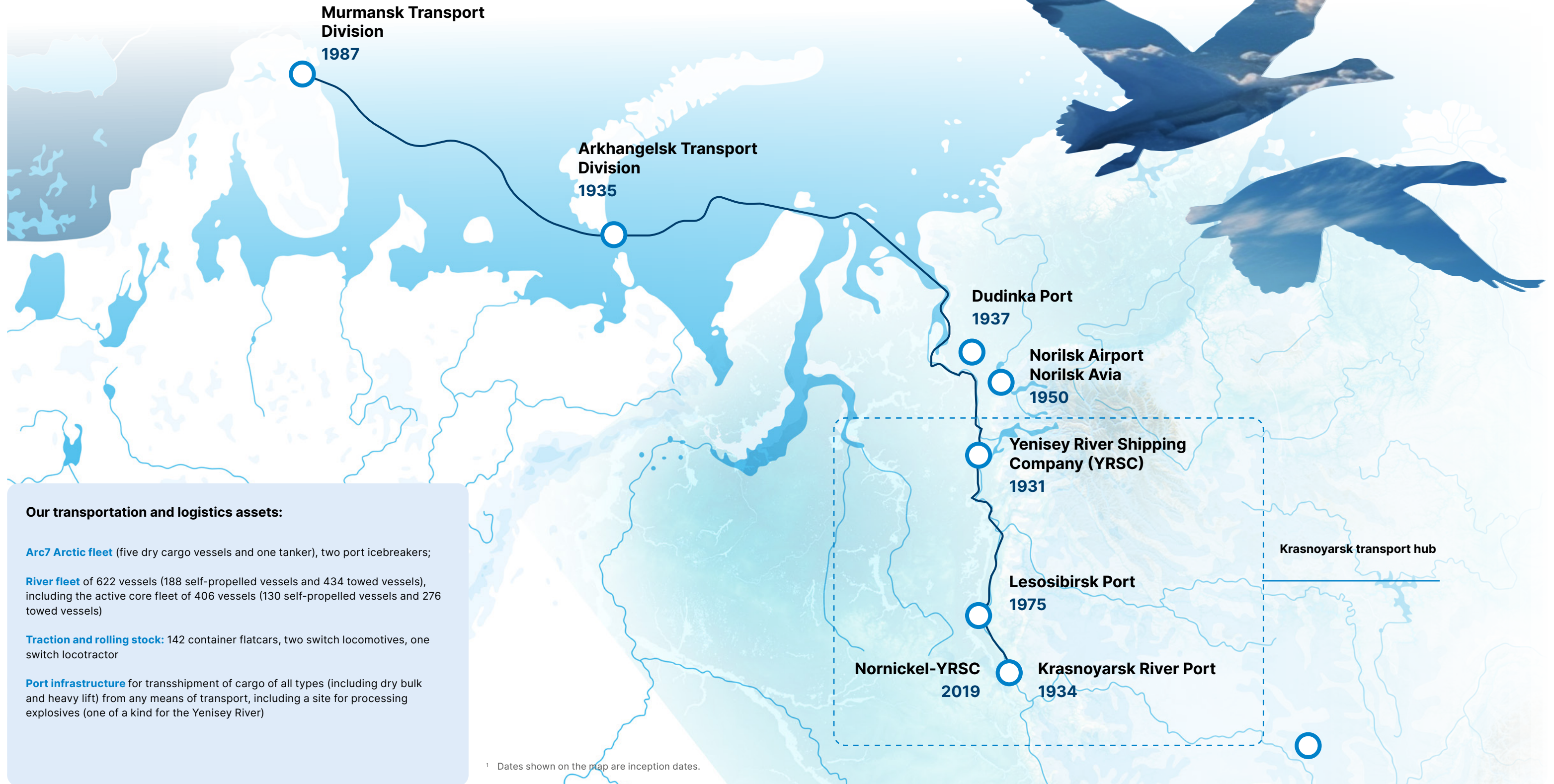
Key initiatives and focus areas

Provision of year-round freight shipping services between seaports as well as transportation and handling of cargoes in the Arctic region

Operation and maintenance of railway infrastructure, with transport accessibility ensured in remote locations

Development of passenger transportation in the local regions of operation.

Nornickel's logistics assets¹



Our transportation and logistics assets:

Arc7 Arctic fleet (five dry cargo vessels and one tanker), two port icebreakers;

River fleet of 622 vessels (188 self-propelled vessels and 434 towed vessels), including the active core fleet of 406 vessels (130 self-propelled vessels and 276 towed vessels)

Traction and rolling stock: 142 container flatcars, two switch locomotives, one switch locotractor

Port infrastructure for transshipment of cargo of all types (including dry bulk and heavy lift) from any means of transport, including a site for processing explosives (one of a kind for the Yenisey River)

¹ Dates shown on the map are inception dates.

Our dry cargo fleet provides year-round freight shipping services between the Dudinka, Murmansk, and Arkhangelsk sea ports while also covering other destinations. Our fleet is among the key transportation providers for socially important cargoes of the Norilsk Industrial District.

The Yenisey tanker is used for the export of gas condensate from the port of Dudinka, a by-product of gas extraction at the Pelyatkinskoye field developed by the Company, helping reduce pollution from this by-product and protect local environment.

In addition to its own Arc-7 ice-class fleet, the Company uses Arc-4/5 ice-class vessels to transport additional

volumes of cargo for large investment projects in Taimyr. From November to May, transportation in the Yenisey, the Yenisey Bay, and the Kara Sea involves icebreakers to lay the route.

MMC Norilsk Nickel's branches and Group facilities handle cargo in the ports of Dudinka, Murmansk, Lesosibirsk, and Krasnoyarsk.

Dudinka Port is a unique transport facility of the Taimyr: it is the world's only port flooded every year during spring high water. From November to May when its water area freezes over as like as the Yenisey Basin, Dudinka Port handles only sea vessels using icebreakers. In May, during the flooding, the service at berth

is suspended to be resumed for river and sea vessels in June, when ice flows pass and the water level goes down.

The port's cargo traffic in 2023 was

3.8 mt
(2022: 4.5 mt)

To reduce the load on Dudinka Sea Port and transshipment ports in Murmansk and Arkhangelsk, the Company is looking into alternative routes:

in 2023, cargo was first delivered to Norilsk via a winter road from Novy Urengoy. The winter road was laid over land and frozen water surface. The first transportation experience

was successful; in favourable weather conditions, the new route saves about two weeks. The Company plans to assess the economic effect and determine which cargoes benefit from winter road

transportation. However, it is already evident that alternative transportation options save time and resources.



Yenisey River Shipping Company (YRSC) is a key link in providing staples to residents of hard-to-reach areas of the Krasnoyarsk Territory. During the spring floods, YSRP delivers fuel and lubricants, food, and other essential goods. Yenisey River Shipping Company carries out transportations along the Podkamennaya Tunguska and Nizhnaya Tunguska rivers, and in other areas, including Dikson, Russia's northernmost settlement. YRSC operates its own search and rescue fleet and takes an active part in emergency response missions on internal water routes of the Yenisey Basin.

Murmansk Transport Division is responsible for local shipments in the lower reaches of Yenisey, to the north of Dudinka Port. Dudinka Port receives agricultural products and delivers socially important cargoes for local residents, including indigenous peoples of the North, ships cargoes for the EMERCOM, and transports residents of remote coastal areas.

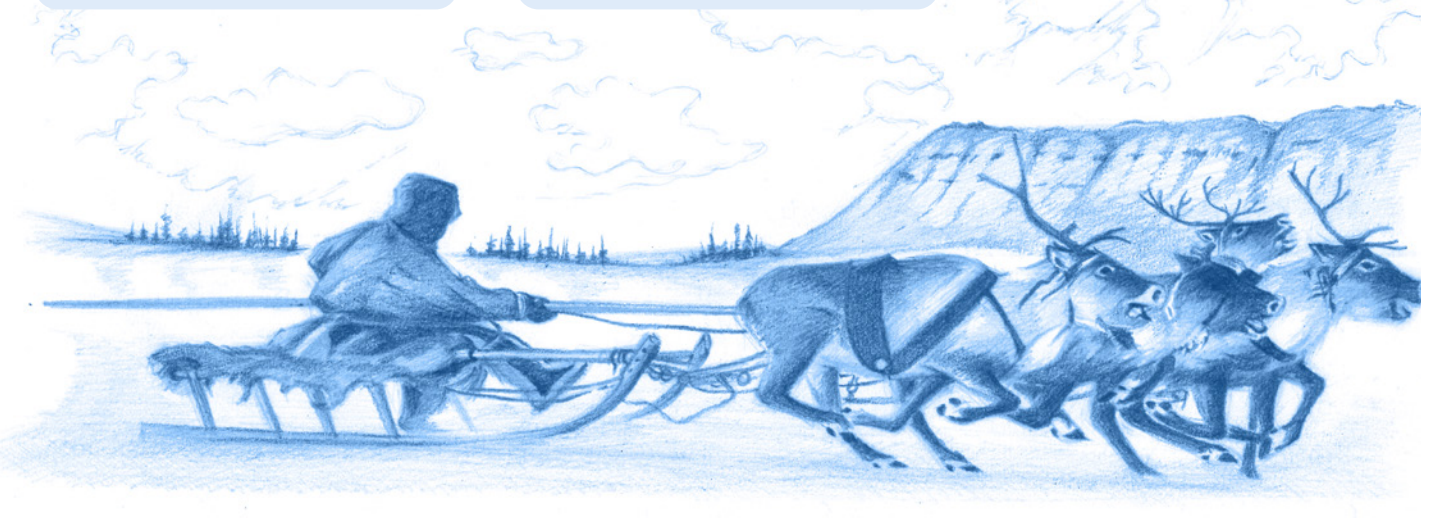
In 2023, Nornickel completed consolidation of its river transportation assets. Lesosibirsk Port is now managed by Nornickel-YRSC, thus offering a comprehensive approach

to addressing tasks related to Yenisey shipments, including both transportation and handling of cargoes.

Another 2023 milestone was the awarding of international status to Norilsk Airport, which is the only transport hub that provides year-round flights between Norilsk and the Taimyrsky District and the rest of Russia.

By 2025, we plan to reconstruct the air terminal complex to comply with the new status. The upgrade will enable the airport to:

- 1 streamline logistics related to both the implementation of the Company's investment projects and construction of residential and social facilities in Norilsk;
- 2 diversify supply chains and decrease traffic in traditional cargo delivery channels;
- 3 reduce the cost of socially important cargo delivered to the region;
- 4 establish one more air cargo and passenger crossing point in the Arctic;
- 5 enhance the region's appeal for tourists.



IMPROVING THE WELL-BEING OF LOCAL COMMUNITIES

The Company creates conditions and opportunities for people in the regions of operation to unlock their personal potential, improve living standards, make urban environment and its institutions more attractive, and many more. Key

priorities in this area are supporting local social and charitable initiatives, encouraging collaboration among people, and building social capital. To meet people's needs and factor in their interests and views more accurately, the Company

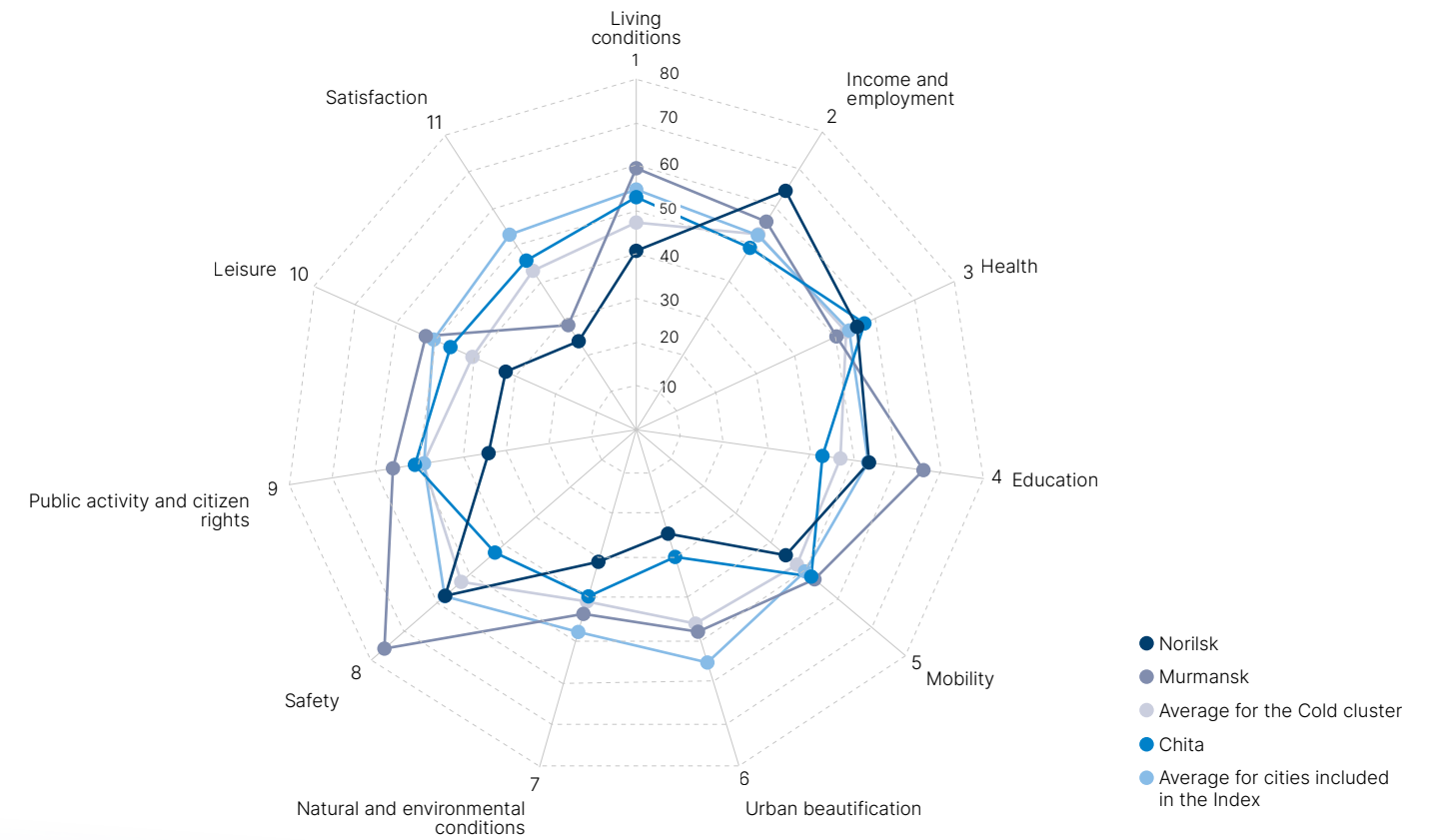
maintains an ongoing dialogue with local communities through surveys, negotiations, conferences, forums, meetings, working sessions, joint task forces, and standing committees.

In 2023, Nornickel's key programmes aimed at improving the well-being of local communities included

[World of New Opportunities charitable programme](#)

Plant of Goodness corporate volunteering programme (for more details, please see the [Corporate Volunteering section](#))

programmes to support sports and fitness (for more details, please see the [Sports Sponsorship and Sporting and Mass Public Events Programme subsections](#))

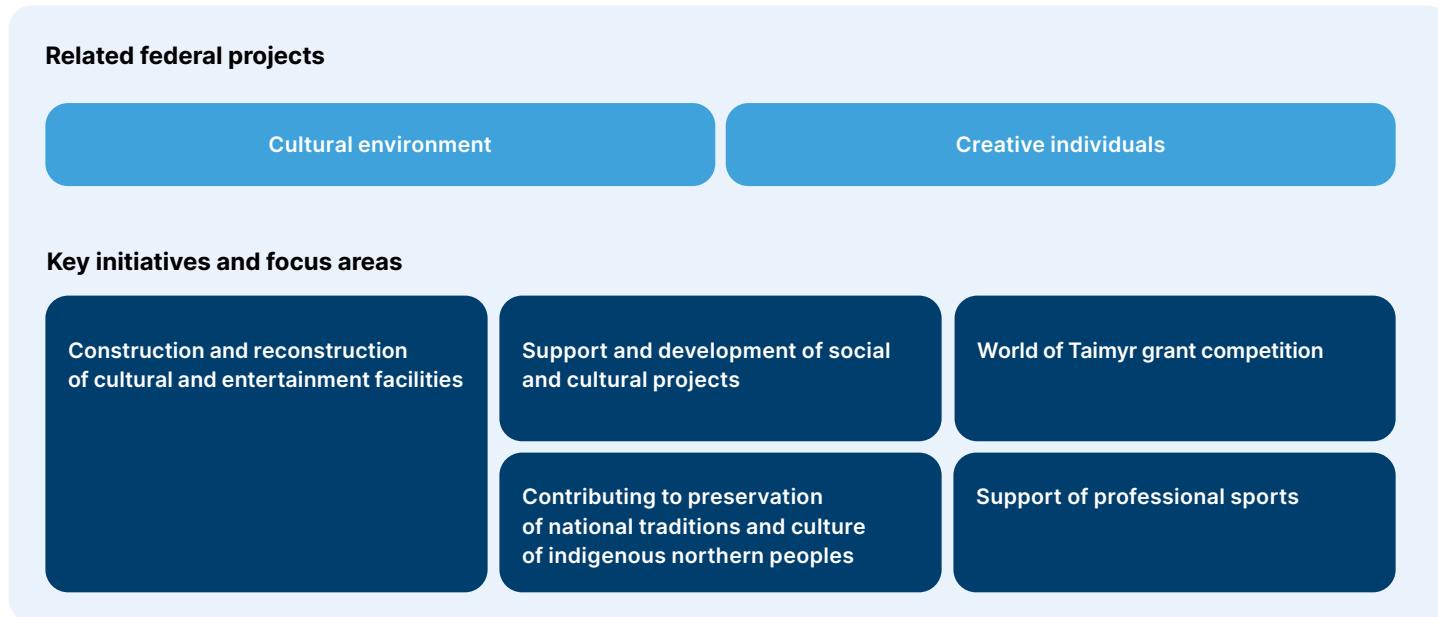


In 2023, the [City Life Index](#) developed by VEB.RF and its partners included 218 Russian cities, with assessments covering 11 focus areas and calculations made for more than 300 indicators.

Improving the city life index is one of the KPIs set out in the Company's Sustainable Social Development Strategy.

Nornickel's contribution to Russia's national projects

Culture national project



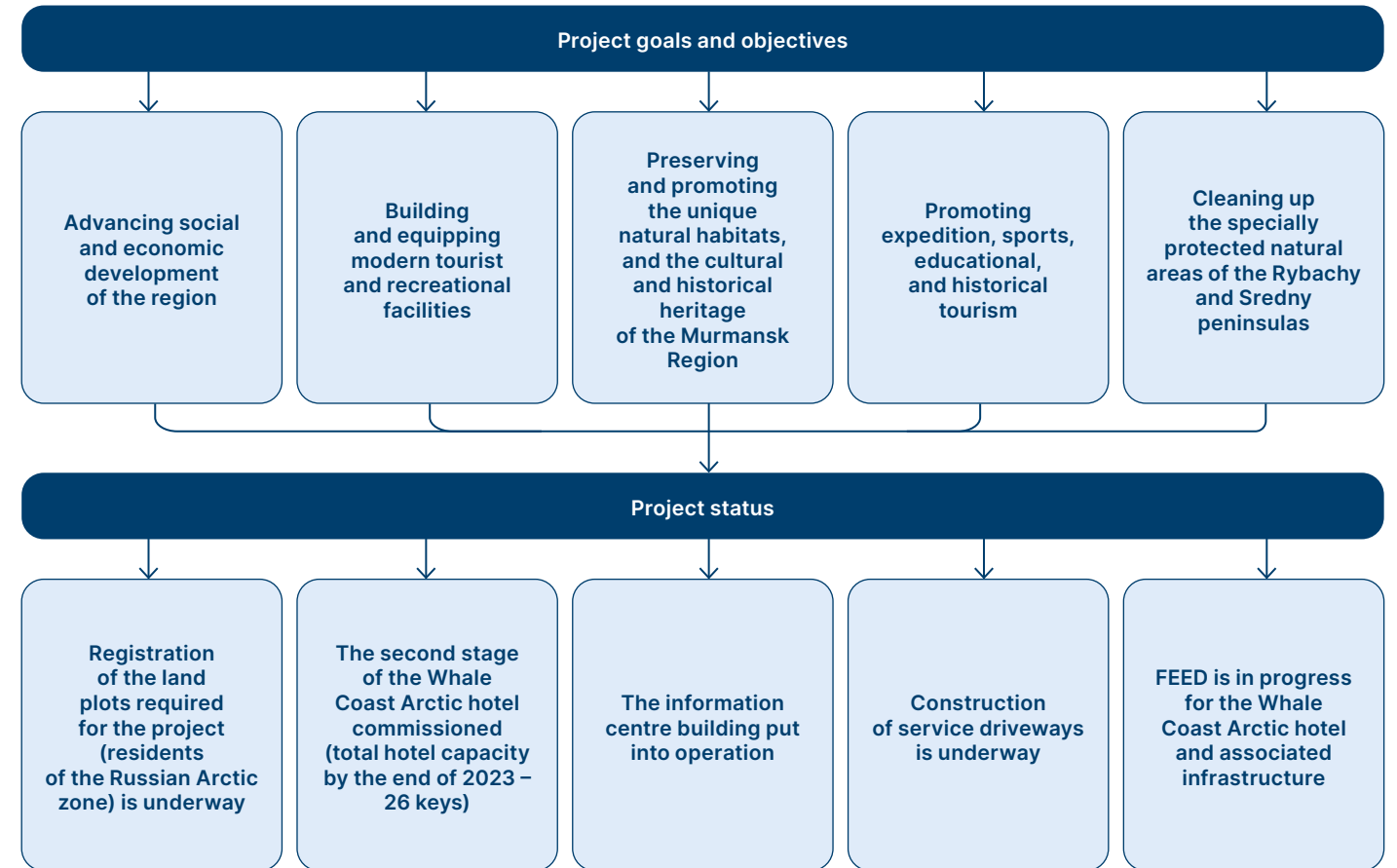
Tourism and Hospitality Industry national project



¹ For more details, please see the [Social Policy](#) section

Valla Tunturi and Zatundra tourism investment projects

MMC Norilsk Nickel provides assistance in the construction of the Valla Tunturi tourist and recreation cluster. The central part of **Valla Tunturi** is located in close proximity to the natural areas of the Rybachy and Sredny peninsulas.



The plan is to complete the construction of additional rooms and a bathing facility and commission them in 2024.

Zatundra, another project where Nornickel is involved, focuses on the construction of infrastructure for nature tourism on the Taimyr Peninsula, primarily around the Putorana Plateau. The infrastructure facilities (two tourist locations, namely Neralakh and Lama park hotels spanning an area of over 200 ha with a combined hotel capacity of up to 73 rooms and all required infrastructure facilities, a network of hiking and water routes for nature and expedition tourism, and related

engineering and tourist infrastructure such as piers, helipads, and observation decks) will be located outside the Putoransky Nature Reserve. Zatundra will enable Norilsk residents to pick weekend packages or spend a week's holiday on the Taimyr Peninsula. Visitors to the region will gain access to comfortable tourist infrastructure and services, along with safe routes in the north of the Krasnoyarsk Territory. The hotels will be constructed from environmentally friendly materials and will feature modern water treatment systems and facilities powered by alternative energy sources.

Operating expenditures on the tourism investment projects in 2023

RUB 565 mln

Capital expenditures on the tourism investment projects in 2023

RUB 2.9 bn

World of New Opportunities charitable programme

GRI 203-1, 203-2

We run World of New Opportunities, a charitable programme to encourage and promote sustainable development

of local communities. The programme is designed to improve soft skills in local communities, demonstrate

and introduce new social technologies, support and promote public initiatives, and encourage cross-sector partnerships.

>15,000

people residing in the Company's regions of operations took part in World of New Opportunities in 2023¹

4 dimensions

of the World of New Opportunities programme
DEVELOP!, INVENT!., ACT!., CREATE!

RUB 355 mln

total funding allocated in 2023

DEVELOP!

Goal: support of public initiatives and development of local territories through building partnerships.

School Break educational project

Goal: bringing together all parties involved in the educational process (children, parents, and teachers) to promote development of local communities, and to support student and teacher initiatives.

In 2023, the programme sought to integrate the school into the School-University-Business educational cluster and to significantly raise awareness about urban professions and opportunities in the region:

- as part of the School Break.Urban marathon, school teams developed project ideas for social and urban design and community development, visited non-profit organisations, and communicated with corporate volunteers and the Company's employees;
- the teams presented their ideas during the summer course of the School Break.Urban Academy. The schoolchildren could participate in the business game Battle

of Professions, visit Gipronickel Institute and environmental hubs, and see the creative spaces of St Petersburg;

- teachers from the Murmansk Region were offered an opportunity to do an internship in Moscow.

>30 teams

participating in the School Break.Urban marathon (70 days)

15 teachers

from the Murmansk Region underwent training in Moscow

50 schoolchildren

attending the summer course of the School Break.Urban Academy (10 days)

¹ Participants of the School Break educational project, the IMAKE engineering marathon, and the Picnic family city project.



We Are the City! social technologies forum

Goal: coming together to discuss social issues, share experiences, and present socially significant case studies.

In 2023, the forum was hosted by Zapolyarny. The event featured interactive talk show "Pechengsky District: Develop or Leave?", a workshop, a documentary performance, and a project session on ways to improve life quality in the Pechengsky District. Participants of the Community and Entrepreneurship tracks explored the latest trends in service economy, creative industries and responsible consumption, and studied successful business practices in the Murmansk Region.

>220
participants in 2023

2 key partners

(Pechengsky Municipal District administration and Second School Centre)

2 tracks:
Community and Entrepreneurship

9 forums
held since 2014

We Are the City! picnic

Goal: enabling contacts between city residents, promoting healthy lifestyle, presenting social projects in the realm of responsible consumption and environment.

In 2023, the main theme of the picnic was the wheel of life balance. Participants were offered to visit sports areas (rugby, table football, orienteering)

and take part in creative workshops, silent dance flash mob, watching and discussion of social short films.

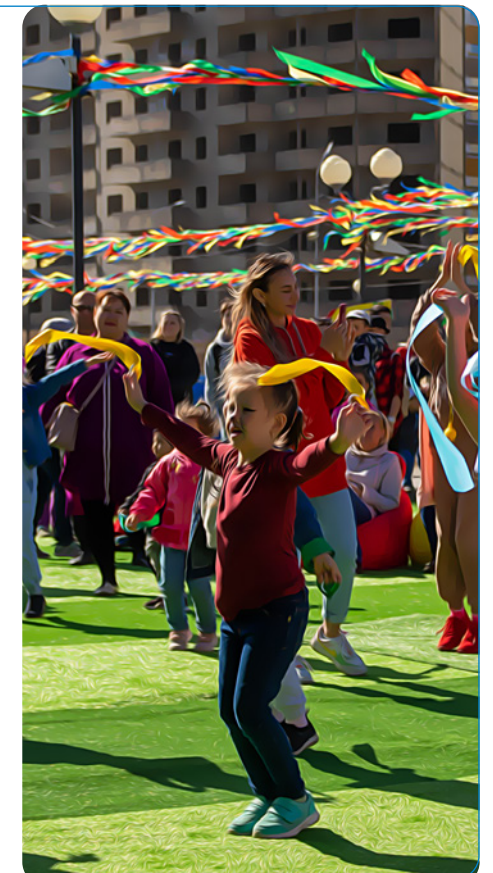
Significant support was given to environmental initiatives, including creation in Monchegorsk of a drop-off point for recyclable materials and equipment that could be transferred to people in need.

11,800
participants in 2023

4 cities

covered by picnic events (Norilsk, Monchegorsk, Zapolyarny, Chita)

20.2 kg
of recyclable materials and
~100
appliances collected



We Are the City! social engineering workshop

Goal: taking participants all the way through from idea generation to project implementation.

In 2023, the Company invited residents of the villages of Lovozero and Krasnoshchelye to take part in the social engineering workshop. During the training session, they learned about the theory of social design, and assessed the efficiency and relevance of social projects developed to address pressing local issues. At the festival of social campaigns (the closing event

of the workshop), participants presented projects such as literary

promenade, motor vehicle exhibition, safe driving workshop, and the first rural karaoke tournament.

57 participants in 2023

2 sessions held in 2023

>120 people attending social campaigns

3-day long learning session

SVET ON youth forum

Goal: providing career guidance for schoolchildren, unlocking their potential and skills.

In 2023, the Company held the first SVET ON youth forum, bringing together schoolchildren aged 14–18 from the Gazimuro-Zavodsky District, Monchegorsk, Nickel, and Norilsk

to participate in educational entrepreneurship, volunteering, engineering, IT, and media technology programmes.

The SVET ON youth forum provides an example of partnership and synergies from the integration of corporate objectives.

>700 participants

4 city venues

4 professional tracks

30 partner organisations



Socially Responsible Initiatives Competition

Goal: supporting public initiatives and facilitating sustainable development across the Company's geographies.

In 2023, the winners of 2022 began implementing relevant public initiatives, with children's groups, career guidance laboratories and classrooms opened,

GEOpark launched, and a fire-fighting station equipped on the shores of Lake Lama.

Additionally, in September 2023, we announced a new cycle of the competition and expanded its geography, with non-profit

organisations from Lovozero (Murmansk Region) taking part in the competition for the first time. The expert review board examined 371 applications and selected 194 finalists.

>3,613 applications submitted since the project's inception (967 applications approved)

>RUB 1.1 bn allocated since the project's inception

371 applications (194 approved) in 2023

9 nominations

World of Taimyr project competition

Goal: creating conditions for the sustainable development of territories where Taimyr's indigenous peoples traditionally reside.

In 2023, the World of Taimyr project competition was held for the second time. Prior to the start, the participants attended onsite training workshops, webinars, and master classes on filling out project applications. The Company joined forces with indigenous communities to develop guidelines

on the principles and logic of social design. The guidelines are available in five languages of the indigenous peoples of the North.

18 winners were selected in 2023, including projects to set up an all-season versatile sports and playground in the village of Khatanga, create a "winter road of life" to ensure safety for snowmobile drivers, introduce sorting of waste and its subsequent recycling, and others.

18 winning projects in 2023

4 nominations

RUB 53 mln allocated for grants in 2023



Travel Grant Competition

Goal: implementing new social technologies and public initiatives in Russian regions, strengthening social partnerships and interregional ties, enhancing professional competencies.

In 2023, participants of the Travel Grant Competition:

- completed internships and further training courses in Moscow, St Petersburg and Krasnoyarsk;

- attended conferences and forums in Suzdal, Salekhard, Yuzhno-Sakhalinsk, St Petersburg and Moscow.

27 applications submitted in 2023 (37 people)

17 applications supported in 2023 for a total amount of RUB 2.5 mln

2 tracks: Internships and Experience Sharing

INVENT!

Goal: fostering of R&D creativity and the spirit of invention.

LIGA IMAKE engineering marathon

Goal: fostering and promoting engineering solutions and projects, unlocking research and creative potential in children and teenagers, shaping up a community of aspiring engineers and scientists.

In 2023, the engineering marathon was held for the fifth time, offering its participants the traditional competition for young inventors, on-site camp shifts in Skolkovo and Vladivostok, invention exhibition IN'HUB Junior. Inventors of the Future,

IMAKE mentor competition for graduates of the Inventors League, and the IMAKE.Mayevka festival of family inventions staged for the first time in Snezhnogorsk and at the Company's Head Office in Moscow for the children of employees. At the end of the reporting year, an IMAKE PRO online course was launched for participants to submit their ideas to the [Socially Responsible Initiatives Competition](#).

Winners of the IMAKE young inventors competition are offered an opportunity to participate in national and international exhibitions and contests. In 2023, young engineers and scientists participating on an individual basis and as part of teams won prizes of the International Young Inventors Awards and PowerTech.

2 thousand schoolchildren from the regions of operation took part in IMAKE in 2023

3 silver and 2 bronze medals won by LIGA IMAKE representatives at the International Young Inventors Award (IYIA 2023)

1st place – to the schoolchildren from Monchegorsk and Norilsk at the international PowerTech 2023 competition

2nd place awarded to the North team from Norilsk

ACT!

Goal: growing service economy, improving business climate and creating opportunities for the development of small and medium-sized businesses, including social entrepreneurship.

Business Projects Accelerator

Goal: boosting entrepreneurial initiative, accelerating development of business projects in the regions of operation, and enhancing entrepreneurs' management skills.

For the past ten years, businesses have benefited from educational courses made available to them in various formats, as well as loans issued for small business development.

In December 2022, the Company and the Business School of the Russian Union of Industrialists and Entrepreneurs launched a five-month educational programme for entrepreneurs and non-profit

organisations. 15 business projects made it to the final investment session in April 2023, with nine selected as winners. RUB 49 mln and RUB 20 mln worth of interest-free loans were issued to support nine projects in Norilsk and eight projects in the Murmansk Region, respectively. These funds will be used to implement initiatives in the fields of healthcare (aesthetics clinic, dental centre), tourism (local tourism agency, expansion of tourism services), and service provision (equipment and machinery repairs, barbershop, catering establishment).

In November 2023, Nornickel's Polar Division launched an acceleration programme for the school and university students of Norilsk. The programme includes theoretical and hands-on training courses, which are held from November 2023 to April 2024. The best startup projects will receive financial support in the form of grants from Nornickel's Polar Division.

17 business projects financed in 2023 (out of 130 submitted projects)

RUB 69 mln of interest-free loans issued in 2023

CREATE!

Goal: creating infrastructure for advanced development of service economy.

To achieve the above goal, relevant initiatives are grouped into four focus areas (business and investment, development and urban environment, tourism, social and cultural projects) and implemented by territorial development institutions, including Norilsk Development Agency, Second School Centre for Community Initiatives in the Pechengsky District, and Monchegorsk Development Agency.



Norilsk Development Agency

Business and investment

Supporting investment projects, including residents in the Arctic zone of the Russian Federation

27 projects supported by the Agency have the Russian Arctic residency status

RUB 2.5 bn total investments

106 new jobs actually created by 2023

RUB 250 mln actual investments

517 new jobs

As at the end of 2023, Norilsk Development Agency was supporting 72 investment projects, 27 of which have the Russian Arctic residency status.

In 2023, the Russian Arctic residency status was assigned to investors who initiated projects to recycle rubber tyres, build a gravel factory, create a municipal

snow dump, and open a fitness centre and a tourist base with berths for small boats and temporary accommodation for tourists in Norilsk.

Developing the Concept of Sustainable Waste Management in Norilsk and Taimyr

In 2023, Norilsk Development Agency engaged scientists and experts to draft a Concept of Sustainable Waste Management in the Taimyr and Norilsk hi-tech zones of the Krasnoyarsk Territory. The concept sets out measures for environmental awareness-raising campaigns, process solutions for building an eco-industrial park in 2025–2026, and draft regulations and expert recommendations. A prospective land plot for the eco-industrial park was agreed with the local authorities, with engineering surveys required for further project completed.

Promoting tech entrepreneurship among youth

In 2023, the Polar State University and IT-cube.Norilsk partnered to establish a Centre for Digital Competencies at the Norilsk Industrial Engineering and Service College. 500 people joined the Polar State University's Tech Entrepreneurship Accelerator, with a total of 50 projects developed. IT-cube.Norilsk's startup school for children was attended by 30 kids.

Catering Development Strategy for Norilsk

In partnership with the Gastronomy Institute of the Siberian Federal University and Norilsk's culinary community, the Agency drafted a Catering Development Strategy for Norilsk to identify promising restaurant business concepts, effective models for the transfer of educational technologies, and approaches to building a local gastronomic brand. In the reporting year, the Gastronomy Institute provided training to 15 restaurant teams (56 people), with restaurateurs starting to develop five new projects. There are plans to create a gastronomic hub at the Norilsk Industrial Engineering and Service College.

Supporting entrepreneurship in Norilsk

In 2023, 470 people took part in People Who Do Their Business, a business forum hosted by the city of Norilsk. As part of this business event, 308 entrepreneurs attended training workshops and master classes, 17 investors from Krasnoyarsk gathered for a business mission to discuss investment proposals on the development of Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District, and 10 designers contributed to a creative hackathon organised for Norilsk entrepreneurs.

Development and urban environment

Tower public and culture space

Norilsk Development Agency exercises designer control over the concept and design documents of the Tower public and culture space slated to open in 2024. In 2023, a series of training sessions on managing public spaces were held to build the Tower team and select space management formats. As part of the trainings, participants could visit creative and public spaces across Russia. Once the sessions were completed, 20 participants prepared and submitted their final presentations to the competition commission, which selected seven people who would join the Tower team.

Launching Norilsk 2035, an interactive platform on Norilsk renovation

2023 saw the launch of the Norilsk 2035 web platform, an interactive 3D map of Norilsk showcasing models of all residential buildings, social and cultural establishments, and other existing structures and facilities planned for construction, reconstruction and improvement by 2035

➔ For more details, please see the [Digital Technology](#) section.

Driving urban improvements in Norilsk

In 2023, the Agency supported the following projects:

- development of a concept and cost estimates for upgrading the architectural lighting and landscape facilities of October Square and the adjacent area, and for beautifying the embankment of Lake Gorodskoye;
- renovation of buildings and installation of architectural lighting on Mira Street; bringing 12 entrances in line with a uniform design code (in collaboration with partners);
- installation of the Arctic Sun mosaic panel in celebration of Norilsk's 70th anniversary (winner of the Best for Life Design Awards in the Preservation of Cultural Heritage Preservation category);
- development of sketches and a project for the beautification of Kayerkan's Youth Centre in collaboration with local schoolchildren and youth;
- completion of a project to modify courtyard spacing on Talnakhsaya and Veteranov streets.



Tourism

Holding At the Heart of Taimyr, a domestic tourism exhibition

At the Heart of Taimyr exhibition focused on tourism opportunities in the region. It brought together over 20 partners who promote regional tourism – local tour operators, souvenir artisans, and food experts. In the span of one week, more than 30,000 residents of Norilsk visited the exhibition.

A guidebook titled “Attraction of Taimyr” was published for the occasion. This book describing over 80 tourism products received special mention at the 10th Route of the Year All-Russia Tourist Awards and won the third place in the Best Tourist Guidebook category.

Holding Arctic Tourism Week forum

During business sessions of the interregional forum in Norilsk, industry experts and professionals discussed case studies on Arctic tourism, tourism master planning, national culture, industrial tourism practices, and organisation of expedition tourism. The discussions focused on support measures for tourism entrepreneurs, and promotion of culinary tourism, R&D excursions, and Arctic cruises.

During the forum, Norilsk Development Agency and the Northern Hydrometeorology and Environmental Monitoring Administration also signed an agreement on using weather stations for tourism purposes.

Launching the Discover Taimyr digital platform

In 2023, the Discover [Taimyr digital platform](#) was unveiled to the public. This online resource provides insights into the unique natural locations of the Arctic tourist cluster, the flora and fauna of the Taimyr Peninsula, and local attractions. The platform aggregates useful contacts and presents all the leisure activities Taimyr has to offer, providing tourists with an online builder to create customised itineraries and get in direct touch with suitable tour operators and guides.

Promoting sports tourism and healthy lifestyle

Sports events held in summer 2023 include **X-WATERS Yenisey extreme open water swimming series** (80 participants from nine cities, over 3,000 spectators from Norilsk and Dudinka), **Norilsk Trail mass run across the rugged terrain and spurs of the Putoranà Plateau and the Kharaelakh Mountains** (150 participants from 19 cities, over 800 residents of Norilsk and Dudinka), and **Depth of Putorana, freediving challenge** organised in partnership with the Freediving Federation (this challenge set a new Russian record on Lake Lama with a 100 m dive beyond the Arctic Circle in the CWT discipline). In 2023, the Agency engaged sports professionals to organise educational courses and training sessions for members of sports communities.

Fostering industrial tourism

In 2023, ongoing collaboration with the Agency for Strategic Initiatives helped provide training for representatives of local industrial facilities under the Open Industry countrywide accelerator. Seven industrial tour guides were licensed in Norilsk, and eight industrial tours were developed. Information about these tours was featured in new episodes of the TV show Travel Ventures. Special attention was paid to creating modern formats for presenting information about local industries. To that end, experts started developing dedicated concepts of information and museum spaces, with initial concepts prepared for Anhydrite mine, Medvezhy Ruchey open pit, and Talnakh Concentrator.

Developing the Schmidt Mountain tourist and recreation area

To deliver on the master plan for the Arctic tourism and recreation cluster, the mayor of Norilsk approved the Concept for Development of the Schmidt Mountain Tourist and Recreation Area. The construction of the longest tourist staircase in Russia (5.6 km) is planned with three covered viewing platforms at different heights. The route includes three thematic areas: palaeontological, historical and sports sections. Artefacts and historical objects are delicately integrated into the route. In 2023, an engineering survey was completed for the prospective tourist and recreation area.

Social and cultural projects

Academy of Creative Industries

As part of the Academy of Creative Industries project, in 2023 the creative space of Norilsk hosted training sessions (with over 50 people trained in creating short films and object design techniques), intensive creativity courses, and presentations of finished works. The platform accommodates 33 residents of the creative community who are not only involved in the manufacturing of local products, but also contribute to the space’s agenda by conducting workshops in related areas (ceramics, painting, fashion design, videography). 2023 saw the opening of a coffee shop offering bespoke drink recipes and a showroom exhibiting works of local artisans and designers. In addition to this, the creative space hosted cultural events, festivals and exhibitions. In total, in 2023 the creative space organised over 200 events in 2023, with attendance exceeding 8,000 people.

High Latitude Forum

Norilsk hosted the first High Latitude Forum attended by the leaders and faculty of educational establishments, representatives of the city administration, cultural institutions, Nornickel, parental communities, and experts. The Forum focused on the positioning and development of Norilsk’s pedagogical community, conscious parenting practices and involvement of families in the educational process, communications, and school environment. During the event, Norilsk Development Agency presented its concept for Dolgikh lyceum, an educational and sociocultural centre of advanced educational practices (currently at design stage).

Arts

Moscow’s Cube.Moscow contemporary art centre hosted an exhibition of works by Norilsk residents titled “Urban Polar Explorers” (5,000 visitors), while GROUND Solyanka, a gallery and a workshop in Moscow, presented 30 limited edition publications by 11 Norilsk authors. Furthermore, the ARcTic street art gallery in Norilsk added three new murals.



Monchegorsk Development Agency

Business and investment

MDA Academy

In 2023, MDA Academy hosted events seeking to attract subsidised financing for implementing business initiatives of Monchegorsk’s aspiring and active entrepreneurs. These events included intensive project-based courses, educational business trainings to enhance competencies, and individual support provided to entrepreneurs all the way through from developing project applications to submitting them to competitions.

In the reporting year, 81 participants completed the educational module, with 42 grant applications submitted for SME support and 8 applications receiving financing.

Arctic Investor

To attract external investments, Monchegorsk Development Agency developed 40 promising business projects to be discussed with potential investors during roadshows and presentations at forums and exhibitions. By the end of 2023, 7 investment agreements were signed, with investments totalling RUB 331 mln (including creation of 70 new jobs).

Business club

Monchegorsk has built a community of active entrepreneurs from the Murmansk Region who seek to develop horizontal ties, create joint initiatives, and enhance their skills. Members of the business club enjoy a wide range of privileges, including reimbursement of certain expenses during offsite club meetings, access to events with a limited number of participants, and additional brand promotion. In 2023, the club was relaunched with a focus on informal meetings and cross-links among its members. The club has more than 100 members, with over 10 meetings held and 2 cross-partnerships established.

Business House online show

The show aims to develop entrepreneurial and leadership skills in the youth of Monchegorsk and the Murmansk Region, to create a community of young entrepreneurs, and to encourage new business projects.

Viewers follow participants in their journey from idea generation to the first profit made, as the show’s protagonists compete for an opportunity to choose the right support for their personal business from several options.

As the first season of the show came to an end, Monchegorsk noted growing interest in business among its young people: in 2022, no applicants in the Business and Investment category were under 25 years old, while in 2023 the situation changed dramatically, with more than 15 applicants coming from the specified age group, including 10 who applied for financial support and four who received grants to pursue their business projects.

Development and urban environment

Design code for Monchegorsk

The design code based on the city brand developed by Monchegorsk Development Agency serves as a tool for regulating the visual aspect of the urban environment. In 2023, regulations were developed for introducing the design code, including new landscaping rules and the architectural and artistic concept. All design code regulations were approved by the Ministry of Urban Development and Improvement of the Murmansk Region and the Council of Deputies of Monchegorsk.

City Dweller School in Monchegorsk

As part of support provided to the City Dweller School’s projects for the creation and improvement of public and courtyard spaces, Monchegorsk Development Agency offers methodological and informational assistance in fundraising for the initiatives of local communities. In 2023, the focus was on the preparation of competition and grant applications, with some projects receiving extensive informational coverage and support from local residents. For example, Kolsky Foundation won a grant for the construction of a new playground near the children’s clinic in 2024. Furthermore, in 2023 significant improvements were made to the design solutions for the beautification of Sergey Brovtsev city park.

Bus route scheme of Monchegorsk

To streamline municipal transit in Monchegorsk, a new bus route scheme was presented. Kola MMC provided assistance in installing six smart heated bus stops, which serve as the testing ground for the new scheme. In 2024, the scheme is planned to be rolled out to the entire public transit system of Monchegorsk. This is partly due to the reconstruction of Revolution Square, which gives priority to the expansion of pedestrian spaces, greening initiatives, and transformation of car traffic.

Tourism

Imandra tourist and recreation cluster

The cluster aims to foster and promote the tourist community in Monchegorsk, while also delivering on infrastructure and tourism projects designed to create a network of waterway routes across Imandra Lake offering a variety of combined use options, including hiking, car, and mountaineering itineraries. Highlights of 2023 included continued implementation of the master plan, making new partnerships (Imandra tours were included in the programmes of regional and federal tour operators), and promotion of Monchegorsk and Imandra as attractive tourist destinations through the Visit Imandra website, loyalty programmes, brochures, and dedicated tours for photographers, journalists and bloggers.

Imandra Fest umbrella brand

The brand is designed to bring together events staged by locals, while also providing them with informational and organisational support to raise awareness among tourists and local residents and take these events to a brand new level. In 2023, the Imandra Fest umbrella brand promoted 16 events of local, regional and federal partners with attendance in excess of 34,200 people. Those events included family festival of Nordic culture Imandra Viking Fest (20,000 participants over 2 days), and X-WATERS Imandra cold-water swimming series (1,200 people at the event’s venue). To promote winter tourism in Monchegorsk, the first ever Zimandra Festival was held in 2023, bringing together 107 local entrepreneurs from the gastronomic and active pastime sectors and attracting over 6,000 guests.

RuTrail marked routes

Development of hiking and walking infrastructure gives tourists an opportunity to plan an independent week-long trip in the area surrounding Monchegorsk. In 2023, the first tourist rest stop was equipped on the existing Viking Trail, along with four art objects and two hardscape elements. The trail was visited by over 10,000 people.



Social and cultural projects

Implementing the Development Strategy for the Monchegorsk Polytechnic College

In 2023, efforts under the Strategy focused on the launch of two flagship educational programmes and e-sports classes, reshuffle of the management team, competence assessment of 75 college employees, audit of digital processes, and organising a series of strategic sessions, educational programmes and trainings.

Implementing the management strategy for the development of School No. 5 in Monchegorsk

In a bid to build a modern educational institution, by the end of 2023 we had completed research on the school's social capital, opened a medical class, added natural science hours to the curriculum, and introduced interactive methods of teaching, goal-setting, planning, motivating and monitoring of preparation for general/unified state exams. The social impact of the project is evident in improved exam performance and increased motivation among students. Additionally, we developed cost estimates for the overhaul of the school building seeking to improve the efficiency of school facilities and to shore up public satisfaction with the quality of schools and situation in the city in general.

Implementing the concept for developing a creative cluster in Monchegorsk

In 2023, in an attempt to give a boost to the creative industry, a digital space was established for the residents of Monchegorsk's creative cluster. This space offers opportunities for scaling, collaboration and building new competencies, with support provided to 24 new initiatives. Additionally, the reporting year saw the development of 13 team projects, some of which were presented at five events of various levels.

The ArtArctica residence contributed to several workshops and the first happening held on the island, while also helping to install new art objects throughout the city. The ArtArctica AR Park mobile app added new modules to enhance customer experience. Furthermore, MDA Academy provided assistance to projects related to the film industry, stand-up, and collaboration with non-profit organisations seeking to obtain grants.

Second School Centre for Community Initiatives of the Pechengsky District

Business and investment

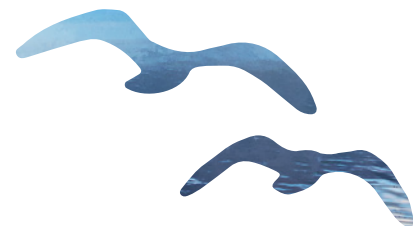
Business Residence

The project aims to promote business and entrepreneurship in the Pechengsky District. In 2023, it featured four key events:

- Self-Employed Entrepreneurs. Path to Tourism (60 participants attended lectures and consultations, and led tours at the Gastro Industry Fest);
- Business Game (five business games held for entrepreneurs from different walks of life);
- Tourist Team-Building (bringing together 31 tourism and service economy experts to create new partnerships);
- Culinary Map of the Pechengsky District (10 teams of restaurateurs developed menus for the Gastro Industry Fest).

Business Goes to School

As part of the project, in 2023, 41 high school students from the Pechengsky District underwent training to develop leadership and communication skills, and 20 teachers got insights into using modern devices in the educational process.



Development and urban environment

Metallurgist Square (Festival Square)

In 2023, efforts continued to beautify the square, with new entrances, an industrial art object (underground load-haul dumper), and recycled plastic benches installed. For the second time, the square hosted the Gastro Industry Fest.

Second School Yard

In 2023, a significant part of the yard beautification works were completed, with pedestrian pathways were arranged, recreational areas put in place, and recycled plastic benches and swings installed. The project is slated for completion in 2024

Programme for Social and Economic Development of the Pechengsky District

The Second School Centre acts as the operator of local development projects under the Programme for Social and Economic Development of the Pechengsky District.

➔ For more details, please see the [Developing Local Social Infrastructure](#) subsection.

Tourism

Gastro Industry Fest

In 2023, the Gastro Industry Fest became part of the Weekend of Mine celebrations, which included Miner's Day festivities in Zapolyarny, and a festival in Nickel with attendance of over 10,000 people from more than 70 cities and towns. The Gastro Industry event hosted première of the film "Pechengsky District from A to Z".

Volunteer Campus

In 2023, the Volunteer Campus focused on:

- cleaning up the Kolosyoki River (579 kg of iron, 1.4 tonnes of car tyres, and 9 kg of plastic removed);
- participating in excursions, lectures, workshops, and SUP training sessions;
- donating a restored icon of St Nicholas the Wonderworker to the Tryphon of Pechenga Church.

Northern Hospitality Volunteers

During a series of meetings involving 61 teenagers from the Pechengsky District, four training sessions were held to raise awareness about various aspects of volunteering and environmental and event tourism practices.

Social and cultural projects

Nikel2Art

This project aims to promote art in the Russian Far North. In 2023, it was divided into three stages:

- creating art objects at the Metallurgist Square;
- organising the now traditional shifts of the art residency – "Nickel. Polar Night" and "Nickel. Polar Day", with a total of nine resident artists participating, five art objects designed, nine workshops and lectures held for 80 residents of the Pechengsky District;
- staging permanent and temporary exhibitions of paintings and art objects at the Nickel Gallery.

Woman of the North. Path to Your True Self

In 2023, the forum was held for the second time, with 80 women attending design, fashion, inner well-being, and communication workshops.

SPORTS SPONSORSHIP

Alongside implementing sports programmes for its employees, Nornickel actively supports sports organisations through sponsorship, providing financial assistance for their development, holding Olympiads, Universiades, and championships,

as well as constructing and upgrading sports facilities, thus fostering mass physical education and sports. Over time, Nornickel's sponsorship for sports has considerably grown in terms of funding value and the range of supported events.

The geography of and approaches to sponsorship are directly aligned with the Company's Sustainable Social Development Strategy.

In 2023, the Company continued with its sponsorship projects in partnership with leading sports federations and associations.

Operating sponsorship expenditures in 2023

RUB **821.6** mln
sponsorship expenditures

RUB **2.1** bn
expenditures to finance sports clubs
(entities part of Nornickel Group)

Leveraging sponsorship and partnership opportunities to improve the quality of corporate projects and events focused on sports and a healthy lifestyle



Enhancing the Company's image by benefitting from synergies between the sponsor and the sponsored brands and building long-term associative connections between the sponsor and the sponsorship projects

Maximising the social impact of the existing partnerships with a focus on the Company's geography in implementing sponsorship projects

In 2023, the vice world chess champion, Ian Nepomniachtchi, visited Norilsk and set several records. He played a simultaneous chess game with eight opponents blindfolded – a challenge he had never attempted before. He also became the world's first person to conduct a chess match at a depth of 700 metres below sea level, specifically in Oktyabrsky Mine.



Sports organisation

Nornickel's support

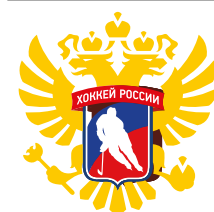


CSKA Professional Basketball Club

Owner and general sponsor

Nornickel sponsors the first, youth, and junior teams of the club. In 2023, CSKA celebrated its 100th anniversary and 20 years of collaboration with Nornickel. Throughout these two decades, the club has made it to the EuroLeague Final Four 17 times, winning the championship four times.

In the reporting year, a friendly match was held between the teams of Nornickel's Polar Division with the participation of CSKA players. With the support of the Company, CSKA presented a book titled People and Legends dedicated to the club's 100th anniversary.



Ice Hockey Federation of Russia

Official partner of the Federation and the general partner of the Red Machine national ice-hockey development programme

Nornickel has been partnering with the Ice Hockey Federation of Russia since 2018. One of our joint focus areas is the development of children's and youth hockey across Russian regions.

In 2023, the fifth anniversary edition of the Red Machine hockey festival was held in the Murmansk Region, an annual training camp was organised in Zapolyarny, and the Sirius Educational Centre implemented an intensive ice hockey programme.



Norilsk Hockey Club

Owner and general sponsor

In 2023, the northernmost professional hockey club in the world was founded in Norilsk. The team made their debut in the 2023/2024 season of the All-Russian Hockey League (VHL) and achieved a notable milestone by qualifying for the VHL playoffs.

Sports organisation

Nornickel's support



NHL Foundation

General partner

The Company participates in several large-scale projects aimed at the development and promotion of amateur hockey. Each year, the number of teams and participants in the Night Hockey League continues to grow. With Nornickel's involvement, new ice rinks are constructed annually.

In 2023, Norilsk hosted the sixth charity match with legends of hockey, featuring the participation of 15 Olympic champions. The match raised RUB 6 mln to support and develop children's hockey in Norilsk, and young athletes benefitted from master classes conducted during the event.

The National Amateur Ice Hockey Teams' Festival held in the Sirius Federal Territory (Sochi) is a traditional event organised by the NHL Foundation.



Norilsk Nickel Futsal Club

Owner and general sponsor

Norilsk Nickel Futsal Club is a professional sports club. In 2023, the club celebrated its 30th anniversary and has been improving its performance every year: the 2022/2023 season of the national championship saw the club secure silver medals, while in the two preceding seasons the team won bronze medals. The club reached the quarter-finals of the Russian Cup in 2021–2023.



Russian Futsal Association

Partner

Nornickel has been a steadfast supporter of the Russian Futsal Association for over eight years. A major element of the partnership between the Company and the association is the Futsal to Polar Schools national project, which brings together 129 schools and more than 11,000 participants from the Krasnoyarsk and Trans-Baikal territories, as well as the Murmansk Region. The project promotes a comprehensive approach to holding futsal tournaments among schoolchildren by making futsal part of extracurricular physical education and recreational sport programmes of educational institutions. It also seeks to provide participants with material and technical support while also offering training courses for physical education teachers to improve their qualifications.



Sports organisation

Nornickel's support



Russian Football Union

Partner

Nornickel and the Russian Football Union (RFU) signed a cooperation agreement for 2021–2023, with the Company becoming a partner to the RFU's development programmes. The agreement entails the implementation of joint projects aimed at developing children's and youth football, as well as promoting and popularising this sport. In 2023, the twentieth corporate futsal tournament of Nornickel and a Football Festival in the Murmansk Region were successfully held as part of this partnership.

Partner



ФШР
Russian Chess Federation

In 2023, Nornickel and the Russian Chess Federation signed a partnership agreement, designating the Company as the general partner for broadcasting the final match of the 2023 World Chess Championship in Russia.

Sports organisation

Nornickel's support



Russian Rowing Federation

Partner

The partnership between the Russian Rowing Federation and Nornickel was established in 2018. In 2023, the Company took on the role of being the title sponsor for the Vladivostok International Regatta in Academic Rowing held during the 2023 Eastern Economic Forum.



ФЕДЕРАЦИЯ
КЁРЛИНГА
РОССИИ

Russian Curling Federation

Partner

In 2023, the Nornickel Curling Cup 2023, an international curling tournament for mixed doubles, took place for the seventh consecutive year at the Taimyr Ice Arena in Dudinka. The event was supported by Nornickel and involved the participation of the Russian Curling Federation. It featured mixed doubles teams from Kazakhstan, Serbia, Belarus, and Russia. Alongside the tournament, there were special master classes conducted by Olympic champions, as well as junior competitions held as part of the Junior Nornickel Curling Cup.



I'm a Champion Sports Academy

Partner

The Company contributes to the development of children's sports, including through its support of I'm a Champion Sports Academy, which boasts 5,000 students. Since 2022, Nornickel has been supporting the academy in organising the Multileague for Preschoolers, the Regional Football Festival, School Cups, the Alexander Tarkhanov Tournament, and a "World Cup" for schoolchildren.



ENVIRONMENTAL PROTECTION

How has the Company's environmental approach evolved over the past 20 years?

Improving environment across the Company's footprint is one of our priorities. To reduce its environmental impact, Nor nickel takes various measures, including upgrade of existing operations, construction of new environmental protection facilities, introduction of modern technical and process solutions, and shutdown of obsolete production assets. The Company is actively implementing its flagship project, the Sulphur Programme, aimed at fundamentally changing the environmental situation in Norilsk and Kola Divisions by reducing sulphur dioxide emissions. The management of impacts on environmental components is reflected in the Environment and Climate Change Strategy, which was due to be updated in 2023.



Nornickel's contribution to the Environment national project

Relevant UN SDGs



The Environment national project is aimed at significantly improving the environmental conditions and delivering a positive impact on the health of people in Russia¹.

Relevant federal projects:

Clean Country (results of Clean Norilsk)	Clean Air
Clean Water	Conservation of Unique Water Bodies
Biodiversity Conservation and Ecotourism Development (results of the Big Scientific Expedition)	Implementing the Best Available Technologies

Key focus areas

	Key projects	Key results
Waste	<ul style="list-style-type: none"> Clean Norilsk Implementation of initiatives and projects contributing to increased waste recycling and treatment <p>➔ For more details, please see the Sustainable Waste Management subsection.</p>	<p>As part of the Clean Norilsk programme, 347 dilapidated buildings were dismantled, over 80 kt of scrap metal and 1 mt of waste were collected and removed, and an area of 4.1 million m² was cleaned as at the end of 2023</p> <p>Direct recycling at the Company's own facility rose by 4% y-o-y to 18.5 mt</p> <p>In 2023, in-house waste disposal remained flat y-o-y at 29.9 mt.</p>
Water	<ul style="list-style-type: none"> Improving the closed water circuit Preventing pollution from entering rivers Cleaning polluted water bodies and their shores <p>➔ For more details, please see the Water section.</p>	<p>In 2023, 83% of all water used by the Company was recycled and reused</p> <p>Total wastewater discharge decreased by 12.5% y-o-y to 147 mcm</p> <p>13.3 kt of wastewater and 1 kt of waste were collected by trash interceptor vessels</p>
Air	<ul style="list-style-type: none"> Sulphur Programme Air quality monitoring and forecasting system <p>➔ For more details, please see the Air section.</p>	<p>Air pollutant emissions reduced to 1.7 mt (down 6.1% y-o-y)</p> <p>In October 2023, the Company launched comprehensive testing of the first line of sulphur dioxide recovery from off-gases generated by flash smelters at Nadezhda Metallurgical Plant</p>

¹ <https://ecologyofrussia.ru/proekt/>

Key focus areas

Biodiversity

Key projects	Key results
<ul style="list-style-type: none"> Big Scientific Expedition Cooperation agreements with the Russian Ministry of Natural Resources and Environment, natural reserves within our footprint <p>➔ For more details, please see the Biodiversity section.</p>	<p>Phase two of the Big Scientific Expedition ended in 2023</p> <p>Two new species discovered by the Big Scientific Expedition</p> <p>Two innovative scientific solutions introduced into assessment of ecosystem health</p> <p>IIEH¹ – a new method for integral assessment of ecosystem health</p>

Technology

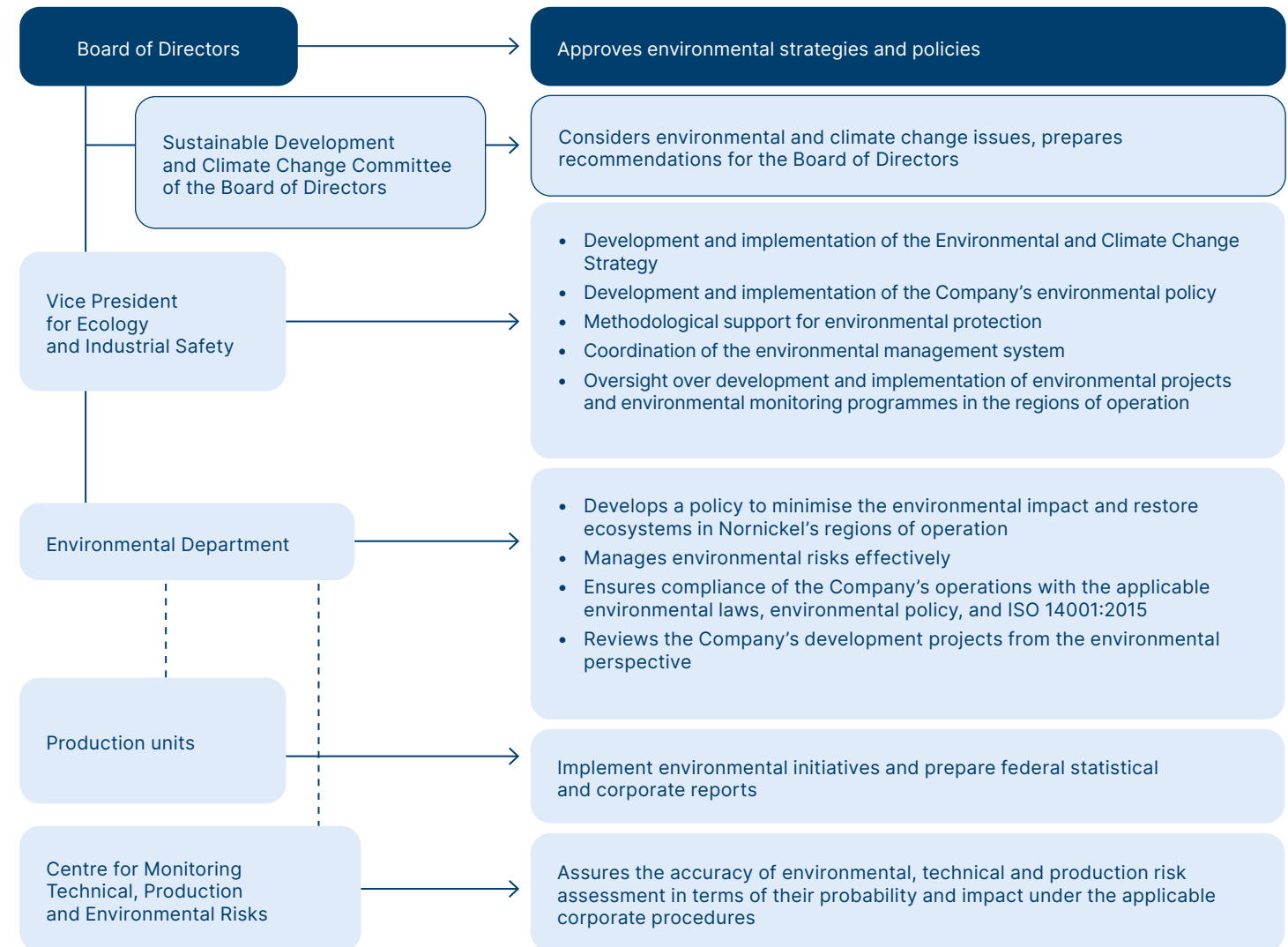
<ul style="list-style-type: none"> Most of Nornickel's projects with a positive environmental effect rely on technological advances 	<p>➔ For more details on innovative environmental projects, please see the Innovation section.</p>
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ENVIRONMENTAL MANAGEMENT

The Company reaffirms its commitment to mitigate and where possible prevent a negative impact on land resources exerted by our production and supply operations.

Nornickel's senior executives and business units are responsible for meeting the Company's environmental obligations, goals, and KPIs. The Company's business units take steps to achieve the goals, comply with statutory requirements, and honour voluntary commitments in line with their competencies.

GRI 2-12, 2-13, 2-14

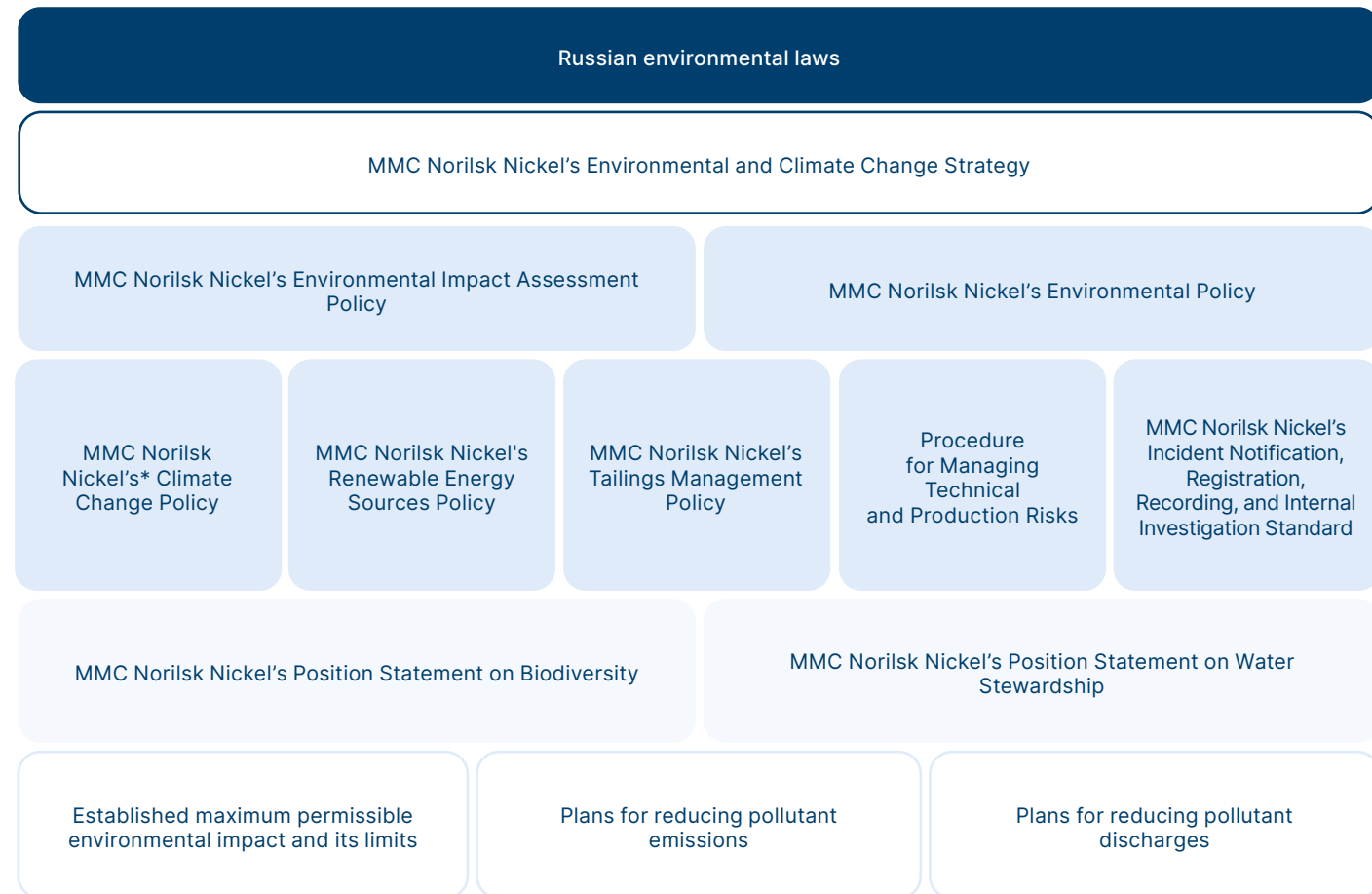


¹ Integral Indicator of Ecosystem Health.

Adopted in 2021, our [Environmental and Climate Change Strategy](#) helps us effectively manage the Company's environmental impact and monitor environmental conditions across our

footprint. Along with the said strategy and division-level programmes, Nornickel put in place dedicated by-laws drafted in accordance with Russian laws and best global practices.

Key environmental management regulations



Key environmental policies are subject to regular updates and approval by the Board of Directors. In 2023, the Board of Directors updated and approved MMC Norilsk Nickel's Tailings Management Policy. The reporting year also saw the Company draft a Procedure for Managing Technical and Production Risks and an Incident Notification, Registration, Recording, and Internal Investigation Standard.

Employees at business units take relevant compliance training in line with annual (quarterly) plans.

When planning our operations and in the course of our production activities, we comply with the applicable Russian environmental laws and regulations. During a state expert review, design documents and results

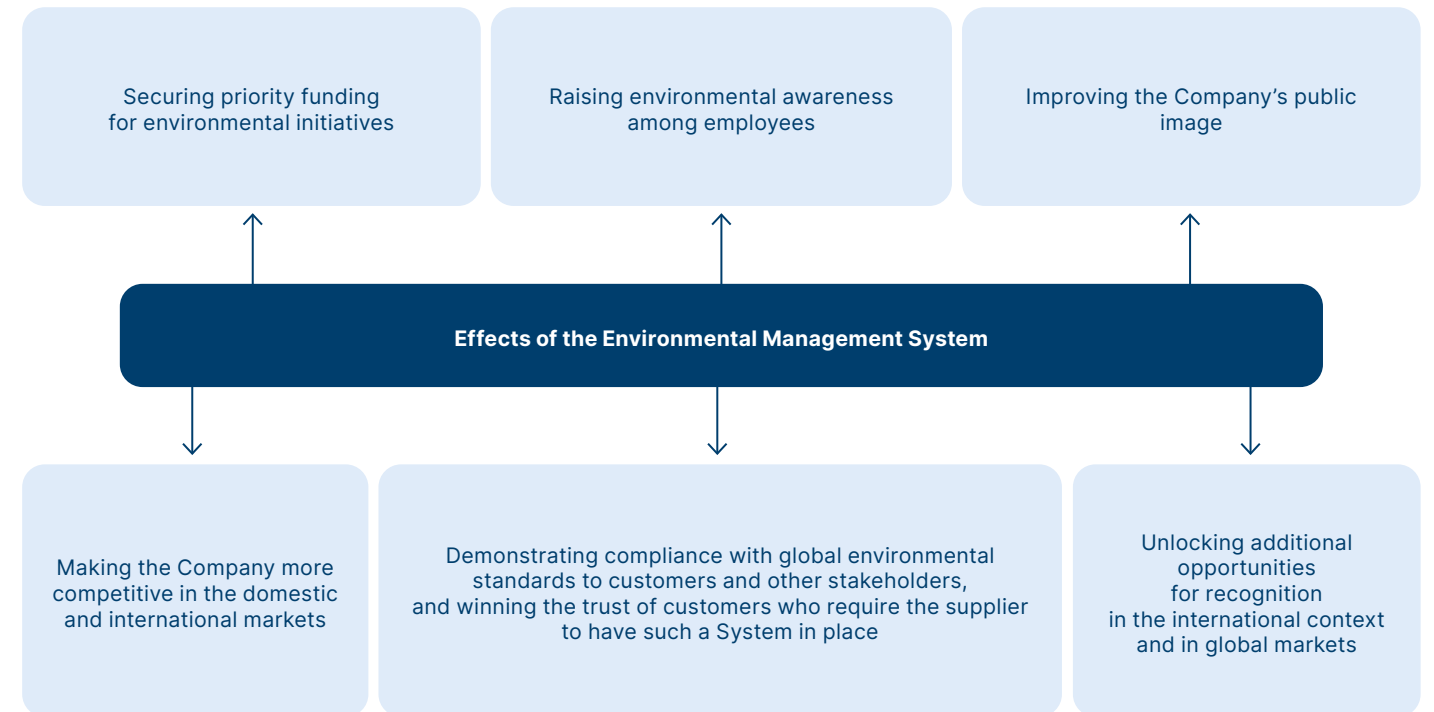
of engineering surveys for all the ongoing projects undergo mandatory assessment for compliance with the applicable laws.

Environmental management system

Launched in 2005, the Environmental Management System (the "System") continued to operate as part of the Corporate Integrated Quality and Environmental Management System

(CIMS), which enables the Company to harmonise environmental and quality management initiatives with operations of other functions (production management, finance, occupational health and safety,

etc.). The resulting synergies translate into better productivity across the Company in general and in environmental safety in particular.



The System is fully compliant with ISO 14001:2015. To confirm compliance, the Company and its business units' pass surveillance and recertification audits.

In November 2023, Bureau Veritas Certification Rus (BVC) held a recertification audit confirming the Company's compliance with ISO 14001:2015. Following the audit, Nornickel received a relevant certificate for the seventh certification period, as it succeeded in implementing, maintaining, and continuously improving the Corporate Integrated Management System.

In 2023, the Environmental Management System targeted the following areas:

- preservation of ecosystems across the footprint of production sites;
- dissemination of best practices in protecting the environment and biodiversity;
- implementing relevant programmes and initiatives, including those aimed at fostering corporate eco-volunteering culture;
- addressing challenges in industrial ecology and improving environmental laws;
- advancing the Sulphur Programme.

Once a year

surveillance audits

Once every three years

recertification audits

¹ MMC Norilsk Nickel, Kola MMC, GRK Bystrinskoye, Norilsk Nickel Harjavalta.

Precautionary approach

GRI 2-23

Nornickel assesses potential impact of the Company's operations. In accordance with its Investment Project Risk Management Regulations, Nornickel analyses risks and assesses impacts and potential consequences using qualified expert review during both project planning and implementation. If the analysis identifies any material risks, mitigation initiatives are developed, and a decision may be taken to abandon the project.

In 2023, to minimise its negative environmental impact, prevent incidents, and strengthen the management of relevant risks, we approved a Procedure for Managing Technical and Production Risks and an Incident Notification, Registration, Recording, and Internal Investigation

Standard effective at MMC Norilsk Nickel and Nornickel Group's Russian business units. The document sets out the procedure for identifying, assessing and prioritising environmental risks, selecting a mitigation method, designing action plans to manage the risks and monitor the management process.

The Company runs day-to-day and major initiatives to minimise environmental risks, analyses their performance, and improves assessment tools.

Environmental KPIs are in place to motivate and encourage a more responsible attitude towards mitigation initiatives.

Stakeholder engagement on environmental issues

Reducing an environmental footprint is included in the agenda of internal and public events.

In 2023, the Company joined the Arctic and biodiversity conservation team of Rosprirodnadzor's R&D Council to share experience with other businesses and strengthen its image of an environmentally responsible business and a leader in biodiversity protection.

In 2023, Nornickel took part in the COP28 UN Climate Change Conference.

As part of agreements with Rosprirodnadzor in 2022, Nornickel exchanged information, received advice on its high-potential investment projects as regards compliance with Russian environmental and resource use laws, and took part in joint environmental initiatives, including the Clean Air federal project and an initiative

to develop and introduce automated metering and monitoring tools for emissions and effluents.

In November 2023, Nornickel and the Siberian Branch of the Russian Academy of Sciences presented the results of the Big Scientific Expedition held in 2022–2023. The Krasnoyarsk Research Centre at the Siberian Branch hosted a round table discussion attended by federal and regional authorities, representatives of nature reserves, researchers, environmentalists, and Nornickel.

➔ For more details on the Big Scientific Expedition, please see the [Biodiversity](#) section.

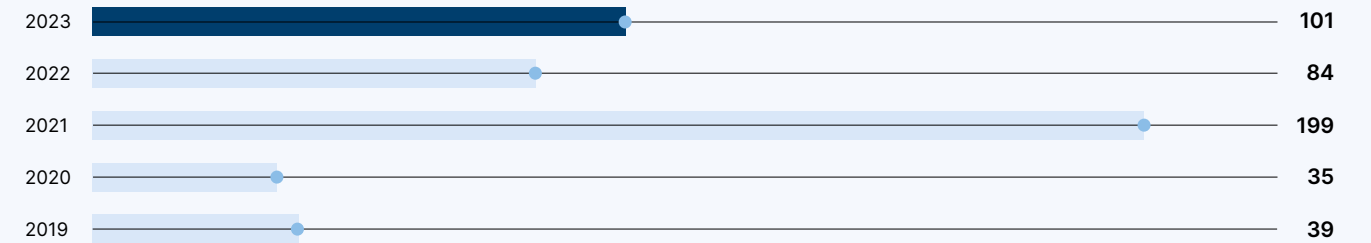
In 2023, Nornickel continued to fulfil its obligations under two agreements signed with the Russian Ministry of Natural Resources and Environment as part of the federal Biodiversity Conservation and Ecotourism Development project, with measures taken to protect gyrfalcons.

➔ For more details, please see the [Biodiversity](#) section.

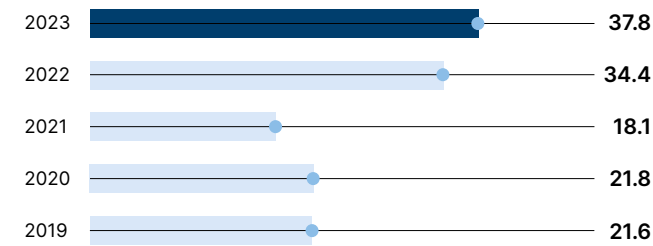
In the reporting year, the Company staged an environmental forum and corporate workshops on environmental legislation and risk management for its employees.

Environmental protection expenditures

Environmental costs and expenditures, RUB bn



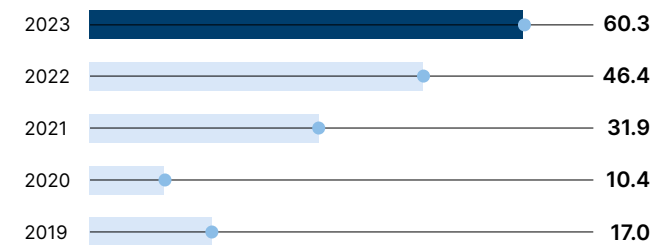
Operating environmental expenditures, RUB bn



A 9.9% increase in operating environmental expenditures in 2023 is due to:

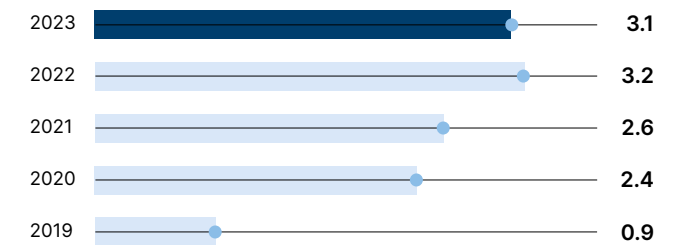
- higher costs and other expenses on the backfilling of mined-out areas as a result of more ore mined;
- scheduled environmental equipment repairs;
- rehabilitation of disturbed land and geological monitoring.

Capital investments to ensure environmental protection and sustainable use of natural resources, RUB bn



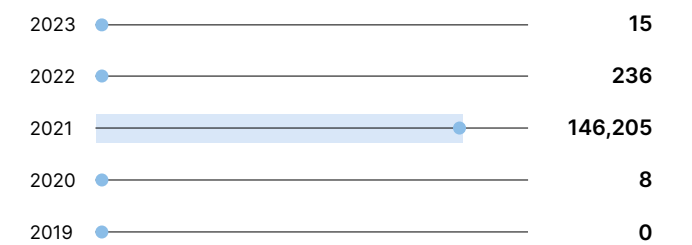
In 2023, capital investments increased due to an active construction stage of the Sulphur Programme, replacement of electrostatic precipitators, and an upgrade at the 4th technological system in the sulphuric acid section of Kola MMC's Refining Shop.

Charges for permissible and surplus emissions (effluents) and disposal of production and consumption waste, RUB bn



In 2023, charges for permissible and surplus emissions (effluents) and disposal of production and consumption waste remained flat y-o-y.

Charges paid by the Company to remedy damages arising from non-compliance with environmental laws (excluding environmental fines) ¹, RUB mln



Charges paid by the Company in 2023 to remedy damages arising from non-compliance with environmental laws are due to the following:

- 1) damage caused to a water body (Yenisey River) by TFC as a result of discharging effluents with pollutant concentrations above the permissible level (Dudinka Oil Depot);
- 2) damage caused to soils by a mining water stream at discharge point No. 170 of Oktyabrsky Mine (Polar Division).

¹ RUB 146 bn paid in 2021 to compensate for the damage sustained by environmental facilities as a result of the fuel spill at NTEC's CHP-3 in 2020.

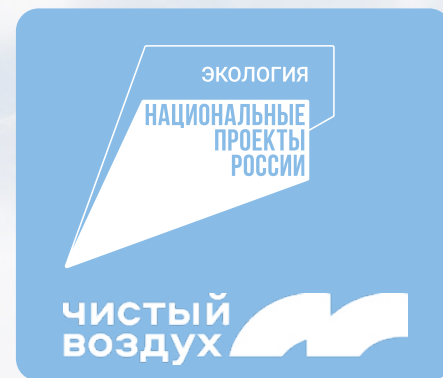
AIR

GRI 413-2



Norilsk Division operations emit over 60 pollutants into the air, with sulphur dioxide accounting for 99% of the total volume. Given this, one of Nornickel's priorities is to cut sulphur dioxide emissions as set out in its Environmental and Climate Change Strategy through 2031.

In line with the Environmental Policy, MMC Norilsk Nickel and its business units undertake to implement strategic environmental projects and initiatives to reduce emissions. Our major effort in this area in terms of scale and funding is the Sulphur Programme, a landmark initiative under the Clean Air federal project (Environment national project).



Sulphur Programme

The Sulphur Programme is Nornickel's large-scale environmental project on sulphur dioxide (SO₂) capture and recovery, which is one-of-a-kind globally. The technology leveraged by the Sulphur Programme involves intermediate production of sulphuric acid with a high rate of sulphur dioxide recovery and subsequent acid neutralisation to obtain gypsum.



The programme envisages a phased reduction of SO₂ emissions in our key regions of operation.

On the Kola Peninsula the programme was completed in 2021,

with Kola Division's SO₂ emissions declining by

90%
vs 2015.

In the Norilsk Industrial District, phase 1 started at Nadezhda Metallurgical Plant in the reporting year, while Copper Plant saw FEED conducted and design solutions adjusted as part of phase 2 to take into account import substitution of technologies and equipment for key facilities.

Progress against the Sulphur Programme in Norilsk Division

On 25 October 2023, the Company launched comprehensive testing of the first line of sulphur dioxide recovery from off-gases generated by flash smelters at Nadezhda Metallurgical Plant.

The integrated project implemented at Nadezhda Metallurgical Plant as part of the Sulphur Programme will run in stages. Comprehensive machinery testing includes the phased launch of core process equipment and sourcing of off-gases from a flash smelter to be recycled into the first batch of sulphuric acid. The startup and adjustment of certain machines, as well as the entire chain of sulphuric acid production and neutralisation, revealed a consistently growing environmental effect of sulphur dioxide recovery.

To confirm that pollutant concentrations went down to the planned level during the phased project implementation, a certified laboratory performed an instrumental measurement of industrial sulphur dioxide emissions, with information on fulfilling the obligations and achieving the emission reduction targets communicated to Rosprirodnadzor's Central Office, the Ministry of Environment Protection and Natural Resources of the Krasnoyarsk Territory, and the Clean Air PMO.

As the project reaches target parameters, the Company will meet statutory requirements on cutting pollutant emissions in Norilsk.

Nornickel's investments in the full implementation of the Sulphur Programme will total RUB 180 bn.

The Company together with the Institute of Economic Forecasting of the Russian Academy of Sciences assessed the benefits from the construction and operation of sulphur capture and recovery facilities for the Russian economy and society, with the following outcomes expected going forward:

growing output of enterprises from allied sectors;	redistribution of additional profits throughout wider economy in the form of salaries for employees, earnings for businesses, and taxes paid to the budget of Russia;	improved environmental well-being and quality of life for local communities (positive trend in public health and lower excess mortality in Norilsk).
an increase in end demand for domestically produced goods;	a positive macroeconomic impact on GDP growth;	

As part of air pollution management efforts, we are upgrading a system to remove dust from gases generated by Kola MMC's Refining Shop and used

in sulphur production, which includes replacing electrostatic precipitators and heat exchangers.

« I have been working at Nadezhda Metallurgical Plant practically from its inception, and I cannot live without my job. I know equipment at our elemental sulphur shop like the back of my hand, and I am eager to share my knowledge and expertise with novices. Nadezhda Metallurgical Plant has a continuous production process.

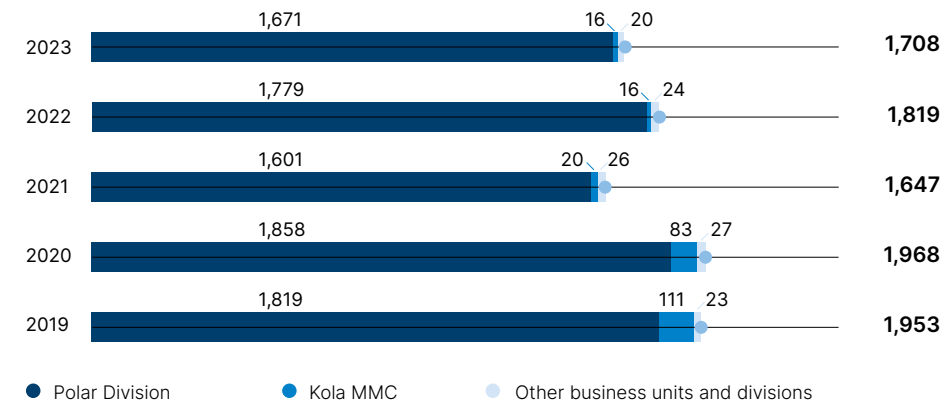
We decided to make commemorative medals the size of a hockey puck from elemental sulphur and inscribe them "Norilsk. Elemental Sulphur Shop No. 1" The souvenir is popular, with around 100 medals distributed as memorable gifts.

Alexander Khokhlachyov,

hydrometallurgical operator, grade 6, Nadezhda Metallurgical Plant, Polar Division of MMC Norilsk Nickel (length of service with the Company – 43 years).

GRI 305-7/ SASB EM-MM-120a.1

Air pollutant emissions, kt

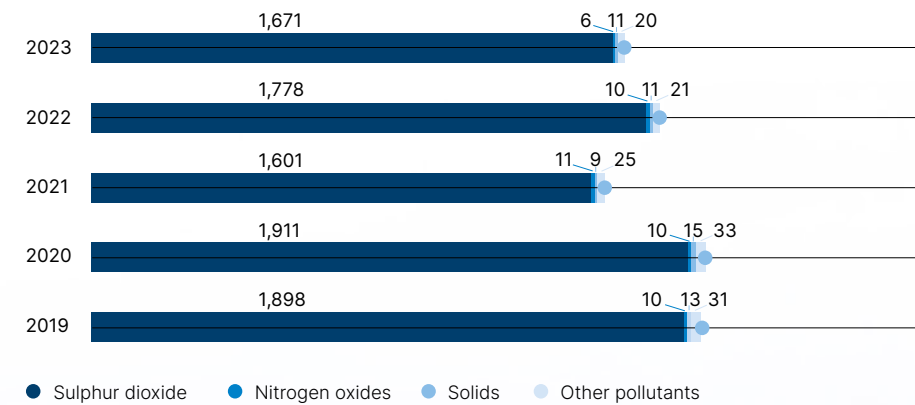


In 2023, the Group's total emissions amounted to 1.7 mt, down 6.1% y-o-y.

The decrease is due to:

- use of low-sulphur fuel at the Monchegorsk site (average sulphur content in fuel oil used at the CHP went down 21% y-o-y);
- lower sulphur content in the concentrate fed to smelting facilities at Polar Division.

Air emissions by pollutant, kt



Use of ozone-depleting substances

Nornickel neither produces nor uses ozone-depleting substances (ODS), except for extremely limited amounts with the following applications:

- a chemical agent for laboratory-based chemical analysis;
- filling and topping compressors in air conditioning units and carbonated water machines that produce water used as a cooling agent for medium- and low-temperature refrigerating equipment.

The Company reports on the use of such substances to the Russian Ministry of Natural Resources and Environment as required.

There were no ODS emissions in 2023.

Air quality monitoring and forecasting system

In 2023, the Company continued to develop automatic monitoring systems for sources of emissions at industrial facilities and piloted air quality monitoring solutions in towns¹ in the real-time mode. In 2024, we plan to put the systems into operation in towns and at industrial facilities.

Stakeholder engagement on air protection

Nornickel is a member of TC-457 Air Quality and TC-409 Environmental Protection technical standardisation committees. We review draft national standards in air protection and technical specifications for gas analysers.

Our representatives sit on the Public Council under the Russian Ministry of Natural Resources and Environment,

Rosprirodnadzor and Federal Service for Hydrometeorology and Environmental Monitoring (Rosgidromet).

We presented our proposals on air protection at the ATMOSPHERE annual international congress, a gas scrubbing R&D conference, and an Environmental Protection in the Energy Industry international R&D conference.

WATER

Protection of water bodies

GRI 303-1, 303-2, 303-3, 303-4, 303-5/ SASB EM-MM-140a.2

In accordance with its obligations set out in the Environmental and Climate Change Strategy through 2031 and the Position Statement of MMC Norilsk Nickel on Water Stewardship, the Company is committed to sustainable use of water resources and prevention of water pollution. In keeping with this priority, Nornickel:

- withdraws water for production needs and discharges wastewater strictly in line with the pre-approved limits;

- never withdraws water from protected areas or bodies included in the Ramsar Convention on Wetlands of International Importance;
- consistently ensures compliance with permissible limits;
- improves closed water circuit;
- assesses the quality of water resources;
- installs treatment facilities.

Key principles of Nornickel's water stewardship:

Complying with applicable national laws and rules

Enabling information accessibility and transparency as regards water stewardship

Working towards water consumption and discharge targets, efficient water use

Adherence to international best practices and requirements of leading sustainability associations

Liaising with government bodies to participate in drafting environmental responsible water protection regulations

No Company's or its branches' operations in waterscarce areas as they are defined in the World Resources Institute's Aqueduct Water Risk Atlas

Proactively engaging stakeholders on matters of external water resource management to support predictable, consistent and effective regulation

Making sure that the employees of the production facilities belonging to the Company and its branches comply with the 2021 Position Statement on Water Stewardship at all stages of these facilities' life cycle

Fostering employee knowledge and skills in responsible water use at our sites and branches, identifying meaningful incentives to stimulate responsible water use



Nornickel's assets are located in regions with sufficient water resources. In 2023, as in previous years, there was no deficit of water resources¹, and sufficient volumes of water were supplied to production sites and local communities.

Nornickel's key production assets have a closed water circuit to make sure water withdrawal remains fairly low. For its drinking, production and process supply needs, the Group uses water from surface and underground sources, as well as from other entities' wastewater and natural inflow.

Wastewater discharges into water bodies do not exceed the pre-approved limits and have no major impact on biodiversity of water bodies and related habitats.

The Company aims to ensure that concentrations of substances in wastewater meet regulatory requirements. All of the Company's divisional programmes provide for appropriate activities to achieve the goals. Wastewater quality is assessed in accredited laboratories from time to time as required by the applicable Russian laws.

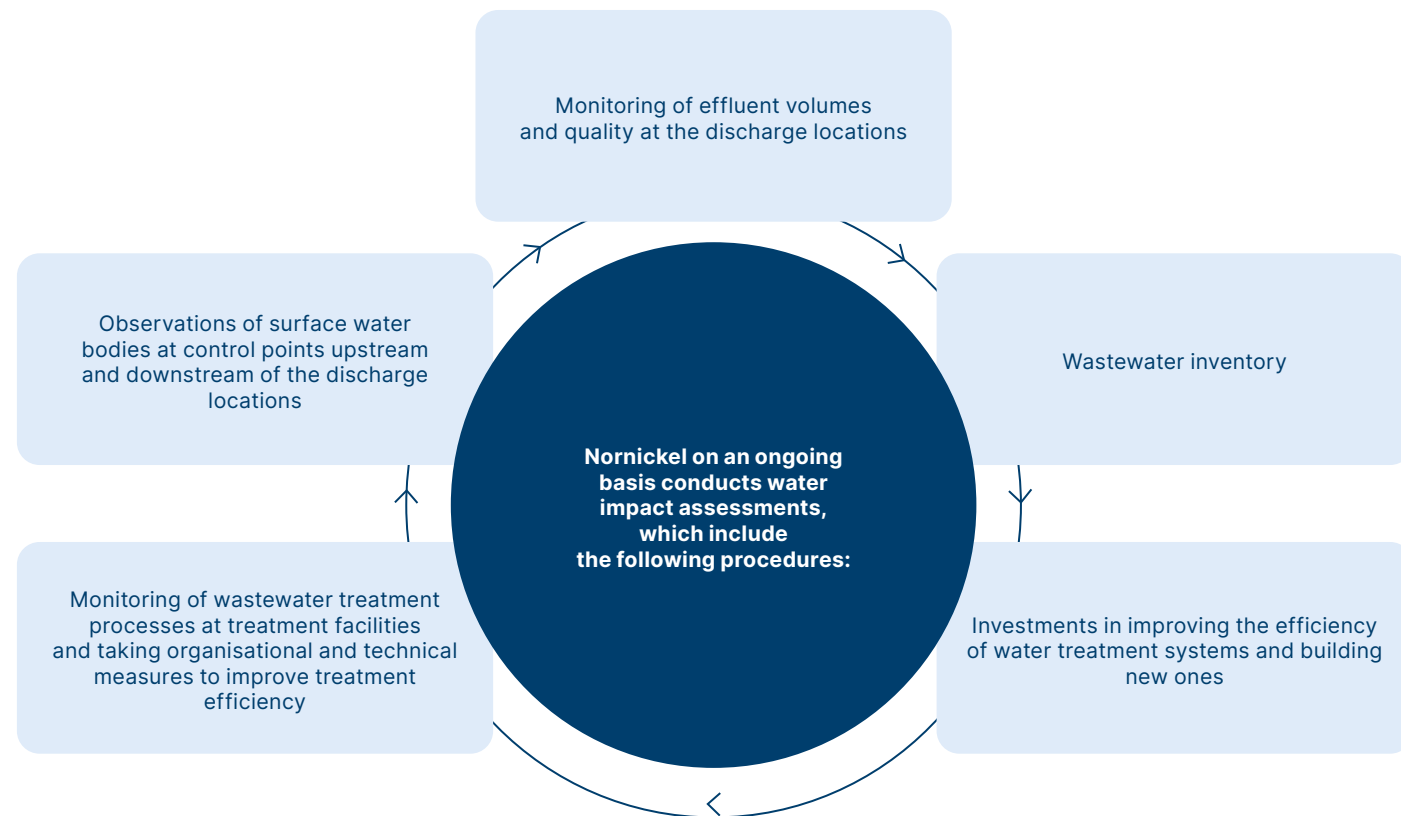
Some production and mine wastewater is sent for reuse in industrial processes (to the concentrator).

All utility wastewater outlets are equipped with biological or physicochemical treatment facilities bringing water released into water bodies in line with the applicable water quality standards.

In 2023, no major impact of Nornickel's operations on water bodies was identified; water withdrawal was within the pre-approved limits

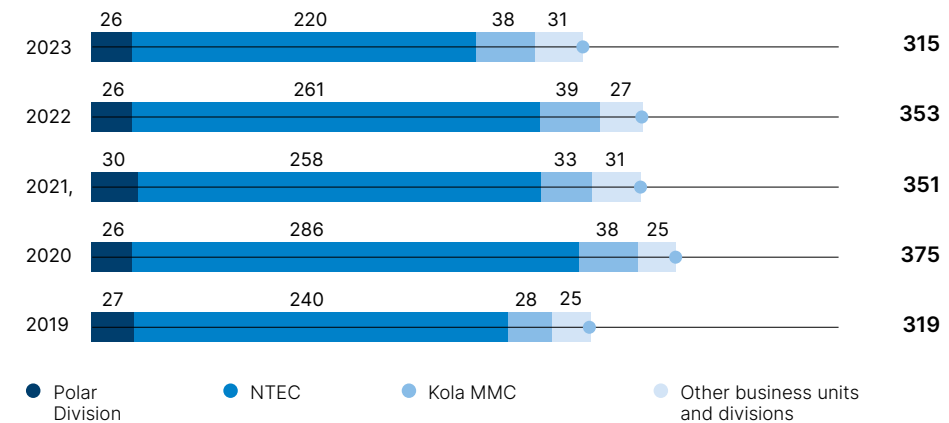
82.7%
of all water used by the Company was recycled or reused in 2023

Management of water stewardship risks



GRI 303-3

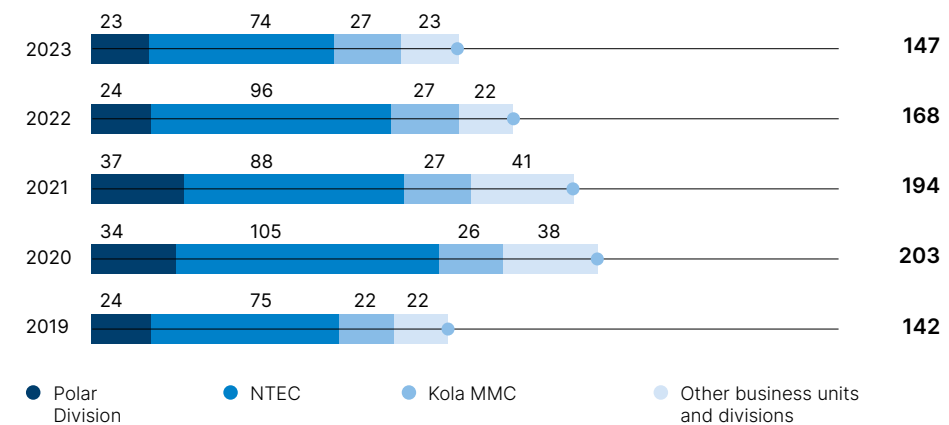
Total water withdrawal from external sources¹, mcm



In 2023, total water withdrawal from external sources declined by 10.8% or 38 mcm y-o-y following the automation of power consumption metering for commercial purposes, water conservation, and reduction in the volumes of withdrawal of water used for CHP equipment cooling. Natural inflow made 16.3% of 2023 water withdrawal. All of the Company's facilities using water implement surveillance programmes for water bodies and water protection zones.

GRI 303-4

Total effluents, mcm



The Russian laws determine wastewater quality requirements, including process limits and maximum permissible concentrations of substances in water bodies used for fishery or cultural and household purposes. Nornickel's wastewater discharges into water bodies are predominantly in line with the pre-approved limits. Effluent discharge in 2023 went down by 12.5% y-o-y.

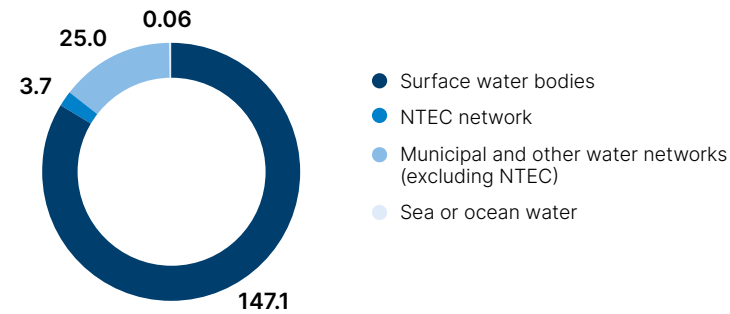
In 2023, pollutants in effluents totalled 157.3 kt, down 25% y-o-y. The list of pollutants in effluents is determined based on the applicable processes.

¹ The methodology to identify water-scarce areas is based on the data of the Aqueduct project of the World Resources Institute and Climate Zoning of the Russian Federation.

¹ Excluding water withdrawn from NTEC. Until and including 2019, the water withdrawal of Polar Division also accounted for the water withdrawal of Norilskenergo (MMC Norilsk Nickel's branch); since 2020, the latter has been accounted for as part of NTEC's water withdrawal. Data includes the natural inflow of mine water.

GRI 303-4

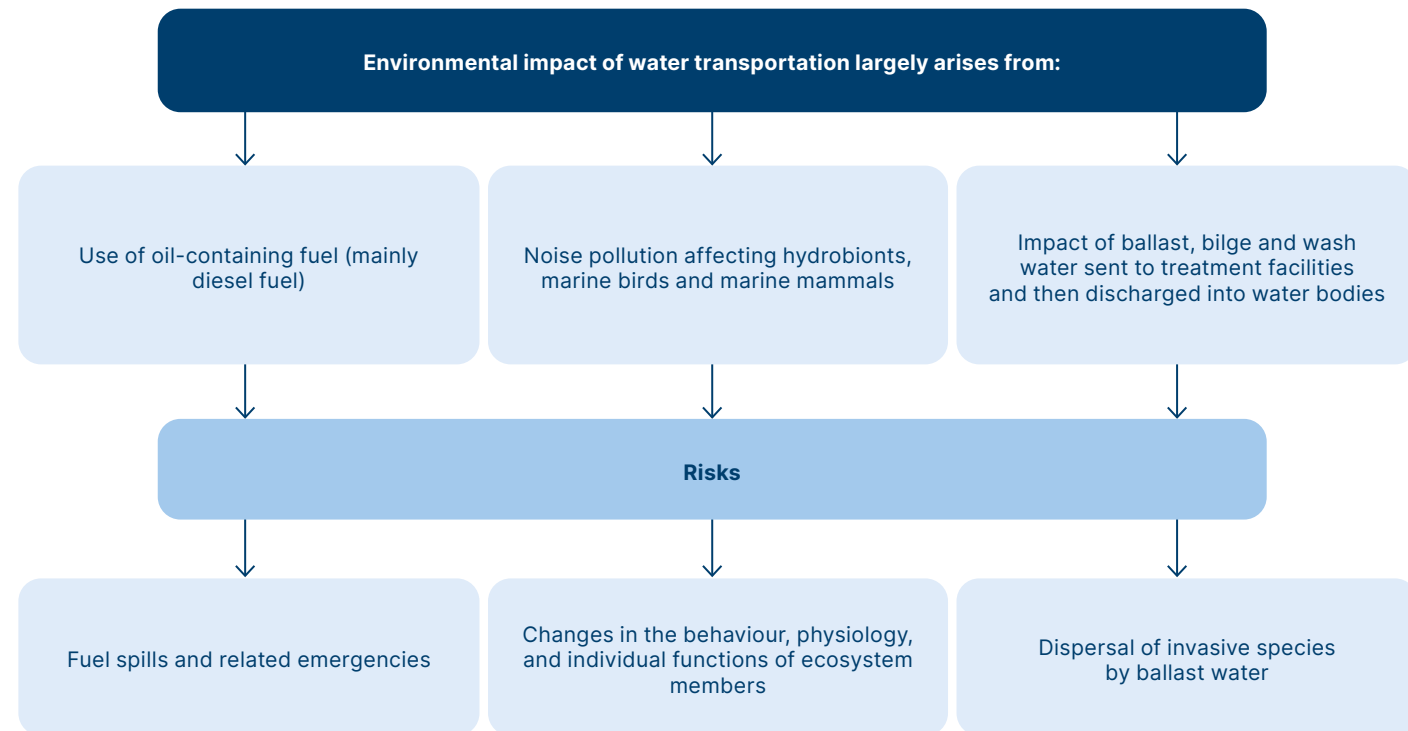
Effluents by destination in 2023, mcm



Impact of transport on water bodies

GRI 303-1

The Group possesses transportation assets, including water transport, the operation of which impacts the environment. Nornickel's impact on water bodies was analysed during the Big Scientific Expedition in 2022–2023.



RUB **4.7** bn
OPEX for wastewater collection, treatment and disposal in 2023

RUB **1.1** bn
CAPEX for protection and sustainable use of water resources in 2023

Risks associated with the negative impact of the Company's transport on water bodies are identified and mitigated within the framework of the environmental risk management system. To respond to such risks, Nornickel implements environmental protection measures and programmes, including those aimed at reducing fuel consumption and preventing contamination of the Dudinka and Yenisey rivers. To compensate for the estimated damage to aquatic biological resources, Nornickel regularly releases juvenile fish.

➔ For more details, please see the [Biodiversity](#) section.

Yenisey River Shipping Company (YRSC), a member of the Group, is one of the main cargo carriers on the waterways of the Yenisey basin. YRSC pays a lot of attention to the condition and technical support of its fleet, as this is a prerequisite for the compliance with the applicable environmental laws on the prevention of water bodies pollution by vessels.

The company implements environmental protection measures on an annual basis, including those implemented in 2023:

- maintenance and operation of environmental protection vessels;
- monitoring of surface water quality in navigation areas in accordance with the conditions of public health protection;
- operation of vessel systems to prevent pollutants from being released into the water;
- industrial environmental control over the condition of atmospheric air;
- employee training in environmental safety programmes.

During every navigation period, the shipping company deploys environmental protection vessels on the Yenisey and Lower Angara rivers:

5
waste collecting vessels

2
treatment plants

2
vessels for complex waste processing

The shipping company's auxiliary fleet provides the vessels with drinking water, and collects and transports pollutants from ships, including rubbish, faecal sewage and bilge water.

In 2023, the company's waste collecting vessels collected a total of **13.3** kt of wastewater

3.8 kt of oil-containing water

>1 kt of rubbish

while also delivering **4.36** kt of drinking water

In the reporting year, the shipping company spent more than **> RUB 343** mln on environmental protection + 15%

TAILINGS AND WASTE

Sustainable waste management

GRI 306-1, 306-2, SASB EM-MM- 150a.10, EM-MM-540a.2

In line with top-priority national goals in waste management, Nornickel seeks to manage waste in a safe way by minimising waste disposal and increasing recycling and reuse as stated in its Environmental and Climate Change Strategy.

We handle waste in accordance with Russian laws which, among other things, require that we maintain records of waste generated, treated, recovered, neutralised, transferred to or received from third parties, and disposed of; these records are aggregated on a quarterly and annual basis.

The Company monitors management of waste throughout its entire life cycle, including waste management by third parties. Contracts for further waste management are made with third parties possessing all necessary permits, licences, state expert conclusions, technical regulations, and specifications.

From 1 January 2023, Nornickel introduced environmental protection requirements for contractors obliging them to abide by relevant standards established both by the government and the Company. The document envisages ongoing contractor

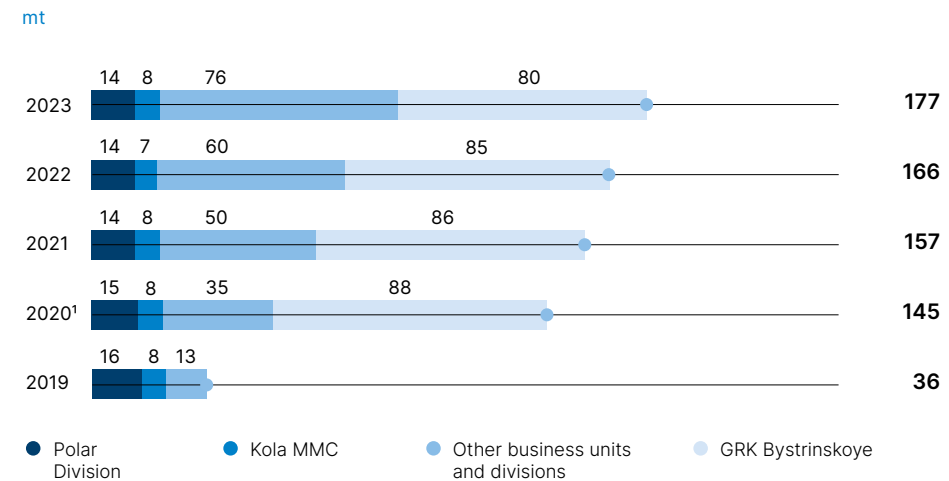
monitoring and sanctions for violating the requirements and damaging the environment. Special attention is paid to amended laws on waste management, use and protection of water resources, and environmental requirements with respect to capital construction projects and their registration.

Waste categorisation

Nornickel operations generate hazard class 1-5 waste.

Hazard class	Waste generation in 2023, t	Share of total waste generation, %	Description
Hazard class 1	20.4	0.00001	Hazard class 1-2 (highly hazardous) waste includes mercury lamps and thermometers, batteries, acids and alkalis used in batteries, uninterruptible power supplies, and oils. As required by Russian laws, Nornickel transfers highly hazardous waste to a federal operator by signing an agreement in the federal state information system
Hazard class 2	47.2	0.00003	
Hazard class 3	8,018.6	0.0045	Waste associated with production or other economic activities, or coming from materials and products that have lost their consumer properties after having been used according to their intended purpose
Hazard class 4	1,595,458.0	0.9	Over 97% of hazard class 4-5 waste is generated by mining and concentration operations (overburden, host rock, and tailings). Mining and concentration hazard class 4 waste accounted for 894.9 kt (100% of tailings), while class 5 waste totalled 171.5 mt, including 29.9 mt of tailings and 141.6 mt of overburden.
Hazard class 5	175,290,849.8	99.1	
TOTAL	176,894,394.1	100.0	

Waste generation



A 6.6% increase in waste generation from 166 mt in 2022 to 177 mt in 2023 is associated with the development of the new Mokulaevskoye limestone deposit.

Contribution to combating contamination with waste

GRI 306-2, 306-4

To foster non-waste production, Nornickel takes the following steps:

- develops and applies in-house waste recovery techniques;
- makes efforts to clean up the existing pollution.



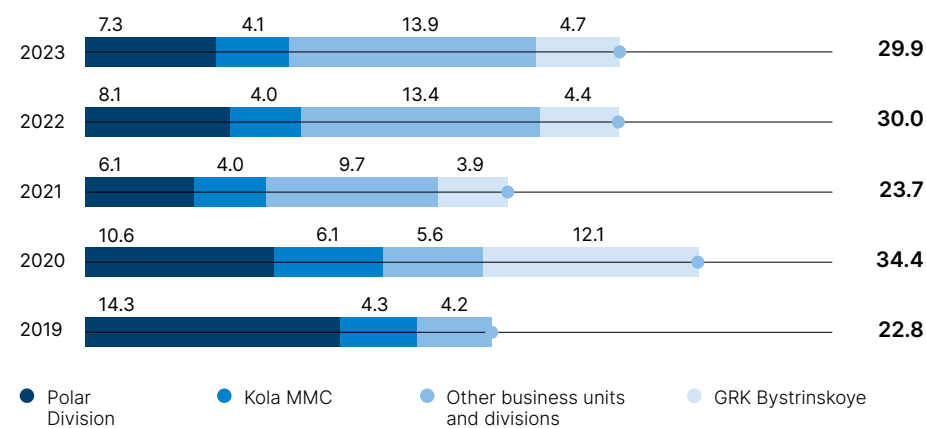
Recovery provides for the economic utilisation of waste and reduction of landfill disposal, which helps minimise adverse environmental impact.

¹ A significant increase in waste generation in 2020 is due to including Bystrinsky GOK in the reporting scope and more feedstock processed.

Key projects and initiatives contributing to increased waste recycling and treatment

Initiatives	Expected effect	2023 results
Building a crushing unit for processing construction waste into certified crushed stone	15% of waste generated by the Company will be recovered	104.5 kt of construction waste is recovered
Constructing a ferrous scrap recycling shop	Ferrous scrap metal processing capacity will be 100 ktpa	Project initiation
Building a non-ferrous scrap recycling shop	Non-ferrous scrap metal processing capacity will reach 2 ktpa	Preparation of design documents
Organising temporary waste storage and treatment sites at Kola MMC in line with the applicable Russian laws	Share of non-mineral waste recycling (other than gypsum and cake waste) at Kola MMC is expected to reach 60% by 2031	Share of non-mineral waste recycling (other than gypsum and cake waste) at Kola MMC is estimated at 58.5%
Processing large tyres and rubber products into crumb rubber / pyrolysis fuel	All of the Company's rubber products waste will be recycled	Project initiation. Funds are allocated to conduct a feasibility study for recycling options

In-house waste disposal, mt¹



In 2023, in-house waste disposal remained flat y-o-y at

29.9 mt

Operating expenditures on waste management in 2023

RUB 26.9 bn

Capital expenditures on waste management in 2023

RUB 0.3 bn

Clean Norilsk programme

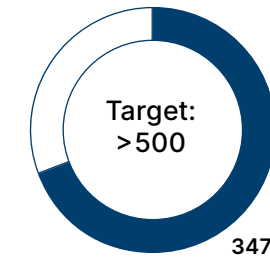
Our large-scale effort to clean up and revamp industrial territories as a way to improve environment in the Norilsk Industrial District and the Arctic, and restore affected and used land to the condition required by environmental, sanitary and epidemiological standards continued in 2023.

The 10-year programme is implemented in stages due to a large scope of works, seasonality, and significant distance between to-be cleaned areas and disposal sites. According to preliminary estimates, investments in the programme will exceed RUB 40 bn, with expenditures on works performed in 2021–2023 totalling RUB 11.5 bn.

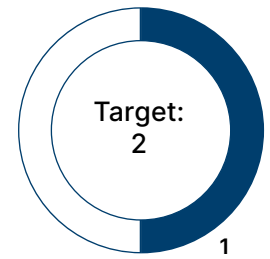
In 2023, along with demolition of abandoned buildings, clean-up, collection and removal of scrap metal and waste, the Company arranged for the biological reclamation of 78.8 ha of disturbed land.

Clean Norilsk goals through 2030 and actual 2021–2023 results

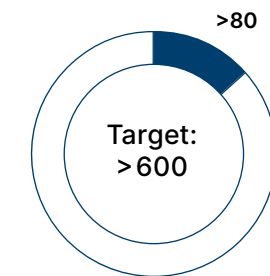
Demolition of abandoned buildings



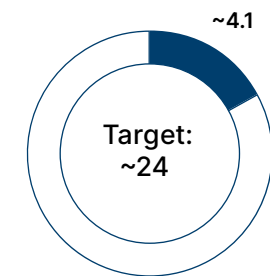
Waste removal, mt



Removal of scrap metal, kt



Clean-up, million m²



In 2023, the programme received a prize as the best environmental project in the Arctic as part of the national contest of best practices in environmental protection called "Reliable Partner in Ecology".

RUB 3.3 bn

Operating expenses under the Clean Norilsk programme in 2023



¹ Medvezhy Ruchey has the biggest share among other facilities.

Waste disposal

SASB EM-MM-540a.1, EM-MM-540a.2

Tailing dumps are assets with elevated risks capable of having a material impact on the environment and local communities. MMC Norilsk Nickel and its business units take steps to ensure safe storage of tailings, regularly monitor the state of hydraulic structures, and inspect discharge locations and adjacent areas. To regulate relevant matters, the Company approved a list of by-laws.

Tailing dumps

The Company currently operates the following tailings dumps:

Division/subsidiary	Number of tailing dumps	User
Polar Division	2	<ul style="list-style-type: none"> Talnakh Concentrator Nadezhda Metallurgical Plant
Medvezhy Ruchey	2	<ul style="list-style-type: none"> Norilsk Concentrator
Kola MMC	1	<ul style="list-style-type: none"> Zapolyarny Concentrator
GRK Bystrinskoye	1	<ul style="list-style-type: none"> Bystrinsky Concentrator

Norilsk hosts a gypsum storage facility as part of the Sulphur Programme, which is currently at the pre-commissioning stage.

Our tailing dumps comply with Russian laws and have all permits along with design and expert documentation in place for the commencement of construction and operation.

Additionally, we developed mandatory safety criteria to operate each tailing dump and had them approved by regulators. At least once in five years,

In 2023, the Company updated MMC Norilsk Nickel's Tailings Management Policy setting out goals, principles, rules, requirements, and restrictions related to the Company's operations to ensure the safe operation of tailing dumps throughout their life cycle. The updated policy was approved by the Board of Directors. In the reporting year,

the regulator (Rostekhnadzor) performs a mandatory audit preceded by drafting a safety declaration for hydraulic structures. The declaration is issued

the Company also continued to draft a standard to operate hydraulic structures at tailing dumps, which will describe, among other things, an approach to and frequency of reporting on tailings management from the section to executive level. The standard will be implemented before the end of 2024.

by an independent expert organisation approved by Rostekhnadzor following an inspection of said structures.

In 2023, an independent company conducted an audit with subsequent reporting on the compliance of tailings management processes in the Company with the Global Industry Standard on Tailings Management (GISTM) for two facilities:

- a tailing dump at Nadezhda Metallurgical Plant (operating facility);
- gypsum storage at Nadezhda Metallurgical Plant (facility under construction).

Tailing safety monitoring

Every facility has a safety monitoring system that encompasses internal production control and environmental monitoring.

For each tailing dump, there is a safety monitoring project for hydraulic structures defining the scope (type) and time frames of such monitoring. Daily visual monitoring is the responsibility of operators, while instrumental measurements (surveying, environmental and hydrogeological control, etc.) are performed in line with project timelines.

In 2023, we started designing an automated monitoring solution for hydraulic structures at three tailing dumps of Norilsk Division (Polar Division and Medvezhy Ruchey). Design completion and implementation of project solutions are scheduled for 2024–2025.

In 2023, we completed inspection of the tailing dump at Kola MMC Concentrator (Zapolyarny). In 2024–2025, we plan to develop a strategy for setting up the tailing dump's analytical situation centre, after which new process solutions will be tested for automating the monitoring of hydraulic structures.

All hydraulic structures are subject to ongoing comprehensive monitoring for industrial safety. Tailing dumps are also inspected for stability by competent independent organisations certified by Rostekhnadzor.

Assessment of tailing dump risks

There are two processes in place to assess the Company's tailing dump risks:

- estimates of potential damage to life and health of individuals, and to property of individuals and legal entities as a result of an emergency at a hydraulic structure. The estimates are prepared at least once every five years, when developing a safety declaration. The document outlines emergency scenarios, assessment of potential emergency risks and negative impact on communities, ecosystems, and critical infrastructure in case of a disaster / dam break, defines the most probable and serious emergency that may occur at a hydraulic structure, and predicts the parameters of a dam-break wave along with flooding and flow spreading boundaries in case of a hydrodynamic accident at a tailing dam;
- assessment of technical and production risks carried out in line with Norinickel's Regulations on Technical and Production Risk Management.

To address tailing dump-related risks, the Company has organisational units and officers providing regular reports to the management. Such units engage qualified and experienced staff.

The Company identifies tailing dumps, reviews the timeframes for decommissioning, and determines the future closure and land rehabilitation costs. Based on the results, the Company calculates the present (discounted) value of future costs, recognising its environmental provision with respect to the tailing dumps.

Preparedness to respond to accidents and emergencies

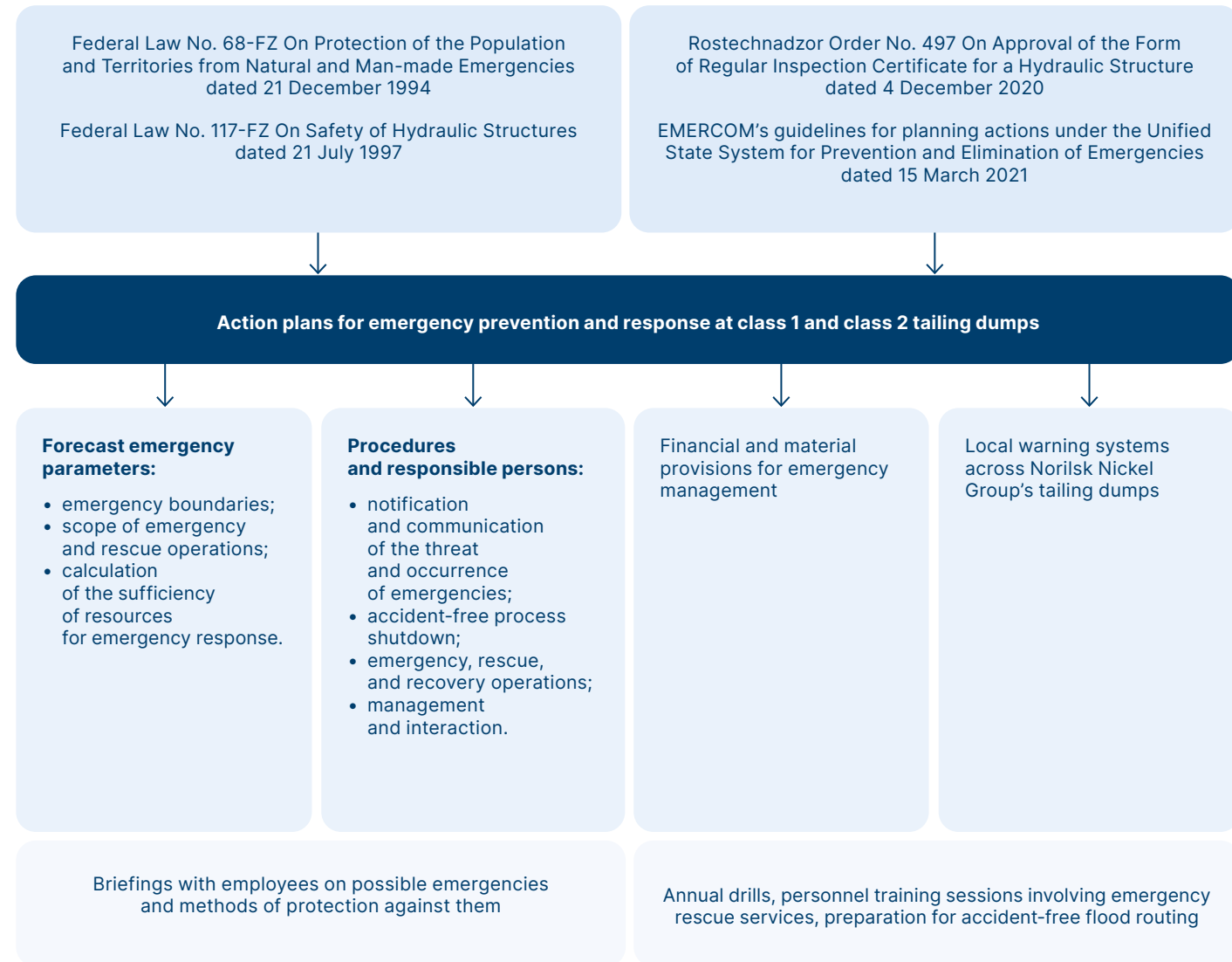
SASB EM-MM-540a.3

Although all tailings facilities operated by the Company and its Russian business units are located far from production sites and residential areas, we view them as assets with elevated risks capable of having a material impact on the environment and local communities.

In accordance with the Russian laws and the principles of responsible tailings management, the Company and Russian business units simulate the occurrence of accidents at tailing dumps. For the most unfavourable and most probable scenario of an accident that can translate into an emergency, the development of an action plan for emergency prevention and response is underway. The plan calculates parameters of such an emergency and describes in detail the emergency response actions of the personnel and rescue teams aimed at protecting the life and health of employees and the public, reducing the amount of environmental and financial damage.

Action plans for emergency prevention and response shall be agreed with the head of local administration on whose territory the Company or a Russian business unit operates, as well as with the heads of professional emergency rescue teams engaged for servicing the facilities. The plans are updated on an annual basis and fully revised once every five years. We also conduct regular training sessions with the personnel and emergency rescue services to practice actions in accordance with the plans.

Emergency preparedness and response system for tailing dumps



All tailing dumps of the Company and Russian business units of extremely high and high hazard class have local warning systems in place for emergency notification of employees and the public. To keep such systems ready for use, daily technical checks are carried out and at least once a year comprehensive checks are conducted with alarms activated.

There have been no emergencies at tailing dumps of the Company or Russian business units over the past five years.

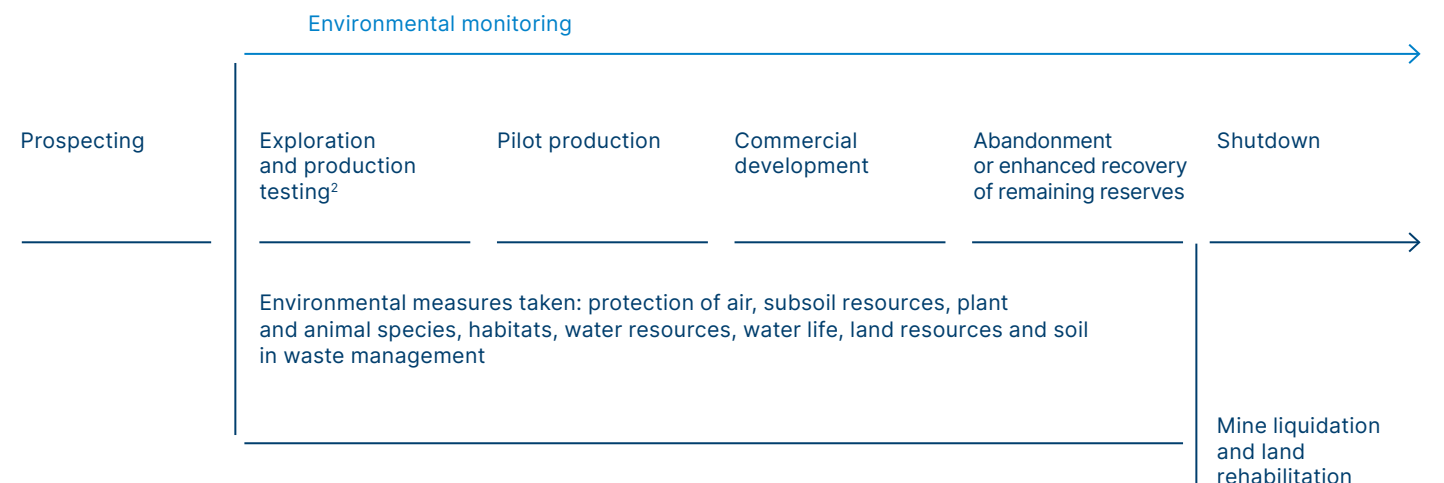
SOIL PROTECTION AND RESPONSIBLE MINING

As a result of field development in the Trans-Baikal Territory, Taimyr and Kola peninsulas¹, waste disposal, construction and other works, Nor Nickel produces a negative impact on land resources, which is mitigated by consistent efforts to rehabilitate affected soils.

In accordance with the Russian law, design documents for the development, construction and operation of fields include an environmental impact assessment, a list of measures to prevent and/or reduce possible environmental impacts and ensure the rational use of natural resources throughout the life cycle of the facility.

The Company complies with all applicable regulations for land rehabilitation and other environmental protection initiatives associated with field development and other operations. Upon completion of field development, the Company commits to restore land plots, liquidate mine workings and rehabilitate lands.

Environmental protection measures taken during the field life cycle



Environmental Impact Assessment (EIA):

- review of layout options and technology;
- environment analysis and environmental impact assessment;
- mitigants;
- monitoring programmes;
- public discussions with local community.

¹ For the full list of fields, please see [the Norilsk Nickel Group Profile](#) section.

² State and public environmental review

Disturbed and rehabilitated land area in 2023, ha

GRI 304-3

Indicator	Total	Including:			
		during mining	during construction	during disposal of solid domestic and industrial waste	during other activities
Total disturbed area, beginning of period	16,905.7	14,169.5	1,192.7	827.6	716.0
Total rehabilitated area ¹	14.5	12.3	2.2	–	0.0
Total disturbed area in the reporting period	297.0	118.0	132.6	46.3	0.0
Total disturbed area, end of period	17,188.2	14,275.2	1,323.1	873.9	716.0

Completion of the restoration efforts at CHP-3

In June 2023, we conducted on-site inspection of the land plots contaminated by the fuel spill in 2020 and disturbed during clean-up activities.

The high quality of the rehabilitation efforts was confirmed by laboratory tests and independent inspections². The main chemical and physical indicators of soil condition meet quality standards and requirements of the Russian laws. The Company's activities have a positive impact on the processes of self-regeneration of vegetation and soil.

NTEC provided a warranty certificate for the work performed and an acceptance certificate for the rehabilitated land setting out improvement requirements (elimination of defects (if identified) during the warranty period and re-inspection in the absence of snow cover).

In July 2023, an acceptance certificate was drawn up for the remaining 27.44 ha of rehabilitated land. By resolution of the Norilsk Municipal Administration, it was established that the rehabilitation of all land plots contaminated by the diesel fuel spill and disturbed during the clean-up activities on an area of 74.96 ha was completed.

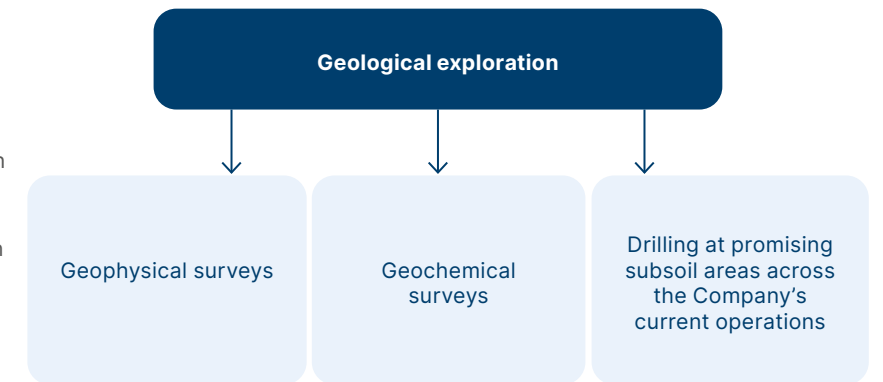


Responsible exploration

To replenish its resource base, Norinickel focuses closely on exploration, including geophysical and geochemical surveys.

Norinickel sees a significant potential for the discovery of new deposits and plans to continue exploration both within and beyond its footprint to unlock it.

In 2023, the Company implemented eleven exploration projects, including seven projects involving field geological exploration with environmental impact (two projects in the Norilsk Industrial District, four projects in the Trans-Baikal Territory, and one project in the Murmansk Region).



Exploration areas of Norilsk Nickel Group in 2023

¹ The table does not include data on disturbed and rehabilitated land near CHP-3. In 2023, rehabilitation was confined to the Krasnoyarsk Territory.

² Trofimuk Institute of Petroleum Geology and Geophysics of the Siberian Branch of the Russian Academy of Sciences and Institute of Soil Science and Agrochemistry of the Siberian Branch of the Russian Academy of Sciences.

³ Licence to use subsoil for the exploration and production of mineral resources was received in 2023 by Polar Lithium, a joint venture of MMC Norilsk Nickel and a partner.

⁴ Field geological exploration under the project is completed, with only desktop studies of the obtained data carried out in 2023.

The Group's exploration activities are subject to:

- various regulations of the Russian Federation covering subsoil use, environmental protection, occupational health, industrial and fire safety;
- internal assessments of environmental protection obligations based on the requirements of applicable laws in various jurisdictions, terms of licence agreements and internal engineering estimates as interpreted by the Company's management.

Environmental monitoring

Each project assesses the environmental setting at the time of starting and completing the exploration. The purpose of the environmental setting assessment is to obtain and record reliable indicators characterising the natural background of the environment prior to the commencement of geological exploration. Such assessment includes analysis of available geological, geochemical, hydrogeological, hydro-meteorological and environmental information, identification of disturbed lands by means of analysing aerospace images and ground routes, sampling of environmental components (soil, surface water, bottom deposits, vegetation cover, background radiation), creating sites to monitor dangerous exogenous geological processes.

As Norinickel seeks to keep ecosystem intact, it avoids exploration at protected natural areas and world heritage sites, and ensures no negative impact on the traditional industries, cultural heritage, interests and traditional lifestyles of indigenous peoples.

The results of the above studies serve as the jump-off point for assessing the environmental impact of geological exploration. Geological exploration is accompanied by annual environmental monitoring, including monitoring of the pollution of surface water, snow cover, environmental components and development of dangerous exogenous geological processes. Based on the monitoring, we make a conclusion on the extent of environmental impact of geological exploration (if any).

In addition, Norinickel monitors environmental quality during geological exploration, which helps make informed management decisions to preserve habitats and ensure environmental safety of traditional trades.

Alongside the monitoring, we implement a set of measures to protect subsurface, soil, vegetation, and water bodies. Upon completion of drilling operations, disturbed land is subject to rehabilitation, including:

- liquidation of drilling sites;
- neutralisation of soil contaminated with fuel and lubricants;
- land levelling;
- bringing sites to a condition suitable for further use according to their intended purpose.

Environmental impact of exploration activities

Activity	Preparatory works: • drilling site layout; • equipment transportation and storage; • construction of storage facilities for chemicals, fuel and lubricants.	Well drilling	Well abandonment and mothballing
Source of impact	<ul style="list-style-type: none"> • Road transport • Exhaust gases of motor vehicles, construction and road machinery • Excavated soil • Materials for site construction and preparation of drilling mud and cement slurries 	<ul style="list-style-type: none"> • Mud mixing unit • Drilling waste circulating system • Chemicals used for drilling and plugging • Waste products (mud spills, slime) • Domestic wastewater • Solid domestic waste • Crossflows inside the annulus and damaged casing string 	<ul style="list-style-type: none"> • Leaks in casing, casing pipes, wellhead equipment • Mineralised water
Types of impact	<ul style="list-style-type: none"> • Physical disturbance of the fertile soil layer, natural landscapes, thermal abuse, degradation of topsoil layers. • Biotic disturbance, changes in the flora and fauna habitats 	<ul style="list-style-type: none"> • Ecosystem disturbance and changes in habitats of certain plant and animal species • Machinery-generated noise 	Ecosystem disturbance and changes in habitats of certain plant and animal species
Object of impact	<ul style="list-style-type: none"> • Fertile soil layer on drilling equipment sites, routes of linear facilities • Flora and fauna, atmospheric air, soil, ground, surface water, landscape 	<ul style="list-style-type: none"> • Flora and fauna, soils, subsoil, surface and underground water, air • Animal and human habitats 	Flora and fauna, soils, surface and underground water, air, animal and human habitats
Environmental activities	<ul style="list-style-type: none"> • Compliance with land allotment standards • Land rehabilitation • Construction of trays and platforms at machinery parking lots • Soil protection measures • Fire safety measures 	<ul style="list-style-type: none"> • Compliance with the requirements for the completeness of the study and use of subsoil • Planning protective measures based on the results of hydrological, geotechnical and environmental monitoring • Well plugging 	<ul style="list-style-type: none"> • Plug and abandonment operations • Rehabilitation

Adverse environmental impact of exploration activities in the course of the above projects was found to be insignificant according to the observations made, which testifies to the effectiveness of our environmental protection measures.

BIODIVERSITY

Biodiversity impact management

SASB EM-MM-160a.1

Zero net losses of biodiversity as a result of production activities is one of the targets set out in Nornickel's Environmental and Climate Change Strategy. We made a commitment to preserve biodiversity, and our efforts in this area are guided by a number of principles presented in the respective position statement¹.



Our biodiversity conservation commitments

Comply with national legislation and biodiversity-related requirements of international standards and associations, to which the Company has publicly announced to adhere	Prohibit exploration and mining activities at World Heritage sites and UNESCO biosphere reserves, as well as in protected areas designated by the national legislation and in accordance with IUCN management categories I-IV	Identify and assess risks to and potential adverse impacts on biodiversity
Develop and follow the mitigation hierarchy (avoid-mitigate-restore-offset) to manage risks to and impacts on biodiversity	Consult stakeholders, particularly indigenous peoples in the Company's operating regions, to enable the efficient assessment and management of impacts on biodiversity	Make efforts to protect ecosystems from the introduction of invasive alien species
Monitor the state of biodiversity	Ensure that any new activities or changes to current operations comply with commitments to protected areas	

Our biodiversity impact management system covers all stages of the project life cycle.

Impact on biodiversity in terms of value chain and life cycle stages

The Company classifies its value chain components as follows:

- mining facilities, including mines and open pits operated by the Group's mining enterprises;
- processing facilities, including mills and factories;

- logistics facilities, including marine and river transport companies;
- energy facilities, including fuel and energy enterprises.

Nornickel's mining, processing and energy facilities are grouped into production clusters that are located in the shared areas and have both an individual and cumulative impact on ecosystems. Due to their technological connection and geographical proximity, it is not

practical to break down enterprises along the value chain into categories when it comes to biodiversity monitoring. Biodiversity impact management relies on the geographical criterion (location of the Group's industrial sites).

Biodiversity conservation issues are also included in the supplier management system as part of the relevant section in the Supplier Code of Conduct, which the contractors are required to follow.

¹ MMC Norilsk Nickel's Position Statement on Biodiversity is publicly available at https://nornickel.com/upload/iblock/988/PJSC_MMC_NORILSK_NICKEL_s_Position_Statement_on_Biodiversity.pdf

Assessment of Nornickel’s impact on biodiversity

GRI 304-1

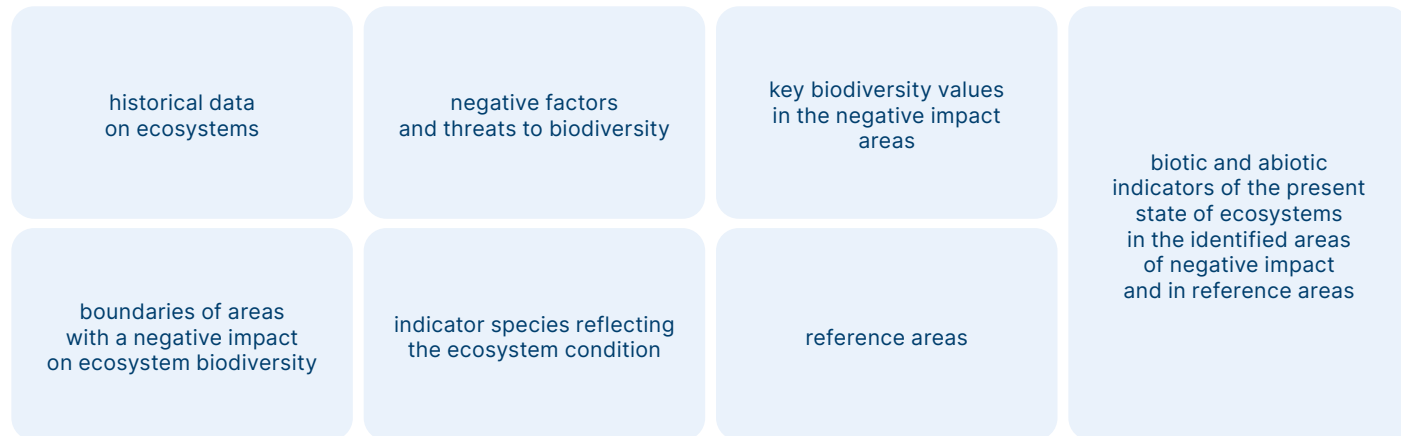
Big Scientific Expedition

Most of Nornickel's mining, production and energy assets have an impact on biodiversity. To honour our respective obligations, we need to obtain scientific evidence on the boundaries, degree, and factors of such impact. To this effect, the Company and the Siberian Branch of the Russian Academy of Sciences

launched a large-scale programme called “Big Scientific Expedition” in 2022. As part of the expedition, we identify the Company’s impact areas, assess the current state of ecosystems within such areas, and measure the degree of impact produced on biodiversity by our operations. Nornickel leverages expedition outcomes to strengthen its biodiversity impact management.

The 2023 Big Scientific Expedition brought together representatives from over 100 research institutes, universities and nature reserves who explored the Taimyr and Kola peninsulas and the Trans-Siberian Territory.

During the first stage in 2022, they studied ecosystems in the areas where the Group companies operate and collected the following information:



In 2023, the second stage of the Big Scientific Expedition started at the Group's operating mining, production, and energy assets¹. Using advanced research methodology (molecular genetics and phytochemical techniques²), scientists revealed the following in the explored area:

- 1,371 species of key groups of organisms (1,039 and 332 terrestrial and aquatic species, respectively) in the Trans-Baikal Territory, 1,524 species of key groups of organisms in the Norilsk Industrial District;

- protected plant and animal species in the Krasnoyarsk Territory, Murmansk Region, and the Trans-Baikal Territory (for more details, please see the [GRI Quantitative Indicators Disclosure](#) appendix).

The 2023 research helped refine the method to calculate an integral indicator of ecosystem health, which serves as a basis for the Company's target biodiversity KPI³.

Biodiversity input collection is ongoing. The studies will take time due to the lack of historical data on ecosystems at facilities operated by the Company for a long time. Nornickel plans to record changes in ecosystems, using deviations of indicators in impacted areas as opposed to reference (undisturbed) areas to assess the effectiveness of initiatives.

The 2023 Big Scientific Expedition discovered two new species. The first is a Synapion beetle called Putoranchik by Norilsk residents and Nornickel employees. From now on, the global science will have a species whose name reminds of the Putoranà Plateau, the pearl of Taimyr. The second discovery is a new species of Physarum myxogastria.

Boundaries of impact areas

In 2023, the Company reassessed previously established boundaries of impact made by its operations. The assessment involved volunteering students and experts from specially protected natural areas cooperating with the Company on an ongoing basis.

Boundaries of impact areas (Big Scientific Expedition)

Divisions	Area and degree of impact, km ²				Maximum	
	Ecosystems	Significant	Medium	Insignificant		
Trans-Baikal	terrestrial	158.2	247.2	545.8	951.2	
	aquatic	196	179.5	233.9	609.4	
Norilsk	terrestrial	394	475	847	1,716	
	aquatic	608.4	591.4	1,613	2,813.2	
Kola	terrestrial	163.7	470.6	1,180.0	1,814.3	
	• Nickel and Zapolyarny sites	aquatic	272.8	368.4	916.8	1,558
	• Monchegorsk site	terrestrial	44.9	201.6	539.1	785.6
	aquatic	142.3	260.4	1,160.0	1,562.7	

As determined by the 2022–2023 Big Scientific Expedition, the most significant changes manifested in the reduction of most of the recorded biodiversity parameters are observed in the area of significant impact of the Company and have clearly delineated boundaries marked as sanitary protection areas.

The boundary between medium and low impact areas is conventional as the differences in biodiversity parameters between these areas are generally insignificant, and a comparative analysis reveals almost no statistically significant differences.

¹ Norilsk, Energy, Kola and Trans-Baikal divisions.
² For more details, please see the [Appendix](#).
³ For more details, please see the [Appendix](#).

Negative impact on biodiversity

GRI 304-2

Along with new boundaries and an integral indicator of ecosystem health, the scientists identified factors having a negative impact on the surrounding ecosystems. The key factors are classified as follows:



Impact on terrestrial ecosystems

- Alienation and the resulting fragmentation of territories¹;
- emissions;
- fires;
- legacy pollution with residual waste material;
- fuel spills;
- dust and noise (for certain groups of living organisms);

Impact on aquatic ecosystems

- Industrial or other effluents with a high organic content or temperature;
- toxic, acidic and organic pollutants coming from the catchment area;
- legacy negative effects of long mining in the form of high turbidity;
- fuel spills;
- one-off heavy floods during spring and summer snowmelt in the mountains, lasting heavy summer precipitation followed, among other things, by chemicals and soil organic matter actively washed away from the containment area.

Key biodiversity values identified in the impact areas of Nornickel's operations²

GRI 304-1

Key biodiversity values in the area affected by Nornickel's operations include protected species, critical habitats, and key biotopes³. For more details

on protected species found in the impact areas of the facilities, please see the [GRI Quantitative Indicators Disclosure](#) appendix.

¹ Division of the habitat into several isolated land plots.

² For more details on species of biodiversity value and their habitats, please see the [GRI Quantitative Indicators Disclosure](#) appendix and the presentation on the Big Scientific Expedition at [Nornickel's website](#).

³ Habitats of rare and endangered plants, fungi, or animal species, or large populations of rare and endangered species; areas of special significance for vertebrate animals' life cycles (reproduction, rearing of young, fattening, rest, migration, etc.).

Norilsk Division

The 2023 in-depth research revealed a Northern spikemoss (*Seleginella selaginoides*), a species listed in some regional Red Data Books, at two sites, and confirmed the existence of habitats similar to steppe-tundra and a high level of plant biodiversity in larch forests and alder thickets with an extensive grass cover.

According to the 2022–2023 research results, steppe-tundra communities previously identified at a single site are typical of the Taimyr zone. It makes no sense to identify critical habitats within the division.

Kola Division

In 2023, no critical habitats were identified within the impact area of Kola Division. There are two state nature reserves whose territories are partly located within the impact areas of Kola Division: the Pasvik and Lapland nature reserves.

The Lapland Nature Reserve was established to protect the western population of the alpine-tundra form of wild reindeer and some ecosystems unique to the Kola Peninsula, while Pasvik seeks to preserve northern pine forests, extensive wetlands of global importance, and water birds.

In accordance with paragraph 16 of the International Finance Corporation's Performance Standard 6 dated 1 January 2012, these territories meet two of the five criteria for critical habitats: 2 (habitat of significant importance to endemic and/or restricted-range species) and 4 (highly threatened and/or unique ecosystems).

Trans-Baikal Division

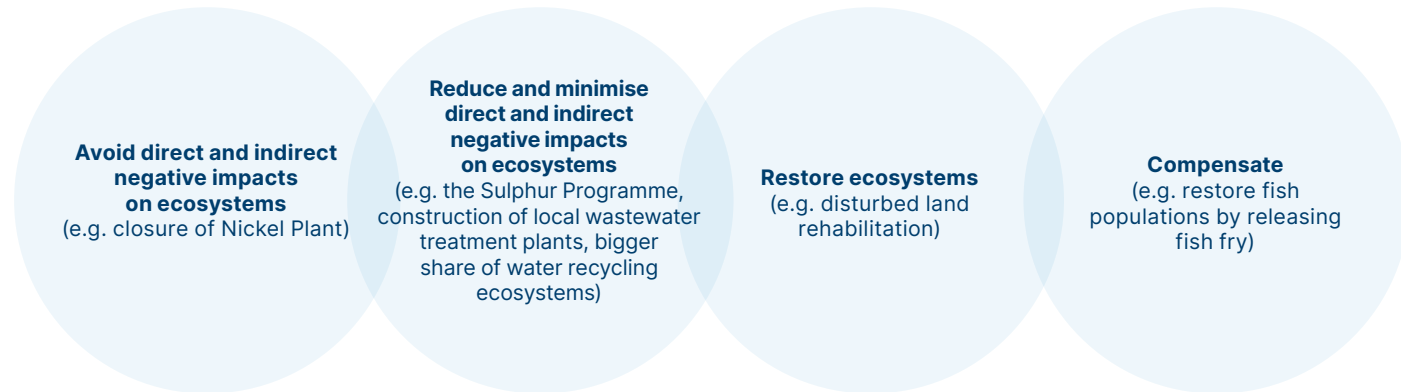
In 2023, no critical habitats were identified within the impact area of Trans-Baikal Division. Adjacent specially protected natural areas can play an important role in conserving and restoring biodiversity in the impact area:

- the Uryumkan Nature Reserve – the studies did not identify a significant impact of the Company's operations on the biodiversity of the nature reserve or its conventional (potential) buffer zone;
- the Borzinsky Faunal Reserve is adjacent to the southern border of Bystrinsky GOK's sanitary protection zone, with part of it constituting a potential impact area. It is impossible to conduct additional studies of biodiversity in this area to assess the degree of impact as the reserve's northern section is very hard to reach due to high swampiness.



Biodiversity conservation efforts

Nornickel is developing initiatives to reduce the pressure on ecosystems taking into account the mitigation hierarchy, i.e. the avoid – reduce – restore – compensate principle.



Avoid direct and indirect negative impacts on ecosystems
(e.g. closure of Nickel Plant)

Reduce and minimise direct and indirect negative impacts on ecosystems
(e.g. the Sulphur Programme, construction of local wastewater treatment plants, bigger share of water recycling ecosystems)

Restore ecosystems
(e.g. disturbed land rehabilitation)

Compensate
(e.g. restore fish populations by releasing fish fry)

Nornickel’s Environmental and Climate Change Strategy groups the above measures into categories depending on natural environments (elements) targeted by mitigating measures.

These measures help reduce indirect impact on biodiversity by reducing an environmental footprint.

The Company goes beyond reducing an indirect impact on biodiversity, implementing additional corrective measures.

Biodiversity-related initiatives in 2023

Bystrinsky GOK

- A reforestation programme with a subsequent three-year care (planting over 224,000 pines on a 112.2 ha plot in the Trans-Baikal Territory in the reporting year);
- a programme for the artificial reproduction of aquatic biological resources;
- a Golden Fox photo contest among employees to raise awareness about biodiversity in the Trans-Baikal Territory

Norilsk Industrial District facilities

- Release of aquatic biological resources (young fish);
- volunteering initiatives to remove waste from ecosystems and improve the environmental culture in communities ([cleaning of Yenisey banks and waterside lake area in the Putoransky Nature Reserve, setting up and maintaining eco-trails, and organising environmental classes, lectures and events for school students](#))

Kola MMC

- Joint research with the Pasvik Nature Reserve on six watercourses of the Paz River basin to describe the state of freshwater pearl mussel and salmon species;
- cooperation with the Pasvik and Lapland reserves;
- consistent efforts to preserve the populations of red-listed species endemic to the Kola Peninsula

Restoring the ecosystem at Lake Pyasino

To rehabilitate the ecosystem at Lake Pyasino, which traditionally served as a fishing spot for indigenous residents, the Company launched a project to increase fish reproduction capacity using an eco-friendly **guanotrophication technology**¹. This is an innovative biomanipulation

technique based on natural processes to restore the ecosystem to the state it was in prior to eutrophication². It takes time to see the effects from technologies building on natural cycles, especially in the Arctic, where nature recovers slower due to specific climate conditions that shorten the growing season. Use of eco-technologies

to repair ecosystems helps avoid the effects of anthropogenic interference in natural biological processes. It will take around seven years of ongoing work to see project outcomes. The second year of 2023 showed an improvement in microbiological parameters of water in Lake Pyasino.



¹ A method to restore the ecosystems of Arctic lakes using guano as a fertilizer.

² Loading water bodies with biogenic elements, which results in higher biological productivity.

Cooperation with specially protected natural areas

Cooperation with specially protected natural areas represents one of the ways for Norinickel to help conserve and restore biodiversity.

As part of collaboration with the Joint Directorate of Taimyr Nature Reserves, Polar Division took a number of steps to protect the Putorana snow sheep. In 2023, the division organised research, including:

- aerial surveys in the western and central parts of the habitat spanning 30,700 km²;
- counting the number of snow sheep, study of their territorial distribution in summer and autumn;
- laboratory chemical testing of soil samples and forage plants, laboratory coprological study;
- review of meteorological data from stations in close proximity to the habitat of the snow sheep for the last 50 years, assessment of the impact climate change had on animals and their habitat;

- interpretation of available satellite images from reference sites covering 114 km², aerial survey of a 11 km² plot with landscape and geobotanical mapping of this reference site, categorisation of snow sheep habitats on this site;
- sample collection (bones, teeth and soft tissues of dead animals) to perform mitochondrial DNA tests.

The Putorana snow sheep is on Russia's Red Data Book and the IUCN Red List.

In 2023, as part of its biodiversity conservation efforts, Kola MMC prioritised cooperation with the Pasvik and Lapland nature reserves. In addition to taking part in the Big Scientific Expedition, experts from these nature reserves monitor biodiversity across impact areas of Kola MMC.

On top of that, Kola MMC supports combined monitoring of wild reindeer and helps grow their population in the Lapland Nature Reserve. The efforts include monitoring and environmental assessment both in the nature reserve

and in the facilities' impact areas, forecasting changes, and substantiating an optimal number of species listed in the Red Data Book to further regulate the population size. 2023 monitoring data revealed no significant deviations in the state of the environment in impact areas and the nature reserve.

The Pasvik Nature Reserve monitors natural ecosystems in the reserve and impact areas of Kola MMC to measure pollutant concentrations in natural habitats and bodies of animals and birds, perform a correlation analysis of mobile heavy metal transfers between ecosystem components, and study biological organisms.

In 2023, the study organised by Kola MMC in the watercourses of the Paz River identified the need to create a specially protected natural area in the Nautsiyoki River to protect a freshwater mollusc species on the brink of extinction due to pearl and nacre hunting. Documents were drafted to create a Freshwater Pearl Mussel Reintroduction Centre.

Red Data Book species found in the Pasvik and Lapland nature reserves¹

GRI 304-4

Indicator	Pasvik	Lapland
On the IUCN Red List, of which	5	100
• Critically Endangered (CR)	0	0
• Endangered (EN)	1	1
• Vulnerable (VU)	2	11
• Near Threatened (NT)	2	6
• Least Concern (LC)	0	82
On Russia's Red Data Book, of which	23	30
• Critically Endangered (CR)	0	1
• Endangered (EN)	2	11
• Vulnerable (VU)	8	15
• Near Threatened (NT)	10	2
• Least Concern (LC)	3	1
On the Murmansk Region's Red Data Books	118	166

In addition to joint work with nature reserves and as part of its efforts to protect certain species, Norinickel's Head Office signed an agreement to preserve the Far Eastern gyrfalcon whose numbers are shrinking due to poachers using these birds as effective hunters.

Together with the Siberian Branch of the Russian Academy of Sciences, we do complex research and introduce

scientific methods of biodiversity conservation to promote global green growth and sustainable development.

Our Head Office supports relevant efforts made by divisions across our regions of operation and integrates best global practices aimed at supporting the attainment of goals under the Kunming-Montreal Global Biodiversity Framework into its day-to-day activities to monitor and conserve biodiversity.

To make its efforts to conserve biodiversity and natural ecosystems more transparent to all stakeholders, we launched a dedicated website at life.nornickel.ru, on which we will annually share the results of relevant initiatives.

¹ The nature reserves are located in a relative proximity to the Kola MMC operations.

CLIMATE CHANGE

How has the Company's climate change approach evolved over the past 10 years?

With a view to facilitating global energy transition and adapting to climate change, the Company has focused on building a corporate climate change management system, investing in environmentally friendly technologies, and upgrading its core production facilities. We also actively engage in international and national initiatives to combat climate change, while also fostering collaborations with various stakeholders.

As early as 2013, Nornickel publicly acknowledged the risks associated with climate change and presented measures to mitigate their adverse impacts. In 2017, we adopted the Renewable Energy Sources Policy. In 2021, the Company established a Sustainable Development and Climate Change Committee under the Board of Directors and approved the Environmental and Climate Change Strategy further updated in 2023. Currently, Nornickel is developing procedures for managing climate-related risks and opportunities. In its pursuit of carbon neutrality, the Company has identified key initiatives aimed at reducing gross greenhouse gas emissions and minimising its carbon footprint¹.



¹ Key steps towards achieving carbon neutrality were approved by the Board of Directors in early 2024.

HIGHLIGHTS AND RESULTS

Highlights and results

7.5 mt of CO₂ equivalent
Actual GHG emissions (Scope 1 and 2)

2.2 mt of CO₂ equivalent
Sulphur Programme GHG emissions provision (Scope 1)

5.1 mt of CO₂ equivalent
GHG emissions, downstream Scope 3

1.3 mt of CO₂ equivalent
GHG emissions, upstream Scope 3

Global Warming Potential (100 years) based on ISO 14044, g of CO₂ equivalent per g of metal¹

Pd —	Pt —	Rh —
28.6	29.2	40.0

Global Warming Potential (100 years) based on ISO 14044, kg of CO₂ equivalent per kg of metal in product¹

Metallic Ni	Ni sulphate	Metallic Co	Co sulphate	Cu cathodes
8.5	2.4	1.9	6.0	43.2

Buildings and Structures Monitoring System project:

>950 facilities connected to the information and diagnostics monitoring system, including:

218 facilities — use automated monitoring

55% Group-wide share of power from renewable sources

12% share of renewables in total power and fuel consumption across the Group

RUB 5.1 bn — expenses to run climate action initiatives²

¹ Group data for 2023, including foreign companies of Kola Division.

² Including energy efficiency and setting up the monitoring system for buildings and structures built on permafrost.

Corporate climate agenda: key results and plans

2022 – results

- Approaches to climate change risks and opportunities assessment developed
- With the support of climate scientists of the Russian Academy of Sciences, climate change modelling performed across the Company's footprint through 2050, key climate change risk factors identified and pilot assessment completed to evaluate their impact on the production assets of Norilsk, Kola, Trans-Baikal and Energy Divisions
- International best practices in climate change risk adaptation for various cities and companies
- Proprietary scenarios for global economy and climate change developed by Nornickel
- Register of transition risks and opportunities compiled with their pilot assessment
- Scenario analysis of the consolidated financial and economic model completed in line with the global economic and climate change scenarios
- Amendments to the Company's guidelines prepared in connection with climate change risk management (including the Risk Management Regulations)
- Methodology developed to calculate the internal carbon price
- Testing of internal carbon price launched for the purposes of assessing investment projects
- Upstream Scope 3 GHG emissions calculated for the first time
- Possible options analysed for the development of in-house power generation facilities up to 2050 based on low-carbon technologies
- Training on climate change and climate change risks provided to more than 200 employees at the Head Office and in the divisions
- Group-wide GHG emissions data and carbon footprint of products for 2022 verified by TÜV AUSTRIA Standards & Compliance, an international testing, inspection and certification company
- Methodologies for calculating direct GHG emissions and indirect energy-related GHG emissions developed and validated by an international verifier for the Company's internal accounting purposes
- A report on Nornickel's GHG emissions submitted to the Russian Ministry of Economic Development with a view to adding relevant data to the registry of GHG emissions¹

2023 – results

- The Environmental and Climate Change Strategy updated, and the key focus areas of carbon neutrality drafted²
- Implementation of the roadmap to comply with the TCFD recommendations (approved in 2021) completed
- The concept for assessing climate change risks reviewed by the Risk Management Committee of the Management Board
- Adaptation and mitigation approaches developed for transition risks and for physical risks (including with respect to individual production assets)
- The first ever climate change report published
- Statistics of historical values for climate risk factors retrieved starting from the 1960s
- GHG emission issues included in the scope of the Company's supplier due diligence
- The corporate methodology for assessing the carbon footprint of products harmonised with the industry-wide model
- Cooperation with the Siberian Federal University started to develop approaches to running the Company's nature-based climate solution project
- An innovative approach developed to use waste generated by core operations for the purposes of absorbing CO₂
- The professional competency model updated in the area of sustainable development, including by adding climate change issues to the assessment framework
- Climate change workshops held for the Company's employees
- The 28th UN Climate Change Conference (COP28) attended
- Group-wide GHG emissions data and carbon footprint of products for 2023 verified by TÜV AUSTRIA Standards & Compliance, an international testing, inspection and certification company
- Russia's first corporate system for background monitoring of permafrost soils unveiled on the Taimyr Peninsula

Key short-term plans

- Submit to the Sustainable Development and Climate Change Committee of the Board of Directors a concept for assessing climate change risks
- Develop a Climate Change Action Plan through 2025 in furtherance of the completed roadmap to comply with the TCFD recommendations. The Action Plan shall provide for:
 - update of in-house scenarios for global economy and climate change;
 - implementation of a system for monitoring climate risk factors and events caused by such factors;
 - development of a system for monitoring buildings and structures erected on permafrost soil and for background monitoring of permafrost;
 - creation of a corporate training course on climate change.
- Develop a list of measures to reduce and/or offset greenhouse gas emissions

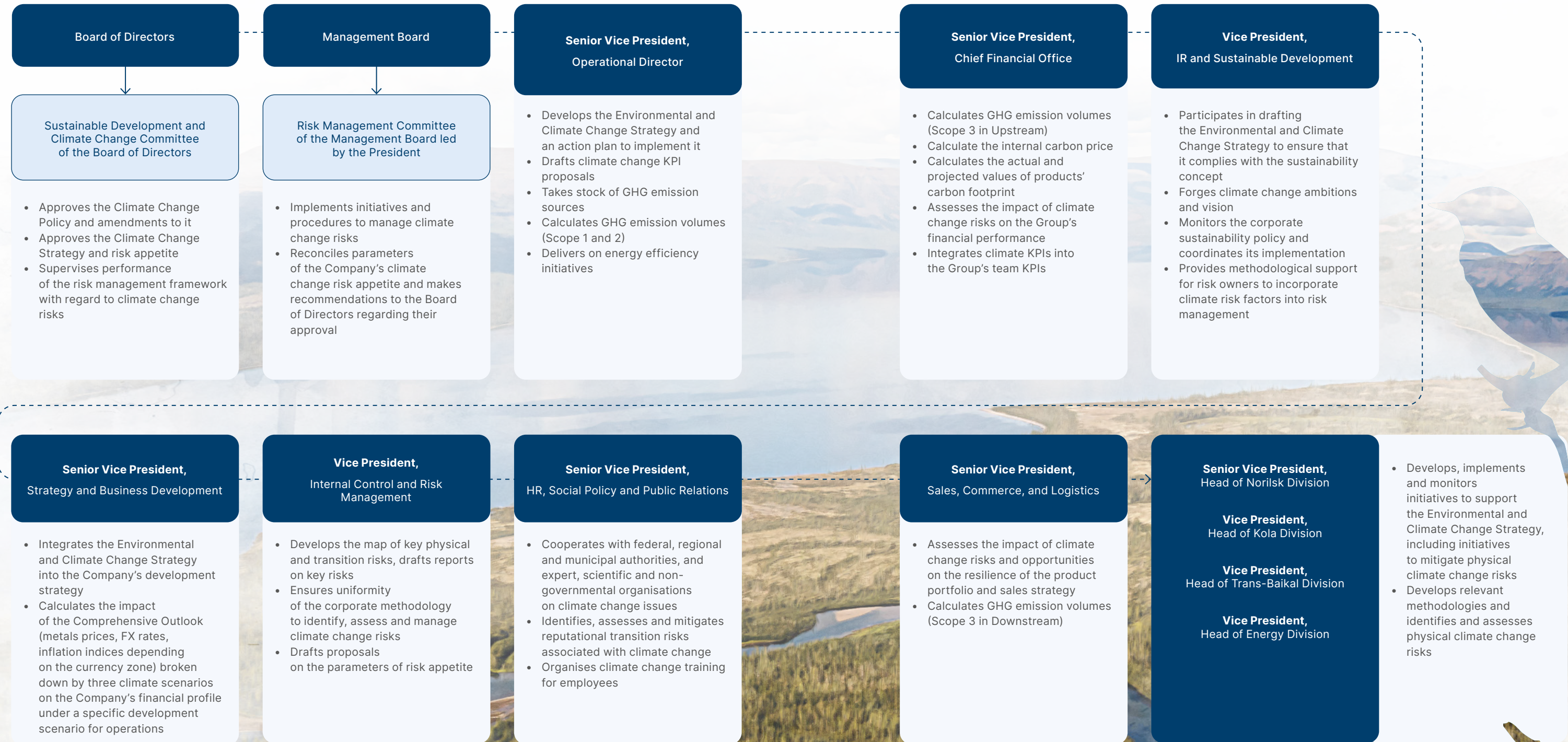
¹ In accordance with Federal Law No. 296-FZ On Limiting Greenhouse Gas Emissions dated 2 July 2021.

² Both documents were approved by the Company's Board of Directors in 2024.

APPROACHES TO CLIMATE CHANGE MANAGEMENT

Climate change management

GRI 2-9, 2-12, 2-13



Responsibilities

The Board of Directors reviews and approves our Environmental and Climate Change Strategy, relevant Policy and any subsequent amendments thereto, as well as risk appetite, and supervises the risk management framework for climate change.

The Company has the Sustainable Development and Climate Change Committee established under its Board of Directors. In 2023, the Committee reviewed the medium-term emission reduction goals until 2031 and resolved to continue the technological study and consideration of options for the development of in-house power generation facilities for the period until 2050 using technologies with minimised carbon footprint. The Committee also reviewed the Environmental and Climate Change Strategy and key focus areas of carbon neutrality.

The Management Board and its Risk Management Committee implement climate change risk management measures and procedures. Members of the Board agree upon parameters of the Company's risk appetite, including those relating to climate change, and make recommendations to the Board of Directors regarding their approval. The key risks, including climate change threats, are reviewed on a quarterly basis.

The Vice President for Ecology and Industrial Safety at Norinickel is responsible for the development and implementation of the Company's Environmental and Climate Change Strategy. The Vice President for Investor Relations and Sustainable Development is responsible for setting strategic ambition and vision for climate change and developing the relevant Policy, as well as monitoring its implementation.

The Sustainable Development Department is responsible for providing methodology support to the Company on climate change and related risks, support of risk owners, monitoring progress against the roadmap to comply with the TCFD recommendations, and reporting on climate change.

Units of the Head Office, branches and Group companies are responsible for relevant aspects of the Climate Change Policy and the Environmental and Climate Change Strategy within their scope.

Corporate documents on climate change:

The Company's climate change vision is outlined in a number of corporate documents approved by the Board of Directors:

- Climate Change Policy;

- Environmental Policy;
- Renewable Energy Sources Policy;
- Environmental and Climate Change Strategy.

The fundamental corporate document on climate change is [MMC Norilsk Nickel's Climate Change Policy, which sets out the Company's key commitments.](#)

The Company's key commitments in accordance with the Climate Change Policy

- Develop and regularly update our climate change strategy
- Organise regular audits of climate change risk management and publicly disclosed climate change indicators
- Identify and measure the contribution of the Company's products to the low-carbon economy in the process of life-cycle assessment
- Implement management systems and risk management tools to respond to climate change and have them integrated into the risk management system in line with the TCFD requirements
- Attract and effectively allocate capital to implement the Company's climate change strategy

- Adopt key performance indicators (KPIs) related to climate change goals for managers and employees of the Company
- Review commercially viable opportunities to reduce carbon footprint, including the use of assessment tools for responsible value chain management and the development of green technology partnerships to accelerate the decarbonisation of the Company's operations
- Promote advance practices and innovations
- Apply GHG emission offsetting mechanisms, including natural climate solutions (including conservation and restoration of forests and other ecosystems that absorb carbon

- dioxide) where the application of such solutions appears to be the most feasible and commercially viable solution
- Expand engagement and partnership with stakeholders on climate change agenda
- Ensure transparent and regular disclosure of GHG emission targets and other relevant indicators and aspects in accordance with the Russian laws and best global standards.

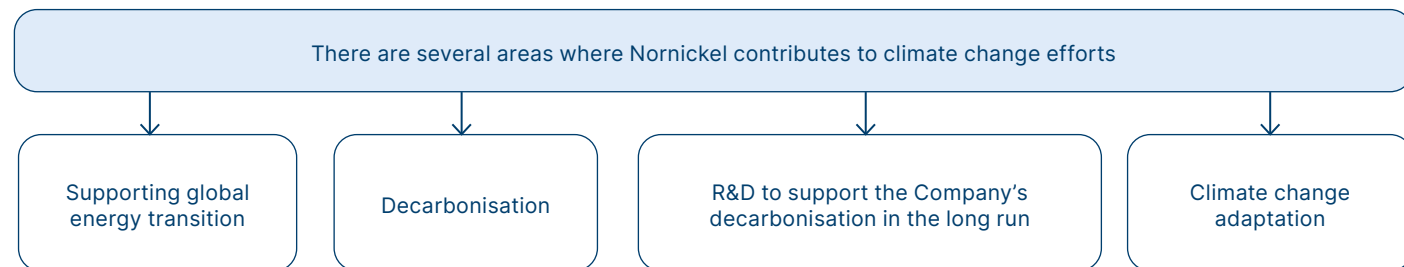


Nornickel's strategic vision on climate change

Nornickel closely monitors the aspects of intense global warming, permafrost thawing, and increasing frequency of extreme weather events. These factors may have a significant impact on the economy and well-being

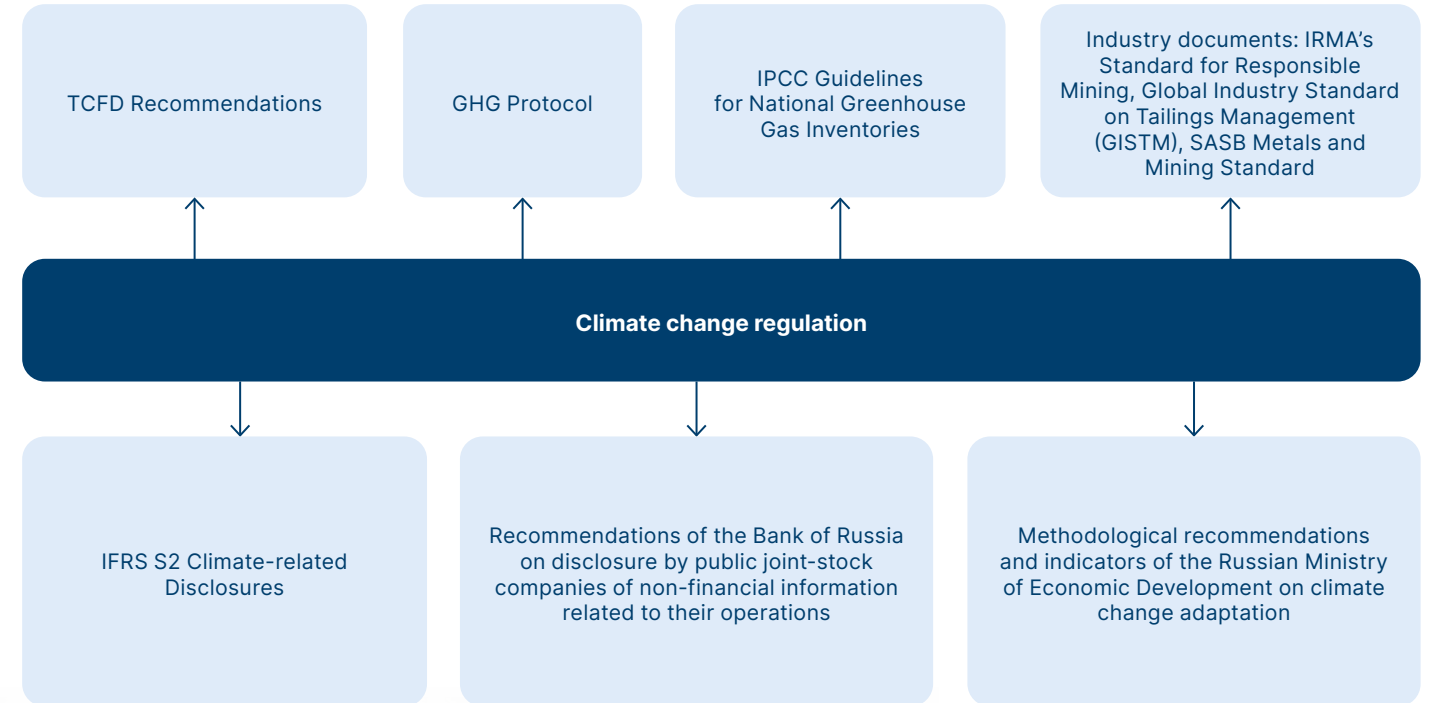
of the regions where the Company operates. Nornickel is committed to building resilience to climate change risks, reducing GHG emissions, and fostering innovation.

Alongside that, the low-carbon transition of the global economy is opening up new opportunities for Nornickel's green metals. Decarbonisation of transport and focus on renewable and hydrogen energy will be driving demand for our products in the long run.



The Company supports the UN SDGs, in particular SDG 13 Climate Action, unconditionally shares the principles of the Paris Agreement, and supports its goal of keeping the global average temperature increase well below 2 °C and making efforts to limit the increase to 1.5 °C.

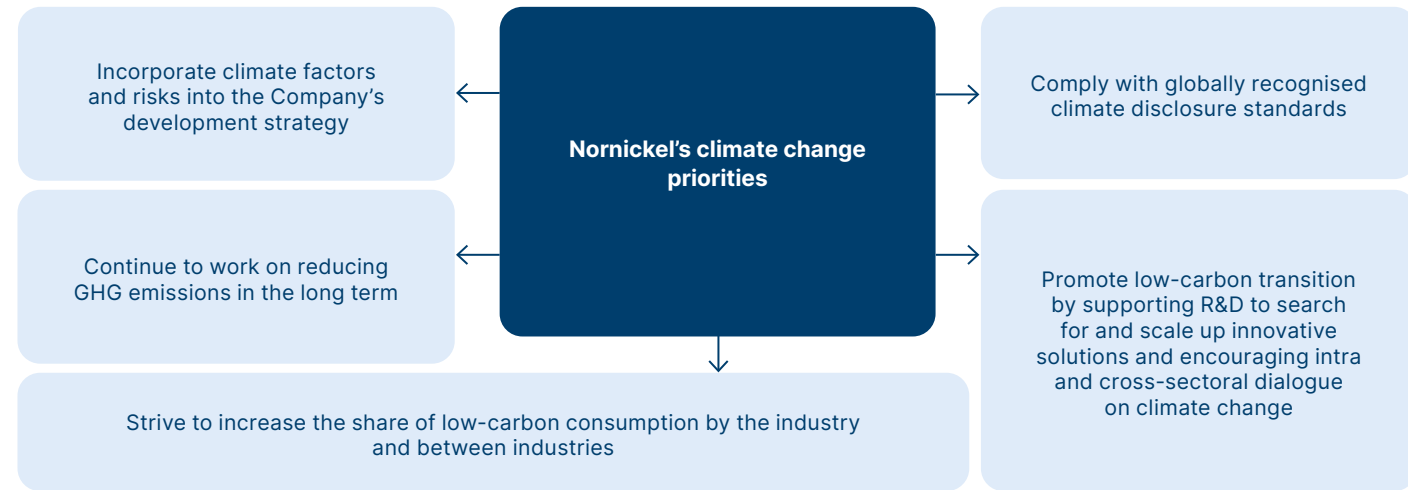
In developing strategic and operational documents and initiatives, Nornickel is guided by leading international standards that address corporate governance, climate risk management, and related disclosures.



In December 2023, the Company issued its first public **Climate Change Report**. The report was drafted in accordance with the TCFD Recommendations to demonstrate the progress made towards achieving the goals of the Paris Agreement. The report describes the Company's key projects and results aimed at adaptation to climate change and its consequences.



Nornickel's climate action targets are set out in the Environmental and Climate Change Strategy through 2031.



In 2023, the Strategy underwent an update and was divided into mandatory and voluntary parts. Targets values are to be refined in 2024–2025.

In addition, during the year we worked on developing the key focus areas of carbon neutrality¹. The document sets out main efforts consistent with best business practices to reduce gross GHG emissions and carbon footprint of products in the short,

medium, and long term. The main focus is on opportunities to develop low-carbon energy sources, climate projects, use of energy-efficient technologies and equipment, artificial intelligence, conversion of vehicles to alternative fuels. The Company analyses the possibility of implementing projects on CO₂ capture and storage, as well as entering into deregulated bilateral contracts for purchase and sale of electricity.

Norilsk Nickel Group's annual team KPIs in 2023 include GHG emissions reduction metrics (Scope 1 and 2) and achieving zero environmental incidents with a weight of 10%.

Internal carbon price

In 2023, Nornickel continued to implement the internal carbon price, a management tool to mitigate climate change risks.

The Company analysed the practices of peers in the global market and chose an approach it deemed most appropriate – shadow pricing, which involves the calculation of theoretical costs or expenses that are taken into account when making investment decisions.

The purposes of shadow pricing are:

- assessing the economic consequences of GHG emissions;
- assessing new investments;
- assessing the net present value of projects;
- assessing the economic efficiency of initiatives;
- assessing business models;
- business strategy development.

For testing, the Company uses several price ranges that vary subject to current and prospective tax liabilities, potential payments under the carbon border adjustment mechanism, and the pace of decarbonisation. For the baseline price range in 2023, the carbon price was set at USD 47 per tonne of CO₂ equivalent. Nornickel intends to continue testing the methodology to determine an optimal approach to incorporating cost evaluations of GHG emissions into investment project decision-making.

Development of employee competencies

Nornickel is consistently developing employee competencies in climate change monitoring. In 2023, we updated the professional competency model of the sustainable development vertical, with test questions developed to evaluate

the knowledge of employees, including in terms of the climate agenda; we also held workshops on climate change. The Company is developing a training course on all aspects of the ESG agenda, including climate change.

Integrating climate change into the supply chain

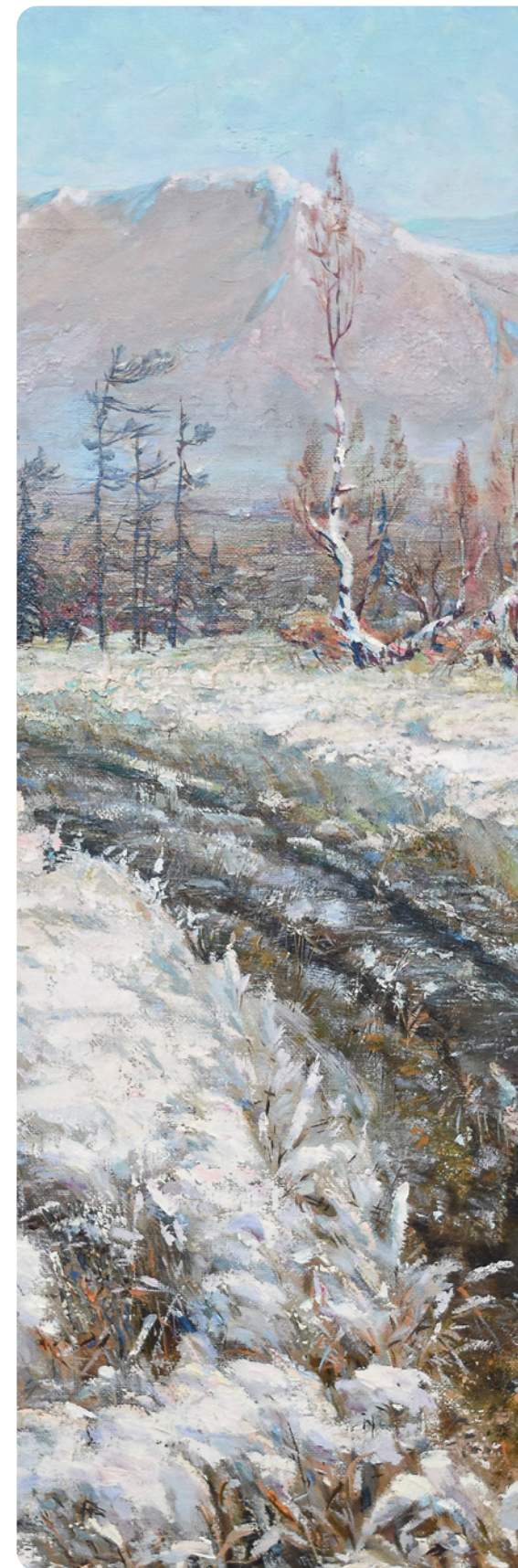
The Company has approved [MMC Norilsk Nickel's Supplier Code of Conduct](#), which outlines the area of responsibility of contractors, including in terms of climate change and GHG emissions reduction:

- Suppliers are required to develop a climate change risk management system to create effective policies and procedures and implement strategies to reduce GHG emissions
- Suppliers should specify, in their policies and procedures, targets for achieving zero emissions in line with the Paris Agreement and commit to publishing GHG emission reduction targets on an ongoing basis.
- Suppliers should endeavour to support research and relevant state-run and non-governmental organisations to monitor the impact of GHG emissions across their footprint

- Suppliers should adopt a methodology to assess the carbon footprint throughout the life cycle of their products supplied to Nornickel and provide Nornickel with relevant data upon request, after verification by an internationally recognised organisation approved by the Company
- Suppliers should calculate GHG emissions in accordance with the requirements of the GHG Protocol
- Suppliers should endeavour to disclose financial information in accordance with the TCFD Recommendations

In order to assess the impact of suppliers' operations on climate change and to encourage decarbonisation measures, questions on GHG emissions were included in the supplier due diligence in 2023.

For more details, please see the [2023 Responsible Supply Chain Report](#)



¹ Approved by the Board of Directors in 2024.

Nornickel's roadmap to comply with the TCFD recommendations

In 2023, Nornickel completed the implementation of the roadmap to comply with the TCFD recommendations adopted in 2021, which included more than 50 measures

aimed at improving the system for managing climate change-related risks and opportunities. Alongside that, the Company started developing

the Climate Change Action Plan through 2025 in furtherance of the TCFD roadmap it had previously completed.

« We place heavy emphasis on climate risk management. Among other things, we are developing energy saving technologies and implementing a geotechnical monitoring system for permafrost soils. This helps us identify potentially hazardous defects and deviations in a timely manner, thus reducing the likelihood of accidents. In our decision-making, we take into account the territorial singularities of the Arctic in order to adapt our operations to the specific conditions in this region.

Alexey Devochkin,

Polar Division's Deputy Director for Industrial Ecology and Sustainable Development (length of service with the Company – 29 years)

CLIMATE CHANGE RISKS AND OPPORTUNITIES

GRI 201-2

Guided by the TCFD Recommendations, COSO standards and the Environmental and Climate Change Strategy, Nornickel is building procedures for managing climate change risks and opportunities. The Company uses the TCFD classification to identify two types of risks and opportunities:

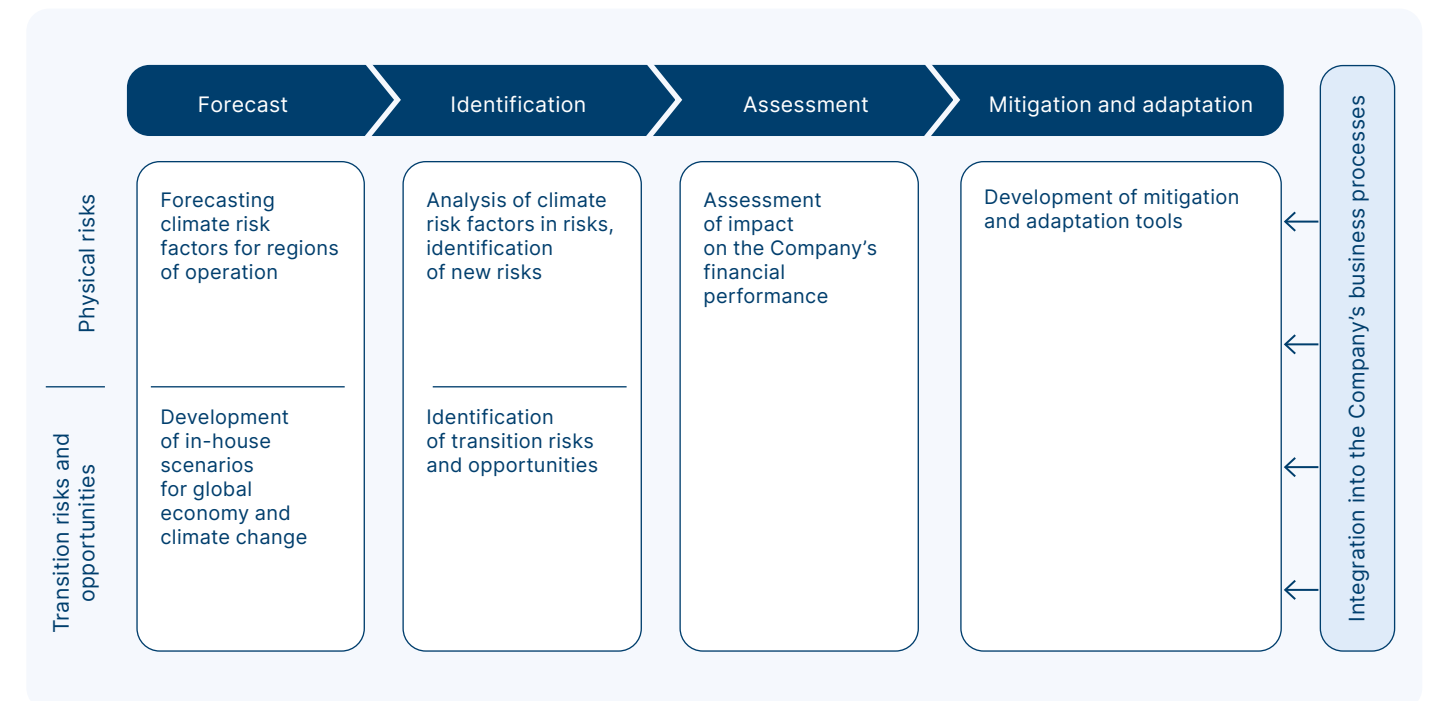
- physical risks, with impacts arising from abnormal weather events (acute risks) or chronic weather changes (chronic risks);

- transition risks and opportunities associated with the changing market, regulatory, technological and political environment during the transition to a low-carbon economy.

In 2023, the Company continued to enhance its approaches to assessing physical risks and transition risks and opportunities. The Risk Management Committee of the Management Board reviewed the concept for assessing climate change risks.



To those, the Company is implementing the following procedures:



Physical risks

In 2022–2023, the Company made significant progress in identifying and assessing physical risks. The first step made was a joint project with the Institute of Atmospheric Physics of the Russian Academy of Sciences (IAP RAS) focusing on the analysis of historical climate change data starting from the 1960s. The analysis confirmed a trend in the change of several climate factors.

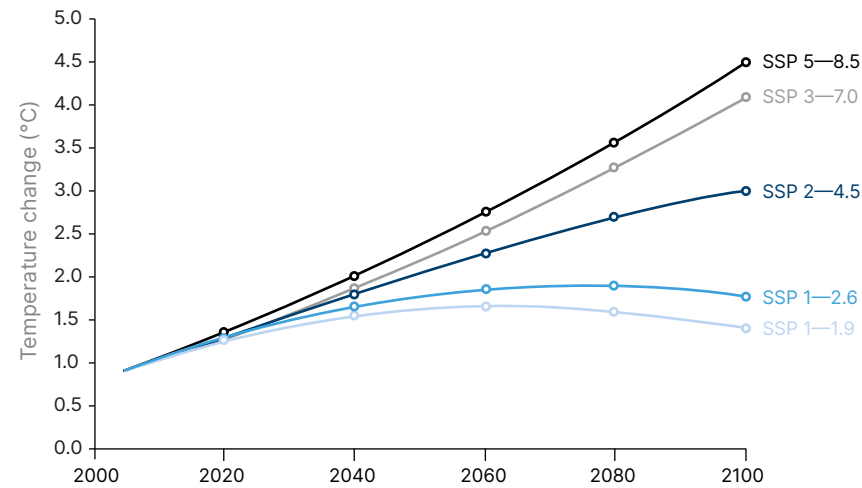
For example, in Norilsk, the temperature has been increasing by 0.6 °C every decade, suggesting that temperatures in the Arctic are rising faster than the global average.

Retrospective analysis was followed by scenario modelling of changes in climate risk factors through 2050. To do that, the Company selected three

global climate scenarios developed by the IPCC – SSP1-2.6, SSP2-4.5 and SSP5-8.5¹, as well as CMIP 6². The global scenarios were localised for all regions of the Company’s operation, including Finland. The assessment of climate risk factors was completed for Norilsk, Energy, Kola and Trans-Baikal Divisions, as well as Norilsk Nickel Harjavalta OY.

Characteristics of IPCC scenarios

Scenario	SSP1-2.6	SSP2-4.5	SSP5-8.5
Temperature rise by 2100	by 1.8 °C	by 2.7 °C	by 4.4 °C
Greenhouse gas emissions	Greenhouse gas emissions are expected to decline and reach zero by 2055;	The current rate of increase in greenhouse gas emissions will be maintained, with carbon neutrality achieved by 2100;	The current level of GHG emissions will double by 2050



Modelling of changes in climate factors up to 2050 performed by IAP RAS for the territories where the Company’s assets are located, in scenario 55P2-4.5

Climate factors	Expected changes in climate factors by 2050 vs 2022			
	Norilsk and Energy Divisions	Kola Division	Norilsk Nickel Harjavalta OY	Trans-Baikal Division
Changes in seasonal thaw depth, m	0.8	Irrelevant	Irrelevant	Irrelevant
This factor is mainly applicable to infrastructure risk assessment outside urban areas. The phrase “degradation of permafrost soil” is used in the assessment				
Number of days with heavy precipitation per year	1.4	0.6	2	-0.3
Precipitation occurring with a probability of 5%				
Number of days with a high risk of severe thunderstorm per year	6	2	2	5
Due to changes in temperature and humidity				
Annual precipitation, mm	58	4	41	23
Mainly due to changes in the trajectory of Atlantic cyclones and an increase in the moisture content of the atmosphere				
Average air temperature, °C	1.5	1.1	0.6	1
Change in sea level, mm	58	49	37	Irrelevant



The forecasting identified the following key climate risk factors for Norinickel: degradation of permafrost soil¹, increased frequency of heavy precipitation, and higher annual precipitation. Most of the changes are expected to occur after 2040. Low water levels in rivers (a problem the Company faced in 2013) also pose a risk¹.

¹ The following probability of risk occurrence was determined for the selected scenarios: SSP1-2.6 – 25%, SSP2-4.5 – 70%, SSP5-8.5 – 5%.

² Coupled Model Intercomparison Project.

¹ For the description, assessment of impact on the development strategy and targets, and mitigation measures, please see the [Internal Control and Risk Management](#) section.

Impact of permafrost soil degradation on the Company's assets

Power infrastructure facilities

- Hydropower plants
- Fuel storage tanks (heat and power plants / oil depots)
- Gas / gas condensate field
- Water intake facility in Norilsk
- Power lines
- Pipelines (gas, water, tailings)

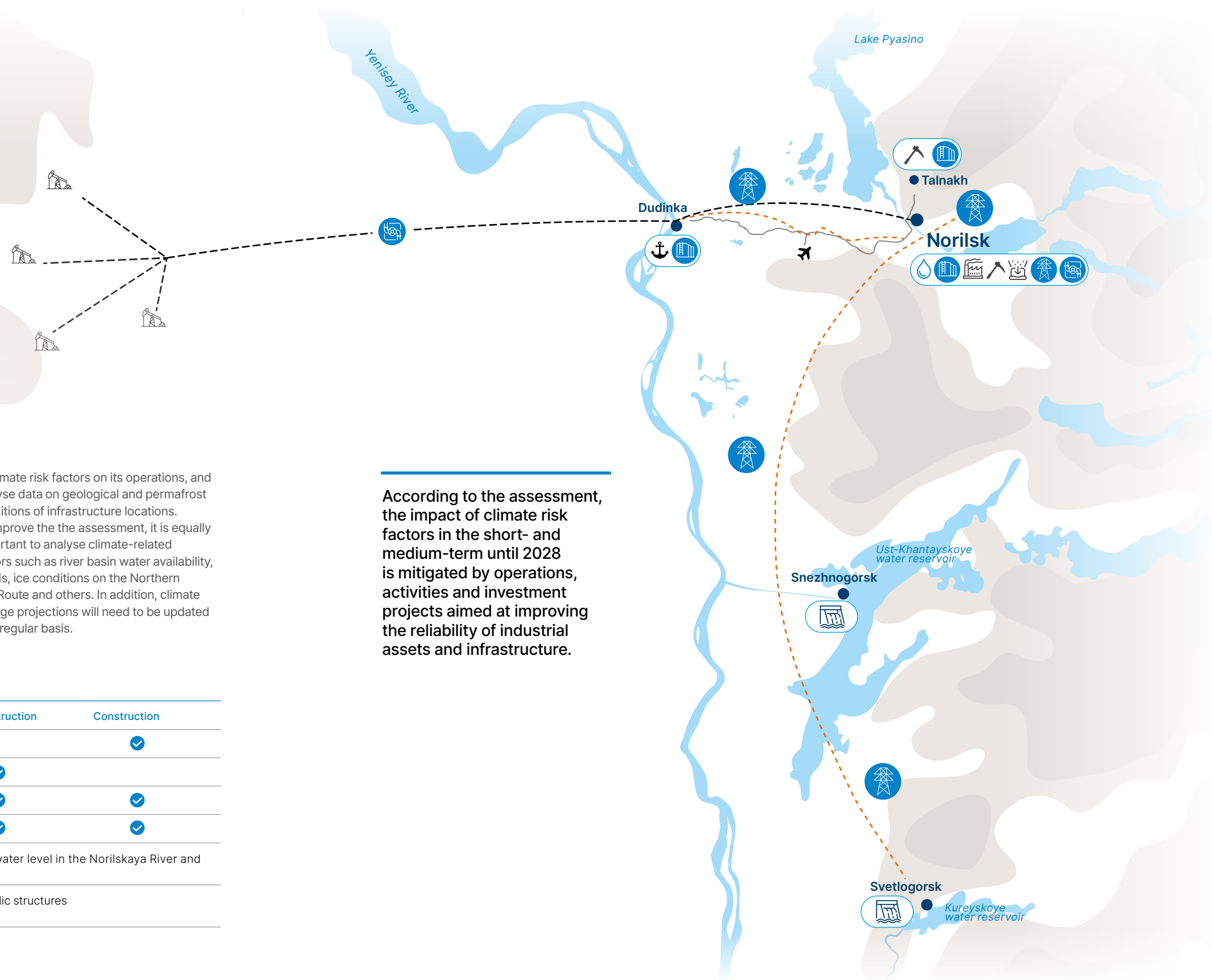
Logistics

- Dudinka Sea Port
- Alykel (airport)

Production facilities

- Plants
- Mines
- Tailing dumps

Facilities most susceptible to permafrost soil degradation



The analysis found that most of the industrial buildings and structures in the Norilsk Industrial District are built on stable (rock) foundations; linear infrastructure such as pipelines and power lines is more susceptible to the impact of permafrost soil degradation.

In order to mitigate the risks associated with the condition of permafrost soil in the Norilsk Industrial District,

the Company monitors the technical condition of assets on an ongoing basis through expert examinations, surveys, and monitoring of the condition of permafrost soils and basement foundations.

To estimate the long-term impact of climate risk factors on the Company's operations through 2050, we will need to improve climate modelling, collect additional statistics of the Company to assess the impact

of climate risk factors on its operations, and analyse data on geological and permafrost conditions of infrastructure locations. To improve the the assessment, it is equally important to analyse climate-related factors such as river basin water availability, floods, ice conditions on the Northern Sea Route and others. In addition, climate change projections will need to be updated on a regular basis.

According to the assessment, the impact of climate risk factors in the short- and medium-term until 2028 is mitigated by operations, activities and investment projects aimed at improving the reliability of industrial assets and infrastructure.

Factor	Mitigation effort			
	Monitoring	Repair	Reconstruction	Construction
Degradation of permafrost soil				
• Power line	✓	✓		✓
• Gas pipelines	✓	✓	✓	
• Pipelines	✓	✓	✓	✓
• Fuel storage tanks	✓	✓	✓	✓
Higher frequency of heavy precipitation	Monitor the technical condition of facilities and control water level in the Norilskaya River and water reservoirs			
Higher annual precipitation	Maintain the technical condition of, and modernise, hydraulic structures			

Permafrost monitoring

To mitigate the risk of natural and man-inflicted accidents, in 2021 the Company's Polar Division put in place an innovative system to monitor the technical condition of buildings and structures located in permafrost areas. The Buildings and Structures Monitoring Centre performs visual inspections and instrumental monitoring of deformations in the bases and foundations of buildings and structures, groundwater levels, soil temperatures, and thermal stabilisers.

In addition to visual inspections and instrumental measurements, as part of Polar Division's information and diagnostics system, Norinickel implemented a data collection, transmission, storage, processing and analysis framework enabling experts to oversee in the real-time mode (through a 24/7 control unit) the safe operation of buildings and structures not only in Polar Division, but also at the facilities of Norilsk and Energy Divisions, to process and analyse historical facility data, and to digitalise visual inspections of buildings and structures. Furthermore, the Company pioneered a two-level system of criterion values for the diagnostic indicators of structure and building conditions.

The most critical buildings and structures are now furnished with automated sensors, which transmit relevant signals to the system on a daily basis.

The information and diagnostics system helps issue recommendations, verifying their implementation, and produce reports on the monitored metrics.

>450 thermistor strings	For tracking the temperature of permafrost soil under buildings and structures
43 air temperature and humidity measuring devices	For ensuring operational control of relevant indicators in crawl spaces, including for rapid response to accidents affecting heat and water supply systems
1,200 inclinometers	For assessing displacements of certain elements of buildings and engineering structures
1 automated weather station	For determining air temperature, humidity, and wind speed and direction
30 accelerometers	For determining the static and dynamic characteristics of buildings or structures
138 strain gauges	For monitoring relative deformation / mechanical stress in construction structures

17 production sites of the Company are connected to Polar Division's information and diagnostics system

>600 employees work in Polar Division's information and diagnostics system

>950 facilities are connected to Polar Division's information and diagnostics system, including

218 facilities equipped with a continuous automated monitoring system (data for the remaining facilities is entered manually)

In the first year since the system's launch, the Company decommissioned 49 facilities intended for various purposes (industrial, social, and other) to minimise the risk of accidents.

For improving permafrost degradation assessments, Norinickel joined forces with the Polar State University to develop a new scientific and methodological approach championing background monitoring at the facilities of Polar Division. To put this approach into practice, in 2023 we drilled 20 wells ranging in depth from 10 to 20 m, and another two wells with a depth of 200 m. There are plans to continue enhancing systems of background monitoring to identify geocryological hazards in 2024. This project won the top prize in the Science for Sustainable Development category at the 21st V.I. Vernadsky National Environmental Awards.

As a way to develop the monitoring system for buildings and structures, Norinickel approved a corporate geotechnical monitoring standard in August 2023. This standard incorporates not only the existing laws and regulations of the Russian Federation, but also in-house solutions and expertise, which enabled the Company to build a transparent and effective business process for supervising the technical condition of buildings and structures in a short period of time.

The standard regulates the planning and implementation of geotechnical monitoring initiatives, assigns roles to participants, and formalises requirements for connecting new facilities to the information and diagnostics system, a core framework ensuring the safe and reliable operation of the Company's assets.



Transition risks and opportunities

To identify and assess relevant transition risks and opportunities, in 2022 Norinickel partnered with the Institute of Economic Forecasting of the Russian Academy of Sciences in developing three proprietary long-term scenarios for the global economy and climate change through 2050.

The Rapid Transition, Sustainable Palladium, and Global Growth scenarios rely on an analysis of over 190 public scenarios made available by the leading agencies and organisations (International Energy Agency, World Energy Council, International Renewable Energy Agency, OPEC, Bloomberg, NGFS, Shell, BP, DNV, etc.).

The estimated changes in global temperature under these scenarios are consistent with the three IPCC scenarios (SSP1-2.6, SSP2-4.5 and SSP5-8.5) that have been adopted by the Company to assess the physical climate change risks.

Key characteristics of the scenarios developed to assess transition risks and opportunities through 2050

	Rapid Transition SSP1-2.6	Sustainable Palladium SSP2-4.5	Global Growth SSP5-8.5
Probability	25%	70%	5%
Strategic focus	Low-carbon development paradigm with the global community's efforts focused on the reduction of GHG emissions	Maintaining current socioeconomic trends. Traditional industries remain centre stage along with the green economy	Abandoning efforts to curb climate change with further economic growth fuelled by hydrocarbons
Inflation	High	Moderate	Low
Resource/energy intensity	Low	Moderate reduction	High
Climate regulation	Strict	Moderate	Insignificant
CO ₂ prices	Major increase	Moderate increase	At 2021 levels
Temperature change by 2050 ¹	+1.7°C	+2.0°C	+2.5°C
Alignment with the Paris Agreement goal	+	-	-

The scenario assumptions differ from each other in qualitative terms, and these differences are directly related to the Company's product portfolio. Sustainable Palladium is considered to be the baseline scenario, which provides for traditional industries to remain centre stage along with the green economy. For example, ICE vehicles will retain a large market share, contributing to robust demand for palladium in the long run.

The Company will apply the other two scenarios in stress-testing of risks associated with climate change. In addition, a scenario parameter monitoring tool was developed to record actual deviations from the baseline scenario. A scenario analysis of the consolidated financial and economic model through 2050 showed revenue growth in all scenarios by 2050 against

the average value for 2017–2021 (for more details, please see the [Climate Change Report](#)).

The Company identified potential transition risks and opportunities based on the scenarios for global economy and climate change, analysis of proposed carbon regulations, market trends and stakeholder expectations.

Identified transition risks and opportunities

Technology

Risks:

- Failure to achieve the decarbonisation targets:
 - due to a mismatch between the real and expected impact of low-carbon technologies or the inability to scale low-carbon technologies
 - due to the lack of access to advanced international low-carbon technologies.

Opportunities:

- Use of low-carbon technologies due to their development and lower cost in the long term.

Regulatory/financial

Risks:

- Compliance with carbon regulations in the Company's export markets.
- Compliance with national carbon regulations.

Opportunities:

- Use of ESG financing tools.
- Sale of carbon credits resulting from climate projects.

Reputational

Risks:

- Negative stakeholder perception towards the Company's climate action.
- More protests by non-profit organisations and local communities, including indigenous northern peoples.

Opportunities:

- Higher stakeholder loyalty thanks to the Company's climate action.

To mitigate the risks caused by the need to comply with carbon regulations, the Company frequently monitors laws and regulations in both Russia and export markets.

The CBAM¹, a cross-border carbon tariff introduced in the European Union in 2023, does not pose any risk to the Company in the short term as non-ferrous and platinum group metals are not currently included in the list of products subject to the tariff. The Company continues monitoring the evolution of carbon regulations and forecasting the amount of potential associated costs.

In the long term, Norinickel relies on its competitive advantage – one of the lowest product carbon footprints in the industry.

The Company is also exploring opportunities related to the trading of carbon credits that may be generated as a result of climate projects both in the Russian and foreign carbon markets.

Market

Risks:

- Inability to raise additional debt financing on favourable terms.
- Limited sales opportunities due to insufficient carbon intensity reduction efforts compared to peers.
- Restrained demand for mined platinum group metals due to declining sales of internal combustion engine vehicles.
- Restrained demand for mined nickel due to a decline in overall vehicle production as a result of increase in ride sharing and autonomous vehicles and the development and mass production of new nickel-free batteries.
- Restrained demand for mined metals due to increased recycling.

Opportunities:

- Stronger demand for mined nickel and copper due to transport system electrification, growing hybrid vehicle market, and the development of renewables
- Stronger demand for mined platinum group metals due to the use of platinum and palladium in the hydrogen economy and palladium in vehicles hybridisation
- Benefiting from the low carbon footprint of products

¹ Growth in temperature vs pre-industrial levels.

¹ Carbon Border Adjustment Mechanism.

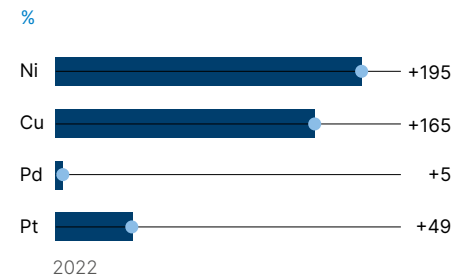
Sustainability assessment of Nornickel’s product portfolio under three scenarios for the global economy and climate change

One of the key drivers of Nornickel’s long-term strategy is the growing demand for the Company’s metals to develop a low-carbon economy. The very fact of supplying green metals to the market means that the Company is actively contributing to the global transition to cleaner modes of transport and renewable energy.

Sustainable Palladium, the baseline scenario with a probability of 70%, envisages growing consumption of nickel, copper and platinum and expects palladium demand to remain at its current level.

➔ For more details on the metal demand forecasts and assumptions underlying the Rapid Transition and Global Growth scenarios, please see [Nornickel’s Climate Change Report](#).

Changes in metal demand by 2050 under the Sustainable Palladium scenario, %

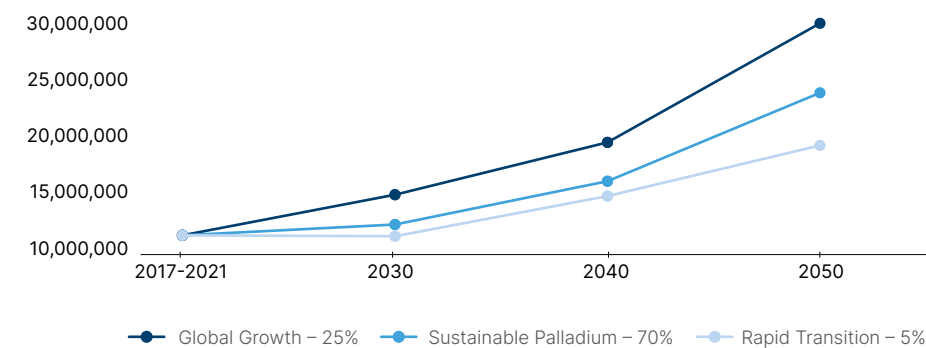


Key climate change factors affecting demand for the Company’s key products

Factor	Ni	Pd/Pt	Cu
Growth of market share of battery electric vehicles (BEVs)	↑	↓	↑
Growing hybrid vehicle market	↑	↑	↑
Growing fuel cell market and hydrogen economy	➔	↑	➔
Growth of renewables / low carbon fuel in power generation	↑	↑	↑
Storage and grid expansion to support growth in EVs	↑	➔	↑
Net effect	↑	➔	↑

Scenario analysis of the consolidated financial and economic model through 2050

Revenue from Nornickel’s basket of metals



Based on the global economic development and climate change scenarios, Nornickel conducted a scenario analysis of the consolidated financial and economic model through 2050. The analysis shows revenue growth in all scenarios by 2050 against the average value for 2017–2021. The key revenue growth drivers in the Global Growth scenario are the highest GDP and population growth rate, which will fuel the strongest demand for palladium, nickel, and copper in 2050 vs the other two scenarios. Although the Rapid Transition scenario is based on the most aggressive decarbonisation rates, which is impossible without green

metals – nickel and copper, – the scenario projects the global economy to slow down, with the lowest GDP and population growth rates. On top of that, the total car

fleet, along with the fleet of passenger EVs, hydrogen cars, and plug-in hybrids in the Rapid Transition scenario will be lower than that in the Sustainable Palladium

scenario as a result of the general trend towards demotorisation and ride-sharing development.

Product portfolio diversification

In 2023, the Company adopted the Innovation Strategy, which includes plans for developing new products as a way to mitigate market risks and leverage energy transition opportunities.

To mitigate the risk of restrained demand for platinum group metals due to declining sales of ICE vehicles in the Rapid Transition

scenario, the Company is exploring the outlook of producing palladium catalysts for the growing hydrogen energy market. Today the hydrogen energy market uses platinum- and iridium-based catalysts. Nornickel is considering catalyst efficiency improvements achieved through partial replacement of these metals with palladium, which, thanks to its extremely high

chemical resistance, may be more effective in catalysts than other platinum group metals.

Nornickel joined forces with the scientific community to create the first prototype of a palladium-based catalyst – nanosized material for membrane electrode assemblies used in the electrolysis of hydrogen.

Nornickel is exploring the prospects of using palladium in the production of the anode and cathode of a hydrogen-air fuel cell and a proton exchange membrane electrolyser. The Company’s Kola Division serves as a production site to manufacture limited batches of chemical compounds with platinum group metals. The latter can be used as the source material (precursor) to produce palladium-based catalysts.

The Company sees the development potential not only for catalysts, but also for other hydrogen energy segments such as membrane technologies for making, storing and transporting high-purity hydrogen.

To meet the growing demand of the rapidly developing battery sector for materials, the Company expands its portfolio of cobalt and nickel

products, including by amplifying the production of sulphates and other nickel and cobalt compounds. Nornickel is also developing technologies for the manufacture of lithium compounds, precursors and cathodes for the battery sector.

In addition, Nornickel together with a partner are set to develop Russia’s most promising lithium deposit located in the Murmansk Region. The Kolmozerskoye deposit project envisages a 45 ktpa output of lithium carbonate and hydroxide.

The partners plan to set up a large-scale integrated production site spanning everything from mining and processing to high-tech production, helping to create over 1,000 new jobs and substitute the imports of lithium feedstock and battery components.

« The hydrogen energy market is still in the making, but it is increasingly evident that sooner or later hydrogen will find its niche in the technology sector by offering a viable alternative to traditional energy sources. We have every chance of emerging as one of the key players in this industry, which is desperately looking for innovative products such as the ones we are currently working on.

Vitaly Busko,
Vice President for Innovations at MMC Norilsk Nickel

GREENHOUSE GAS EMISSIONS AND CARBON FOOTPRINT OF PRODUCTS

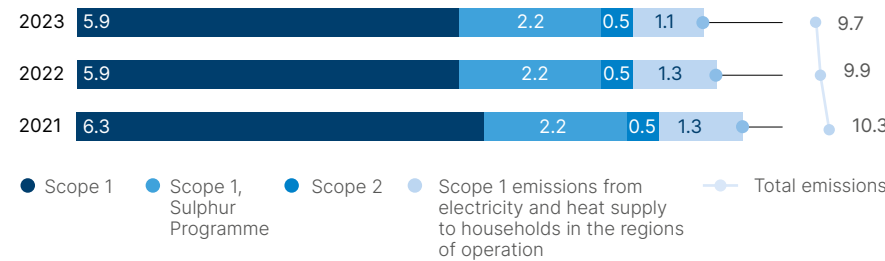
GRI 305-1, 305-2, 305-4/ SASB EM-MM-110a.1

Nornickel uses the GHG Protocol methodology to calculate its GHG emissions (Scope 1 and 2), taking into account carbon dioxide (CO₂), nitrous oxide (N₂O), and methane (CH₄) emissions, with no or insignificant emissions of other greenhouse gases. The quantitative assessment of Scope 1 GHG emissions also includes the Company's estimated prospective GHG emissions associated with the implementation of the Sulphur Programme.

In 2023, direct and indirect GHG emissions (Scope 1 and 2) decreased by 0.2 mt of CO₂ equivalent y-o-y to a total of 9.7 mt of CO₂ equivalent, including the GHG provision for the Sulphur Project and the supply of heat and electricity to retail customers. The Company's direct GHG emissions amounted to 9.2 mt of CO₂ equivalent¹ and indirect energy emissions, to 0.5 mt of CO₂ equivalent. Indirect energy emissions were calculated using the location-based method, taking into account regional coefficients.

Trans-Baikal Division entered into a bilateral agreement for the purchase and sale of 212.1 million kWh of electricity (up 20% y-o-y) generated by third-party hydroelectric power plants. This initiative led to a reduction of Scope 2 GHG emissions in 2023 by more than 200 kt of CO₂ equivalent.

GHG emissions (Scope 1 and 2)², mt of CO₂ equivalent



The reduction in the Company's GHG emissions (Scope 1 and 2) was driven by the following factors:

- lower unit fuel consumption associated with electricity generation resulting from optimised equipment operation at heat and power plants;
- increased reliance on hydro power plants as part of overall energy system optimisation;
- reduction in the volume of diesel fuel used up by heat and power plants in 2023 compared to 2022.

The intensity of GHG emissions (Scope 1 and 2) was 6.1 t of CO₂ equivalent per RUB 1 mln of consolidated IFRS revenue.

In 2023, Nornickel submitted a report on GHG emissions to the Ministry of Economic Development of Russia for inclusion of relevant data into the registry of GHG emissions³.

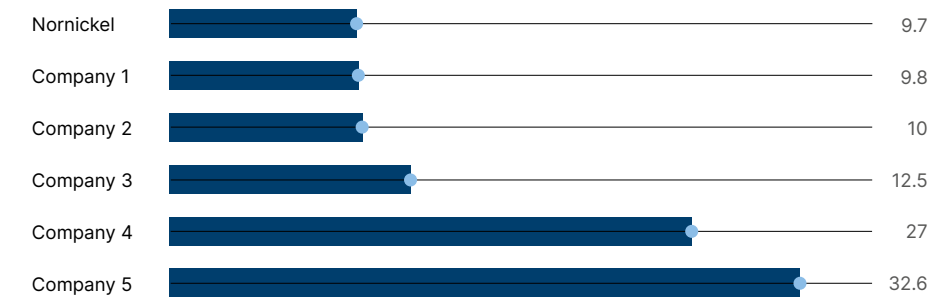
Emissions data verification by an independent auditor

In 2023, TÜV Austria verified GHG emission sources and gross CO₂ emissions (Scope 1 and 2) across all divisions of Nornickel Group and issued a generalised verification statement.

Only direct GHG emissions are included in the quantitative assessment of emissions. GHG emissions are calculated in accordance with Order No. 371 On Approving Methods for Quantitative Assessment of Greenhouse Gas Emissions and Absorption dated 27 May 2022.

Comparison with global metals and mining peers

GHG emissions (Scope 1 and 2), mt CO₂ equivalent



Source: the Company's analysis based on the most up-to-date available data (2023 financial year) Peers include leading global diversified metals and mining companies: BHP Billiton, Rio Tinto, Vale, Glencore, and Anglo American.

GHG emissions (downstream and upstream Scope 3)

GRI 305-3

The Company conducts an annual quantitative assessment of Scope 3 emissions that arise outside of Nornickel Group's operations and are beyond its control. These emissions are categorised as upstream and downstream emissions.

Their quantitative assessment follows the recommendations of the GHG Protocol and IPCC Guidelines for National Greenhouse Gas Inventories.



¹ Including a GHG emissions provision for the Sulphur Project and GHG emissions generated from heat and electricity supply to households.
² GHG emissions are calculated in line with the GHG Protocol methodology. The Group's GHG emissions include the following greenhouse gases: direct carbon dioxide (CO₂) emissions of 9.5 mt, nitrogen oxide (N₂O) emissions of 51 t, methane (CH₄) emissions of 5.2 kt (mainly generated by gas transportation units), including the Sulphur Programme and the heat and electricity supply to households. The calculation includes potential GHG emissions after the completion of the Sulphur Programme. Group data, including foreign companies of Kola Division.
³ In accordance with Federal Law No. 296-FZ On Limiting Greenhouse Gas Emissions dated 2 July 2021.

GHG emissions (Scope 3),
mt of CO₂ equivalent¹

Indicator	2021	2022	2023
Upstream, including	1.4	1.4	1.3
purchased goods and services	0.8	0.9	0.8
CAPEX	0.1	0.1	0.1
energy and fuel	0.4	0.3	0.3
other	0.1	0.1	0.1
Downstream, including	4.0	3.9	5.1
downstream transportation and distribution (category 9)	0.2	0.2	0.2
processing of sold products (category 10)	3.8	3.7	4.9
TOTAL SCOPE 3 EMISSIONS	5.4	5.7	6.4

In 2023, the Company continued to publicly disclose its quantitative estimates of upstream Scope 3 GHG emissions, covering all emission categories required by the GHG Protocol. The bulk of the emissions are related to the purchase of goods and equipment from third-party suppliers and to energy and fuel consumption (to the extent not included in Scope 1 and 2).

In 2023, total emissions (upstream Scope 3) amounted to 1.3 mt of CO₂ equivalent. The decrease in upstream Scope 3 emissions was primarily driven by the reduced reliance on diesel fuel for electricity generation in the Norilsk Industrial District, as well as the divestment of NordStar Airlines in 2022.

Downstream Scope 3 emissions are associated with the transportation of the Company's products from production assets to consumers and subsequent processing.

The assessment covers the following types of products: nickel, copper, cobalt, PGM, gold, copper and nickel semi-products, and iron ore concentrate. Among these, the bulk of emissions stem from the sale of semi-products to third parties beyond the Group.

The increase in downstream Scope 3 emissions was driven by changes in the Group's sales volumes, product mix and customer portfolio, as well as the geographical distribution of sales. The key driver behind higher

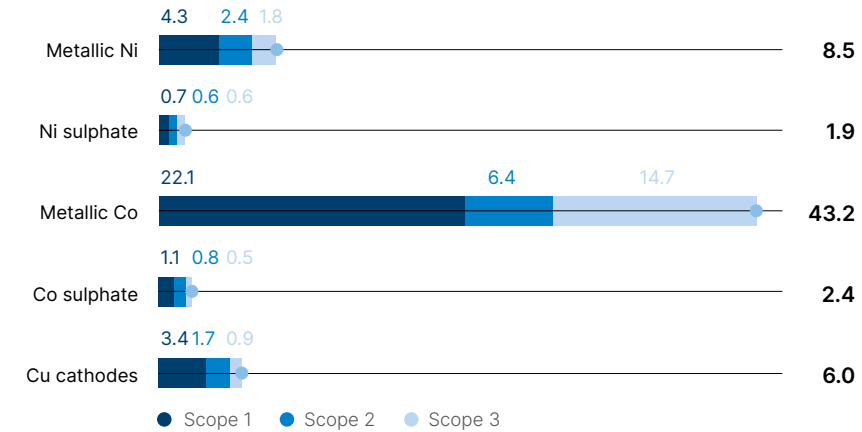
downstream Scope 3 emissions in 2023 compared to 2022 was the rise in sales of semi-products, primarily iron ore concentrate produced by GRK Bystrinskoye

The Company continuously improves the methodology for quantifying downstream Scope 3 emissions by monitoring international guidelines like ISO and ICMM standards, taking part in drafting industry recommendations through the Nickel Institute and International Platinum Group Metals Association, and collaborating with the buyers of its products to gather data on emissions during product processing.

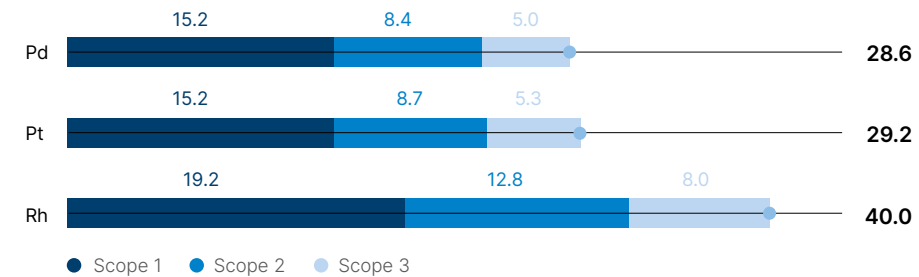
Carbon footprint of products

Assessment of products' carbon footprint in 2023¹

Carbon footprint of the product (non-ferrous metals),
kg of CO₂ equivalent per kg of metal in the product



Carbon footprint of the product (PGM),
kg CO₂ equivalent per g of metal



Scope of products' carbon footprint calculation

End product manufacturers:

- Polar Division
- Kola MMC
- GRK Bystrinskoye
- Norilsk Nickel Harjavalta

Manufacturers of raw materials / resources or services:

- Medvezhy Ruchey
- NTEC
- Norilsk Production Support Complex
- Norilskgazprom
- Norilsktransgaz
- Murmansk Transport Division
- Norilsknickelremont

The carbon footprint of MMC Norilsk Nickel's products is calculated in accordance with:

- ISO 14067:2018, ISO 14040:2006, and ISO 14044:2006 standards;
- GHG Protocol Product Life Cycle Accounting and Reporting Standard methodology;
- LME passport guidance – Nickel Institute guidance for nickel producers to calculate their GHG emissions;
- the IPA's guidance: The Carbon Footprint of Platinum Group Metals: A Best Practice Guidance for the Calculation of GHG of Primary Produced PGMs.

In 2023, the Company made efforts to align its corporate methodology for calculating the carbon footprint of products with the industry model.

In the medium term, Norinickel plans to deploy an end-to-end automated system for calculating GHG-related indicators based on a unified methodology using a dedicated IT platform. This solution will allow for more efficient and accurate carbon accounting of all material flows, process stages and resources across the Group. In addition, the automated process will make it easier to provide information on the carbon footprint of products to all stakeholders in a timely manner.

¹ In order to standardise the approach to identifying sources of GHG emissions, the calculation uncertainty of upstream Scope 3 emissions was reduced by excluding insignificant sources within the categories of Purchased Goods and Services, and CAPEX from the calculation boundaries. As a result, the emissions data for 2022 was recalculated using the new approach. In 2022, total recalculated emissions amounted to 1.4 mt of CO₂ equivalent.

¹ Including the Sulphur Programme provision. Group data, including foreign companies of Kola Division.

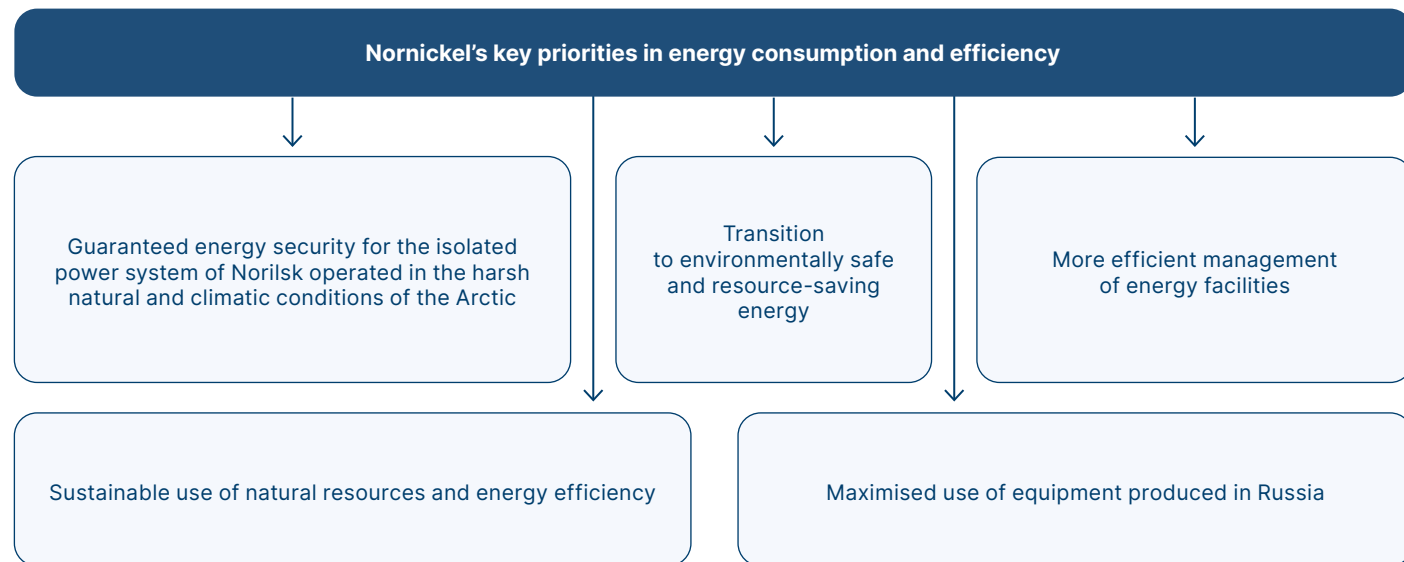
ENERGY CONSUMPTION AND EFFICIENCY

SASB EM-MM-130a.1

Nornickel seeks to cover its primary energy needs from renewable sources, maintaining or reducing energy consumption and increasing

energy efficiency. The Company makes continuous efforts to reduce the consumption of energy sources such as natural gas, diesel fuel and coal,

as well as to provide subsidiaries with reliable and efficient energy sources in the long term, as set out in Russia's Energy Strategy to 2035.



Nornickel's Energy Division is a critical part of the Company's production process and a crucial link in the uninterrupted supply of power to local communities in the regions of operation.



Key facilities of Energy Division



Norilskgazprom

The company has been producing natural gas and gas condensate since 1969 (the Pelyatkinskoye, Severo-Soleninskoye and Yuzhno-Soleninskoye gas condensate fields and the Messoyakhskoye gas field). Gas and gas condensate reserves are estimated at 245.4 bcm and 4,527 kt respectively, while production of natural gas and gas condensate in 2023 came in at 2,720 mcm and 85 kt respectively.



Norilsktransgaz

The company transports natural gas and gas condensate from the fields to consumers in the Norilsk Industrial District. The total length of gas and condensate pipelines is 1,653 km.



NTEC

The company generates, transmits and supplies power and heat to consumers. The energy comes from both renewable (hydropower) and non-renewable (natural gas) sources. NTEC operates five generating facilities: three thermal power plants (with a capacity of 1,154 MW) and two hydropower plants (with a capacity of 1,102 MW). Power from renewable sources is generated at Ust-Khantayskaya and Kureyskaya HPPs.



Taimyr Fuel Company

The company is a strategic supplier of light and dark petroleum products to the Far North, covering important commercial and social functions.

55% of electricity consumed came from renewable sources

More than half of the electricity is generated by two hydropower plants with a total capacity of 1,102 MW:

- Ust-Khantayskaya HPP – 502 MW;
- Kureyskaya HPP – 600 MW.

3 gas heat and power plants

The rest of the electricity and heat demand is covered by:

- CHP-1 – 315 MW;
- CHP-2 – 459 MW;
- CHP-3 – 380 MW;

with a total capacity of 1,154 MW.

7 gas boilers

One boiler in each Talnakh, Kayerkan and Alykel, and four boilers in Dudinka provide the district with heat.

The most essential projects implemented by Energy Division to improve equipment reliability, mitigate physical climate risks, enhance energy efficiency and increase output include:

- **replacement of a power unit at CHP-2** in Norilsk;
- **reconstruction** of the backup diesel fuel storage facilities at CHP-1, CHP-2 and CHP-3, boiler in Dudinka as well as at Ust-Khantayskaya HPP and Kureyskaya HPP;
- **modernisation** of the electricity, heat and water supply networks;
- **construction** of a water intake facility on the Norilskaya River;
- reconstruction of the municipal sewage system in Norilsk;
- **modernisation** of the gas transmission and gas distribution networks;
- **construction** and fit-out of five new gas wells at the Pelyatkinskoye gas condensate field;
- **comprehensive oil terminal reconstruction** programme: Norilsk, Dudinka and Kayerkan oil depots.

Use of renewable energy sources

Nornickel runs energy infrastructure development initiatives aimed at both increasing the reliability of asset operation and reducing greenhouse gas emissions.

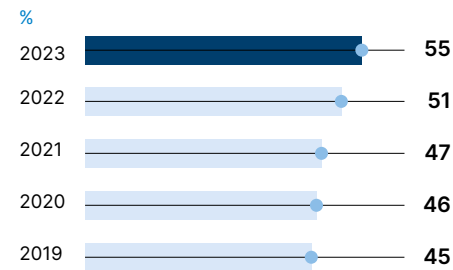
In 2023, the Group-wide share of power from renewable sources was 55%, up 4 p.p. y-o-y. Nornickel's investment programme includes projects intended to ramp up the use of renewable energy sources, to save fuel and energy resources, and to improve the reliability of power and gas supply.

Due to the harsh climate conditions of the Group's production assets, the use of solar, geothermal and wind energy is limited.

From time to time, the Company reviews new experimental and industrial carbon capture, transportation and storage solutions from Russia, and monitors confirmed positive experience with the implementation of such solutions at high-capacity gas heat and power plants.

In 2023, a partnership project was launched to meet the Company's production plans, involving the construction of small-capacity (around 300 MW) nuclear power plants in permafrost areas. At the moment, we are searching for the sites for nuclear power plants. One of the criteria is access to the surface of hard rock. This has to do with associated construction costs as well as the safety of operations in process and environmental terms.

Share of renewable energy in total electricity consumption by Nornickel Group, %



In the long term, we plan to fully meet the Group's energy needs through synergies between nuclear, thermal generation and hydropower generation capacities.

Total energy consumption by Norilsk Nickel Group, TJ

GRI 302-1, 302-3

Indicator	2018	2019	2020	2021	2022	2023
Fuel consumption	148,910	144,772	141,237	151,235	141,909	137,150
Energy from renewable sources (HPPs)	14,877	15,058	15,310	14,586	16,152	16,800
Electricity and heat procurement from third parties	10,931	11,331	11,200	10,891	11,005	8,701
Electricity and heat sales to third parties	18,926	18,766	17,254	19,974	18,968 ¹	19,216 ²
Group's total energy consumption (1 + 2 + 3 - 4)	155,792	152,395	150,493	156,738	150,098	143,435
Energy intensity, GJ / RUB mln ³	214	174	135	117	127	116

Fuel consumption by Group companies by type of fuel, TJ

GRI 302-1

Indicator	2018	2019	2020	2021	2022	2023
Total fuel consumption	148,910	144,772	141,237	151,235	141,909	137,150
Natural gas	129,335	125,329	122,216	130,867	125,934	121,643
Coal ⁴	1,660	2,087	2,180	1,557	2,027	1,562
Diesel fuel and fuel oil	13,788	13,535	13,939 ⁵	15,097	13,623	13,080
Gasoline and jet fuel	4,127	3,820	2,902	3,715	325	312
Lignite	-	-	-	-	-	552

¹ Including 4,183 TJ of electricity and 14,785 TJ of heat energy.

² Including 4,203 TJ of electricity and 15,012 TJ of heat energy.

³ To calculate internal energy intensity, the Group's total energy consumption and the consolidated IFRS revenue were taken as the numerator and the denominator.

⁴ The Company uses coal as a chemical element in its production processes, with no coal used for heating purposes.

⁵ Taking into account the diesel fuel lost as a result of NTEC's CHP-3 accident on 29 May 2020.

Electricity and heat consumption by Group companies, TJ

GRI 302-1

Indicator	2021	2022	2023	Including in 2023	
				Electricity	Heating and steam
Electricity and heat consumption by the Group companies	60,771	60,143	59,687	30,334	29,353
Including:					
• Polar Division	30,727	31,307	32,991	14,665	18,327
• NTEC	6,439	6,045	5,907	3,993	1,913
• Kola MMC	9,393	9,289	9,097	6,226	2,872
HPP share in total electricity consumption in the Norilsk Industrial District	52%	56%	58%	–	–
HPP share in total electricity consumption by the Company	47%	51%	55%	–	–
HPP share in total electricity and heat consumption by the Company	24%	27%	28%	–	–
Share of renewables in total power and fuel consumption	9%	11%	12%	–	–

Fuel and energy savings resulting from energy consumption reduction and energy efficiency improvement initiatives in 2023

GRI 302-4

Indicator	Group total	Including				
		Polar Division	NTEC	Kola MMC	Medvezhy Ruchey	Other companies
Total savings, TJ	469.5	4.8	163.1	171.5	54.9	75.3
Including:						
• electricity	55.1	4.8	–	5.9	4.2	40.3
• heat in water and steam	251.3	–	–	165.6	50.7	35.0
• fuel	163.1	–	163.1	–	–	–

The Company annually develops and implements initiatives to save fuel, energy, and water.

In 2023, RUB 4.3 bn was invested in energy efficiency improvements, which helped reduce fuel and power consumption by 469.5 TJ. Key

energy efficiency initiatives included replacement of transformers, installation of automated outdoor lighting furnished with twilight photocell and motion sensors, improvement of thermal insulation in pipelines, transfer of mine air heaters to another source of energy, and decentralisation of air supply to mines.

RUB 4.3 bn
expenses on energy saving measures in 2023

Promising areas for reducing GHG emissions

Climate-related projects

Nornickel is considering potential climate-related projects to reduce the impact of its operations on climate change. To that end, the Company entered into an agreement with the Siberian Federal University to develop high-level approaches to implementing a comprehensive nature-based climate solution project.

from waste rock, or tailings. After that, tailings undergo special treatment and are sent to tailing dumps to be distributed across their entire surface. During weathering, which is long-term exposure to air, minerals contained in Nornickel's ores react with carbon dioxide to form stable secondary carbonates in tailing dumps. Nornickel's processes of ore mining and delivery to the surface thus create conditions for carbon dioxide capturing, or natural mineralisation.

The Company is currently developing a methodology to assess and account for the carbon sequestration capacities of tailings. Following an audit and verification by an external auditor, this methodology will be used in the Company's statements about GHG emissions and absorption capacities.

Going forward, the Company will focus on developing a technology for artificial mineralisation of tailings. New solutions in this area will significantly increase the carbon sequestration capacity of tailings compared to natural mineralisation. Once the technology is implemented across the Company's sites, it will also substantially reduce the carbon footprint of our products.

Mineralisation of mining waste

Another promising area for reducing carbon footprint is natural and artificial mineralisation of mining waste.

In natural conditions, tailings are capable of fixing from 4.5 to 17.9 kg of CO₂ per tonne of tailings through chemical reactions subject to the mineral composition of the waste rock. Based on the findings of a natural mineralisation study, we calculated the amount of CO₂ assimilated in 2022 and 2023 (around 300 kt of CO₂).

In the process of mining, rock is extracted from under the ground and goes to concentrators, where grinding takes place and valuable content is separated

CORPORATE GOVERNANCE

How has the Company's corporate governance evolved over the past 20 years?

Improvement of the corporate governance framework is a process that has been invariably accompanying all key changes in the Company over the past 20 years.

Nornickel established the first committees under the Board of Directors in 2004, and in 2019, independent directors for the first time received the majority of seats in the collegial non-executive governance body.

Over these 20 years, the Board of Directors has approved more than 100 internal governance documents in line with international and Russian best practices, and considered more than 3,000 matters, including those pertaining to sustainable development.



CORPORATE GOVERNANCE FRAMEWORK

Corporate governance principles

Nornickel's corporate governance system is aimed at protecting the interests of the Company's shareholders, ensuring efficient and transparent operations of the Board of Directors and senior management, and building relationships with investors, employees, and other stakeholders.

In this domain, Nornickel is governed by the provisions of the Russian laws, recommendations of the Corporate Governance Code and information letters of the Bank of Russia, as well as the listing rules of the Moscow Exchange.

The key principles of corporate governance are reflected in Nornickel's Articles of Association, regulations on governance bodies and committees, Anti-Corruption Policy and other by-laws¹.

Our key corporate governance principles

<p>1</p> <p>Equitable and fair treatment of every shareholder</p>	<p>4</p> <p>Sound, bona fide and efficient management of the Company's day-to-day operations by executive bodies accountable to the Board of Directors and the General Meeting of Shareholders</p>	<p>6</p> <p>Strong business ethics</p>
<p>2</p> <p>Support for the shareholders to let them exercise their rights and lawful interests in the most reasonable and convenient manner</p>	<p>5</p> <p>Strategic management by the Board of Directors, its efficient control over executive bodies, and oversight of the risk management and internal control framework</p>	<p>7</p> <p>Zero tolerance to corruption</p>
<p>3</p> <p>Professionalism and leadership of the Board of Directors, and involvement of independent directors in governance</p>		<p>8</p> <p>Commitment to sustainability principles</p>
		<p>9</p> <p>Robust risk management and internal controls</p>
		<p>10</p> <p>Full, transparent, reliable and timely disclosure</p>

¹ The full versions of the documents are available on the [Company's website](#).

Share capital structure

As at the end of 2023, the authorised capital of Nornickel was made up of 152,863,397 ordinary shares with an aggregate market value of RUB 2,472 bn.

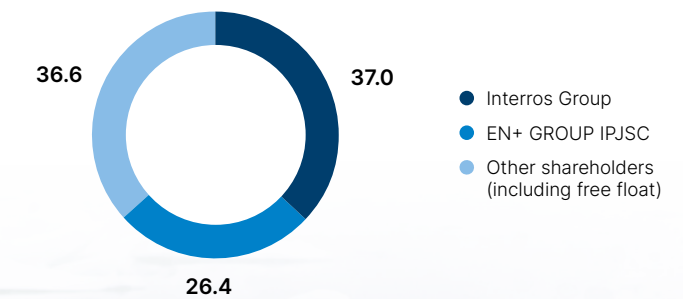
The Company's shares have been trading on the Russian market since 2001. Since 2014, the shares have been on the First Level quotation list of the Moscow Exchange (ticker: [GMKN](#)).

American depository receipts (ADRs) were also issued in 2001 and traded on the LSE OTC market (ticker: MNOD) and over the counter in the US (ticker: NILSY). In March 2022, trading in ADRs of Russian issuers was suspended on international exchanges, and on 23 May 2023, the ADRs were delisted from the London Stock Exchange.

152,863,397
ordinary shares
Nornickel's authorised capital as at the end of 2023

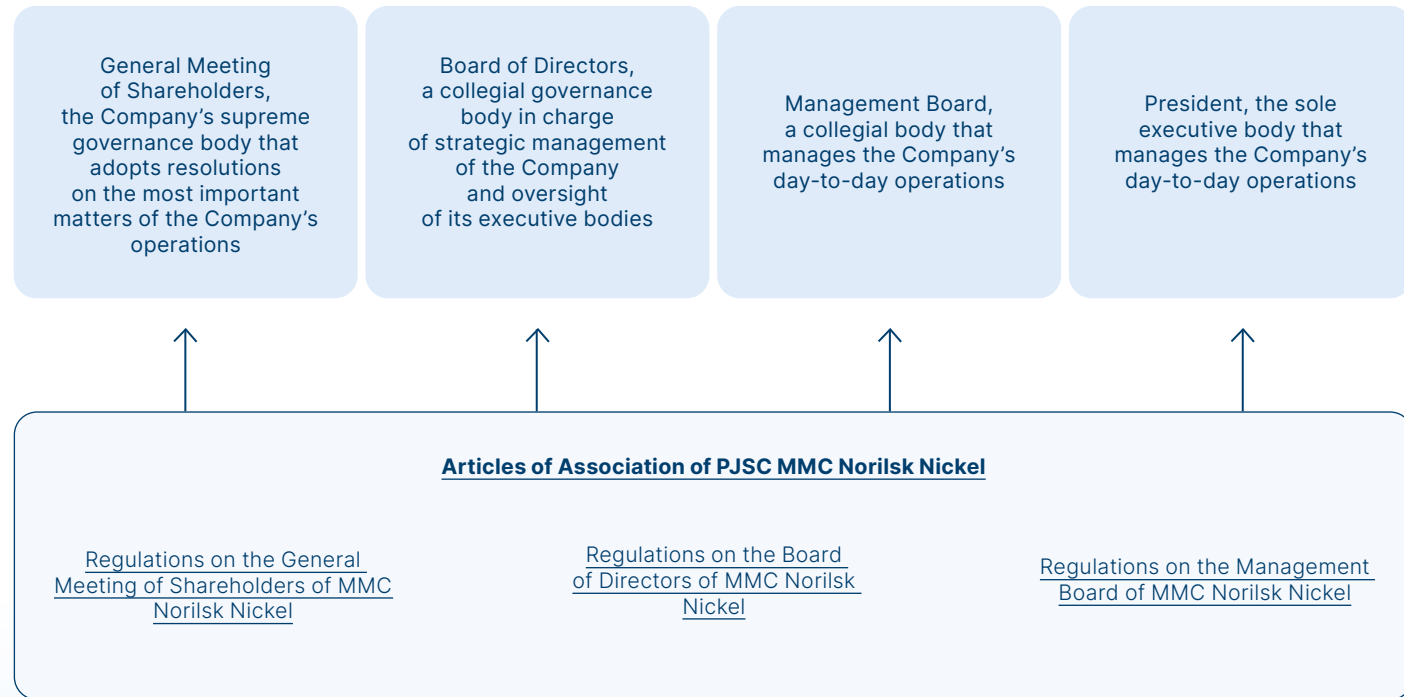
RUB 2,472 bn
aggregate market value

Share capital structure as at 31 December 2023, %



Governance bodies

GRI 2-9, 2-10, 2-11, 2-12, 2-13



Board of Directors

Members of the Board are elected at the Annual General Meeting of Shareholders for a period extending until the next Annual General Meeting of Shareholders. The Company has a transparent framework for evaluating nominees to the Board of Directors. All recommended nominees shall meet the qualification requirements set forth in the Company's Policy on Development and Approval of Vote Recommendations on Candidates Nominated to the Board of Directors¹.

13 members
the current size of the Board of Directors, which is best aligned with Norinickel's goals and objectives.

Key qualifications for nominees to the Board of Directors

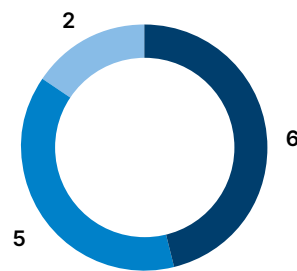
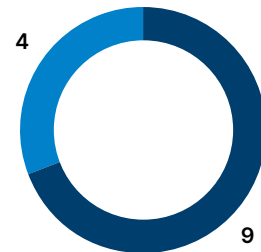
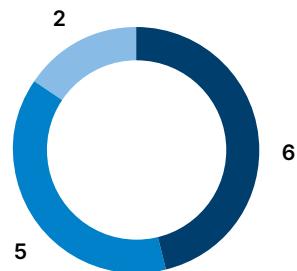
- Impeccable professional and personal reputation, excellent professional qualifications and understanding of the key principles underpinning the Company's business**
- Professional qualification, experience and skills aligned with the Company's current and expected needs**
- Interest in serving on the Company's Board of Directors, including availability of sufficient time to dedicate to their role as directors**
- Knowledge and understanding of all legal responsibilities related to Board service**
- No conflict of interest in any form**
- Service on the board of directors of no more than five other public companies at the same time**

Composition of the Board of Directors as at 31 December 2023²

Independent directors	Non-executive directors	Executive directors
<ul style="list-style-type: none"> Denis Alexandrov Sergey Volk Alexey Ivanov Irina Komarova Anton Sychev Evgeny Shvarts 	<ul style="list-style-type: none"> Sergey Batekhin Elena Bezdenezhnykh Andrey Bougrov Alexandra Zakharova Egor Sheibak 	<ul style="list-style-type: none"> Marianna Zakharova Sergey Malyshev

¹ The full version is available on the [Company's website](#).
² Marianna Zakharova holds the position of First Vice President, Corporate Governance, Asset Management and Legal Affairs, Sergey Malyshev is Senior Vice President – Chief Financial Officer. The other Board members hold no major positions within the Company. As at the end of 2023, the Board of Directors was chaired by Andrey Bougrov. For more details on members of the Board of Directors, please see the [Company's official website](#).

Composition of the Board of Directors as at 31 December 2023



- 35-50 y.o.
- 51-59 y.o.
- >60 y.o.

- Men
- Women

- Independent directors
- Non-executive directors
- Executive directors

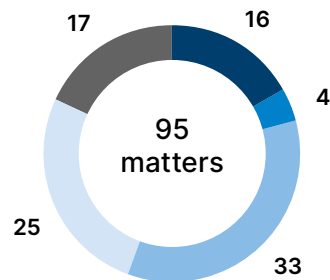
As at the end of 2023, the average age of the Board members was 53, while their average length of service on the Board was 4.8 years.

Four women are members of the collegial governing body (31% of all members). Going forward, the Company looks into ways to increase representation of women on the Board of Directors in line with the global practices.

As at 31 December 2022, the Board had six independent directors (46% of the total number), who provide professional unbiased opinion on all agenda items. The balanced composition in terms of independence ensures efficient decision-making in line with the interests of all stakeholders and improves the quality of managerial decisions.

GRI 2-12, 2-16

The Board of Directors meets as and when required, but at least once every six weeks.



- Economics and finance
- Social and environmental matters
- Corporate Governance
- Transaction approval
- Other matters

46 meetings held by the Board of Directors in 2023

100% attendance at meetings of the Board of Directors in 2023

115 resolutions adopted by the Board of Directors in 2023

95 matters were considered by the Board of Directors in 2023

At least once a year, the Company's top management reports to the Board of Directors on the Group's impact on the economy, environment, and people. On a quarterly basis, the Board of Directors

reviews the Company's financial results, operational performance, and OHS reports.

Members of the Board of Directors may request information and clarifications on the Company's operations, instruct the management on certain aspects

of sustainable development and monitor the implementation. Authorised executives are vested with powers and responsibilities to address economic, environmental and social matters and may delegate their powers to other employees based on their competences and functions¹.



¹ For more details on the split of responsibilities for key areas of sustainable development, please see the [Sustainability Management](#) section.

Director induction and training

GRI 2-17

Nornickel has in place the [Professional Development Policy for Members of Board of Directors](#).

It provides for an annual development programme for members of the Board of Directors. They also receive annual training in dealing with insider information.

Newly elected Board members undergo onboarding and attend a series of meetings with executives and key officers of the Company.

The Company also organises field sessions for its directors, which involve visits to the Company's production sites and meetings with heads of production units to address key issues locally. In September 2023, directors visited the Murmansk Region: at Severny Mine, members of the Board of Directors descended into the mine, discussed the prospects of production and development of the mine, initiatives to improve the efficiency of the Horizon-730 project; in the Pechengsky District, they attended the Kola superdeep borehole, the visitor centre of the Pasvik Nature Reserve, and the Second School Centre. In Monchegorsk, they saw the nickel electrolysis shop and cobalt production

facility, where they discussed issues related to the social situation in the team, management's attitude to safety, the Company's participation in the life of the local communities, and the development prospects of the areas where Nornickel operates.

Evaluation of the Board of Directors performance

GRI 2-18

Nornickel has the Performance Evaluation Policy for the Board of Directors developed in line with the Bank of Russia's Corporate Governance Code and best corporate governance practices.

The policy involves two types of evaluation: internal and external. The Company runs annual **internal evaluation (self-evaluation)** of the Board of Directors' performance in the form of an online questionnaire filled by each director based on a schedule approved by the Board of Directors. For each question there is a text field where directors may enter additional comments.

Following analysis of the questionnaires, the Corporate Governance, Nomination and Remuneration Committee prepares a report that contains information on the evaluation process, results, and recommendations aimed at improving

the performance of the Board of Directors and its committees, as well as professional development of individual members. Subject to the recommendations provided, the report is approved by the Company's Board of Directors. The recommendations are communicated to all stakeholders.

In 2023, in accordance with the recommendations, the Corporate Governance, Nomination and Remuneration Committee continued to consider issues related to human capital development and personnel motivation, and the Board of Directors' Strategy Committee continued to consider issues related to the Company's strategic development and implementation of major investment projects. Also in 2023, members of the Company's Board of Directors and management visited Kola MMC and its production sites.

An external independent assessment of the Board of Directors' performance is carried out at least once every three years. In 2021, the last external evaluation of the Board of Directors' performance was carried out by the Professional Directors Association¹.

Committees of the Board of Directors

For preliminary review of the most important matters and preparation of recommendations for decision-making on them, Nornickel has six committees of the Board of Directors. The Transactions Committee has been in place since 2023. The Committee operations, structure, functions and membership are defined by the respective Committee Regulations¹.

Key functions of the Board's Committees

GRI 2-9, 2-12, 2-13

Committee	Key functions
Audit Committee	<ul style="list-style-type: none"> Reviewing matters related to financial statements Overseeing risk management and internal controls Overseeing external and internal audits Preventing employee and third party wrongdoing Reviewing matters related to environmental safety, occupational health and safety
Strategy Committee	<ul style="list-style-type: none"> Preliminary review of matters pertaining to corporate strategy, investment planning, restructuring, and interaction with capital markets and government authorities
Budget Committee	<ul style="list-style-type: none"> Issuing recommendations to the Board of Directors in order to facilitate decision-making on the amount of dividends and on the record date to be suggested by the Board of Directors. Taking into account information on the Company's financial results Approving the Company's budget
Corporate Governance, Nomination and Remuneration Committee	<ul style="list-style-type: none"> Support in assessing, overseeing and improving Nornickel's corporate governance framework; succession planning for Nornickel's Board of Directors and Management Board; providing incentives, evaluating the performance of Nornickel's Board of Directors, Management Board, President, and Corporate Secretary, and setting relevant remuneration policies; supervising the development and implementation of Nornickel's information policy
Sustainable Development and Climate Change Committee	<ul style="list-style-type: none"> Integration of the sustainable development principles, including climate change, into the Company's operations Overseeing the development and implementation of a strategy on sustainable development and climate change Overseeing risk management and internal control in sustainable development and climate change Overseeing the Company's internal reporting and public disclosures on sustainable development and climate change Overseeing external audit of the Company's sustainable development and climate change reports and activities
Transactions Committee	<ul style="list-style-type: none"> Review of transactions requiring approval by a qualified majority of the Board of Directors

¹ For more details, please see Nornickel's [2022 Sustainability Report](#).

¹ The full versions of the documents are available on the [Company's website](#).

Composition of the Board's Committees as at 31 December 2023

The composition of the Board's committees is determined by resolution of the Board of Directors.

● Independent directors ● Non-executive directors ● Executive directors

Committee	Number of members	Chairperson	Composition
Audit Committee	5	Chaired by Alexey Ivanov (independent director)	<p>20% Independent, 80% Non-executive</p>
Budget Committee	5	Chaired by Egor Sheibak (non-executive director)	<p>40% Independent, 60% Non-executive</p>
Strategy Committee	5	Chaired by Denis Alexandrov (independent director)	<p>40% Independent, 60% Non-executive</p>
Corporate Governance, Nomination and Remuneration Committee	5	Chaired by Anton Sychev (independent director)	<p>40% Independent, 60% Non-executive</p>
Sustainable Development and Climate Change Committee	5	Chaired by Evgeny Shvarts (independent director)	<p>40% Independent, 60% Non-executive</p>
Transactions Committee	3	Chaired by Alexandra Zakharova (non-executive director)	<p>33% Independent, 67% Non-executive</p>

Executive bodies

GRI 2-13

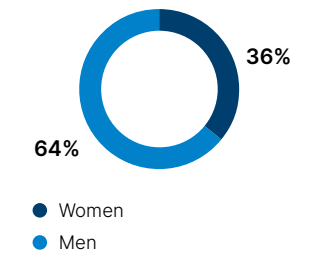
The President and the Management Board are the Company's executive bodies.

The President is elected at a General Meeting of Shareholders for an indefinite period and acts as the Chairman of the Management Board. In 2023, the position of the Company's President and Chairman of the Management Board was held by Vladimir Potanin.

As at the end of 2023, Vladimir Potanin had held the position of the President (CEO before 2015) for 11 years and 13 days.

The Management Board reports to the Company's Board of Directors and General Meeting of Shareholders and implements their resolutions. The remit of the Management Board members, who also hold the positions of Vice Presidents, includes the Company's impact on the economy, environment, and local communities.

11 members
the number of the Management Board members

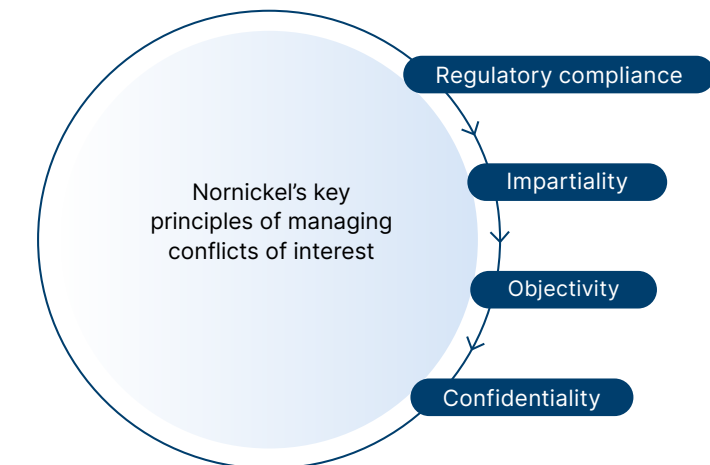


Prevention of conflict of interest

GRI 2-15

Measures aimed at preventing possible conflicts of interest of shareholders and members of the Board of Directors:

- transactions that meet the criteria for related-party transactions are executed in line with the procedure prescribed by the Russian laws on joint-stock companies;
- a special procedure applies to the approval of transactions with conflicts of interest involving holders of more than 5% of voting shares: such transactions are subject to approval by a qualified majority of the Company's Board of Directors (at least 10 out of 13 votes of the Board members) in accordance with the Company's Articles of Association;
- Nornickel's by-laws state that members of the Board of Directors shall refrain from engaging in any activities that may cause a conflict of interest, and, if there



- if a director has a direct or indirect interest in a matter submitted for consideration by the Board of Directors, they shall inform the Board of Directors accordingly before

- if a director has a direct or indirect personal interest in a matter submitted for consideration by the Board of Directors, they shall inform the Board of Directors accordingly before the matter is considered or resolved and withdraw from any further discussions and voting on such matter.

Remuneration

GRI 2-19, 2-20

Remuneration payable to non-executive governance bodies

The Board of Directors' annual remuneration is set out in the [Remuneration Policy for Members of the Board of Directors](#) approved by the General Meeting of Shareholders.

In 2023, the Annual General Meeting of Shareholders set the remuneration for the Chairman of the Board of Directors in the amount of USD 1 mln per year, paid on a quarterly basis in equal instalments in roubles at the exchange rate of the Bank of Russia on the last business day of the reporting quarter¹.

In accordance with international best practices in corporate governance, the Chairman of the Board of Directors shall not be a member of any committee of the Board of Directors². Should such a need arise, the Chairman of the Board of Directors will not be entitled to any additional remuneration.

Remuneration payable to executive governance bodies

Key principles and mechanisms of remunerations due to executives are set out in the Articles of Association, Regulations on the Management Board, and other by-laws³ of the Company. Nornickel's remuneration framework, including decisions on remuneration and reimbursement payable to the Company's President, is monitored by the Board of Directors.

Annual remuneration for non-executive directors

USD 120,000
base remuneration paid to the Board members

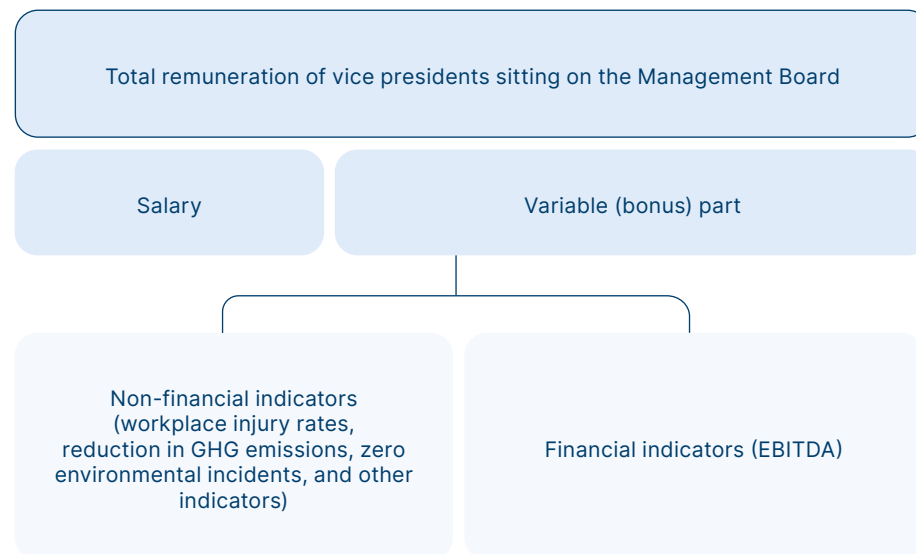
USD 50,000
additional remuneration for membership in a committee of the Board of Directors

USD 150,000
additional remuneration for chairing a committee of the Board of Directors

Reimbursement of expenses incurred by directors in discharge of their duties

Total remuneration of the President comprises base salary and bonuses. Based on the President's performance in the reporting year, the Board

of Directors resolves whether a bonus should be paid to the President of the Company or not.



➔ For details on sustainability KPIs approved for the Company's senior management, please see the [Sustainability Management](#) section

¹ This amount is after taxes withheld in accordance with the applicable Russian laws.

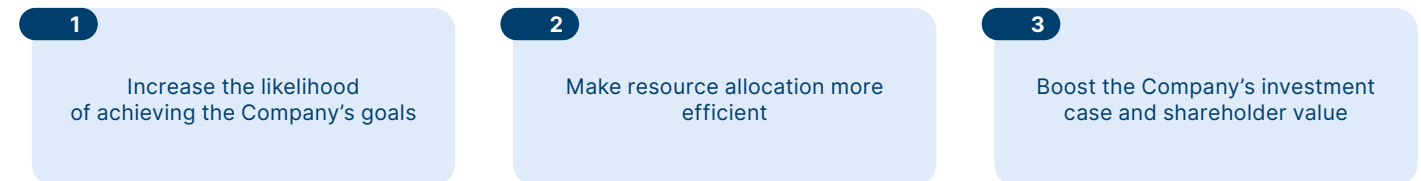
² As of the end of 2023, Andrey Bougrov was not a member of any committee of the Board of Directors.

³ The full versions of the documents are available on the [Company's website](#).

INTERNAL CONTROL AND RISK MANAGEMENT

Risk management framework

Key risk management objectives at Nornickel



The corporate risk management framework aligns with the principles and requirements of applicable laws and professional standards. Those include:

- Corporate Governance Code recommended by the Bank of Russia;
- GOST R ISO 31000-2019 (Risk Management. Principles and Guidelines);

- COSO ERM (Enterprise Risk Management — Integrating with Strategy and Performance);
- Recommendations on Risk Management, Internal Controls, Internal Audit and the Work of the Board of Directors' (Supervisory Board's) Audit Committee in Public Joint-Stock Companies¹.

- Key by-laws setting out the core principles and components of the risk management framework, as well as the responsibilities of risk management units, include:
- MMC Norilsk Nickel's Risk Management Policy;
 - MMC Norilsk Nickel's Risk Management Regulations.



¹ Appendix to Letter of the Bank of Russia No. IN-06-28/143 dated 1 October 2020.

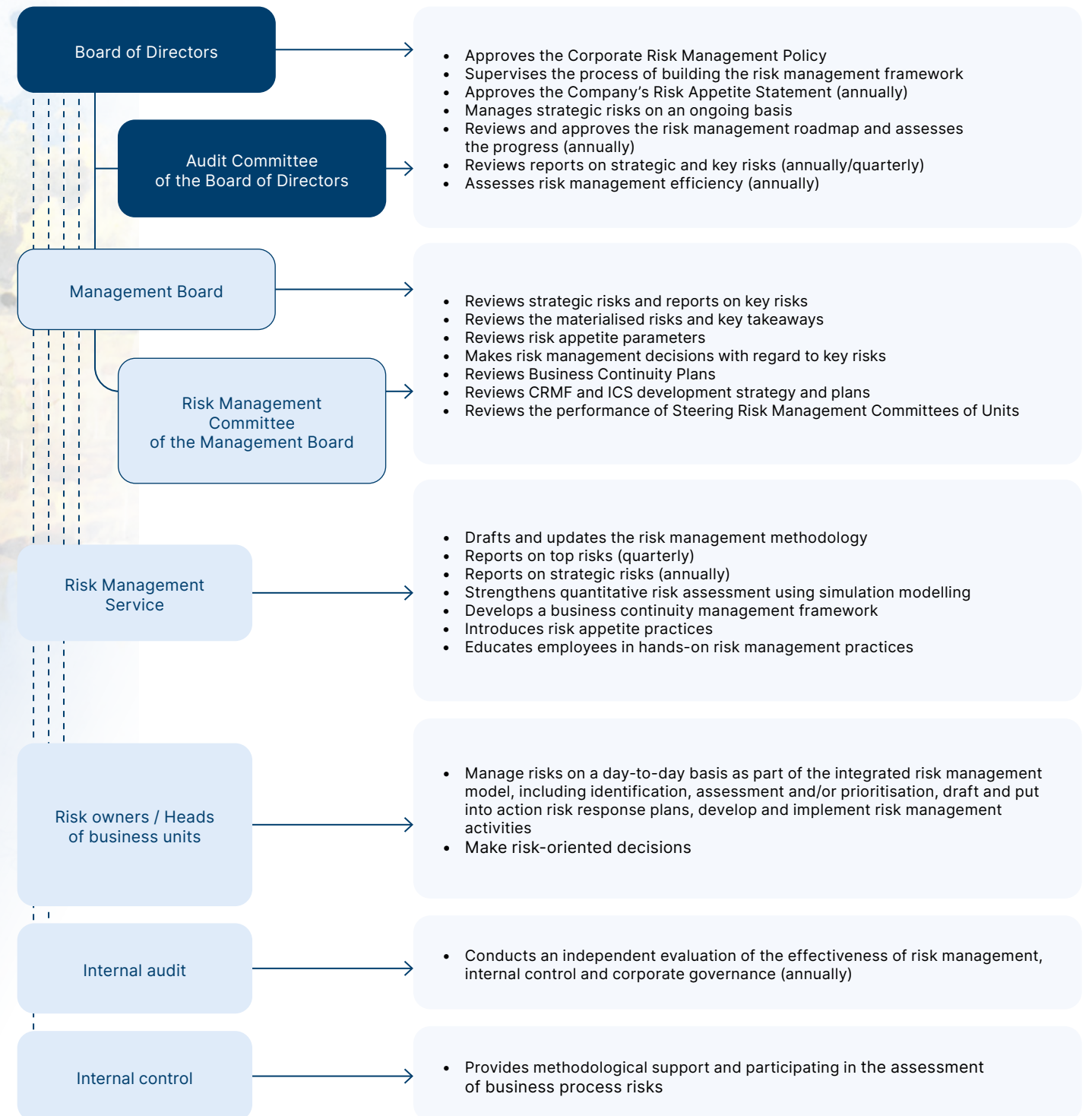
Nornickel regularly implements projects and initiatives to enhance and maintain the maturity of its risk management framework.

Initiatives to improve the risk management framework of Nornickel in 2023

Pilot automation of project risk management completed based on the existing GRC system, links between risks and relevant control procedures automated for the environmental risk group	Quantitative assessment completed with respect to the aggregate impact risks had on function specific strategies	Training materials prepared for project risk management
Concept for assessing long-term climate change risks developed as part of a project seeking to ensure compliance with the TCFD recommendations	Employees of Kola and Norilsk Divisions' companies trained in environmental risk management	Integration of risk management and budgeting processes continued using the automation opportunities offered by the GRC system
The Risk Management Committee and other dedicated committees continued to work on a regular basis	Tools for quantitative assessment of operational risks improved	Quantitative assessment completed with respect to the aggregate impact key risks had on the Company's 2024 budget, the budget's exposure to key risks evaluated, risk management initiatives included in the budget
The Company's risk appetite decomposed to lower levels of the corporate structure, monitoring of relevant financial and non-financial metrics put in place, process automation completed	The maturity of the risk management framework audited by an independent external expert, with the findings confirming a high level of maturity	Quantitative risk assessment of investment projects completed

Structure of Nornickel's corporate risk management framework

GRI 2-9, 2-12, 2-13, 2-16



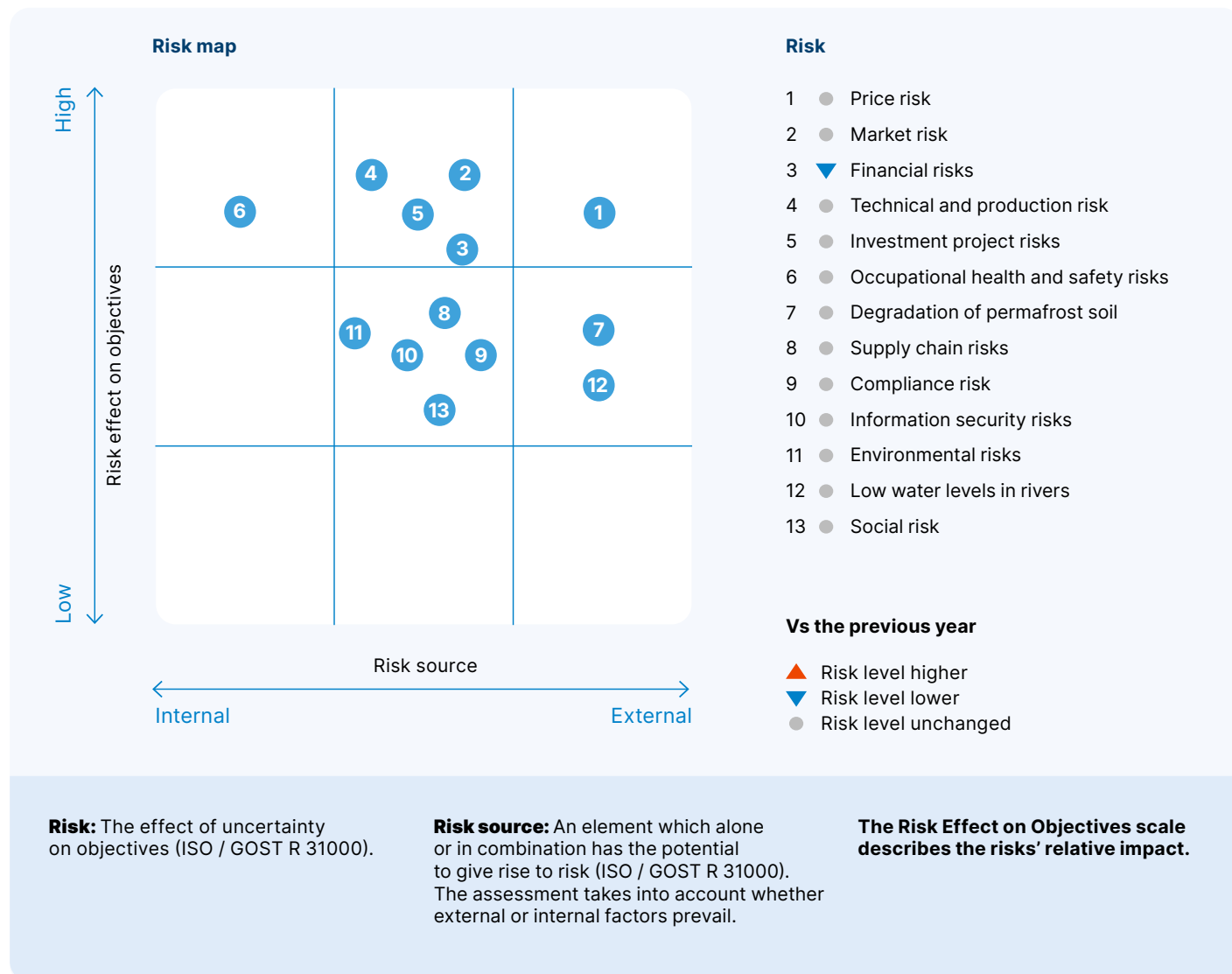
Management of sustainability risks

In 2023, the material risks of the Company related to achieving sustainable development goals included climate change, HSE, social and labour, and information security risks.

The most significant risks in terms of their impact on the Company's goals and sources are presented on the key risk map, which was developed in line

with international risk management standards (risks No. 4–13 are classified as sustainability risks).

Map of key risks, including changes in assessment introduced in 2023



Climate change risks

Nornickel is improving its procedures to manage climate change risks.

➔ For details on physical and transition risks, including guidelines on identifying and assessing such risks and available climate scenarios, please see the [Climate Change](#) section.

Insurance

Insurance is one of the most important tools for managing risks and finances and protecting the assets of Norilsk Nickel Group and its shareholders

against any unforeseen losses related to its operations, including due to external hazards.

The Group has a centralised insurance function in place to enforce compliance with uniform policies and standards under insurance programmes and to ensure continuous insurance coverage. The Company annually approves a comprehensive insurance programme that defines key parameters by insurance type and key project.

The Group developed and implemented a corporate insurance programme that covers assets, equipment failures and business interruptions, with the same

terms and conditions applied to all facilities of the core production chain. The principles of centralisation also underlie the Group's programmes for freight, construction and installation, and vehicle insurance, and third-party liability insurance of the Group's entities, directors, and officers.

Nornickel makes sure that its risks are underwritten. Our insurance policies are issued by Russia's largest insurance companies. To optimise terms of insurance coverage for the Group companies and better manage covered risks, we follow the best metals and mining industry practices.

Key risks of Nornickel and relevant mitigation initiatives

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<p>Price risk</p> <p>Potential decrease in revenue due to lower prices for metals produced by Nornickel subject to the actual or potential changes in demand and supply on certain metal markets, global macroeconomic trends, and the financial community's interest in speculative/investment transactions in the commodity markets.</p>	<p>Upgrade of existing and construction of new facilities to ramp up production of key metals and to maintain financial stability</p>	<p>The Company made an informed decision to assume price risk. To manage this risk, the Company:</p> <ul style="list-style-type: none"> continuously monitors and forecasts changes in key metals supply and demand; safeguards feedstock supplies for key customers through long-term contracts to supply metals in fixed volumes; as a member of the global Nickel Institute and the International Platinum Group Metals Association, works with other nickel and PGM producers to maintain and increase the demand for these metals; searches for new palladium applications



Market risk

Reduced ability of the Company's products to compete in the market may reduce their liquidity and result in sales at discounts to the market price and a decrease in the Company's income.

- ▲ Risk effect: **high.**
- Risk source: **combined.**
- Risk level change: **none**



Financial risks

The group of risks includes FX, interest rate and liquidity risks, as well as other risks associated with financing the Company's operations and investment activities.

- ▲ Risk effect: **high.**
- Risk source: **combined.**
- ▼ Risk level change: **decreased**

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Introduction of external trade restrictions by foreign regulators with negative implications for Norinickel's operations; • competition from producers of cheaper nickel; • changes in the intensity of transport electrification programmes, requirements imposed on metals and their forms; • higher market standards for ESG compliance and product quality 	<p>Upgrade of existing and construction of new facilities to ramp up production of key metals and to maintain financial stability</p>	<p>To manage this risk, the Company:</p> <ul style="list-style-type: none"> • monitors and reviews market requirements on product quality, product form and ESG compliance; • takes steps to support and boost demand for its key metals; • monitors transportation development trends by type of engine and requirements imposed on sourced metals; • diversifies its metal sales by industry and geography; • improves and diversifies its product range; • promotes cooperation with sectoral institutions to maintain access to relevant metal sales markets; • collaborates with Russian ministries and agencies to prevent/minimise negative impact from country-specific and international regulatory measures; • considers partnerships with key producers of cathodes for Li-ion batteries; • enters into strategic partnerships with car makers built on guarantees of long-term palladium supplies; • looks into partnerships that can boost demand for nickel in Russia; • fosters and promotes alternative PGM supply/trade platforms

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Increase in the cost of borrowing; • worsening market environment; • sharp fluctuations in FX rates against the Russian rouble; • inability to raise debt financing due to negative changes in financial market conditions; • inability to tap into the key segments of global financial markets (debt and derivative instruments), limited capacity of FX borrowing markets; • risk of major unforeseen expenses; • materialisation of the counterparty credit risk; • restrictions introduced by foreign regulators that might affect Norinickel's operations, its key partners and infrastructure agents 	<p>Balanced debt portfolio in terms of debt currency, maturity and funding sources.</p> <p>Upholding the Company's investment case</p>	<p>To manage this risk, the Company:</p> <ul style="list-style-type: none"> • maintains a balanced debt portfolio; • procures additional credit facilities denominated in Russian roubles to prevent liquidity shortages; • creates on-balance liquidity cushions to secure payments; • monitors the payment position, current cash gaps, and availability of balance sheet liquidity; • conducts regular scenario modelling for key risk events and develops preventive response plans; • continuously expands the pool of potential partner credit and financial institutions, and diversifies the settlement infrastructure; • uses different financial models subject to their purpose or objective, expands the assessment toolkit for financial risks (stress testing, reverse stress testing covering all financial risks and their factors to track their links/ combinations and correlations over time)



Technical and production risk

Technical and production risk relates to events that can be caused by technical, production-related, or natural factors that can have a negative impact on the progress of the production programme and result in equipment breakdowns or damage to third parties that will require compensation.

- ▲ Risk effect: **high.**
- Risk source: **combined.**
- Risk level change: **none**



Investment project risks

Risks associated with major investment project delays, budget overruns, and deviations from technological targets.

- ▲ Risk effect: **high.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Harsh weather and climatic conditions, including low temperatures, storm winds, snow load; • unscheduled stoppages of key equipment due to excessive wear and tear; • release of explosive gases and flooding of mines; • collapse of buildings and structures; • infrastructure breakdowns 	<p>Delivery against the metal production plan</p>	<p>To manage this risk, the Company:</p> <ul style="list-style-type: none"> • properly and safely operates its assets in line with the requirements of the technical documentation, technical rules and regulations as prescribed by the local laws across its footprint; • introduces ranking criteria and determines the criticality of key industrial assets; • timely replaces its fixed assets to ensure that production safety is at the required level; • rolls out a geotechnical monitoring system across operations to perform ongoing monitoring of its buildings and structures; • uses satellite monitoring of its facilities with subsequent analysis of the monitoring data; • introduces automated systems to control equipment process parameters, uses modern engineering control systems; • improves the maintenance and repair system; • trains and educates its employees both locally, on site, and centrally, through its corporate training centres; • systematically identifies and assesses technical and production risks, implements a programme of organisational and technical actions to mitigate such risks; • continuously monitors the current status of the industrial asset management system; • has risks reviewed by collegial bodies at all governance levels; • develops the technical and production risk management system, including by engaging independent experts to assess the system efficiency and completeness of data; • develops and tests business continuity plans outlining the steps that need to be taken by the Company's personnel and internal service providers where technical and production risks cause the largest possible damage. The plans aim to ensure that the Company resumes its production as early as possible; • annually engages independent surveyors to analyse the Company's exposure to disruptions in the production and logistics chain and assess related risks

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Changing forecasts of ore volume, quality and properties in the course of follow-up exploration; • changing implementation timelines for investment projects; • changes in the budgets of investment projects occurring in the course of their implementation; • changes in the technological targets of investment projects occurring in the course of their implementation 	<p>Strategic goal: development driven by Tier 1 assets.</p> <p>Growth of mining, concentration and metallurgical capacities.</p> <p>Enhancement of the resource base and upgrade of production units across the Company's Tier 1 assets</p>	<p>To manage this risk, the Company:</p> <ul style="list-style-type: none"> • performs proactive geological exploration and updates technological project indicators and the mining plan (long-term production plan) based on the current status of major investment projects developing the mineral resource base; • implements resource, geomechanical and hydrogeological modelling; • holds external audits of geological data; • develops the mining and geological information system; • models mining plans through the mining and geological information systems; • as part of the project assurance process, conducts internal audits (cross-functional expert review) of large investment projects at each stage in their life cycle; • improves project management incentives and enhances competencies (including through employee certification designed to identify areas for improvement and provide relevant training); • improves project management standards and upgrades project management tools; • rolls out successful pilots to all technically advanced and unique production units; • redesigns the projects and replaces providers of material and technical resources / services with suppliers from friendly countries subject to relevant sanction restrictions; • promotes NN Development as a dedicated corporate function integrating responsibility for capital construction projects; • transforms Gipronickel Institute to improve the quality of R&D and feasibility studies and to minimise their duration; • nurtures project management skills in project teams and facilitates knowledge sharing through regular project forums



Occupational health and safety risks

Failure to comply with the Group's occupational health and safety rules may result in threats to employee health and life, temporary suspension of operations and property damage.

- ▶ Risk effect: **high.**
- Risk source: **internal.**
- Risk level change: **none**



Degradation of permafrost soil (climate risk factor)

Loss of pile foundation bearing capacity may cause deformation of buildings and structures leading to their destruction.

- Risk effect: **medium.**
- Risk source: **external.**
- Risk level change: **none**

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Unsatisfactory organisation of operations; • process disruptions; • exposure to hazardous factors 	Occupational health and safety	<p>Pursuant to the Occupational Health and Safety Policy approved by the Company's Board of Directors, the Company:</p> <ul style="list-style-type: none"> • continuously monitors compliance with occupational health and safety (OHS) requirements; • improves working conditions for its own and contractors' employees deployed at the Company's production facilities, including by implementing new technologies and labour saving solutions and enhancing industrial safety at production facilities; • provides staff with certified modern personal protective equipment; • improves the system of fixed gas analysers and furnishes staff with portable gas analysers; • implements preventive healthcare measures and sanitary and hygienic practices to reduce the potential impact of hazardous and dangerous production factors; • provides its employees with regular training and instructions and assesses their performance in OHS, conducts corporate workshops, where, among other things, special simulation equipment is used; • strengthens the methodological framework in OHS, including by developing and introducing corporate standards; • improves the risk assessment and management framework at the Group companies and production facilities as part of the Risk Control project; • reviews the competencies of line managers at the Company's production facilities, develops OHS training programmes and arranges relevant training sessions; • holds OHS competitions; • provides all employees with updates on the circumstances and causes of accidents, conducts ad hoc themed instruction sessions; • introduces frameworks to manage technical, technological, organisational and HR changes

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Climate change, average annual temperature increase (over the last 15–20 years); • increased depth of seasonal thawing 	<p>Delivery against the metal production plan. Social responsibility: creating a safe and comfortable living environment for local communities in the Company's regions of operation.</p> <p>Prevention of interregional or federal emergency situations that might cause environmental damages</p>	<p>To manage this risk, the Company:</p> <ul style="list-style-type: none"> • regularly monitors the condition of foundation beds of buildings and structures; • runs geodetic control of changes in buildings' positions; • uses satellite monitoring of the Company's facilities with subsequent analysis of the monitoring data; • implements ongoing monitoring of the Company's buildings and structures and analyses the monitoring data to identify potential risks of deformations in the earth's crust, if any; • implements ongoing monitoring of the Company's buildings and structures by scaling up a corporate information and diagnostics system (including deployment of automated monitoring points to control parameters essential for the safe operation of buildings and structures); • monitors soil temperature and moisture at foundations of buildings and structures; • puts in place corrective actions and adaptation measures to bring buildings and structures into safe operating conditions



Supply chain risks

Supply chain disruption in existing transportation and logistics schemes.

- Risk effect: **medium.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Harsh physical and climatic conditions in the regions of operation; • transportation and logistics limitations; • higher inflation and exchange rates, pricing pressure from suppliers, improper planning and other factors; • non-compliance with sustainability principles on the part of suppliers; • improper performance of contractors 	<p>Delivery against the metal production plan.</p> <p>Timely shipments to customers</p>	<p>To mitigate supply chain risks, the Company:</p> <ul style="list-style-type: none"> • partners with domestic manufacturers to strengthen competition; • enters into long-term contracts/agreements and sets optimal fixed prices for equipment, materials and spare parts; • makes lists of critical equipment and materials suppliers, and takes steps to prevent supply disruptions and monitor said counterparties; • conducts due diligence of mineral suppliers in accordance with the Five-Step OECD Due Diligence Guidance; • runs the logistics expansion programme



Compliance risks

GRI 205-1

This risk relates to legal liability, significant financial losses, suspension of production, revocation or suspension of licences, loss of reputation, or other adverse effects arising from the Company's non-compliance with the applicable regulations, instructions, rules, standards and codes of conduct, or resulting from the application of sanctions and/or other penalties imposed by external regulatory authorities.

- Risk effect: **medium.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors	Goals and strategic areas of the Company related to the risk	Key mitigants
<ul style="list-style-type: none"> • Discrepancies in rules and regulations; • considerable powers and a high degree of discretion exercised by regulatory authorities; • regulatory instability; • market practices influenced by business ethics and country-specific 	<p>Ensuring compliance of Nornickel Group and its Russian entities with applicable laws, regulations, corporate standards and business practices</p>	<p>To mitigate compliance risks, the Company:</p> <ul style="list-style-type: none"> • develops and updates key internal regulations and guidelines in accordance with applicable laws, ensures compliance with such regulations and guidelines; • applies advanced practices to improve the compliance system; • ensures that its interests are protected during surveillance inspections or in administrative offence cases; • includes in contracts provisions protecting its interests; • checks the reliability of its counterparties, partners and suppliers before signing contracts with them; • raises employee awareness about the Company's compliance risk mitigation requirements and initiatives; • supports the operation of the Corporate Trust Line set up to handle reports of future or past cases of corruption, fraud, theft or other wrongdoings; • develops and maintains an antitrust compliance system; • assesses the performance of compliance control at Nornickel.



Information security risks

This group of risks includes, among other things, potential cyber crimes, potential unauthorised transfer, modification or destruction of information assets, disruption or lower efficiency of IT services, business, technological and production processes of the Company.

- Risk effect: **medium.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors

- Growing external threats;
- unfair competition;
- rapid development of IT infrastructure and automation of production and business processes;
- employee and/or third-party wrongdoings;
- remote/hybrid working models and engagement of remote workforce outside the regions of the Company's operation;
- limitations of operated protection tools

Goals and strategic areas of the Company related to the risk

Reducing the threats to information security and the risk of cyber attacks on the Company's information and automated process control systems

Key mitigants

- To mitigate information security risks, the Company:
- complies with applicable laws and internal regulations with respect to information security, personal data and trade secret protection, insider information, and critical information infrastructure;
 - categorises information assets and assesses information security risks;
 - raises employee awareness in information security;
 - replaces tools of information protection that have limited functionality;
 - protects assets using technical means and manages information access;
 - monitors threats to information security and the use of technical protection means, including vulnerability analysis, intervention testing, cryptographic protection of communication channels, controlled access to removable media, protection from confidential data leakages, mobile device management;
 - procures that the corporate information security management system is set up and duly certified;
 - takes measures to provide secure remote access



Environmental risks

This group of risks includes events that cause chemical substances to be present in the environment, as well as events that are not part of the approved production processes and outside of the Russian laws and regulations and affect the Company's achievement of its environmental protection goals.

- Risk effect: **medium.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors

- Non-compliance with environmental protection laws and regulations when running the Company's facilities;
- poor internal management and controls;
- failure to implement environmental protection programmes and activities on time;
- natural phenomena and climate-related events

Goals and strategic areas of the Company related to the risk

Ensuring compliance of operations with applicable environmental laws, regulations, corporate standards and business practices

Key mitigants

- To manage these risks, the Company:
- develops, implements and improves business processes to protect the environment and introduces best practices and approaches;
 - creates an incentive framework and develops employee expertise in environmental protection;
 - implements the Environmental and Climate Change Strategy;
 - implements environmental action plans of Norinickel Group and its Russian entities;
 - oversees compliance with environmental laws and regulations and implementation of programmes and activities on environmental protection



Low water levels in rivers

Water shortages in storage reservoirs of the Company's hydropower facilities may result in failure to achieve necessary water pressure at HPP turbines leading to limited power production and drinking water shortages in Norilsk.

- Risk effect: **medium.**
- Risk source: **external.**
- Risk level change: **none**

Key risk factors

- Abnormal natural phenomena (drought) caused by climate change

Goals and strategic areas of the Company related to the risk

Social responsibility: creating a safe and comfortable living environment for local communities in the Company's regions of operation.

Reducing the share of renewable energy consumption

Key mitigants

- To manage this risk, the Company:
- improves the efficiency of the closed water circuit to reduce fresh water withdrawal from surface sources (water bodies);
 - carries out regular hydrological examinations to forecast water levels in rivers and water bodies;
 - in cooperation with the Federal Service for Hydrometeorology and Environmental Monitoring (Rosgidromet) sets up permanent hydrological and meteorological monitoring stations to ensure more accurate water level forecasting in its regions of operation;
 - dredges the Norilskaya River at the water withdrawal sites to improve reliability during low water periods;
 - implements a comprehensive range of initiatives to improve equipment performance and the efficiency of production chains with a view to reducing water consumption;
 - replaced hydroelectric units at Ust-Khantayskaya HPP to increase power output through improving the performance of hydroelectric units



Social risk

The risk relates to increased tension among the workforce due to the deterioration of social and economic conditions in the Company's regions of operation.

- Risk effect: **medium.**
- Risk source: **combined.**
- Risk level change: **none**

Key risk factors

- Projects that have an impact on headcount/staffing;
- failure of some employees and/or third parties to share the Company's values;
- limited opportunities for annual wage indexation;
- dissemination of false and inaccurate information about the Company's plans and operations among the Group's employees;
- reallocation of spending on social programmes and charity

Goals and strategic areas of the Company related to the risk

- Social responsibility:
- partnership with regional and local authorities to develop social infrastructure required to create safe and comfortable living environment for local communities;
 - contribution to the professional and cultural development of employees and building of the talent pool in the regions of operation;
 - ongoing charity programmes and projects

Key mitigants

- To manage this risk, the Company:
- strictly abides by the collective bargaining agreements made between the Group's companies and employees (22 bargaining agreements in total);
 - interacts with regional and local authorities, and civil society institutions;
 - fulfils its social obligations under public-private partnership agreements;
 - runs programmes in accordance with its corporate social policy and the World of New Opportunities charitable programme to support and promote regional public initiatives, including those geared towards the indigenous peoples of the Taimyr Peninsula, and the Plant of Goodness corporate volunteering programme;
 - puts in place infrastructure to enable accelerated development and improved quality of life across the Company's regions of operation in cooperation with the Norilsk Development Agency, the Second School Centre for community initiatives in the Pechengsky District, and the Monchegorsk Development Agency;
 - implements regular social monitoring across the Group's operations;
 - conducts opinion polls among Norilsk's communities to learn more about their living standards, employment, migration trends and general social sentiment, and identify major challenges;
 - implements social projects and programmes aimed at supporting employees and their families, as well as the Company's former employees;
 - engages in dialogues with stakeholders and conduct opinion polls while preparing public sustainability reports of the Group;
 - implements a set of social support initiatives for the personnel facing redundancies as part of Kola MMC's social programmes and develops roadmaps for the social and economic development of the Pechengsky District

TAX STRATEGY

GRI 207-1

Approach to taxation

Nornickel strictly complies with all applicable tax laws of the Russian Federation and other countries of operation¹, while also paying taxes and making other statutory budget payments in a full and timely manner.

The Tax Strategy Policy of Nornickel Group is the key document governing all taxation aspects, including operations of the tax function of MMC Norilsk Nickel and its subsidiaries and management of tax burden and risks.

Nornickel is committed to openness and transparency in its taxation aspects. The Company discloses relevant information for stakeholders on its corporate portal and takes a zero-tolerance approach to non-transparent corporate structures used for tax avoidance.

Group companies use market prices in their reports on intra-group transactions submitted for tax purposes. In line with the applicable transfer pricing laws, the Group complies with the basic

principles set out in the Organisation for Economic Cooperation and Development (OECD) Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and follows the laws and regulations of Russia and other countries of operation.

Nornickel takes a conservative approach to all controversial tax issues arising in all jurisdictions across the Group's footprint. The Group considers unacceptable any use of aggressive tax planning schemes.

¹ The Group's foreign entities interpret applicable tax legislation and resolve controversial tax issues independently.



Tax management at Norilsk Nickel Group

GRI 2-9, 2-12, 2-13, 207-2



The tax strategy is developed and monitored by the Head of the Tax Department, who reports to Nornickel's Senior Vice President and CFO. The Company's Management Board approves the tax strategy and critical amendments made to the strategy from time to time.

The Tax Department prepares and communicates internal regulations (guidelines, explanations, information mails) based on the current legislation,

arbitration practice, regulatory clarifications and other circumstances. If necessary, the Tax Department requests specific clarifications from competent authorities or a reasoned opinion of the tax authority required for the companies participating in tax monitoring.

Additionally, the Tax Department is responsible for managing the tax risks of the Group's Russian entities. Tax reassessment and penalty cost

risk factors, contingent tax liabilities, and the opinion of an external auditor confirming the accuracy of tax information are presented in the [Consolidated Statements of the Company for 2023](#).

Cooperation with tax authorities

GRI 207-3

The areas where the Group interacts with tax authorities include:

- exercising tax control;
- seeking clarifications on existing legislation;
- entering into pricing agreements.

Nornickel regularly interacts with tax authorities in the real-time mode through a tax monitoring system, which provides access to the Company's tax and accounting data.

In 2023, the tax monitoring platform evolved in terms of penetration within the Group, while also improving the user

friendliness of its interface, data quality and information exchange speed. This tool proves high automation of reporting and transparency of tax processes.

>97%
of the Group's turnover monitored by tax authorities in real time since 2023

60%
reduction in the number of tax audits

2x
decrease in the number of document requests with corresponding time savings

¹ For more details, please see the [Consolidated Statements of the Company for 2023](#).

CORPORATE SECURITY

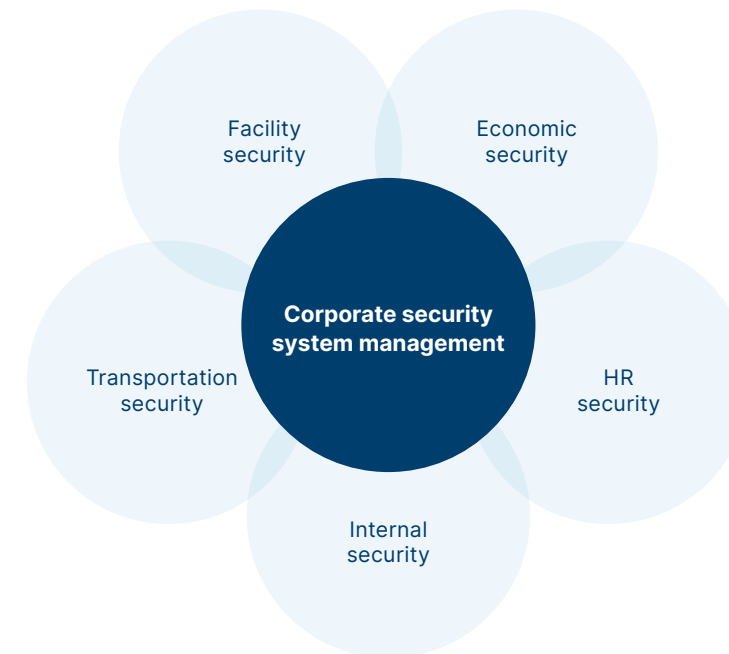
How has the Company's corporate security evolved over the past 20 years?

Corporate security improvements are one of the key drivers behind the resilience of Nornickel's business processes: in 2007, the Company developed professional competence standards for security employees; in 2017, Nornickel oversaw the establishment of the Club of Information Security in Industry, a cross-industry association; in 2018, the Group approved its Information Security Policy, and contributed to the creation of the National Association of International Information Security and drafting of the Security Charter for Critical Industrial Facilities; finally, in 2019, the Company piloted a system of analytical situation centres, which is currently gaining significant momentum. Given current external challenges, we reviewed our approach to information security to reflect continued pivot towards technological sovereignty and transition to a service-based model.



To minimise the Company's exposure to a wide range of risks, Nornickel employs a comprehensive approach suggesting integration of corporate security components into all business processes.

Corporate security components



The Corporate Security Unit manages security issues within the Company, including by coordinating the work of different business units, navigating government relations, monitoring production facilities, preventing incidents, and implementing modern technologies. In 2023, the Corporate Security Unit set up a new function responsible for coordinating the operation of unmanned aerial vehicles and anti-drone activities. Establishment of no-fly zones over categorised corporate facilities will enable security units to protect (where necessary) facilities from drones using cutting-edge technical solutions.

Nornickel is developing a network of analytical situation centres operated through a single analytical software platform for aggregating and processing information required to ensure the security of key business processes. In early 2024, a new segment of the system was put into operation, with Kola MMC joining the Group's corporate security ecosystem.

The regulatory framework for corporate security is defined by the Russian laws, applicable international norms, internal standards and Nornickel's by-laws.

In accordance with the Policy on Countering Corporate Fraud approved by the Board of Directors in 2022, the Company takes consistent steps to prevent, detect and combat abuses, corporate fraud, and corrupt practices. In the reporting year, these activities included:

- embedding violation indicators (signs of price fixing arrangements, conflict of interest, lobbying procurement participants, unjustified restrictions) into the system ensuring the economic security of procurement activities to form a comprehensive basis for abuse prevention;
- upgrading the counterparty due diligence methodology;
- developing a course on combating corporate fraud and integrating it into the Group's employee training framework. This course was successfully completed by the current employees of the Company.

Furthermore, in 2023 we addressed corporate security concerns associated with the implementation of strategic investment projects seeking to protect the legitimate economic interests of the Company in contractor relations, HR and facility security.

A dedicated Centre for Chemical and Forensic Research and Expertise equipped with cutting-edge analytical equipment started operating

on fundamentally new premises to address important economic security issues at production facilities. This helped significantly expand the Centre's remit, enabling it to run a wide range of chemical and analytical tests to provide technical assistance to manufacturing, control and analysis units in assuring product quality, investigating the causes of emergencies at production sites, conducting in-depth chemical, mineralogical and structural research of materials and substances

used in the development of new concentration and metallurgical solutions, and in exercising special external control over the quality and accuracy of non-ferrous and precious metal analysis. The Centre developed a comprehensive methodology for analysing and identifying metal-bearing materials, which earned praise from the International Platinum Group Metals Association.

Nornickel actively collaborates with business partners, metals and mining companies, government authorities and other stakeholders to enhance its corporate security. In 2023, the Company participated in a meeting of the International Platinum Group Metals Association, won a prize at the R&D conference "Transport Safety Formula. Law. Knowledge", and implemented federal security regulations.

In 2023, more than 520 training exercises, 242 joint drills and 22 dedicated tactical drills were held to ensure a high level of facility security workforce and equipment preparedness.

Ensuring information security

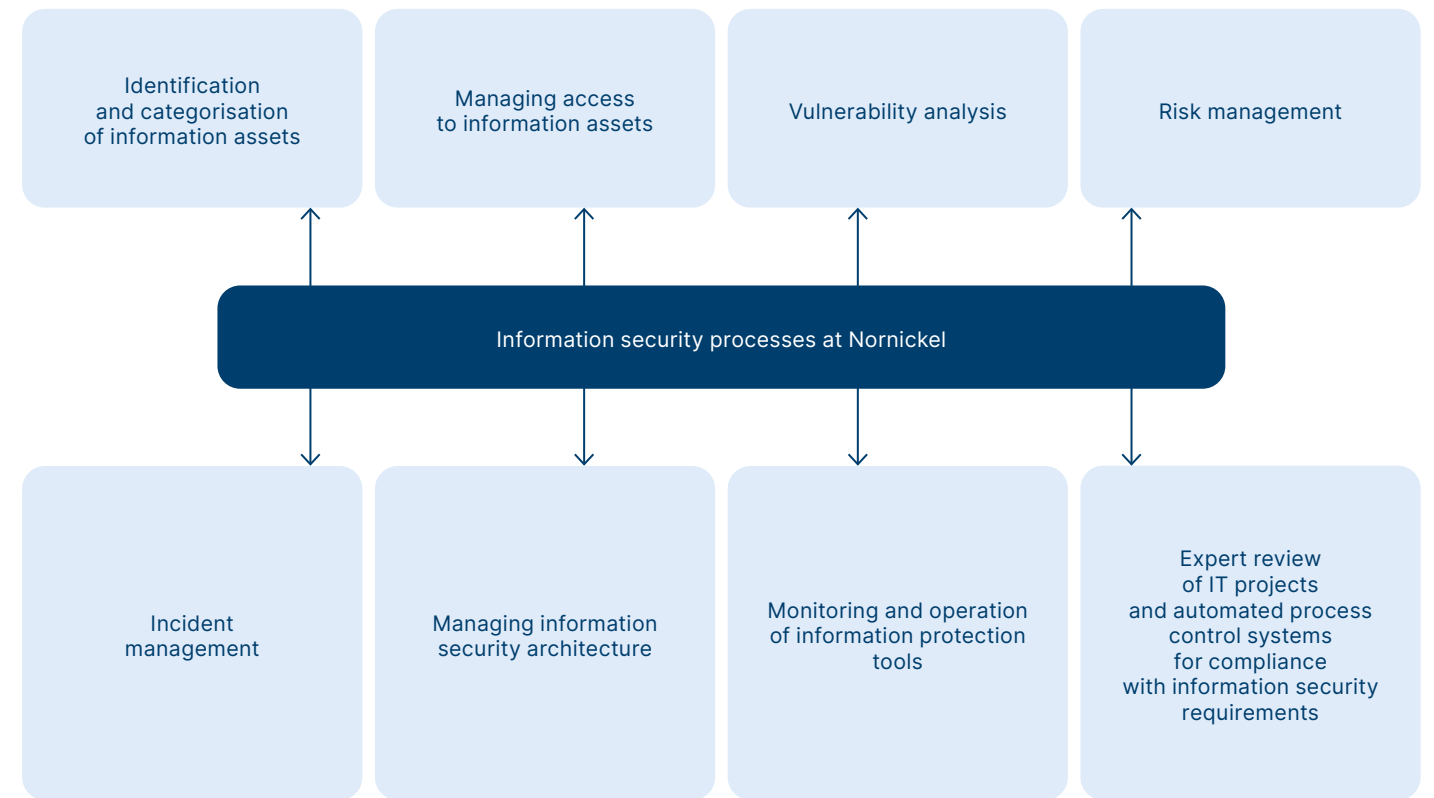
In 2023, the Company analysed existing external challenges and current trends in the Russian market to review its information security approach. Among other things, Nornickel reorganised its information security function, while also drafting and approving a strategy for its further development, which suggests continued pivot towards import substitution of information security solutions and transition to a service-based model.

Nornickel Sfera, the Company's subsidiary, possesses extensive technical competencies across core information and process security areas, and offers a full range of key services to the Group's facilities.

The Company takes consistent steps to protect the process infrastructure of its production sites and to mitigate risks. With cyber attacks increasingly numerous and sophisticated and some employees

continuing to work from home, additional measures are required to ensure the information security of corporate resources and infrastructure.

The Company has implemented all the necessary information security processes.



The operation of the Information Security Management System (ISMS) is governed by the Company's internal regulations (MMC Norilsk Nickel's Information Security Policy, information security guidelines and standards) in line with best global practices.

Nornickel's priority in ensuring the security of automated process control systems is implementing basic protection measures (tools and systems) at the greatest possible number of facilities and production sites equipped with automated process control systems. In the reporting year, the emphasis was placed on using domestic solutions.

The 2023 internal audit praised the information security function for its achievements in protecting automated control systems. The audit recommendations are expected to be implemented in 2024.

Cyber incidents are yet another focus area in the domain of information security. In order to deal with cyber incidents, the Company uses cutting-edge technical solutions, and keeps abreast of domestic and global cyber defence practices. Relevant procedures are regularly tested (at least once a quarter) to assess Nornickel's preparedness to respond to modern cyber attacks. Any employee who detects suspicious content or activity on corporate devices can report it to the information security function. Experts assess the possible negative impact on the Company's information systems and takes measures to prevent and eliminate the consequences of incidents.

New vulnerability management strategies were drafted and rolled out in the reporting year.

They seek to counter new types of attacks and provide for the continuous protection of the Company's systems, including by implementing the DevSecOps strategy focused on ensuring security throughout the software development lifecycle.

Personal data (including third party data) is protected in accordance with applicable Russian laws. The security experts employ a comprehensive range of organisational and technical tools, including anti-virus protection, prevention of information leaks, control of removable media, analysis of security events, and personnel training to raise awareness about compliance with personal data requirements. In 2023, personal data processing was aligned with the latest legal requirements and internal regulations.



Information security highlights for 2023

>6,000

audits conducted in response to information security grievances submitted by the Company's employees

>18,000

information security events handled

57

operated systems

underwent vulnerability analysis, with bottlenecks identified and remedies proposed



13

Group companies

aligned personal data processing with relevant legal requirements and internal regulations



ISO/IEC 27001:2013

Nornickel's Information Security Management System complies with ISO/IEC 27001:2013.

In 2023, five of Nornickel's sites confirmed the high efficiency of their information security management processes:

- Murmansk Transport Division;
- Kola Mining and Metallurgical Company (Kola Division);
- Nadezhda Metallurgical Plant (Norilsk Division);
- Copper Plant (Norilsk Division);
- Talnakh Concentrator (Norilsk Division).

The external auditor noted strong involvement of the management in the ISMS processes and preparedness of the facilities to respond to new threats and challenges.

A series of audits is planned for 2024 as part of transition to ISO/IEC 27001:2022.

Information security training

Raising employee awareness about data protection and digital hygiene is an important element of the information security management system pursuant to the Company's internal regulations¹. In 2023, Nornickel set a goal to enhance the culture of information security across the Group.

All new employees are familiarised with by-laws governing information security requirements and undergo additional induction training.

Every year the staff takes courses on the latest cyber threats and risks.

In 2023, there were about 95 scheduled and 19 unscheduled e-learning training sessions and on-site lectures for 34,104 Group employees.

Furthermore, the Company arranges regular drills dealing, among other things, with simulated phishing attacks and other user threats. The drill results are used to update employee instructions.

In addition, there are regular newsletters to inform the staff about current information security threats and digital hygiene rules.

34,104

Group employees

completed training sessions in 2023

Stakeholder engagement on information security

The Club of Information Security in Industry established at the initiative of Nornickel serves as a venue for sharing best practices and experiences in the realm of information security, and engaging in a public-private dialogue on relevant regulations. By the end of 2023, the Club had over 70

Russian companies as its members. The agenda covers the pressing issues of ensuring cyber security for businesses in the face of new challenges and threats.

In an attempt to give a boost to the information security market for the industrial sector, the Company held

meetings with developers and vendors of information security products and services, and entered into strategic partnership agreements with some of them.

¹ Rules of Raising Awareness in Information Security of MMC Norilsk Nickel.

RESPONSIBLE BUSINESS CONDUCT

Nornickel has traditionally been striving to strengthen its status as a responsible employer, a reliable supplier for Russian and foreign counterparts, and a partner for the regions of operation, local and indigenous communities. The Company sets the bar high for its employees and partners with respect to responsible business conduct, including string respect for human rights, zero tolerance to any form of corruption and all levels, counterparty screening in procurement, and roll-out of a responsible supply chain.



RESPECT FOR HUMAN RIGHTS

GRI 2-23/SASB EM-MM-210a.3

How has the Company's human rights agenda evolved over the past 20 years?

- The Company:
- does not tolerate any forms of discrimination;
 - does not use forced or child labour;
 - gives every employee equal opportunities to exercise their labour rights;
 - does not operate in areas involved in military conflicts and high-risk areas, nor procures mineral feedstock from such areas.

The Sustainable Social Development Strategy and the Environmental and Climate Change Strategy approved by the Board of Directors are closely linked to respect of human rights. The Company's strategic focus areas and relevant initiatives seek to provide comfortable working conditions, strengthen occupational health, offer opportunities for professional growth in line with the needs of the economy of the future, improve the quality of life for the Company's employees and local and indigenous communities, and foster a healthy environment.

The implementation of the strategy is closely related to achieving the UN Sustainable Development Goals and the objectives of Russia's national projects.

In 2023, Nornickel was included in the ranking of the World Benchmark Alliance, which confirms the Company's compliance with the Corporate Human Rights Benchmark (CHRB). Nornickel joined the world's 30 largest mining companies and became the only Russian company to significantly improve its rating in the mining sector. The Company ranked 28th out of 55 businesses in the mining industry.



Nornickel's commitment to human rights

Nornickel respects the rights of all people working in the Company, residing in the regions of its operation, and interacting with it throughout operational processes. Nornickel's human rights activities are governed by the Company's by-laws¹, including:

The document applies

- to protecting the rights of the Company's employees
- ▲ local communities
- employees of suppliers and contractors
- indigenous peoples

Business Ethics Code ○	Occupational Health and Safety Policy ○ ■	Community Engagement Policy ▲
Indigenous Peoples' Rights Policy ●	Human Rights Policy ○ ■ ▲ ●	Personal Data Processing Policy ○
Environmental Policy ○ ■ ▲ ●	Responsible Sourcing Policy ■	Equal Opportunities Programme ○
Freedom of Association Policy ○	Environmental Impact Assessment Policy ○ ■ ▲ ●	Supplier Code of Conduct ■
Working Conditions Policy ○ ■	Policy Regarding Support for Small and Medium Enterprises ▲	Stakeholder Engagement Policy ○ ■ ▲ ●

¹ Nornickel's by-laws are available on the [Company's official website](#).

In 2023, the Company approved an updated version of the Corporate Trust Line Procedure, worked to update the Stakeholder Engagement Policy and the Indigenous Peoples' Rights Policy, and drafted the Regulations to Carry

into Effect the Principles of Preventing, Reducing, and Mitigating Potential Impacts on Indigenous Minorities.

Human rights in the Company are respected in line with the applicable Russian laws, UN Guiding Principles

on Business and Human Rights, generally recognised standards, principles and recommendations, industry-specific initiatives, and international laws.

Top management is responsible for ensuring the respect of human rights in the Company. To engage executives into sustainable development management, in particular as regards human rights, occupational health and safety indicators linked to FIFR were included in the annual team KPIs

of the top management (relative weight of 30%). The most significant matters, such as remuneration, incentives, occupational health and safety or workplace injuries, are reviewed by the Board of Directors and relevant committees. The Company runs cross-functional initiatives to protect

human rights. For example, to achieve the strategic goal of zero workplace fatalities, the Company developed initiatives to enhance safety culture.

➔ For more details, please see the [Occupational Health and Safety](#) section.



Industry-specific initiatives

- Initiative for Responsible Mining Assurance (IRMA)
- Principles of the International Council on Mining and Metals (ICMM)

Russian legislation

- Constitution of the Russian Federation
- Labour Code of the Russian Federation
- Federal Law No. 82-FZ On the Minimum Wage dated 19 June 2000, Federal Law No. 82-FZ On Safeguarding the Rights of Indigenous Minorities of the Russian Federation dated 30 April 1999, and other federal laws



External human rights regulations and standards applied by Nornickel

Generally recognised international and Russian declarations, guidelines and initiatives

- UN Global Compact
- UN Universal Declaration of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- International Labour Organisation conventions
- OECD Guidelines for Multinational Enterprises
- Social Charter of the Russian Business

Practical recommendations

- Guide for Integrating Human Rights into Business Management (UN Global Compact)
- Global Reporting Initiative, uniform reporting standards and recommendations (GRI)
- Voluntary Principles on Security and Human Rights (VPSHR)
- UN Guiding Principles on Business and Human Rights (UNGP)
- International Financial Corporation's (IFC) Environmental and Social Performance Standards

Respect for human rights across Nornickel's operations: approaches and key achievements

In 2023, the Company implemented an extensive range of activities and projects, including measures aimed at protecting the rights of the

- Company's employees
- employees of suppliers and contractors
- ▲ local communities
- indigenous peoples

Right to life, freedom, and privacy, freedom from arbitrary arrest, freedom of movement

Approaches and key achievements in 2023

- ■ 0 instances of child or forced labour in 2023;
- No restrictions imposed on employees' freedom of movement, provision of relocation assistance to employees in difficulty, and allocation of transportation subsidies to employees living beyond the Arctic Circle;
- ■ Protection of personal data and privacy of employees.
- ➔ For more details, please see the [Human Capital Development](#), [Occupational Health and Safety](#), and [Corporate Security](#) sections

Rights to the protection of family, maternity and childhood

Approaches and key achievements in 2023

- ■ Respect for the rights of mothers and pregnant women;
- Ensuring the necessary conditions for an employee to return to work from a maternity and/or childcare leave (in 2023, 623 employees returned to work after such leaves);
- Social (housing, healthcare and culture) programmes aiming to support families and provide them with leisure opportunities.
- ➔ For more details, please see the [Human Capital Development](#) section

Right to safety, including occupational health and safety

Approaches and key achievements in 2023

- ■ Continued commitment to zero tolerance towards workplace fatalities, development of a proactive risk-oriented approach aimed at preventing adverse events (implementation of unified cardinal safety rules, incentives for risk detection, etc.);
- ■ In 2023, health and safety expenses amounted to RUB 17.5 bn, or RUB 218,000 per employee.
- ➔ For more details, please see the [Occupational Health and Safety](#) section.

¹ For more details on the governance structure, responsibilities and oversight of human rights in the Company, please see the [2023 Human Rights Report](#).

Right to a reasonable work schedule and paid leave

Approaches and key achievements in 2023

- The Company respects internal labour regulations, which are approved in consultation with the trade union organisation, and formalises employees' working hours;
- Employees are provided with paid job-protected annual basic and additional leaves.

→ For more details, please see the [Human Capital Development](#) section

Right to protection from discrimination

Approaches and key achievements in 2023

- ■ ▲ ● Zero tolerance towards discrimination on any grounds in the Company;
- ■ ▲ ● No reported cases of racial, gender, religious, political, social or other discrimination in 2023;
- ■ ▲ ● Development of social programmes to support diversity and inclusion (Norinickel's Youth Ecosystem, mentorship, etc.).

→ For more details, please see the [Human Capital Development](#) section

A requirement on counterparties to respect human rights as part of the supply chain responsibility commitments

Approaches and key achievements in 2023

- The supply chain due diligence management system seeks, among other things, to identify and mitigate various risks, including the risk of violating human rights and freedoms;
- Continued commitment to a zero tolerance approach towards any violations of human rights across the supply chain.

→ For more details, please see the [Supply Chain Responsibility](#) section

Right to freedom of association and collective bargaining

Approaches and key achievements in 2023

- 94.02% of employees are covered by collective agreements. The Group companies are parties to a total of 22 collective bargaining agreements;
- As at the end of 2023, 7.3% of the Company' employees were members of trade unions, while 76.5% were represented by social and labour councils.

→ For more details, please see the [Human Capital Development](#) section

Rights of local and indigenous communities

Approaches and key achievements in 2023

- ■ ▲ ● The Company has a wide range of programmes seeking to improve the living standards of local communities (for example, the World of New Opportunities with 15,000 participants and the Plant of Goodness with approximately 4,000 volunteers and 410 events);
- The Company respects the rights of indigenous peoples and seeks to improve their living standards. As part of interactions with the indigenous minorities, Norinickel abides by a number of agreements. In 2023, the Company allocated RUB 976 mln to finance projects for the indigenous northern minorities;

▲ ● The Company extends targeted support to educational institutions in the regions of its operation;

▲ ● The Company does not implement or plan to implement any business projects related to taking land from the population and forced relocation.

→ For more details, please see the [Development of Local Communities](#) section

Right to work, fair and adequate remuneration, favourable working conditions, and social security

Approaches and key achievements in 2023

- The average salary paid to Norinickel's employees is well above Russia's average, standing at RUB 184,100 per month (2023);
- The Company offers its employees a wide range of benefits and social assistance programmes (in 2023, the compensation package across the Group came in at RUB 196,800 per month, with the social assistance package accounting for 6% of this amount);
- The Company launched a new Digital Investor corporate programme seeking to provide participants with additional income sources (over 51,300 participants);

○ Norinickel put in place an updated version of the Made with Care employee comfort programme (in 2023, 138 facilities underwent repairs, with RUB 4.5 bn allocated to improve social and working conditions);

○ The Company takes steps to secure jobs for vulnerable population groups and people with disabilities;

○ The Company ensures equitable access to education for all categories of employees by offering them a wide range of training programmes;

○ In 2023, the average annual number of training hours per employee (based on average headcount) was 88, with the Company spending an average of RUB 16,820 per employee;

○ In 2023, the Company continued running the Our Home / My Home and Your Home housing programmes (since the start of the programmes, 6,118 apartments have been provided to employees).

→ For more details, please see the [Human Capital Development](#) section

Right to a healthy environment

Approaches and key achievements in 2023

○ ■ ▲ ● The Company continuously works to reduce its environmental footprint and implements a comprehensive environmental policy. In 2023, the Environmental and Climate Change Strategy was updated, and key focus areas of the Carbon Neutrality Strategy were identified;

○ ■ ▲ ● As part of the Sulphur Programme, SO₂ emissions in Kola Division have gone down by 90% since 2015; in 2023, the first stage of the Programme was launched at Nadezhda Metallurgical Plant;

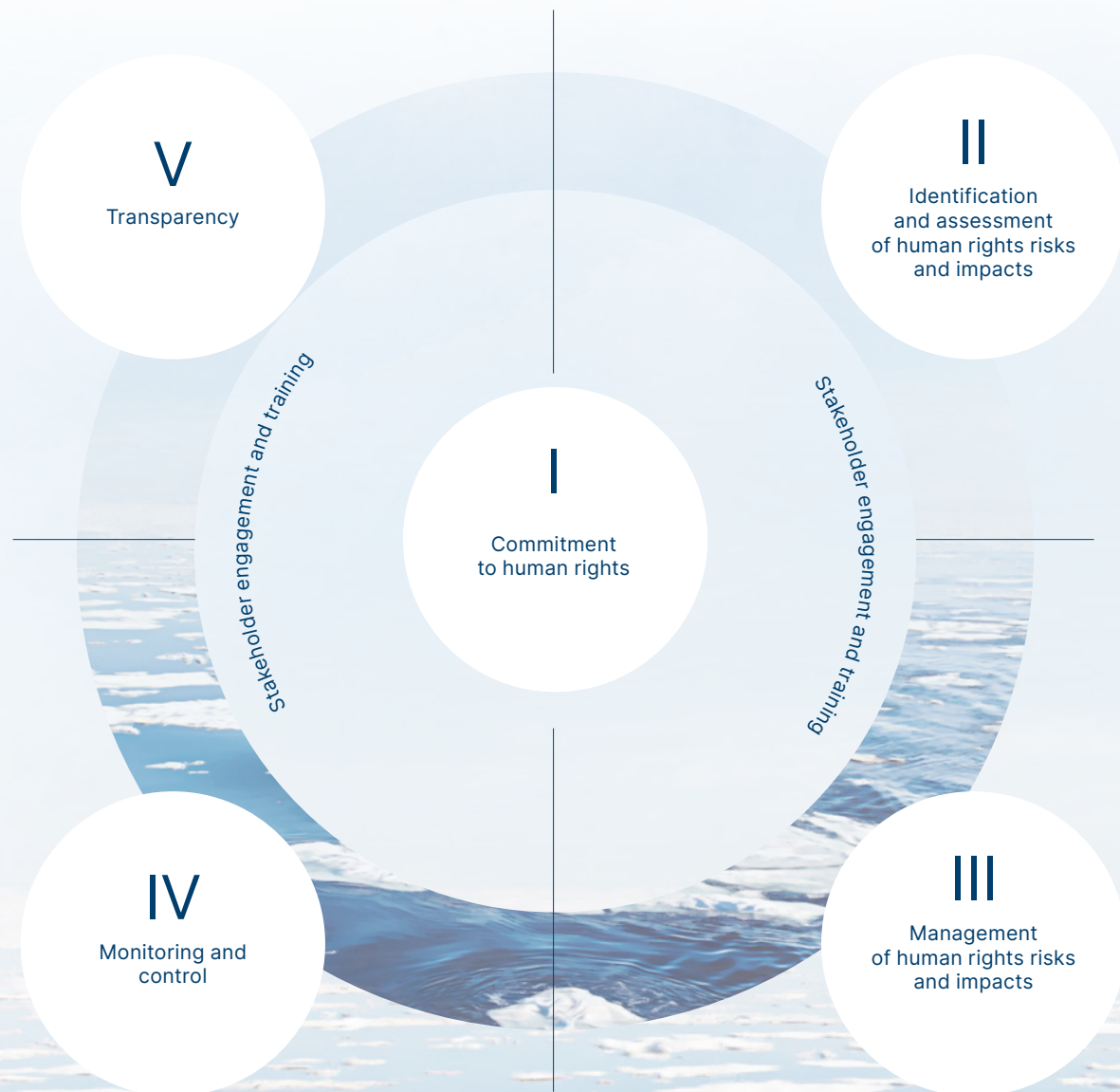
○ ■ ▲ ● In 2023, the Company continued to implement the air quality monitoring and forecasting system in Norilsk and Monchegorsk.

→ For more details, please see the [Environmental Protection](#) section



Human rights due diligence

In 2022, Nornickel started taking consistent steps to develop and implement the Human Rights Due Diligence System at all of its facilities in accordance with applicable international standards.



In 2023, the Company stepped up efforts to develop and put in place due diligence procedures, with an in-depth analysis run to identify and assess risks of human right violations by employees with a breakdown by operations.

The analysis helped map out top-priority human rights, including the right to health, safe working conditions, protection from forced labour, and fair and adequate remuneration. Identified social risks, which might be potentially associated with human right violations, have a significant impact on the Company's corporate risks.

➔ For more details, please see the [Internal Control and Risk Management](#) section.

As part of the annual survey "Let Everyone Be Heard. What Do You Think?", the Company monitors social satisfaction across its operations. Career opportunities, respect of health rights, favourable working conditions, and fair remuneration are among the survey's key focus areas.

The survey results are discussed in focus groups at the Company's production sites, after which an action plan and a communication campaign for the Company's employees are developed.

➔ For more details, please see the [2023 Human Rights Report](#)

For assessing risks of human right violations, Nornickel uses an engagement questionnaire, an important tool for monitoring and controlling progress against the Company's social policy and initiatives to prevent risks of social tensions.

To identify and mitigate risks in the supply chain, the Group put in place a mineral supply chain due diligence management system.

The Company operates a Corporate Trust Line available to both Nornickel's employees and external stakeholders, including local and northern indigenous communities, as well as contractors' employees.

➔ For more details, please see the [Grievance Policy](#) section.

Training

Human rights are integrated into training programmes on critical competencies (digital skills, occupational health and safety, sustainable development) completed by more than 51,000 employees in 2023.

All of the Company's employees, including the security personnel, are required to review MMC Norilsk Nickel's Human Rights Policy, after which they become

subject to the applicable provisions of the Policy. Personnel of the Corporate Security Unit and third-party security providers undergoes specialised training. All security employees are obliged to complete professional training programmes developed by relevant federal executive authorities for private security officers and pass a qualification exam. The programmes cover such topics as lawful use of physical force or weapons, medical assistance, psychological training, life and health protection, etc. Subsequently, employees of security organisations are subject to annual checks. Nornickel's security units organise training sessions and drills for security officers. In 2023, 710 training sessions were held for security employees.

➔ For more details, please see the [2023 Human Rights Report](#).

>51,000
employees

completed training programmes on critical competencies in 2023

710
training sessions

held for security employees in 2023



GRIEVANCE POLICY

GRI 2-16, 2-25, 2-26, 207-2

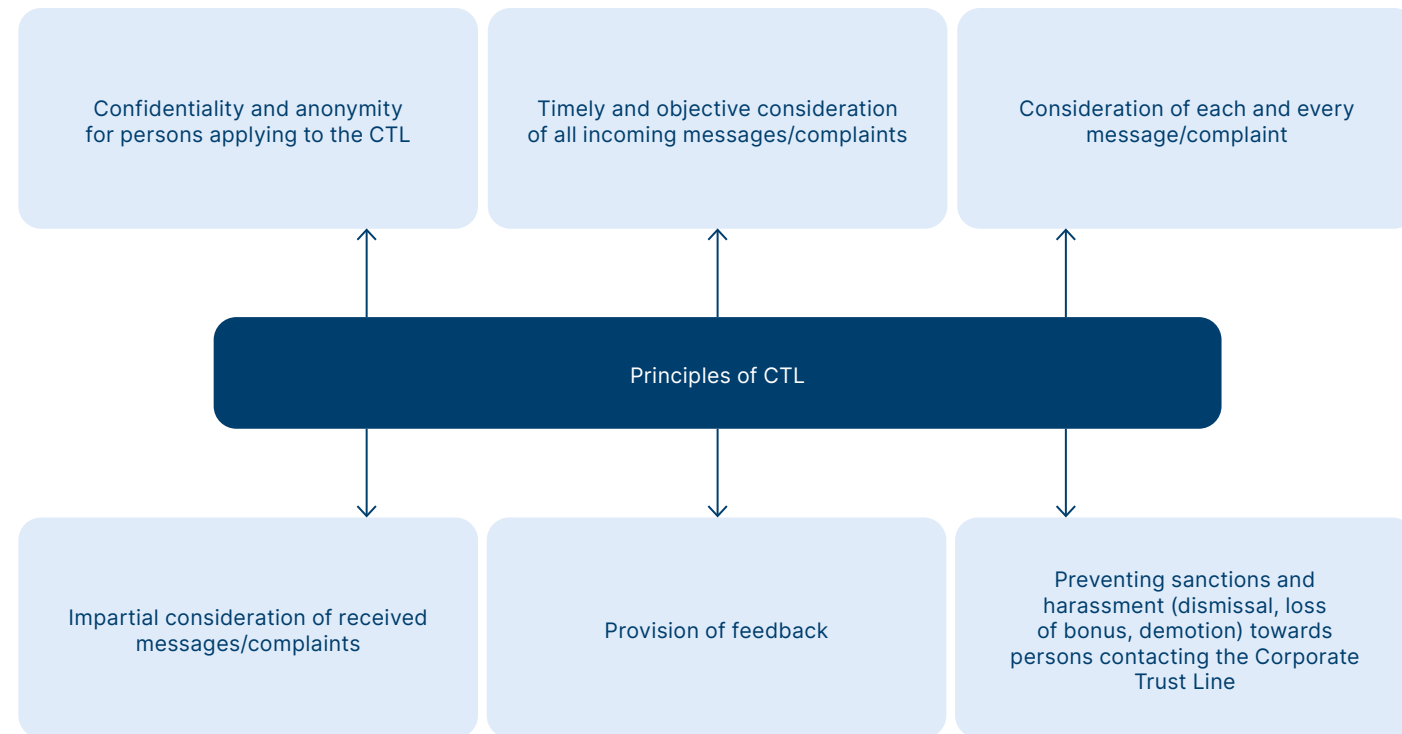
Over the past 20 years, the process of considering messages and complaints at Nornickel has become more systematic, transparent, and accessible to a wider audience. Grievance policy is seen as an important element in building communication, collecting feedback, ensuring human rights and freedoms, and increasing trust. The Company provides stakeholders with a variety of channels, including online forms, email, hotline, programmes, and feedback mechanisms that allow for prompt response to reported concerns and corrective actions.

Corporate Trust Line

In 2010, Nornickel set up its Corporate Trust Line ("CTL"). It is the first port of call for receiving and processing messages and complaints from the Company's stakeholders regarding negative impacts on stakeholders

as a result of the activities of the Company / Russian business units, human rights violations, or other situations relating to the activities of the Company / Russian business units and causing reasonable concern

of stakeholders, as well as information on the protection of assets and corporate interests, prevention of abuse, theft, and other violations. The CTL geography covers all business units of the Company and the Group's facilities.



The service is governed by the Procedure on the Corporate Trust Line, which was updated in 2023 to include the following provisions:

- applicants are provided with a confirmation of message/complaint registration (including information on standard consideration time) and a decision to take up their message/complaint (if contact details are available);
- independent experts are engaged to review the grievance and develop corrective actions;
- reported and reporting employees of the Company, as well as applicants who are not employed by the Company, may be subject to an enquiry (provided they have given their consent);
- applicants can fill in a feedback form to give their opinion on the consideration and settlement of a complaint (evaluation of the applicant's satisfaction);
- the Company has the right to publish anonymised information on the subject of complaints and the results of their consideration.

The CTL activities fall within the remit of the Internal Control Department. Officers responsible for the CTL are its operators and head along with the Director of the Internal Control Department. Having received a request from the Corporate Trust Line, the Company's business units verify incoming information, take corrective actions, and send the control results back to the CTL. Starting from 2023, the Sustainable Development Department was made responsible for working with independent experts to review messages/complaints and take relevant mediation effort (if requested by the applicant)¹.

The head of the Corporate Trust Line reports to heads of business units and members of the Audit Committee on the service's performance, including statistics on messages/complaints broken down by Group company and subject matter of messages/complaints.

CTL is subject to assessment by the Vice President for Internal Control and Risk Management, the Board's Audit Committee and employees taking part in an engagement survey named "Let Everyone Be Heard. What Do You Think?" (containing two questions about the work of the CTL).

Persons in charge of the CTL have individual KPIs such as timely and proper processing of incoming communications and reporting on CTL performance to interested users.

Any interested party can contact the Corporate Trust Line to make enquiries on a wider range of issues.

Toll-free 24/7 channels to receive messages/complaints:

Tel.: 8-800-700-19-41 and 8-800-700-19-45;

email: skd@nornik.ru;

online form at <https://www.nornickel.com/sustainability/corporate-hotline/>;

Supernika mobile app (for the Company's employees).

Messages and complaints can also be sent to the Corporate Trust Line of MMC Norilsk Nickel at 15, 1st Krasnogvardeysky Drive, Moscow, 123100, Russia.

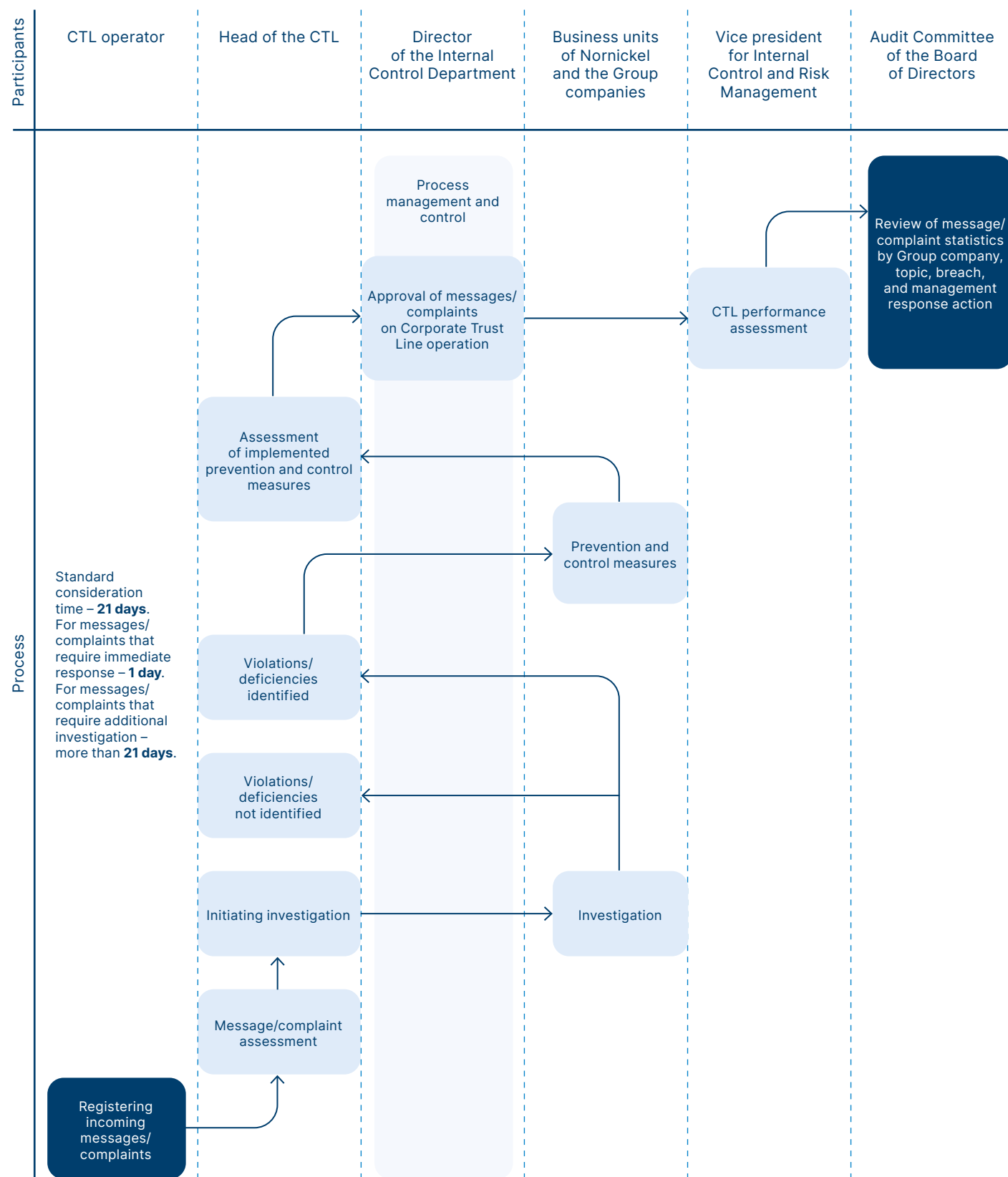
The standard consideration time from the registration of the message/complaint by the service operator to the review of the information received by the head of the service is 21 business days. Exceptions are made for messages/complaints that require immediate action or additional investigation.

If the message/complaint is found substantiated, a set of control measures is taken, and if a violation is confirmed, steps are taken to correct the situation, eliminate any negative consequences, and inform stakeholders.

21 business day standard consideration time from the registration of the message/complaint by the service operator to the review of the information by the head of the service

¹ In 2023, independent experts were not engaged.

Framework for registering and reviewing messages/complaints by the Corporate Trust Line



In 2023, the Corporate Trust Line received

2,079 reports

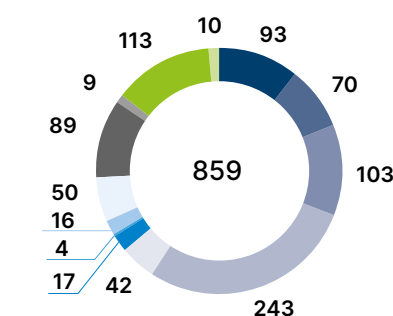
Information about the Corporate Trust Line is posted on the Company's intranet site and its official webpage and distributed to employees through information displays, stands, posters, and payslips.

In 2023, the Corporate Trust Line received 2,079 messages/complaints, with 859 accepted for review, 816 resolved and released from control (out of which 193 were confirmed and 623 not confirmed). The largest number of messages/complaints related to labour relations, responsible sourcing, and HSE. Corrective actions were taken for all identified deficiencies, including providing employees with the necessary personal protective equipment (PPE) and tools, repairing premises and equipment, preparing documents for payment of allowances and bonuses, amending job descriptions and work instructions, handling claims with counterparties, applying sanctions for non-compliance with contract terms, and other decisions.

As at 1 January 2023 and 31 December 2023, 103 and 146 messages/complaints were at the processing stage, respectively.

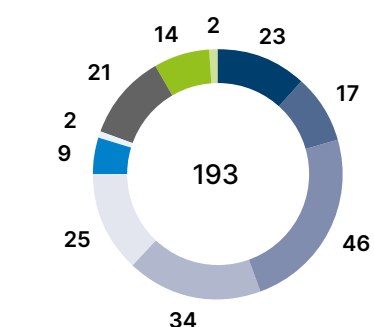
In 2023, eight applicants provided feedback on the review and settlement of their messages/complaints, with 87.5% giving a positive assessment of working with the Corporate Trust Line.

Messages/complaints received in 2023



- Payroll abuses
- Production-related abuses
- Technology, health and safety abuses (excluding environment)
- Labour relations
- Commercial and contractual activities
- Conflict of interest (pre-conflict situation)
- Corruption
- Theft
- Social issues
- Ethics
- Human rights and freedoms
- Responsible sourcing
- Corporate fraud

Messages/complaints confirmed in 2023



- Payroll abuses
- Production-related abuses
- Technology, health and safety abuses (excluding environment)
- Labour relations
- Commercial and contractual activities
- Conflict of interest (pre-conflict situation)
- Social issues
- Ethics
- Responsible sourcing
- Corporate fraud

In addition, in the reporting year, all incoming messages/complaints were systematised and classified in the context of human rights violations. In the short term, it is planned that the information obtained from the systematisation of messages/complaints

will be used by the Sustainable Development Department as part of human rights risk management.

➔ For more details, please see the [2023 Human Rights Report](#)

« Mutual understanding and trust are of paramount importance for effective teamwork. I appreciate that the Company's employees have an opportunity to contact the employer (either personally or anonymously) on a wide range of professional issues. Effective feedback helps resolve many problems. Not long ago, my colleagues and I, for example, drew our management's attention to the quality of workwear. We were heard and offered new PPE. I like that the dialogue between employees and the management is becoming increasingly more constructive over time

Andrey Shchetinin,

converter operator, grade 6, Nadezhda Metallurgical Plant, Polar Division of MMC Norilsk Nickel (length of service at the Company — 35 years)

Grievance mechanism

The grievance mechanism (the “Mechanism”) is a corporate procedure with a focus on:

- receipt, review, and management of grievances on adverse impacts from the Company’s operations;
- early prevention, identification, and elimination of human rights risks;

- pre-trial dispute resolution¹ based on dialogue and mediation.
- support of continuous improvements in the Company’s operations in order to strengthen the relationships between the Company and its stakeholders in the long run.

The Mechanism is geared primarily towards external stakeholders (residents in the regions of operation, suppliers and contractors, indigenous minority communities, etc.). The Mechanism does not replace any existing statutory or corporate rights protection mechanisms.

Complaints are filed through CTL channels, community liaison offices, and managers of the Company and the Group companies. A complaint may be submitted by the initiator or with the help of company representatives and independent experts in case of any difficulties.

Upon receipt of the complaint, the relevant business unit of the Company is made responsible for checking incoming information, deciding on the need to procure additional information, and whether an independent expert group is required or the complaint shall be redirected to state authorities. This means that the grievance mechanism has three levels such as internal, independent (expert), and government.

In 2023, the Corporate Trust Line Procedure was updated to include regulations on cooperation with independent experts.

To monitor the performance of the mechanism, we collect feedback from complaint initiators and assess the level of satisfaction on an ongoing basis and annually by analysing the feedback received during consultations with stakeholders across the Company’s footprint and at the Head Office. The Corporate Trust Line remains the main grievance mechanism.

The development of the grievance mechanism is one of the steps to improve the 2023 Human Rights Due Diligence System (for more details, please see the [2023 Human Rights Report](#)).

Standard consideration time¹

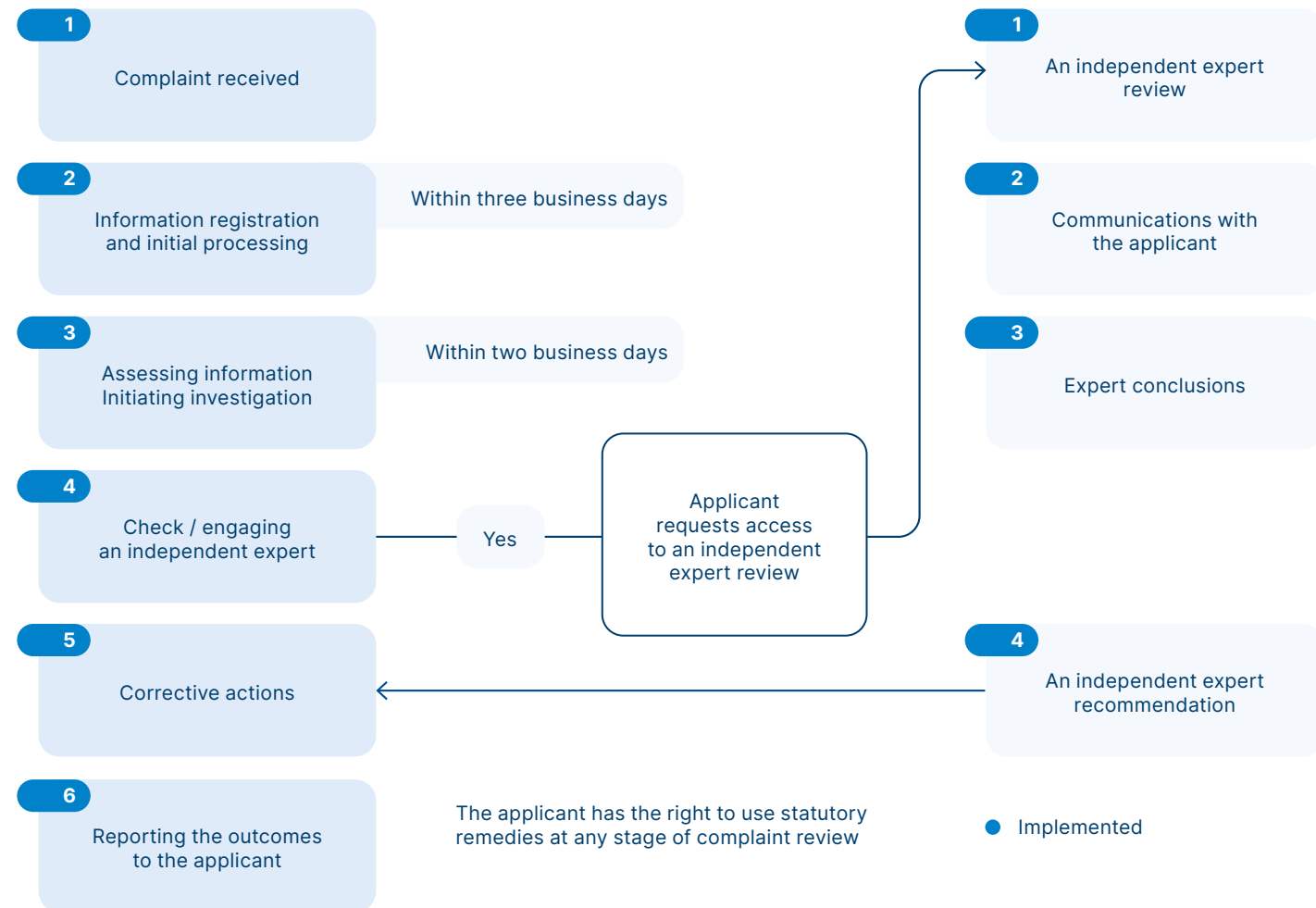
21 business days

if a complaint was filed through CTL channels

30 calendar days

if a complaint was filed through community liaison offices or by addressing the Company’s executives, etc.

Grievance process flow



¹ The Mechanism is not intended to address any pre-existing social, economic, or cultural issues affecting local communities across the Company’s operations. The Company continues to resolve them using other mechanisms and social programmes.

¹ If more time is needed for review and resolution, the initiator is notified to this effect within 30 days.

Grievance mechanism: indigenous peoples

In accordance with the [Indigenous Peoples’ Rights Policy of PJSC MMC Norilsk Nickel](#), the Company provides indigenous peoples with a mechanism for submitting anonymous or public grievances related to the Company’s operations. Once reviewed, these grievances are subject to settlement or serve as a basis for legal protection.



BUSINESS ETHICS AND ANTI-CORRUPTION



How has Nornickel's approach to business ethics management and anti-corruption practices evolved over the past 20 years?

The Company recognises the importance of transparent business practices in sustaining trust with investors, partners, and other stakeholders. A system for transparent procurement and counterparty KYC procedures is in place. The Corporate Trust Line has been operational since 2010, with the Business Ethics Code approved back in 2012.

In line with Russian and international anti-corruption laws and best practices, the Department of Equity Capital, Compliance, and Prevention of Unauthorised Use of Insider Information was set up at the Head Office in 2013 to reinforce compliance risk management. The anti-corruption compliance framework was embedded into the Group's organisational and management structure in accordance with internationally acknowledged practices, including those related to corporate governance and internal controls.

Beyond statutory requirements, Nornickel embraces voluntary commitments exemplified by joining the Anti-Corruption Charter of the Russian Business in 2014, which entailed the adoption of a wide variety of dedicated anti-corruption programmes and practices.

In 2022, Nornickel enhanced its anti-corruption efforts by establishing a standalone business unit tasked with orchestrating a holistic approach to anti-corruption compliance across the Group.

During the year, several key initiatives advanced the development of the anti-corruption compliance framework:

- the fundamental elements, principles, and development strategies of the Company's anti-corruption compliance framework defined;
- internal regulations and guidelines drafted;
- an approach to adopting internal anti-corruption regulations and control mechanisms established across the Group;
- a uniform approach to educating and informing employees about anti-corruption measures established;
- anti-corruption compliance controls integrated into the Company's business processes;
- an initial risk assessment of business processes performed, resulting in a consistent methodology for assessing corruption risks throughout the Group.

The maturation of the compliance framework has made a significant impact on Nornickel's corporate culture. The most notable shift recently has been the marked enhancement of our business ethics culture.

Nornickel sets the bar high for its employees and partners with respect to responsible business conduct, and has zero tolerance to any form of corruption at all levels.



Nornickel's anti-corruption approach

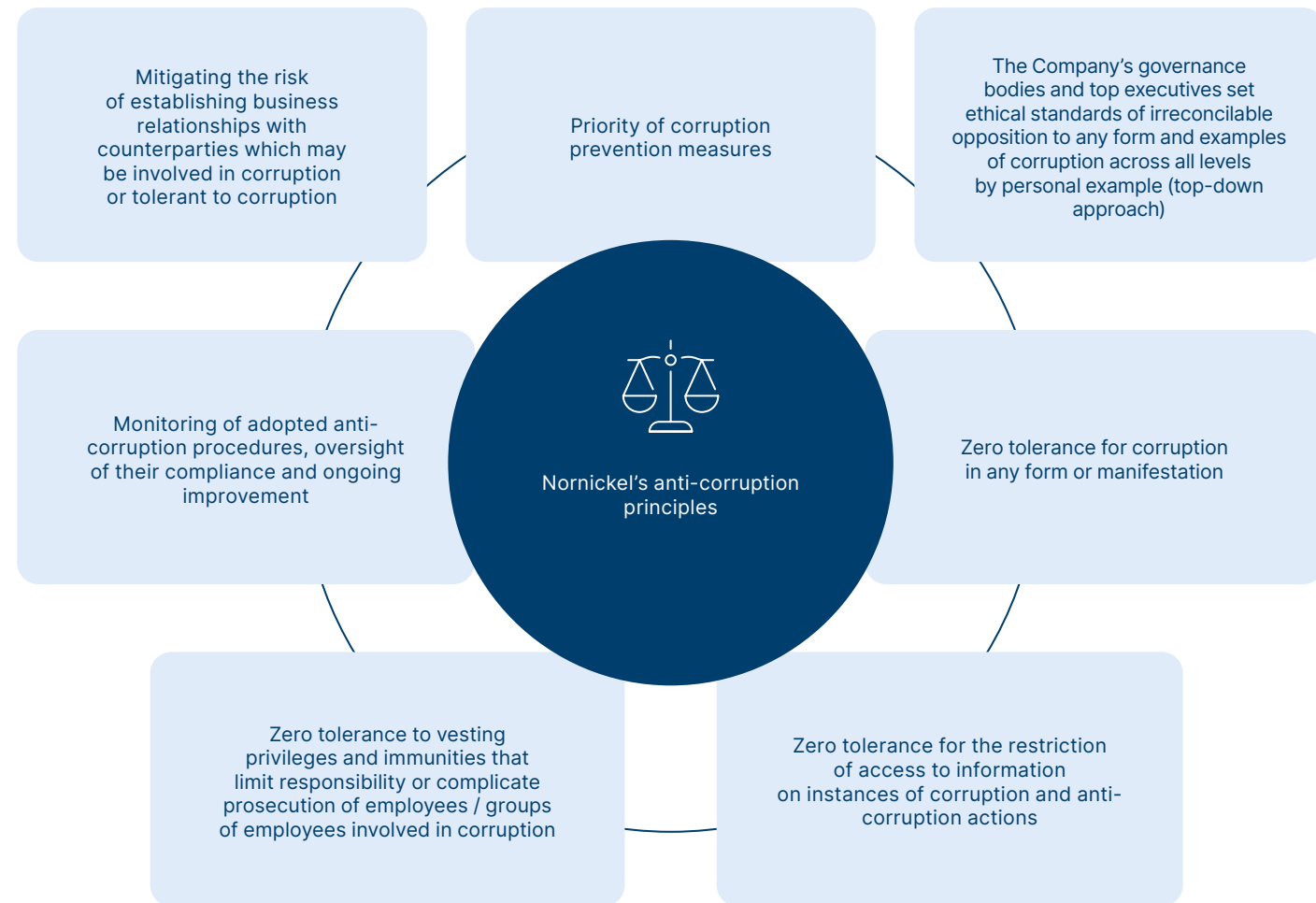
Nornickel's anti-corruption efforts are underpinned by principles that delineate its conduct model, obligations, and core values.

Nornickel is committed to enforcing Russian laws, notably Federal Law No. 273-FZ On Combating Corruption dated 25 December 2008, applicable international regulations such as the UN Convention against Corruption, Criminal Law Convention on Corruption, and

the Company's by-laws. An anti-corruption compliance framework is in place to ensure adherence to Russian statutory requirements and proactive corruption risk management.

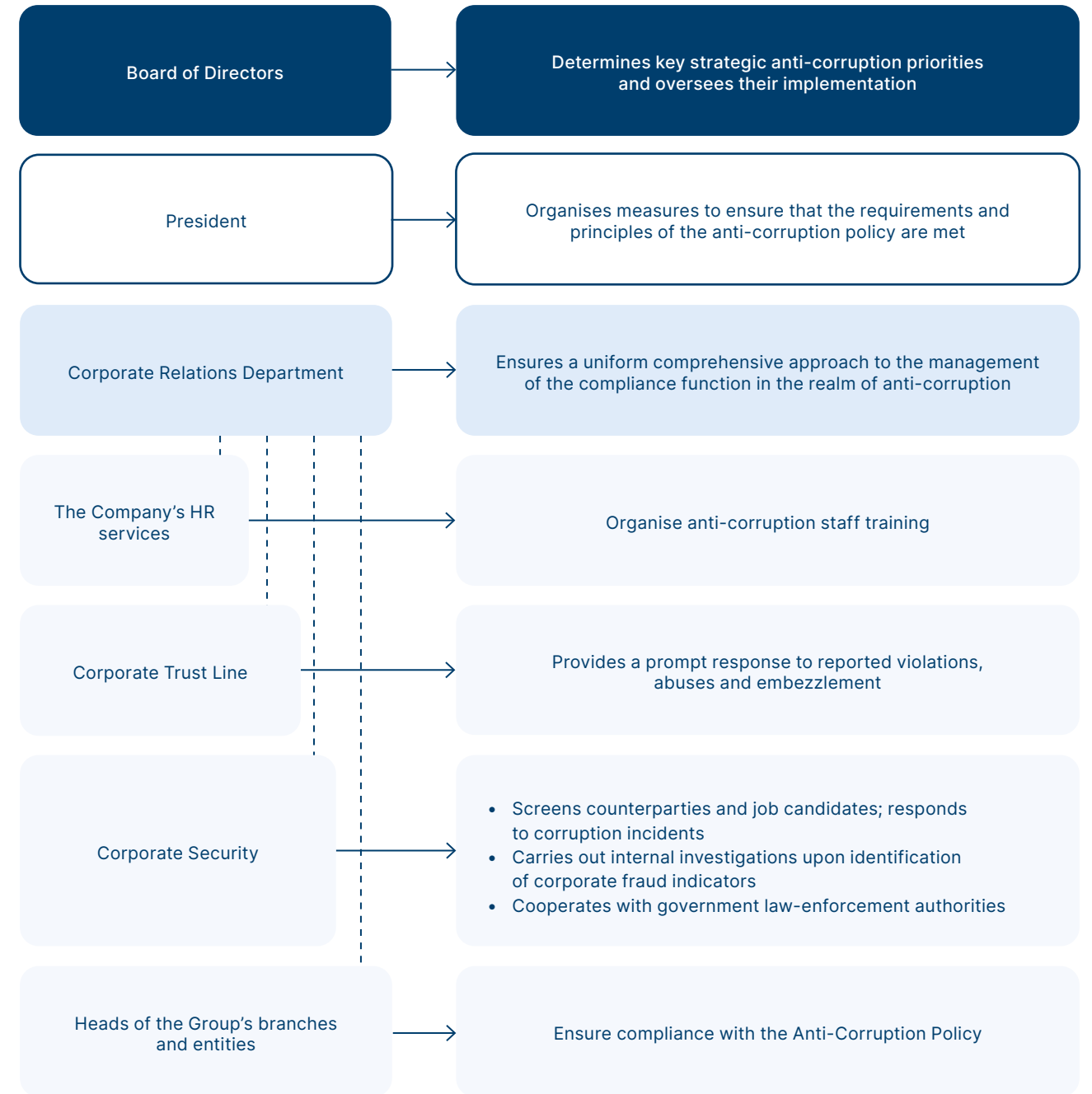
The Corporate Relations Department's anti-corruption compliance experts at Nornickel's Head Office are in charge of overseeing and guiding the Group's anti-corruption initiatives, with individual KPIs set for them annually.

The Company maintains a strict no-sanctions policy for employees who report corruption (this includes protection from dismissal, demotion, or bonus forfeiture), and it actively supports employees who provide verified corruption information.



Anti-corruption practices: allocation of responsibility

GRI 2-9, 2-12, 2-13



Key anti-corruption regulations

Anti-Corruption Policy

Business Ethics Code	Code of Conduct and Ethics for Members of the Board of Directors	Supplier Code of Conduct
Regulations on the Prevention and Management of Conflicts of Interest	Regulations on the Conflict of Interest Commission at the Company's Head Office	Regulations on Business Gifts
Procedure for Anti-Corruption Due Diligence of By-Laws Adopted by the Head Office	Standard anti-corruption agreement (appendix to the employment contract)	Standard anti-corruption clause included in counterparty agreements

Nornickel's Anti-Corruption Policy is the Company's fundamental anti-corruption document. It outlines the main objectives, principles, and focus areas of anti-corruption efforts, and ensures the prevention, identification, and elimination of causes that give rise to corruption offences. The policy applies to the Company's employees and third parties. The respective anti-corruption responsibilities are stipulated in agreements made with contractors or are expressly provided for by the applicable laws.

Nornickel Group's Russian business units adopt their own anti-corruption regulations and procedures in line with the Company's anti-corruption policy. Nornickel also takes steps to ensure that its foreign business units uphold the core principles and anti-corruption requirements.

Nornickel's Business Ethics Code delineates the standards for business conduct and ethical behaviour expected of its employees and stakeholders, encompassing safety and security,

anti-corruption, fair competition practices, human rights, and government relations. There are multiple confidential and anonymous channels for reporting suspected breaches of the Code by Nornickel employees and stakeholders.

➔ For more details, please see the [Grievance Policy](#) section.

The Code applies to the employees of all levels performing their job duties.

Results of anti-corruption efforts in 2023

GRI 205-3/ SASB EM-MM-510a.1

Focus areas

 <p>Prevention and management of conflicts of interest</p>	 <p>Anti-corruption due diligence of by-laws</p>	 <p>Counterparty due diligence to confirm their reliability, solvency and financial stability</p>
 <p>Procurement procedure control</p>	 <p>Government cooperation, promotion of justice and the rule of law</p>	 <p>Business gifts and hospitality expenses</p>
 <p>Sponsorship and charity</p>	 <p>Staff training in preventing and fighting corruption</p>	 <p>Raising stakeholder awareness about the Company's anti-corruption policy</p>
 <p>Adopting standards and codes of conduct</p>	 <p>Internal control of business operations and accounting</p>	 <p>Participation in collective initiatives</p>

Key results of anti-corruption efforts



corruption practices revealed in 2023

confirmed cases of corruption-related employee dismissal / penalties or non-extension or termination of contracts with business partners in 2023

corruption-related lawsuits against the Company or its employees initiated/completed in the reporting period

Key actions taken in 2023 to reinforce the anti-corruption compliance framework include:

Endorsing a harmonised approach to counterparty corruption risk assessment

Delivering training sessions on managing conflicts of interest

Administering an employee survey to gauge the effectiveness of the Company's anti-corruption initiatives

Revising the Company's anti-corruption regulatory and procedural guidelines

Moreover, as a signatory to the Anti-Corruption Charter of Russian Business, Norinickel biennially presents a public statement affirming its adherence to anti-corruption standards. Our anti-corruption initiatives are regularly covered in corporate press releases.

In 2023, for the third consecutive time, Norinickel featured in the Russian Business Anti-Corruption Rating. Based on the findings of a thorough independent assessment, the Russian Union of Industrialists and Entrepreneurs awarded the Company the highest AAA+++ rating, attesting to Norinickel's exceptional anti-corruption efforts.

AAA+++

in the Anti-Corruption Rating

Anti-corruption awareness and training

GRI 205-2

Norinickel is committed to employee training, and ensuring active participation of employees in anti-corruption programmes via corporate communication platforms. These channels disseminate key information about anti-corruption practices and amendments to by-laws. On top of that, the Company discloses information about anti-corruption achievements and forthcoming compliance events, while also providing concise guidance on regulatory documents.

In 2023, we drafted communication procedures to inform employees on anti-corruption measures implemented

by the Company, including the way, form, and frequency of educational and awareness raising events.

The Company designs and updates training programmes, regularly delivering them at all levels of the corporate hierarchy. Training content is tailored to specific roles and responsibilities.

All new hires receive an induction briefing in this area and are introduced to Norinickel's Anti-Corruption Policy. On top of that, newcomers affirm their commitment to anti-corruption principles by signing an addendum to their employment contracts.

All Norinickel employees are required to complete an online anti-corruption training course. HR personnel undergo a dedicated course on compliance

with anti-corruption laws for our HR function, while members of the Board of Directors, Management Board, and top management participate in a tailored anti-corruption training course for leaders. These online courses are hosted on the Norinickel Academy corporate platform and are available for users at any convenience. Apart from that, in 2023 we organised an educational campaign on managing conflicts of interest for employees responsible for implementing anti-corruption procedures and legal team members across the Group.

Educating and training employees on Norinickel's anti-corruption policies and practices in 2023, by region

Indicator	Norilsk Industrial District	Krasnoyarsk Territory (excluding the Norilsk Industrial District)	Murmansk Region	Moscow and other regions of Russia	Trans-Baikal Territory	Total
Number of employees made aware of the Group's anti-corruption policies and practices	54,762	3,347	12,127	8,056	3,055	81,347
Share of employees made aware of the Group's anti-corruption policies and practices, %	1.0	1.0	1.0	1.0	1.0	1.0
Number of employees trained on the Group's anti-corruption policies and practices	15,956	945	2,190	5,086	1,623	25,800
Share of employees trained on the Group's anti-corruption policies and practices, %	0.29	0.28	0.18	0.63	0.53	0.32

Educating and training employees on Nornickel's anti-corruption policies and practices in 2023, by category

KPI	Managers	White-collar employees	Blue-collar employees	Total
Number of employees made aware of the Group's anti-corruption policies and practices	13,104	18,409	49,834	81,347
Share of employees made aware of the Group's anti-corruption policies and practices, %	1.0	1.0	1.0	1.0
Number of employees trained on the Group's anti-corruption policies and practices	8,199	14,370	3,231	25,800
Share of employees trained on the Group's anti-corruption policies and practices, %	0.63	0.78	0.06	0.32

Corruption risk management

GRI 205-1

Nornickel takes annual measures to identify and assess corruption risks, integrating their management into its corporate risk framework. Business processes are subject to regular controls and monitoring to eliminate corruption risks. When significant risk areas are reassessed, Nornickel updates its corruption risk map and develops additional corrective actions. The Company recognises the risks of violating anti-corruption laws in its relations with business partners, employees, government officials, as well as in other sensitive areas,

including procurement, business gifts and hospitality expenses, charity projects, recruitment and hiring processes.

Nornickel is aware that compliance risks may arise both within the organisation and through interactions with counterparties. The Company's Corporate Security Unit performs a contractor due diligence review to identify involvement in any corruption incidents, inclusion in the register of fraudulent suppliers and pending criminal or administrative proceedings. In case of negative findings, the Corporate Relations Department assesses the risk of relations with the contractor in question and recommends mitigants if applicable. Recommendations have been put in place to spot potential

corruption in procurement and inform the Corporate Security Unit for risk assessment and internal investigation. In 2023, the Company approved a protocol of interaction between its units engaged in contractor due diligence and corruption risk assessment.

Nornickel ensures that every signed contract includes an anti-corruption clause, enforcing business partners to comply with anti-corruption practices.

In 2023, the Company devised a training mechanism for counterparties and contractors on its anti-bribery and anti-corruption policies, with integration slated for 2024.

Anti-corruption monitoring

In 2023, Nornickel made efforts to further integrate and enhance anti-corruption documents and mechanisms across the Group, including:

- during the anti-corruption monitoring, an initiative was implemented to oversee how anti-corruption procedures are actually being put into practice across the Group;
- at the beginning of 2024, 91% of Russian business units adopted the key anti-corruption regulations and procedures;
- 34.5% of Russian business units received recommendations for eliminating deficiencies and bolstering controls in anti-corruption procedures.

Managing conflicts of interest

Nornickel aims to prevent and resolve in a timely manner pre-conflict situations and takes appropriate actions.

The Company enforces the Regulations on the Prevention and Management of Conflicts of Interest, which establishes a standardised procedure for managing scenarios where personal interests might affect employees' job performance or conflict with the Company's best interests and potentially harm the Company.

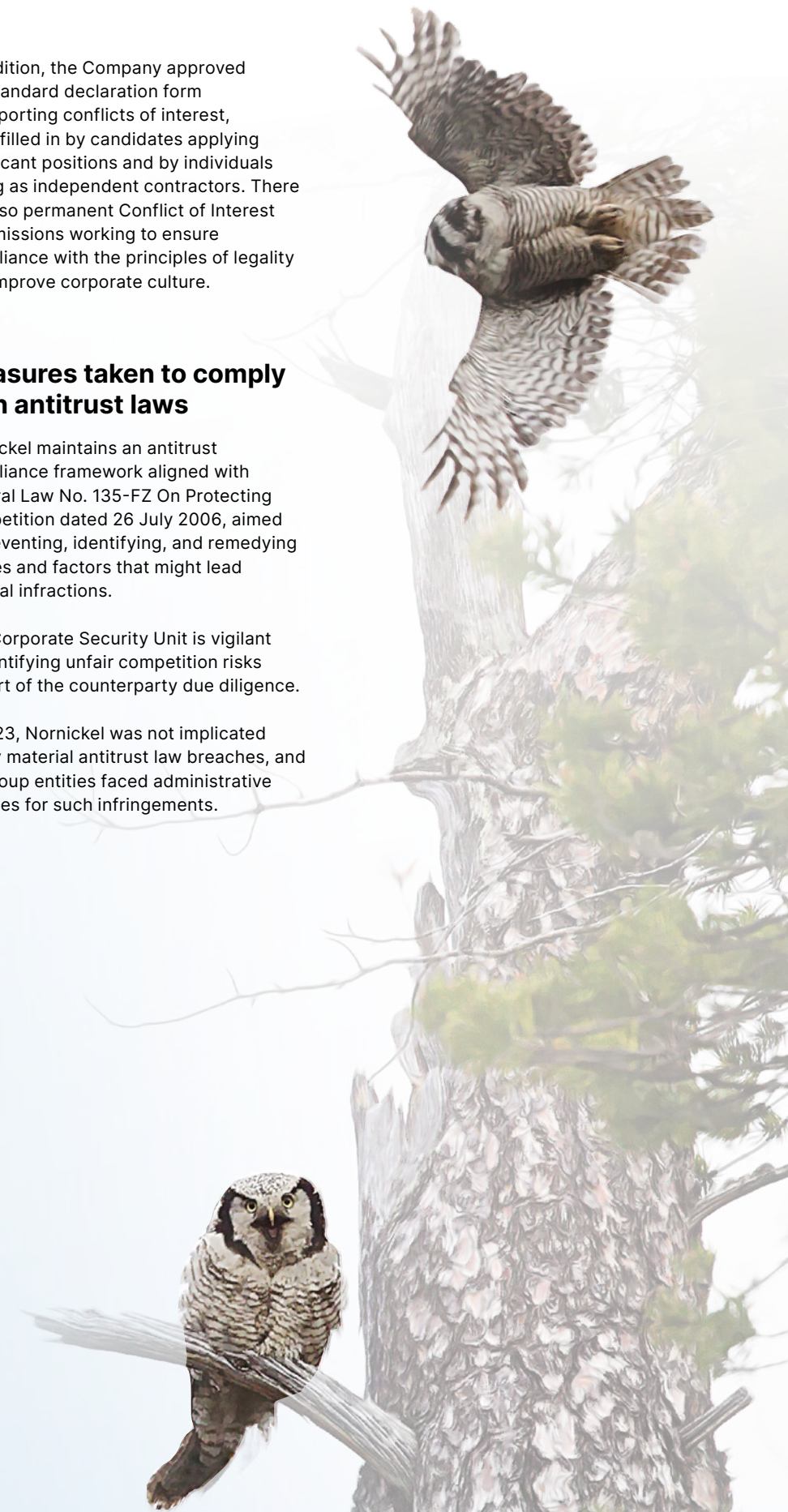
In addition, the Company approved the standard declaration form for reporting conflicts of interest, to be filled in by candidates applying for vacant positions and by individuals acting as independent contractors. There are also permanent Conflict of Interest Commissions working to ensure compliance with the principles of legality and improve corporate culture.

Measures taken to comply with antitrust laws

Nornickel maintains an antitrust compliance framework aligned with Federal Law No. 135-FZ On Protecting Competition dated 26 July 2006, aimed at preventing, identifying, and remedying causes and factors that might lead to legal infractions.

The Corporate Security Unit is vigilant in identifying unfair competition risks as part of the counterparty due diligence.

In 2023, Nornickel was not implicated in any material antitrust law breaches, and no Group entities faced administrative charges for such infringements.



Anti-money laundering and counter-terrorist financing initiatives

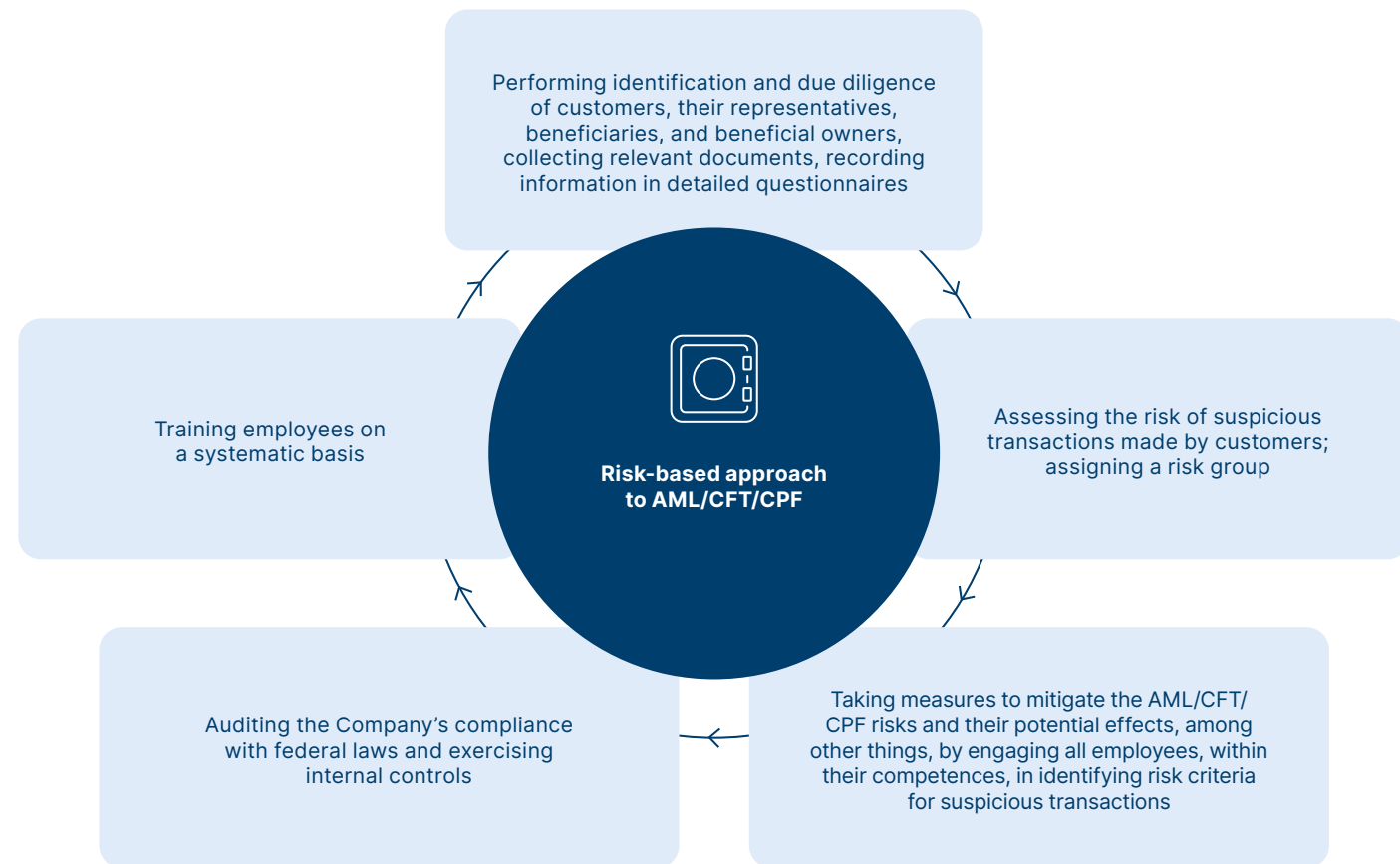
To establish an effective framework thwarting illegal financial activities and preventing risks associated with suspicious transactions, Nornickel diligently exercises stringent ongoing internal controls. The Company strictly complies with Russian laws on combating money laundering, financing of terrorism and proliferation of weapons of mass destruction (AML/CFT/CPF).

Nornickel consistently updates its Internal Control Rules on Combating Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction governing the relevant internal AML/CFT/CPF controls to reflect changes in the legislation:

- Federal Law No. 115-FZ On Anti Money Laundering and Combating the Financing of Terrorism dated 7 August 2001;
- regulations of the Federal Financial Monitoring Service.

At the heart of the AML/CFT/CPF internal control framework lies a risk-based approach.

The Company's units in charge of the AML/CFT/CPF procedures apply a risk-based approach. The Internal Control Department and a dedicated officer oversee the strict enforcement of compliance with the Federal Law and the Company's robust Internal Control Rules on AML/CFT/CPF.

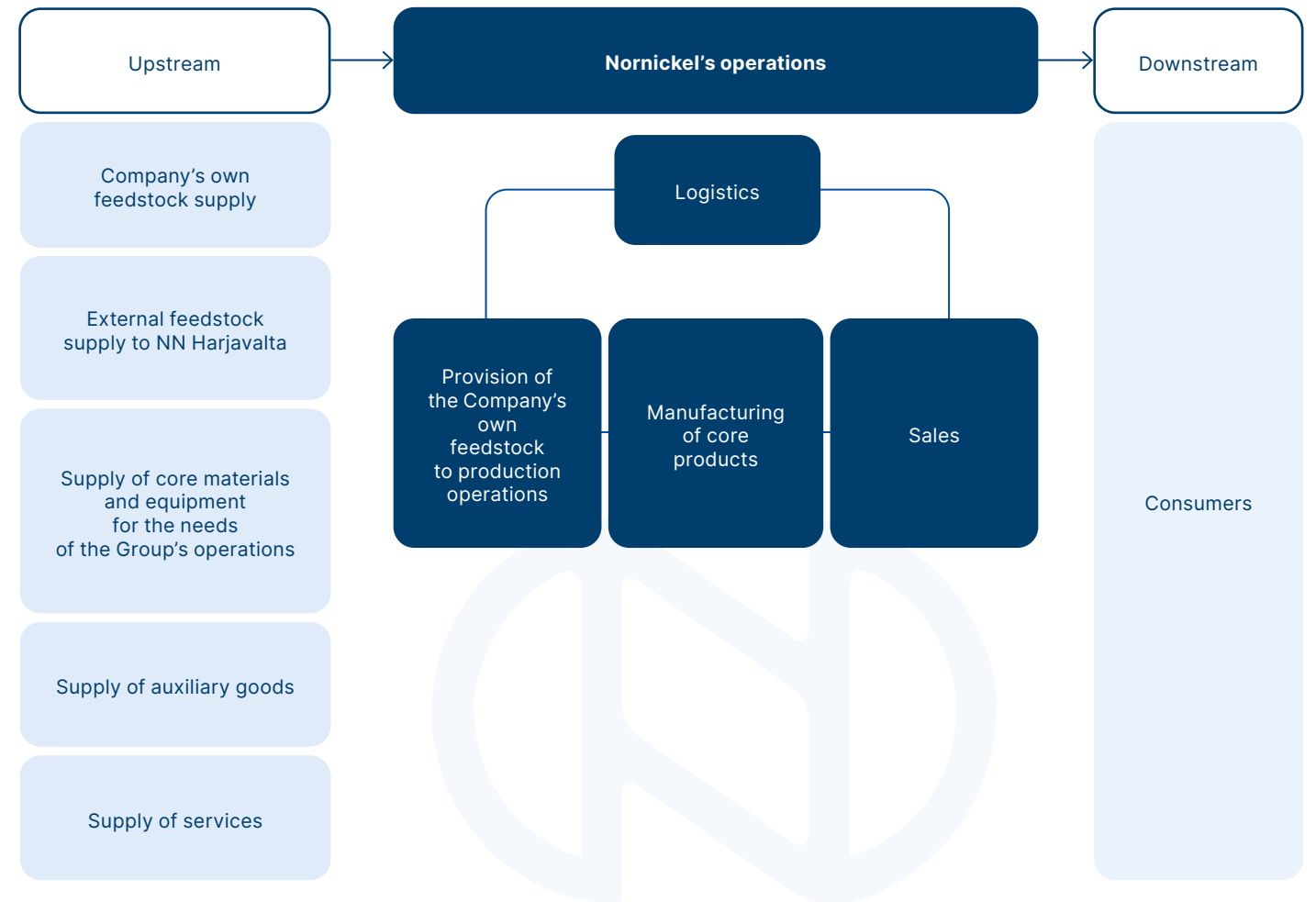


SUPPLY CHAIN RESPONSIBILITY

Environmental, social, and governance (ESG) management across the value chain is crucial to Nornickel's management culture. This focus ensures that the Company can convey its sustainability criteria to suppliers, involving them in its sustainability efforts. It also promotes standard-compliant practices, addresses relevant risks, and meets increasing consumer expectations. To bolster transparency in responsible supply chain practices, the Company publishes an annual Responsible Supply Chain Report¹.

Key elements of Nornickel's supply chain

GRI 2-6



¹ The report is available on the [Company's official website](#).

With an extensive range of by-laws, Nornickel is able to effectively mitigate the operational and financial risks and costs, reduce the working capital, make supplies more reliable, and improve the delivery cycle.

Nornickel's by-laws on the responsible supply chain

Key procurement by-laws

- Regulations on the Product Procurement Procedure for Nornickel Group Companies
- Procurement policies by category (group of similar products)
- A standard master agreement signed with every supplier
- Policy Regarding Support for Small and Medium Enterprises
- Efficiency improvement programme

Policies setting out sustainability requirements for the Company's suppliers¹

- Responsible Sourcing Policy
- Supplier Code of Conduct
- Business Ethics Code
- Community Engagement Policy
- Occupational Health and Safety Policy
- Working Conditions Policy²
- Indigenous Peoples' Rights Policy
- Human Rights Policy
- Anti-Corruption Policy
- Climate Change Policy

Nornickel has the Responsible Sourcing Policy³ (the "Policy") and its Supplier Code of Conduct⁴ (the "Code") in place, which reflect the Company's responsible sourcing principles.



¹ All of the above policies have been reviewed and approved by the Company's Board of Directors and are publicly available on the [official website](#).
² Among other things, this policy specifies working hours and rest periods, adopts zero tolerance to child and forced labour, and sets out the approach to remuneration.
³ The Policy is available on the [Company's official website](#).
⁴ The Code is available on the [Company's official website](#).

Engagement with suppliers to build a responsible supply chain

Nornickel expects suppliers to meet the mandatory and target requirements and expectations set out in the Code.

If suppliers refuse to comply with the Code or do not clearly demonstrate their improvement in terms of compliance with its requirements, Nornickel may reconsider its relationship with such suppliers.

To inform suppliers, the General Contracting Terms and Conditions, standard master agreement, and standard supplier contract forms were updated with a clause requiring compliance with the Company's ESG requirements listed in the Code and the Policy. The clause also notifies suppliers that they can reach out to Nornickel's Corporate Trust Line.

- Contracts with suppliers were also updated to include an anti-corruption clause:
- designed to ensure that contracting parties are on the same page as regards zero tolerance to corruption;
 - obliging contracting parties to inform the other party in a timely manner about the identification of possible corruption risks and relevant checks;
 - providing grounds for termination or other liability if the contractor violates the anti-corruption clause and/or is involved in unlawful activities.

When assessing suppliers for adherence to the responsible supply chain principles, the Company categorises them as either mineral suppliers¹ or suppliers of goods, works, and services.

To monitor mineral suppliers' compliance with the Code, Nornickel has a due diligence management system (DDMS) in place starting 2021. The DDMS focuses on compliance with the following requirements and guidelines:

- the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance);
- the London Metal Exchange responsible sourcing requirements;
- the standards and principles of industry-leading sustainability initiatives: ICMM, IRMA, RMI (including JDDS), as well as guidance from the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCME) regarding the due diligence process for responsible mineral supply chains;
- requirements of the Company's major customers.

The DDMS focuses primarily on identifying potential risks that could affect the sustainability and transparency of mineral supply chain processes, and on minimising the risks listed in the OECD Guidance and covering the following areas:

- violations of human rights and freedoms;
- support for non-state armed groups;

- illegal mine control and feedstock trafficking;
- corruption and bribery;
- misinformation across the supply chain from ore mining to product delivery to consumers.

DDMS tools make it possible to collect more data on participants along the mineral supply chain, including their environmental, social and corporate governance (ESG) practices.

To develop the DDMS, the Group's divisions adopted standards for due diligence of mineral suppliers: in 2021–2022 relevant standards were approved by Polar Division, Kola MMC and Bystrinsky GOK, and in Q4 2023 by Medvezhy Ruchey. The standards govern due diligence of mineral suppliers, interactions between business units, and define the parties in charge and their responsibilities.

Since 2021, the Company has been conducting annual due diligence of mineral suppliers. In the reporting period, the exercise covered mineral suppliers of Polar Division, Medvezhy Ruchey, and Kola MMC. No due diligence took place at Bystrinsky GOK as it does not have any mineral suppliers. Following the due diligence of 100% of mineral suppliers for the Group's Russian assets, no risks or risk indicators were detected.

¹ Mineral suppliers in this section means suppliers, transporters, and processors of nickel-, cobalt-, and copper-containing minerals.

Listing of Nornickel's nickel, cobalt, and copper brands on the London Metal Exchange obliges the Company to submit RFA¹ reports starting from 2022. These reports confirm our adherence to the LME's responsible supply chain requirements. The reports for 2022 were duly acknowledged by the LME in 2023.

In 2023, Nornickel extended its supplier assessment to cover suppliers of goods, works, and services, evaluating their compliance with the Code (including sustainability criteria). To this effect, the Company drafted a supplier self-assessment questionnaire that includes ESG matters to appraise

the sustainability practices of suppliers. Takeaways from a pilot with a sample group of suppliers are disclosed in the Responsible Supply Chain Report² for 2023.

Counterparty screening in procurement

As part of procurement activities in the reporting year, Nornickel conducted routine screening of both existing and potential counterparties. These checks

focused on reliability, solvency, and financial health. The procurement process also comprises controls of conformity to sustainability criteria.

Sustainability factors

- Quality of products, works and services
- Environmental protection
- Occupational health and safety
- Legal compliance

Monitoring non-financial factors in interaction with suppliers as part of procurement procedures

Procurement procedure stage	By-laws and internal procedures	Control of sustainability factors
Procurement initiation	Scope of supply/work: legal and regulatory requirements of the Company, mandatory and recommended specifications of products and services, covering health, safety and environment, etc.	● ● ● ●
	Procurement documents: provisions for no signs of bankruptcy, overdue taxes and charges, and no criminal records in the biographies of top managers	● ● ● ●
	Procurement policies for certain product categories: quality assurance procedures for supplies	●
Procurement procedure	Qualification of suppliers: default risk assessment and compliance with the Company's initial requirements (scope of supply/work, specifications, etc.)	● ● ● ●
	Corporate Security's checks into business reputation, reliability and solvency of potential counterparties	● ● ● ●
	Analysis and evaluation of bids submitted, including track record of similar projects and qualifications of key employees	●
Contracting procedure	Inclusion of an anti-corruption clause in the contract	● ● ● ●
	Inclusion of product and service specifications in the scope of supply/work	● ● ● ●
Contract performance by suppliers	Corporate Procedure for Organising and Conducting High-Hazard Operations: control over contractors' compliance with occupational health and safety requirements	● ● ● ●
	Control over compliance with the Company's initial requirements (scope of supply/work, specifications, etc.) and environmental regulations during work and upon acceptance	● ● ● ●

Ensuring procurement efficiency and transparency

Nornickel conducts all procurement via an automated supplier relationship management system – SAP SRM. By year-end 2023, SAP SRM had been rolled out at 30 Russian business units and branches, with over 11,000 potential suppliers registered. Nornickel's current and potential suppliers can communicate online with procurement teams for all

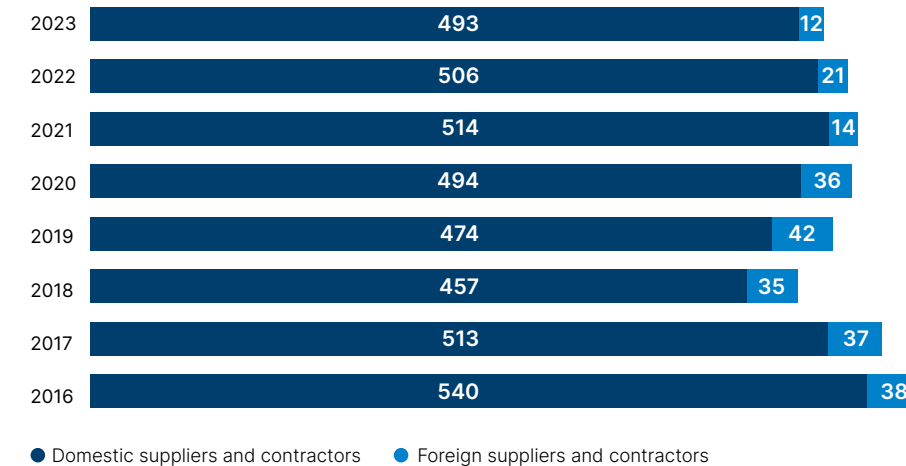
categories of products purchased and receive up-to-date information regarding ongoing procurement. Sign-up for the SAP SRM is free of charge and does not impose any obligations.

In addition, our website has a dedicated Suppliers section, which provides key information on the Group's procurement principles and procedures and planned needs. The page also features announcements and invitations to participate in the Company's tenders.

30 Russian business units and branches connected to SAP SRM

>11,000 potential suppliers registered in SAP SRM

Breakdown of Nornickel Group's suppliers and contractors in centralised procurement, number of companies



In 2023, the Company signed

>4,200 contracts for centralised procurement of materials and equipment worth around

RUB 97.5 bn

Product quality and supply reliability

Product quality assurance

Nornickel rigorously respects customer interests, assuring product quality by:

- complying with statutory requirements, contracts, standards, and regulations in product quality and distribution;

- managing risks that impact product and service compliance and capacity to enhance customer satisfaction;
- advancing production and technologies in line with sales and marketing strategies;

- prioritising the enhancement of customer satisfaction with product and service quality;
- ensuring that the quality management system aligns with leading international standards, promoting ongoing improvements and performance.

¹ RFA means Red Flag Assessment.

² The report is available on the [Company's official website](#).

Nornickel's efforts in managing product quality are underpinned by the principles highlighted in international standard ISO 9001:2015



Corporate Integrated Management System

Nornickel has a Corporate Integrated Management System (CIMS)¹, which is improved in line with international standards ISO 9001:2015, ISO 14001:2015, ISO 45001:2018.

The CIMS comprises a set of interrelated and interacting processes, activities, procedures, rules, organisational structure and resources required for achieving the Company's goals and fulfilling the Company's ambitions and commitments articulated

by the senior management in the quality, environmental, occupational health and safety policies.



¹ Kola MMC has an integrated management system (IMS), which complies with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018.

² Updated in 2017.
³ Updated in 2021.
⁴ Updated in 2020.
⁵ Updated in 2022.

In 2023, a number of recertification and surveillance audits were conducted at Nornickel's divisions. The audit confirmed CIMS compliance with ISO 9001, ISO 14001, ISO 45001 (for more details, please see

the [Certification of the Corporate Integrated Quality Management System](#) appendix). The research centres and laboratories, which, as part of the Group, analyse the ore feedstock, semi-products and saleable products,

have quality management systems certified for compliance with GOST ISO/IEC 17025-2019 General Requirements for the Competence of Testing and Calibration Laboratories.

CISM training

Nornickel attaches high importance to regular quality management training.

In 2023, trainings and workshops were attended by

> 260 employees

from Kola MMC¹, Polar Division, and Murmansk and Polar Transport divisions. These sessions focused on environmental risk management, the process-based approach within the CISM framework, and requirements of international quality standards

¹ As part of ISM.



While Nornickel's products are not subject to mandatory certification, the Company opts for voluntary certification by an independent third party to reaffirm compliance with the established standards.

The Company's goods are labelled to keep the customers and carriers informed about key properties of the products (including those meant for exports). The labelling rules are set out in product-specific regulations and

take into account the GOST 14192-96 (Cargo Labelling) requirements and contractual obligations.

Product labelling and brands

Division / Russian business unit	Saleable products	Grade	Brand
Polar Division	Copper cathodes	M00k (voluntary certification system of the Russian Register Certification Association (compliance with GOST 859-2014 and GOST 546-2001).	NORNICKEL (registration on the London Metal Exchange)
Kola MMC	Electrolytic nickel	H-1	SEVERONICKEL COMBINE H-1 (registration on the London Metal Exchange and the Shanghai Futures Exchange)
Kola MMC	Electrolytic nickel	H-1y	SEVERONICKEL COMBINE H-1Y (registration on the London Metal Exchange and the Shanghai Futures Exchange)
Kola MMC	Electrolytic nickel	NORNICKEL	NORNICKEL (registration on the London Metal Exchange and the Shanghai Futures Exchange)
Kola MMC	Electrolytic cobalt	-	NORNICKEL (registration on the London Metal Exchange)
Norilsk Nickel Harjavalta	Nickel	-	NORILSK NICKEL HARJAVALTA CATHODES and NORILSK NICKEL HARJAVALTA BRIQUETTES (registration on the London Metal Exchange)

Consumer properties of each product are defined in the relevant specifications and contractual documentation in full compliance with Russian and international laws.

Ensuring reliable and uninterrupted supplies

Nornickel's sales strategy is focused on strengthening its positions in the market, with the Company seeking to achieve a balanced ratio of nickel supplies to stainless steel producers

and other industries. As the largest palladium producer, Nornickel is implementing a strategy of direct long-term contracts with its end users (with a focus on the automotive industry) in order to maintain a long-term and sustainable demand for palladium.

Throughout the history of Nornickel, it has never failed to meet its obligation to deliver products to consumers.



Customer satisfaction

To enhance product quality and bolster customer loyalty, Nornickel conducts annual customer satisfaction surveys. Additionally, the Company routinely monitors and analyses the fulfilment of contractual obligations.

The key to positive survey results is maintaining or exceeding target customer satisfaction level at 2.50 points (out of 3 points). According to the 2023

survey, the customer satisfaction level stood at 2.87 points (up 0.7% y-o-y), which fully meets the target.

In 2023, the Company received 27 complaints and grievances about its product or service quality and achieved out of court settlement for all of them by meeting the demands of consumers. Out of the complaints received, 14 were deemed unfounded;

however, the grievances and suggestions were considered. Corrective measures were formulated for 15 complaints, including two unsubstantiated ones.

To mitigate the risks affecting product quality and capacity to enhance customer satisfaction, the Company annually develops a comprehensive action plan to improve customer satisfaction.

INNOVATIVE DEVELOPMENT

« Nornickel offers opportunities for creative inputs to the innovation process, backing the creation and application of efficient intellectual property solutions. Over my three decades with the Company, I have contributed to over 40 improvement initiatives, to devising new and refining existing processes in concentration and metallurgy, and to patenting inventions.

Leonid Krupnov,

chief metallurgist and head of process planning and control, R&D Department, Polar Division
(length of service with the Company – 31 years)



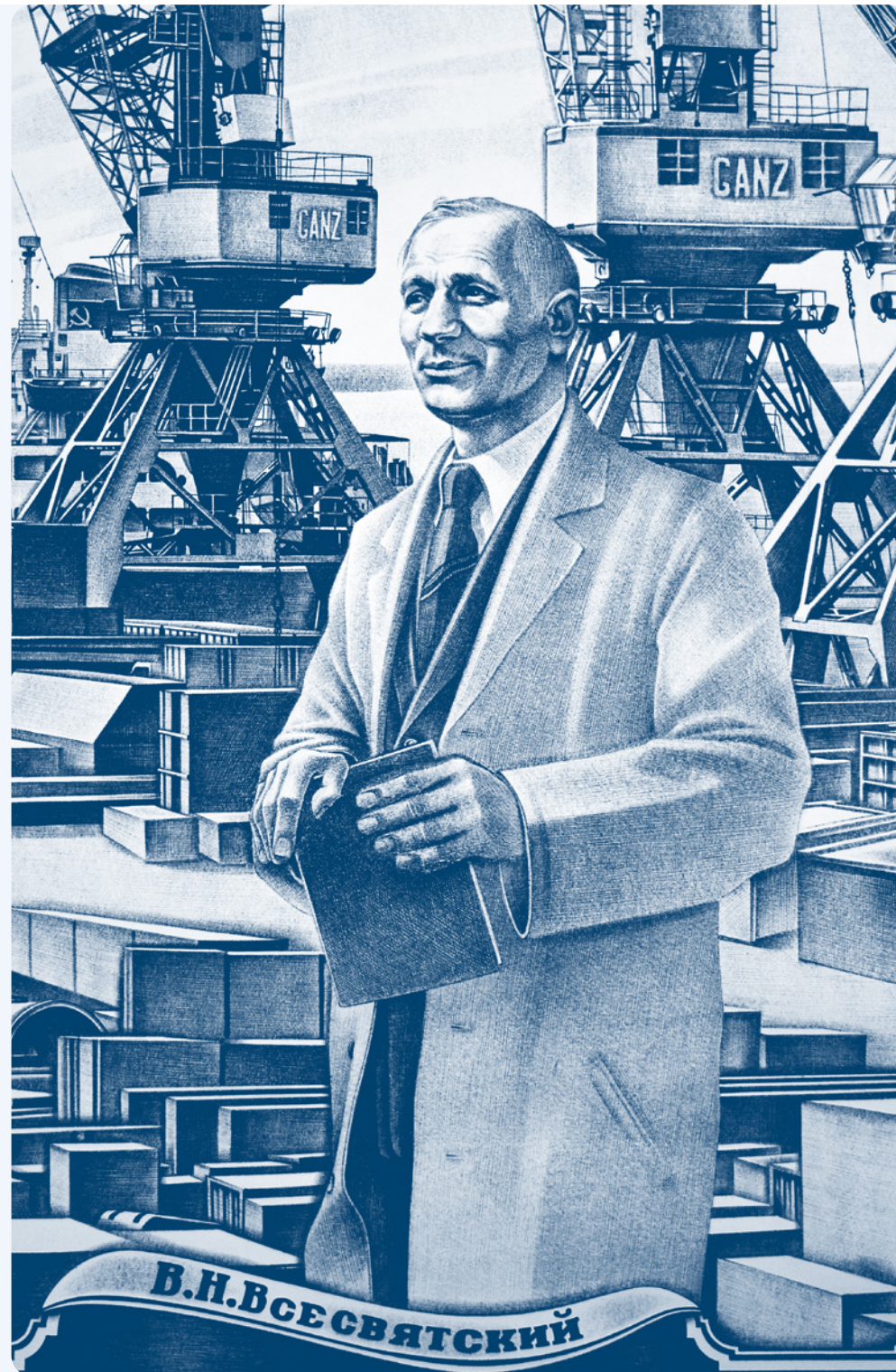
RESEARCH AND DEVELOPMENT

How has the trajectory of the Company's R&D endeavours evolved over the past 20 years?

Nornickel embraces R&D and innovation efforts as the fundamental drivers of increased production, high product quality, and reduced environmental footprint. The Company was systematically building a substantial intellectual foundation by accumulating R&D assets, fostering relationships with research institutes, and nurturing corporate scientific expertise.

As Nornickel evolved, so did its goals and objectives. While the initial focus was on maximising the extraction of non-ferrous and precious metals from ore and curtailing expenses, the emphasis has now shifted due to new environmental standards and production reconfiguration, which profoundly influenced process flow redistribution and technological re-engineering. Today, designing cost-efficient and effective technical solutions and diversifying Nornickel's product range are front and centre.

Throughout these 20 years, the Company has conducted extensive R&D across multiple focus areas, established dedicated labs and research centres (including mobile environmental, forensic chemistry, and digital labs), brought to life over 2,000 employee-driven improvement initiatives, and actively participated in numerous applied research conferences.



Nornickel's contribution to the Science and Universities national project

Relevant UN SDGs



Related federal projects

Development of science and scientific-and-production cooperation

Development of advanced R&D infrastructure

Key initiatives and focus areas

Endeavours of Gipronickel Institute, Palladium Centre, and Nornickel Digital Lab

Support for graduates of vocational education institutions

Cooperation with universities to develop and test advanced technologies and train highly skilled staff

Development of cooperation with the Russian Academy of Sciences

Fundamental and applied research and the practical adoption of innovative, cost-efficient, and eco-friendly technologies are key to delivering on Nornickel's strategic ambitions.

Primary goals of Nornickel's R&D efforts



Enhancing and advancing production processes



Diversifying the product portfolio



Providing technological support for operations



Ensuring technological sovereignty

Nornickel's approach to R&D is guided by the principles enshrined in its R&D Management Policy.

The decision-making process is supported by the R&D Council's consultations and expert reviews.

In 2023, the Company pushed forward [existing and commenced new R&D projects and feasibility studies](#) seeking to amplify efficiency and environmental safety in production, complete major reconstruction and upgrade of production facilities, enhance concentration capacities, and bolster financial health.

Nornickel propels proprietary tech advancements primarily through the Group's Gipronickel Institute, Palladium Centre, and Nornickel Digital Lab. Furthermore, the Company engages specialist engineering firms and leading Russian universities for research endeavours (under effective agreements with the Siberian Federal University, Fedorovsky Polar State University, and other scientific and academic institutions).

Gipronickel Institute

Gipronickel Institute, Nornickel's principal research and design hub and one of Russia's premier institutes for mining, concentration, metallurgy, and mineral processing, undertakes a vast array of services. These include designing

eco-friendly, high-tech facilities, supporting construction, operation and manufacturing of saleable products, and information modelling for both Nornickel's Russian business units and third parties in the metals and chemicals sectors.

Areas of focus for Gipronickel Institute's research

Ore deposit samples

Rock samples

Valuable non-ferrous feedstock

Ni Nickel

Co Cobalt

Cu Copper

Au Aluminium

Sn Tin

W Tungsten

Mo Molybdenum

Hg Mercury

S Sulphur

In 2023, Nornickel's R&D projects and feasibility studies received a total of

RUB 198.9 mln

in financing, with

14 unique initiatives completed

90 years track record

>1,000 employees

12 countries, where Gipronickel's projects have been accomplished

>6,500 R&D innovations in Gipronickel's history

The multifunctional engineering centre boasts four technology and two testing labs. In 2023, Gipronickel Institute established a dedicated lab focused on creating competitive domestic cathode materials (CAM) for lithium-ion batteries. The team devised multiple production processes for CAM using nickel and cobalt sulphates and a precursor synthesis co-precipitation method (PCAM), including CAM alternative production schemes (PCAM). The R&D activities helped produce market quality cathode materials equalling their commercial counterparts as certified by independent laboratories. A pilot batch of CAM was manufactured, with an end-to-end technology put in place that covers the lifecycle "feedstock – cathode material – recycling". Battery recycling

initiatives kicked off with preliminary lab tests that yielded high-quality samples, paving the way for intellectual property registration (three patents pending). Looking ahead, the Company plans to produce high-purity materials, specifically crystalline nickel and cobalt sulphates, along with advanced products like PCAM/CAM.

Moreover, in 2023, Gipronickel Institute identified prospective tech partners to advance concentration and metallurgical processing techniques within the scope of the Kolmozerskoye deposit development project. In 2024, Nornickel plans to develop a technology for extracting lithium from spodumene ore, with the first pilot batch expected in 2026.

In 2023, the Institute's innovative solutions obtained international patent protection: the continuous converting technology – in South Africa, and the roast-leach-electrowin technology – in Kazakhstan and China. Applied in production, these technologies help tackle environmental challenges, conform to environmental laws, reduce the cost of end products, and enhance metal recovery for saleable products¹.



¹ For more details on the technologies, please see the [2022 Sustainability Report](#).

Palladium Centre

We also engage in R&D focused on palladium due to its significant role in fostering a green economy.

In most cases, palladium exhibits superior catalytic activity and high magnetic susceptibility, thereby bolstering the efficiency of technological processes. These properties broaden its utility across various industries, including hydrogen energy, chemical synthesis, and microelectronics. When mixed with

other elements, it can manifest unique optical features that could amplify the performance of solar generators. Consequently, palladium-based materials and alloys can improve cost efficiency and expedite the growth of several cutting-edge industries.

Our current portfolio boasts over 20 products at different stages in the development pipeline, with 14 classified as ESG.

14 ESG products in the portfolio (out of more than 20)

>100 new palladium-based materials in the long run

The Palladium Centre is actively forging a network of experts and customers, encompassing collaborative research with both domestic and international institutes and labs. This strategy includes engaging with potential customers in the Asia-Pacific to reduce time to market for innovative products.

In the long run, the goal is to create over 100 new palladium-based materials. Their deployment could spur at least 40 tonnes of new palladium demand by 2030¹.

These projects and initiatives align with the goals of the Company's Sustainable Social Development Strategy, fostering technological and social progress through Norinickel's offerings, such as water purification systems using palladium, batteries for green transport, hydrogen energy solutions, and more.

« With the Company's support, my colleagues and I have developed and brought to life innovations that bolster sustainable practices within the roasting section of the Refining Shop and boost productivity.

For example, we successfully implemented a method of nickel electrowinning from chlorine dissolved tube furnace nickel powder in the Refining and Nickel Electrolysis shops. Another achievement was the launch of the Reducing Agent Transportation project, which helped us cut the Transport Shop's costs.

Alexander Krasikov,
grade 5 roaster, Refining Shop, Kola MMC
(length of service with the Company – 33 years)



Hydrogen energy

Palladium applications in hydrogen energy are extensive across the entire production chain: from hydrogen dissociation from water, extraction from gas, transportation, to its use in fuel cells.

In 2023, the Company:

- successfully produced catalyst samples for electrolyzers that incorporate 30% replacement of iridium with palladium. These samples exhibit a threefold boost in performance in contrast to their commercial counterparts;
- synthesised fuel cell catalysts, where 25% of platinum is replaced by palladium, yielding more than a twofold performance hike versus commercial alternatives. Our target is to elevate this replacement level up to 80%.

These samples are currently undergoing validation by reputable overseas partners ahead of supplies to end users.



Solar power

The Company is designing a cutting-edge thin-film solar panel cell based on palladium chalcogenide to enhance efficiency in comparison to the conventional silicon, tellurium, or copper based alternatives.



Chemical synthesis

We are developing an array of products for novel chemistries such as catalysts conducive to synthesising glycolic acid for skincare use, FDCA acid for biodegradable packaging, and elements for the disinfection of water. The customer trial phase is slated for 2024.



Electronics, spintronics, and reserve

In partnership with R&D institutes, fundamental research is underway to explore palladium's prospective uses on a longer horizon – in superconductors, supercapacitors, microelectronics, spintronics, and even medical devices.

Pd

¹ The Company's internal projections.

Major R&D and feasibility studies in 2023

Initiative	Achievements in 2023	Plans for 2024	Expected effects
Research into the CO ₂ absorption capacity of tailings (waste rock), with outlook for reducing the Company's gross emissions explored	<ul style="list-style-type: none"> Comprehensive lab studies concluded; computer modelling completed; inputs collected and prepared for devising assessment and accounting methods 	Plans are underway to finalise this methodology and seek validation with international independent experts. Moreover, the Company plans examining accelerated mineralisation processes	<ul style="list-style-type: none"> Lower gross CO₂ emissions; diminished carbon footprint of the Company's products
Molecular modelling for using the Company's by-products as substitutes for natural materials in filling compounds	<ul style="list-style-type: none"> Comprehensive lab studies concluded; optimal formulations meeting the Company's criteria for backfilling processes identified 	Pilot tests scheduled in the Skalisty Mine	<ul style="list-style-type: none"> Lower by-product generation and accumulation; lower natural material consumption
Processing sulphur dioxide into sulphuric acid, subsequently neutralised with limestone to produce gypsum cake kept in a gypsum storage facility	Comprehensive testing of the first processing line under the Sulphur Programme launched at Nadezhda Metallurgical Plant	Completion of construction and installation works; start of comprehensive trials of the remaining processing lines	Once the project reaches its target parameters, the Company will be able to meet 2024 statutory requirements for cutting pollutant emissions in Norilsk by at least 20% and further on by 45% upon the project's completion
Research into enhanced recovery of magnetic pyrrhotite from concentrator tailings using wet magnetic separation	The economic benefits of applying magnetic separation to tailings at the Talnakh Concentrator verified	Plans are in place to introduce magnetic separation of tailings at the Talnakh Concentrator	Expected effect in three years: nickel and PGM output increase of 1,500 tonnes and 602 kg, respectively
Introduction of ejector flotation machines as part of the Norilsk Concentrator upgrade	Pilot tests with a flotation machine completed by Passat at the Norilsk Concentrator	Roll-out is scheduled as part of the Norilsk Concentrator upgrade	The Concentrator's ore processing capacity is anticipated to grow by 100–150 ktpa, translating into annual financial gains of RUB 0.5–1.0 bn
Research into the flotation process for copper-nickel ores at the Company's concentrators	<ul style="list-style-type: none"> Studies completed into ionometric mapping and ion composition optimisation of slurry at the ore flotation stage; potential discovered for ion-selective electrodes to effectively control reagent consumption 	Tests will extend to winter slurries to reinforce these findings	Positive validation could increase nickel, copper, and PGM recovery into the Talnakh Concentrator's bulk concentrate by 0.5%, translating into annual financial gains of RUB 1.2–1.6 bn

Initiative	Achievements in 2023	Plans for 2024	Expected effects
A study on production of artificial anhydrite from gypsum to be used in hardening filling compounds at mines	<ul style="list-style-type: none"> A trial batch of heat-treated gypsum produced for filling compound tests; inputs for feasibility study provided; research into making artificial anhydrite using a roasting-free method conducted; physical and mechanical properties of original gypsum and artificial anhydrite examined 	—	<ul style="list-style-type: none"> No need to expand gypsum storage continually; no need to mine natural anhydrite
Efforts to restore the metallic cobalt production chain underway at Kola MMC	Metallic cobalt production established at Kola MMC's temporary site	—	Annual metallic cobalt output target: 1 ktpa
Implementation of the process to reduce the share of crushed converter matte	A portion of crushed converter matte substituted with the non-magnetic fraction from the initial grinding phase	Some of the resulting converter matte sent to Norilsk Nickel Harjavalta. Transition to this technology expected in 2025	Reducing the PGM work-in-progress volume by 1.8 tonnes
Kola MMC's product development plan involves operational, investment, and research efforts	<ul style="list-style-type: none"> Pilot tests for thicker nickel production completed the first test batches of nickel carbonate produced and dispatched; the first batches of premium HIGH PURITY nickel products manufactured 	<ul style="list-style-type: none"> Developing a programme for the Plating Grade nickel production process; NORINICKEL PLATING GRADE nickel to be produced in thicker slugs and cathodes 	Diversification of sales segments
Production of high-purity precious metal powders (Pt, Pd) at Kola MMC	Technologies for yielding refined platinum, palladium, gold, and silver developed	Kola MMC is set to launch a test section for the precious metal refining technology, enabling Norinickel to build in-house capabilities in this area, enhance the main operational parameters of the process and quality of precious metal semi-products / products at a pilot scale, using the Company's real-life concentrates for further in-house refining projects	This venture envisages annual processing of 36 tonnes of platinum-palladium concentrate in the research section, resulting in the production of at least 3 tonnes of platinum and 12 tonnes of palladium powder

DIGITAL TECHNOLOGY

How has digital technology evolved in the Company over the past 20 years?

Digital technology is an important part of the Company's Production and Technical Development Strategy. It is aimed at reducing costs and optimising inefficient production, while concentrating efforts on profitable assets. Committed to operational excellence, the Company leverages information support to introduce modern approaches to operational management and planning based on ever-changing input data, deploys various digital technologies, and makes sure its employees are being trained to improve their competencies: since 2014, Nornickel has been using SAP ERP to automate key business processes across its core production assets, and since 2015, the Company has been running a 10-year Technology Breakthrough programme designed, among other things, to roll out modern digital technology in production and unmanned mining.



Nornickel's contribution to the Digital Economy national project

Relevant UN SDGs



Related federal projects

Information infrastructure

Information security

Digital technology

Key initiatives and focus areas

Ensuring technological independence

Developing the Data Lake ecosystem

Automating the key and auxiliary business processes

Delivering projects on the industrial centres of excellence

Deploying video analytics in production

Developing urban services, communication systems, and electronic communications for employees and local communities

By developing and deploying digital solutions across its business processes, the Company lays the groundwork for building a high-tech business and contributes to greater industrial safety, operational efficiency, and quality of life for local communities. On an ongoing basis, the Company implements IT initiatives to support its key business operations and develop technological sovereignty.

117 projects with a focus on IT, innovation, and digitalisation were implemented in 2023

RUB 7.6 bn overall investment in initiatives and projects focusing on IT, innovation, and digitalisation in 2023

Driven by external challenges, in 2023 the Company updated its Functional Information Technology Strategy focusing on reliability and accessibility, adaptability, and achievement of technological independence as the key strategic benchmarks. Strategic objectives include faster decision-making, attracting the necessary competencies, and ensuring smooth operation of the IT landscape in the process of its transformation.

« We see digitalisation as a performance improvement tool currently used everywhere – from adjusting the key business processes (procurement, finance, production) to implementing the autonomous and remote asset management systems.

Alexey Lenkov,
Head of Office, Norilsknickelremont
(length of service with the Company – 24 years)

Approach to IT architecture

In line with Nornickel's strategic IT priorities, in 2023 the Company continued efforts to ensure its technological independence, including over 20 major initiatives

aimed at renovating the IT landscape, which cover the replacement of more than 50 imported and import-dependent information systems, as well as infrastructure components,

operating systems, database management systems, and application software.

How we ensure technological independence

Choosing domestic solutions

Pilot

Roll-out

To ensure the Company's technological independence in 2023:

- consistent efforts were taken to manage risks in the IT landscape to ensure the continuity of the Company's current operations;
- the life cycle of each component of the IT landscape was assessed with the degree of its impact on the core business and priorities determined: approximately 80% of domestic IT infrastructure solutions were selected or the development of in-house products was launched for solutions that are unique both for the market and for the Company;

- a pilot testing phase of selected solutions was launched to last until the end of 2024. It will serve as the basis for detailed plans showing how technological independence can be achieved for the greatest part of the Company's IT landscape;
- a technological radar of global trends was prepared, a unified software repository was launched, an update checking and installation process was built, and a list of programmes approved for installation and use was created;

- target architectures were developed for key business areas such as industrial automation, logistics, economics, finance, and personnel management;
- in 2024, the Company plans to launch pilot implementation of a Linux-based core of multifunctional infrastructure solutions, which will test the compatibility of the main components of the Company's future IT infrastructure.

Development of IT infrastructure and communications

Development of enterprise data centre cluster in Moscow

Due to increased information storage volumes, in 2023 the Company selected and organised a new site for its main data centre in Moscow to enable the implementation of the Company's strategic plans on a 10-year horizon.

Real-time migration of information systems to the new data centre does not affect any business processes as timely planning helps manage the pace of relocation and minimise the risks of information system failure. As at the end of 2023, 40% of equipment has migrated. The relocation is to be completed by May 2024.

Development of IT infrastructure monitoring systems

Monitoring IT infrastructure and business applications is one of the key elements to ensure stable operation of the Company's assets. Continuous monitoring of key indicators enables support services to promptly identify problem areas, prevent possible information system downtime, and identify potential performance boost areas across the IT landscape.

In 2023, the Company continued to develop its corporate IT monitoring service: the number of IT systems under monitoring increased by 20% to exceed 20,000 with more than 3 mln behaviour metrics collected and analysed around the clock, which makes it possible to timely make informed decisions with respect to IT service management.

Server room upgrades across production sites

To maintain the uninterrupted operation of information systems and automated process control systems at its production sites, the Company continues to take steps to improve the reliability of critical IT infrastructure. With more than 70 server rooms already revamped, another 190 await their turn to be upgraded.

Process data network upgrades

In 2023, the Company continued building a dedicated data network and upgrading the existing underground backbone data network. Going forward, the high-speed network will drive the development of next-gen production systems, including by providing the necessary IT infrastructure for the unmanned mining solutions and remotely controlled production equipment. In addition, the network will allow exchanging data with the automated process control system (APCS) and safely connecting to the unified network of new shops at Kola MMC, Medvezhy Ruchey.



Industrial process automation

Industrial automation systems

Technological independence is an important driver of industrial automation system development at the Company. For this purpose, in 2023 Nornickel undertook the following:

- made a list of imported APCS software used at the Group's assets;
- organised a distributed network of laboratories to test communication compatibility of SCADA systems with programmable logic controllers (PLC) to make sure the approved solutions can be integrated into the existing IT landscape;

- worked together with the manufacturers of domestic SCADA systems and PLCs to eliminate identified limitations, and prepares virtual infrastructure for subsequent testing subject to the requirement to use system components free from sanction restrictions (CoreIT);
- continued efforts to bring domestic APCS solutions in compliance with information security requirements of the Company;
- organised a series of induction training sessions to introduce staff to the Company-approved solutions, and developed specialised

need-based training courses focusing on the existing equipment available in the online and offline formats;

- sent its experts to the working group led by the Ministry of Industry and Trade of the Russian Federation to create an open APCS (contribution to drafting technical requirements for the individual components of an open APCS).

The Company launched a project to develop and deploy an automated mining and geological data processing and analysis system (MinePRO).

The project seeks to create a single digital platform offering end-to-end automation of the key business processes of a mining operation (exploration, drilling, testing, core management, laboratory test results, planning, design and mining operations, securing mine workings, geological and surveying calculations, inventory movement).

MinePRO will secure the quality, availability, and accuracy of production metrics across the Company for timely and effective management decision-making.

This IT product was presented at the 19th MINEX Russia 2023 Mining Forum, where it was awarded a finalist in the MineDigital category.



Measurement consistency

In 2023, the Company put into operation a locally produced automated metrological service management system (NERPA). The system enables a unified, Company-wide approach to metrological accounting and control over measuring instruments, offers a uniform approach to verification and calibration scheduling, reduces time

for work planning and execution, and use of measuring instruments with expired verification and calibration periods, and tightens control over the condition and use of measuring instruments. In 2023, the Company assessed solutions offered by 27 domestic manufacturers, reviewed the available measuring instruments for the possibility of pilot operational tests in real production

conditions, made a register of domestic measuring instruments publicly available on the corporate portal in the Metrological Service section, held the R&D Panel fixing the adopted approach to manufacturer evaluation, as well as the register of measuring instruments and domestic manufacturers to be considered as first priority when choosing the measuring instruments.

Production video analytics

Nornickel is actively engaged in developing video analytics and machine vision systems to solve production tasks, improve environmental efficiency, and ensure labour safety.

During the reporting year, the Company updated its automated system for monitoring the use of personal protective equipment (PPE) by adding a module for biometric identification of non-compliant cases at GRK Bystrinskoye. The system was found efficient during industrial operation detecting more than 89% of PPE use violations and boasting over 70% accuracy in non-compliance identification. The solution is integrated with the automated personnel management system (APMS) and access control and management system (ACSS) for greater industrial safety control.

Another industrial safety upgrade included implementation of a prototype of a gantry crane area control system. The system is expected to be expanded to add 15 cranes of GRK Bystrinskoye. The system uses laser beams to project the danger zone onto the crane area, thus controlling the presence of people in the cargo handling area for improved industrial safety.

Video analytics was also used as part of a video analysis system introduced to analyse thickener overflow turbidity (Mutnometer), which made it possible to leverage AI-based solutions to record leaks of solid product, foam, contamination, and overflow of the drain. The system helps improve thickener performance and minimise losses.

The Company has also developed a software package to monitor the operation of mining equipment, including mining dump trucks, load-haul-dumps, mine cars, tippers, and self-propelled drilling rigs. Currently in the testing phase, the project seeks to improve the efficiency of mine management and dispatching, and enables accurate tracking of activity and equipment workload based on video from cameras. The software includes tools for video markup allowing to speed up the process of data set collection and improve accuracy due to the involvement of mine experts. In 2023, four prototypes were developed and are planned to be tested at Polar Division's mines.

The machine vision-based Ore Flow project implemented at Kola MMC has unlocked new opportunities for improving the underground rail transport and ore logistics management system. Using both fixed cameras and those on vehicles, the system monitors underloading, sticking, fractional analysis, and water content of ore. Ore quality can also be assessed

using infrared technology, thus allowing analysis in dusty environments. The system also identifies the location of equipment in the mine by monitoring the pick-up and dumping points, and transportation routes. Severny Mine (Kola MMC) has integrated all the developed detection models into a single solution that is currently undergoing pilot tests. The system is expected to be rolled out at Polar Division's mines.

An important aspect of video analytics evolution at Nornickel in 2023 was the launch of the development of the Company's own NVi platform mainly focusing on accelerating the creation and integration of computer vision systems within the Company. NVi facilitates the development process by enabling the use of standard blocks and unifying processes while leveraging accumulated experience and expert knowledge.



Data Lake ecosystem

The Data Lake ecosystem serving as a starting point for digitalising business processes at the Company is a scalable platform that in the long term will allow the storage, analysis of Group-wide data, and additional synergies through the enrichment of external systems with new data. The existing solutions offered by the system allow for efficient processing of data from equipment sensors and integrate machine learning models enabling analytical BI-based reports.

In terms of artificial intelligence, the Data Lake ecosystem serves as a single platform for all artificial intelligence models, digital twins, and advisor systems under development. The in-house machine learning environment (ML-environment)

deployed on the basis of server infrastructure is already in use helping accelerate the implementation of digital projects and reduce the analytical load on production control and dispatching systems.

In order to increase the speed of artificial intelligence developments, an enterprise-wide MLOps process has been implemented to reliably and efficiently deploy and maintain machine learning models in production.

The ML environment is available to both internal AI developers and development teams of external contractors.

The ecosystem helps solve business cases for various segments. For example, machine learning is currently used to improve the quality of nickel produced

through electrowinning at Kola MMC, while specialised models were developed to predict impurities in finished products supporting nickel production in the Plating and Superalloys segments.

In 2023, the Data Platform project landscape based on Russian Arenadata software was successfully deployed helping ensure multi-landscape in the ecosystem.

The deployment of geo-distributed Data Lake infrastructure at production sites is planned for 2024, which is the next stage in the development of the data driven approach in the Company.

Industrial competence centres

In order to replace foreign IT solutions and develop new digital products, Industrial Competence Centres (ICC) have been operating in Russia since 2022, bringing together developers, manufacturers, and customers for the development of key economic sectors.

Metallurgy ICC

As an anchor customer of the Metallurgy ICC, Nornickel is in charge of three key mining projects: the Mining and Geological Information System, the Mining Operations Planning AMS, and the Underground Mining Control. Norsoft, a specialised company, was established in 2023 to develop IT products and has, as at the year-end, already completed prototype development. Norsoft brought IT products together under the new MAGMA brand and developed an approach to product commercialisation

with the involvement of independent commercial companies. The results were presented to the industry community and production site experts (more than 130 representatives of Russian mining and metallurgical companies) at the end of 2023.

Plans for 2024 include completing the development of the core functionality of industry-specific mining solutions; 2025 is about to see joint testing of the prototypes and piloting of IT products at the production sites of Nornickel and co-customers (other industry players).

Environment ICC

Federal laws¹ require that companies causing negative environmental impact equip sources of pollutant emissions at the first category facilities with

automatic systems of measuring and recording emissions. Russia uses foreign-produced systems of automated emission control, which may entail the delivery time and equipment cost risks.

Since 2023, Nornickel, Norsoft, and Digital Corporate Technologies, a developer of innovative software solutions, have been working on a unique joint project to create an alternative automated measurement system to keep record of production emissions based on the use of process digital twins (PEMS). The Government Commission recognised the project as particularly significant putting it on the List of approved projects to replace foreign software with Russian solutions. Included in New Industrial Software, a high-tech development roadmap, the project has the first-order implementation priority and a high environmental significance.



¹ Federal Law No. 7-FZ On Environmental Protection dated 10 January 2002.

Automation of the corporate process model

In 2023, Norinickel started using an automated system for managing its corporate process model (the "System"). This System is a proprietary solution of the Company featuring a web interface implemented through a flexible and efficient technology, and software deployed across several relevant platforms.

It serves as a single entry point for obtaining real-time information about the Company's business processes, their owners, and

content. The System encompasses the full cycle of business process regulation, including description of the business process in the form of a data sheet, approval, and sign-off with an advanced electronic signature.

The System helped integrate business process descriptions into the Company's unified information space, and ensure bilateral synchronisation with the automated risk and KPI management systems and

the regulatory database; the innovative approach to regulation reduced labour inputs in the search and update of business process information.

Development of business apps and SAP

Digitalisation and development of corporate business processes

As a result of the Integrated Document Management programme, in 2023

38
Group companies switched to legally binding electronic document exchange

Which helped:

- improve the automation of certain document flow processes: due to the algorithmisation and robotisation of some accounting functions, some processes became 13 times more efficient;
- convert contracts into electronic form in a pilot mode (over 58% of paperless contracts) and reduce the signing time to 30 minutes.

The Integrated Document Management programme was awarded the Best Implementation prize at SCB Kontur's Electronic Document Management Award competition.

In 2023, the Company deployed a personnel electronic document management (PEDM) system switching it to the locally-produced Directum RX platform. The PEDM will minimise the use of paper documents, increase labour productivity of the personnel management staff, harmonise the technologies used in business process paperwork, and provide an opportunity to forecast and quickly

respond to internal and external changes related to the document flow system supporting relevant business processes.

Another example of the transition to electronic document management in the Company, and, in fact, its transformation due to the transition to new forms of interaction, is the elaboration together with the Government of Russia of data marts

designed to shift away from "electronic documents" in favour of "data marts", an innovative approach to information management within the framework of the upcoming national project Data Economy.

In 2023, the Company developed and deployed the Budgeting 2.0 module of the Budget Planning IS. It enables calculation of capital project budgets,

which inherently serve as sources of data for investment project monitoring, investment committees and subcommittees.

In 2023, the IT project to develop and implement an electronic queue management system in the Norilsk branch office of NN-Sputnik was completed, which improved the quality of customer service and reduced the time required to generate consolidated reports.

The Supernika system has been launched and is available for connection in all structural divisions of the Company, with 40,000 employees of the Group from 22 cities already using the system in 2023. This is Russia's first corporate app featuring both modern approach to business process management

and usability of digital services of the Company. All users can use personal and corporate mobile devices to access the corporate messenger, employee's personal account, corporate portal, and a number of other functions.

In addition, in 2023 the Company renovated the Tableau-based management data visualisation system transferring data to two systems, namely FINE BI and Foresight, to minimise risks. The reporting year also saw renovation completion of the portals of the Legal Department and the Corporate Trust Line undertaken mainly to improve information security in terms of using the latest software, ensuring stable performance, and the potential for further development of portals.

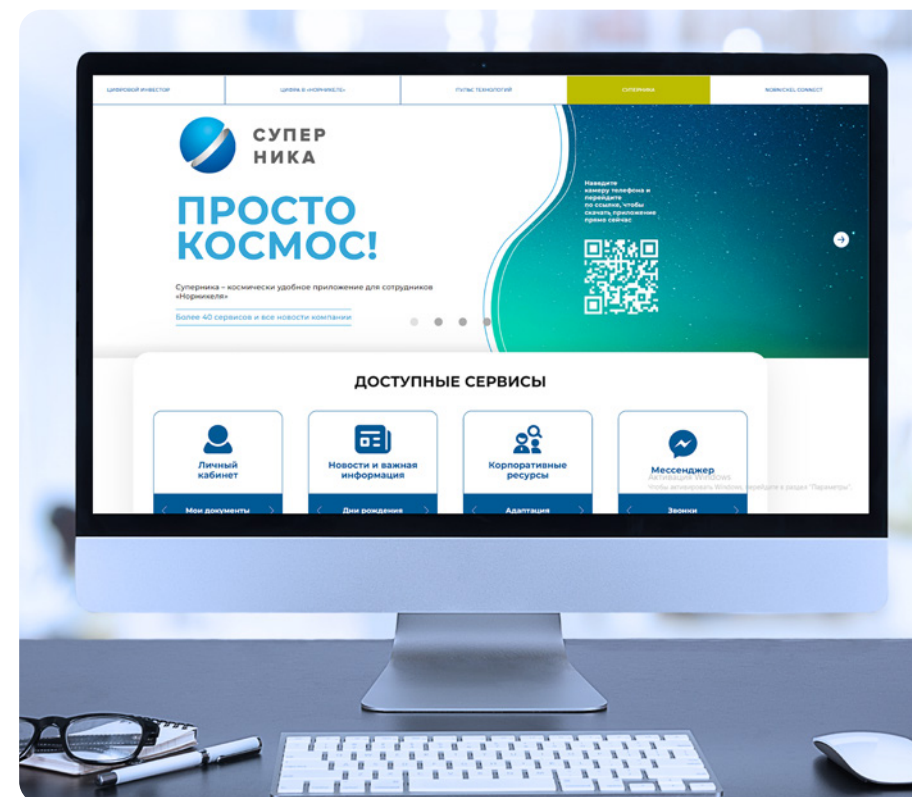
Digitalisation and financial services

In 2023, the Company implemented a project aimed at transitioning from the electronic banking system, which required transferring payment registers between systems via files, to direct seamless integration where payment orders and other financial messages are sent directly from the ERP system to the bank using a specialised transport system, which reduces the risk of errors and significantly speeds up the payment process.

In addition, an important result of the integration is the automatic receipt of interim and final bank statements, which allows for prompt receipt of the cash flow and account balance information.

Concerning Digital Treasury development, in 2023 the Company continued to develop its own dynamic discounting platform and automated several financial tools in the ERP system, setting the stage for rolling them out and unlocking additional economic benefits.

The Company ensures maximum cooperation with tax authorities. Following the transition to the real-time tax monitoring system, over 97% of the Group's turnover has been monitored by the tax authorities in real time since 2023.



Digitalisation in regions of operation

GRI 203-1, 203-2

Improving IT infrastructure reliability at the Norilsk Airport

IT infrastructure is one of the key elements of ensuring uninterrupted operation of automated systems at an airport such as flight control, passenger check-in, baggage handling, announcements, security, access control, explosives detection, etc.

To ensure uninterrupted operation of IT infrastructure at the Norilsk Airport, its upgrade was launched in 2023. The upgrade was planned considering both the solutions currently available on the IT market and regulator requirements. The project will be delivered using locally produced equipment and software. The upgrade is expected to be completed in Q1 2024.

Fibre optic communication line in the Norilsk Industrial District

In order to support the Company's production needs with high-speed communications and improve the quality of life in the Norilsk Industrial District by providing broadband Internet access, improving the quality of services, expanding the range of communication services provided, and improving the quality of public services, as well as building a platform for further development of the communications infrastructure of the Taimyr Peninsula, the Company constructed a fibre optic communication line (FOCL) along the 956 km Novy Urengoy–Norilsk route. Since 2017, high-speed internet is provided both for the needs of the Norilsk Industrial District and for those residing along the constructed fibre optic line.

To improve the reliability of the communication line, in 2023 work was completed to reserve sections of the Norilsk–Igarka and Vankor field–Novy Urengoy routes, as well as to strengthen the section of the route along the banks of the Yenisey River by laying fibre optic cable in cases using horizontal directional drilling.

The line is maintained by Nornickel's own operation service consisting of a call centre and a single network management centre, as well as field crews staffed by highly qualified personnel experienced in working in challenging conditions and fitted with special equipment and a fleet of custom-made all-terrain vehicles. There is also a construction and installation department of about 200 people and a dedicated fleet of construction equipment. From 2023, the use of unmanned aerial vehicles

is being tested to improve the efficiency of preventive maintenance and monitoring of the highway and nearby facilities.

Given the steps taken to improve the reliability of the communication line, the current service level is not less than 99% and the emergency recovery takes no more than 72 hours.

To improve the quality of communications given the growing demand across the Norilsk Industrial District, work was carried out to expand the bandwidth five times, from 40 to 200 Gbps, which made it possible to increase traffic in client communication channels up to 95 Gbps.

Digital renovation platform for Norilsk

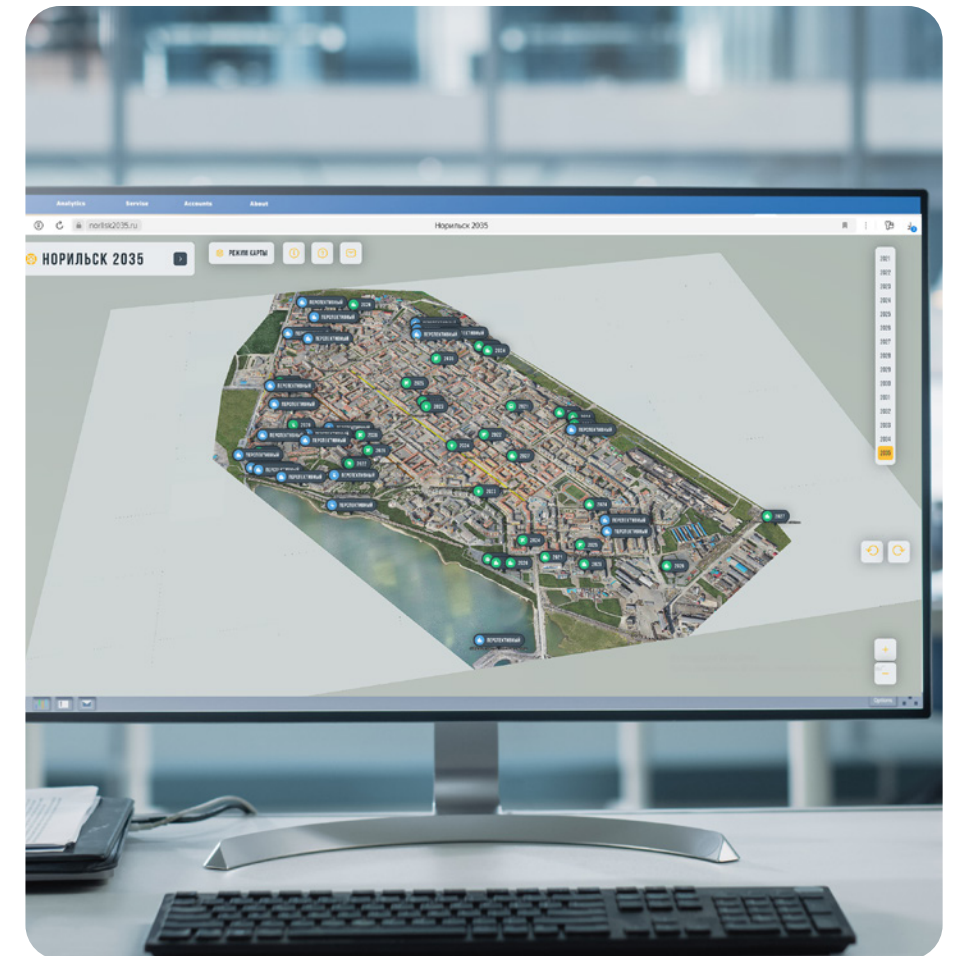
At the end of 2023, the Norilsk Development Agency, supported by the city administration and Nornickel, launched [Norilsk 2035](#), a web platform dedicated to the renovation of Norilsk. Based on the immersion principle, the digital product gives a comprehensive idea of how the Polar city will be renewed and allows getting general information about urban change projects, or deep diving into a particular renovation project. The core of the online platform is an interactive 3D map that replicates in detail the entire city infrastructure.

The digital city model can be viewed in two modes:

- Facilities by district presenting all renovation facilities in Norilsk, from construction of residential buildings and social facilities to land improvement and landscaping;
- Overview map of renovation facilities familiarising with the scale of urban renewal as a whole. In this mode, renovation sites are shown with general information about the facility, the estimated year of completion, and progress (started/in progress/completed).

The map allows moving to 2035 and seeing how Norilsk is changing over years.

As at the end of 2023, maps of all territories have been uploaded to the platform: Central District, Talnakh, Kayerkan, Oganer, and Snezhnogorsk with 3D models of all residential buildings, social, cultural, and other facilities, both existing and planned for construction, reconstruction, and improvement until 2035. Going forward, the developers plan to add other significant changes in the city that are not included in the Comprehensive Plan of Social and Economic Development of Norilsk through 2035, but are important for local residents.



APPENDICES



REPORT BOUNDARIES

GRI 2-2

Reporting boundaries

Over 20 years of non-financial reporting, the Company has established an information collection system configured in such a way that entities of Nor Nickel Group¹ provide the working group responsible for the report preparation with information on the most material topics and aspects of their operations in terms of social and environmental impact. The boundaries of information consolidation as part of GRI disclosure in the Report may vary and depend on whether a particular entity has significant economic, environmental, and social impacts.

The criteria for including an entity in the data collection boundaries depend on the specific indicator and are set out in the Company's by-laws. Examples of criteria for economic and production indicators include mining, ore concentration, metals production, inclusion of an entity in the IFRS reporting; for environmental indicators – completion of statutory statistical reporting forms; for personnel-related indicators – the entity's average headcount of more than 500 people, etc.

The reporting boundaries include data on Russian business units. Currently, the possibility to collect, independently verify, and disclose information on foreign

entities is limited. The Group's only significant foreign production entity, Norilsk Nickel Harjavalta, discloses sustainability data on its [official website](#) as a separate set of indicators (ESG-Databook). Other foreign business units are insignificant in terms of sustainability impacts.

Furthermore, the reporting boundaries do not include investment assets that are outside the Group's control unless they form a significant part of the Group's production chain. In 2023, the Company did not carry out any major mergers or acquisitions that would have a significant impact on the reporting boundaries.

Reporting boundaries for material topics

Legend

● All assets of the Subgroup are included	● Assets of the Subgroup with the most significant impacts are included	● Entities of the Subgroup are not included
-----------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------

Material topics	GRI disclosures	Norilsk Division	Kola Division ¹	Trans-Baikal Division	Energy Division	Sales Division ¹	Head Office	Other Group assets
Training and education	404-1, 404-2	●	●	●	●	●	●	●
Employment and decent working conditions in the regions of operation	201-3	●	●	●	●	●	●	●
	202-1, 202-2	●	●	●	●	●	●	●
	401-1, 401-2	●	●	●	●	●	●	●
	403-6	●	●	●	●	●	●	●
Contribution to the development of local communities	404-3	●	●	●	●	●	●	●
	201-1	●	●	●	●	●	●	●
	203-1, 203-2	●	●	●	●	●	●	●
Contribution to the national industry by promoting Russian technology	207-1, 207-2, 207-3	●	●	●	●	●	●	●
	–	●	●	●	●	●	●	●
Innovation projects pursuing sustainable development goals	–	●	●	●	●	●	●	●
Climate change	201-2	●	●	●	●	●	●	●
	302-1, 302-3, 302-4	●	●	●	●	●	●	●
	305-1–305-5	●	●	●	●	●	●	●
Emissions	305-7	●	●	●	●	●	●	●
Waste management	306-1–306-5	●	●	●	●	●	●	●
Occupational health and safety	403-1–403-5, 403-8–403-10	●	●	●	●	●	●	●
Biodiversity	304-1–304-4	●	●	●	●	●	●	●
Water consumption and wastewater discharge	303-1–303-5	●	●	●	●	●	●	●
Industrial environmental safety of production facilities (including tailings dumps)	–	●	●	●	●	●	●	●

¹ In total, Norilsk Nickel Group consists of more than 90 Russian and foreign entities. A detailed list of entities in the perimeter of the Group's IFRS financial statements is available at [Company website](#).

¹ Excluding foreign business units.

Material topics	GRI disclosures	Norilsk Division	Kola Division ¹	Trans-Baikal Division	Energy Division	Sales Division ¹	Head Office	Other Group assets
Responsible exploration and land reclamation	–	●	●	●	●	●	●	●
Impact of transport on water bodies	–	●	●	●	●	●	●	●
Supply chain responsibility	308-1, 308-2, 414-1, 414-2	●	●	●	●	●	●	●
Corporate governance and risk management	2-9–2-20	●	●	●	●	●	●	●
Anti-corruption and business ethics	205-1, 205-2, 205-3	●	●	●	●	●	●	●
Respect for human rights (including those of indigenous minorities)	401-3	●	●	●	●	●	●	●
	402-1	●	●	●	●	●	●	●
	405-1	●	●	●	●	●	●	●
	406-1	●	●	●	●	●	●	●
	407-1	●	●	●	●	●	●	●
	408-1	●	●	●	●	●	●	●
	409-1	●	●	●	●	●	●	●
	411-1	●	●	●	●	●	●	●
413-2	●	●	●	●	●	●	●	

DEFINITION OF MATERIAL TOPICS

GRI 3-1, 3-2

Nornickel identifies material topics on an annual basis in accordance with the international GRI Standards, which

provide for a comprehensive assessment of sustainability impacts, taking into account feedback from stakeholders.

In 2023, the Company approved an appropriate procedure consisting of the following stages:

Stage	Description	Results
Stage 1. Identifying impacts	Nornickel's Sustainable Development Department supported by external consultants (the "Working Group") made a base list of the Company's actual and potential economic, environmental, and social impacts, including those related to human rights. This list includes 27 sustainable development impacts of the Company. Analysis of the Company's business context ¹ identified no impacts other than in 2022	List of 27 actual and potential impacts of the Company.
Stage 2. Assessing impacts	In an online questionnaire, external and internal stakeholders were asked to rate potential and actual impacts on a scale of 0 to 5 based on the key parameters recommended by the GRI Standards: <ul style="list-style-type: none"> likelihood/regularity of impact; severity of impact (including irreversibility of impact²); scope (scale) of impact. The respondents were also given the opportunity to assess the quality of disclosure of material sustainability topics in the 2022 Sustainability Report and make comments and suggestions on topics of particular interest. This Reports reflects most of the comments. <p>The Working Group analysed all the questionnaires for adequacy and completeness. Non-identifiable, partially completed, and improperly completed questionnaires were excluded from the final analysis.</p> In 2023, 361 questionnaires (23% completed by external stakeholders, 77% completed by internal stakeholders) were taken into account to assess impacts. The number of questionnaires received and taken into account is 63.3% higher than in 2022	361 questionnaires with impact assessments completed by stakeholders

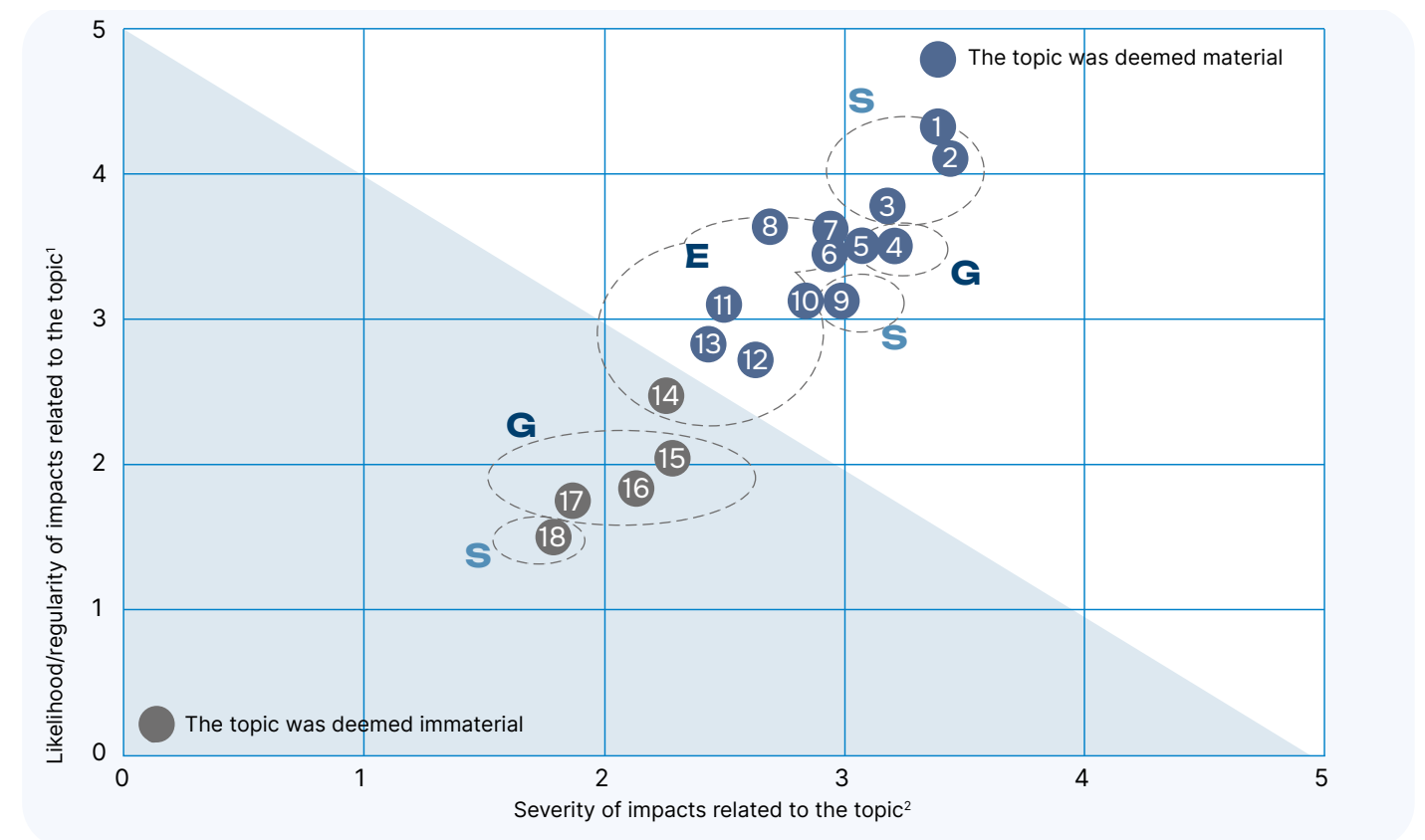
¹ Excluding foreign business units.

¹ Including core activities, business relationships, and sustainability context.

² Respondents assessed the irreversibility of impacts based on a Y/N scale.

Stage	Description	Results
Stage 3. Making a prioritised list of topics	<p>In the analysis of questionnaires completed by stakeholders, average scores were calculated for all impacts.</p> <p>For each impact, the severity of the impact was determined (average score for impact severity based on the irreversibility factor and impact scale (scope)), and the likelihood/regularity of the impact was assessed.</p> <p>All impacts were grouped into 18 topics in order to comprehensively analyse and subsequently generate a list of material topics.</p> <p>A materiality matrix reflecting the relative significance of the topics was plotted on the Severity of Impact and Likelihood/Regularity of Impact axes.</p> <p>The Company has set cut-off thresholds for the materiality boundary in the matrix. A value of 5.0 on the sum of coordinate values (rounded) was selected as the cut-off point – 50% of the maximum score. Topics falling below the boundary are deemed non-significant, but information on them is also presented in the Report in accordance with the needs of stakeholders. For immaterial topics, incomplete disclosure of GRI indicators is allowed</p>	List and matrix of 18 topics to be discussed with stakeholders in an open dialogue
Stage 4. Engaging in dialogue with stakeholders	The matrix of material topics generated in the third stage was presented to stakeholders in a dialogue held on 27 November 2023 in a mixed format (offline with a live webcast). Stakeholders reviewed the results and made recommendations on the Report and the details of topics disclosure in the Report	List of stakeholder recommendations to the Report
Stage 5. Finalising the list of material topics	The materiality matrix, which is a result of materiality assessment, was finalised	Finalised matrix with 13 material topics (see below)

Materiality matrix



Prioritised list of topics and associated impacts³

No.	Topic wording	Sustainability impacts
1	Training and education	Training and education
2	Employment and decent working conditions in the regions of operation	Employment and decent working conditions in the regions of operation
3	Contribution to the development of local communities	<p>Payment of taxes to budgets of various levels</p> <p>The Company's charitable activities targeting local communities (including indigenous minorities) and non-profit organisations to support sustainable development</p> <p>Development of housing, energy, and other infrastructure in the regions of operation</p> <p>Support for entrepreneurship in the regions of operation</p>
4	Contribution to the national industry through import substitution	Contribution to the national industry by promoting Russian technology
5	Innovation projects pursuing sustainable development goals	Innovation projects pursuing sustainable development goals

¹ On a scale of 0 to 5, where 0 means no impact and 5 means that impact occurs and is ongoing.

² The average value for the severity of impact (the parameter was assessed on a scale from 0 to 5, where 0 means no effect and 5 – critical effect) and scale and scope of impacts (the parameter was assessed on a scale from 0 to 5, where 0 means no impact and 5 – international scale).

³ Following the prioritisation, the first 13 topics were found to be material.

No.	Topic wording	Sustainability impacts
6	Climate change	Greenhouse gas emissions Development of a climate change monitoring system Metals production needed to combat climate change
7	Emissions	Emissions of sulphur dioxide and other pollutants
8	Waste management	Generation of industrial waste from operations
9	Occupational health and safety	OHS risks for employees and contractors Work-related injuries Occupational disease risks for employees and contractors
10	Biodiversity	Impact on biodiversity in the regions of industrial operations
11	Water consumption and wastewater discharge	Wastewater discharge to water bodies Water withdrawal from water bodies
12	Industrial environmental safety of production facilities (including tailing dumps)	Tailings risks Industrial environmental safety risks
13	Responsible exploration and land reclamation	Land disturbance
14	Impact of transport on water bodies	Pollution of water bodies by sea and river transport
15	Supply chain responsibility	Risks related to the violation of sustainability principles in the supply chain
16	Corporate governance and risk management	Risks related to inadequate corporate governance and risk management
17	Anti-corruption and business ethics	Corruption and business ethics risks
18	Respect for human rights (including those of indigenous minorities)	Risks related to the violation of employee and contractor rights (including wrongdoings, discrimination, etc.) Risks related to the violation of fundamental rights of local communities in the regions of operation (including indigenous minorities)

The final list of material topics contains a number of changes as compared to 2022:

- the most important material topics were Training and Education Employment and Decent Working Conditions in the Regions of Operation, and Contribution to the Development of Local Communities, which means that the importance of the Company's social programmes and commitments to key stakeholders is growing;

- a high level of importance of special topics was noted: Contribution to the National Industry through Import Substitution (the topic rose from the seventh position in 2022 to the fourth position in 2023), Innovation Projects Pursuing Sustainable Development Goals (the topic remained in the Top 5 in 2023) – new technologies created by the Company contribute to objectives of the ESG strategy;

- the topics Impact of Transport on Water Bodies and Supply Chain Responsibility were not included in the list of GRI's material topics for 2023.

→ [For the description of impacts related to material topics, please see the 2022 Sustainability Report.](#)

GRI CONTENT INDEX

Nornickel prepared the Report in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
GRI 1: Foundation 2021					
GRI 2: General Disclosures 2021					
1. The organisation and its reporting practices					
2-1	Organisational details	2, 16	Assured		Nature of ownership – private.
2-2	Entities included in the organisation's sustainability reporting	384	Assured		For a list of entities included in the financial statements of Norilsk Nickel Group, please see the Group's IFRS financial statements
2-3	Reporting period, frequency and contact point	2, 477	Assured		Financial and sustainability reporting is prepared annually for the calendar year. The date of this report is 23 May 2024.
2-4	Restatements of information	2	Assured		Information on changes in previous periods' data is provided in the report in the footnotes below the respective figures.
2-5	External assurance	2, 472	Assured		
2. Activities and workers					
2-6	Activities, value chain and other business relationships	16, 38, 351	Assured		There were no significant changes in the supply chain of the core production process in the reporting year. Due to sanctions imposed on the Russian Federation, the Company is in the process of revising its list of equipment and software suppliers.
2-7	Employees	78, 424	Assured		
2-8	Workers who are not full-time employees	424	Assured		The relations with such employees are mainly formalised through civil law contracts. Such contracts are usually made for temporary work, without any prevailing type of activity. There are no significant hiring fluctuations within the reporting periods, and the changes from one reporting period to another may be associated with an increasing number of FTEs (a part of the functions handed over to FTEs).
3. Governance					
2-9	Governance structure and composition	60, 77, 128, 174, 256, 290, 295, 301, 316, 343	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
2-10	Nomination and selection of the highest governance body	290	Assured		
2-11	Chair of the highest governance body	290	Assured		The Chairman of the Board of Directors is not an executive director.
2-12	Role of the highest governance body in overseeing the management of impacts	60, 77, 128, 174, 215, 256, 290, 292, 295, 301, 316, 343	Assured		
2-13	Delegation of responsibility for managing impacts	60, 77, 128, 174, 215, 256, 290, 295, 297, 301, 316, 343	Assured		
2-14	Role of the highest governance body in sustainability reporting	215	Assured		The Sustainability Report, including the list of material topics, was approved by the Board of Directors, No. GMK/12-pr-sd dated 22.05.2024
2-15	Conflicts of interest	297	Assured		The Company publicly discloses information on related-party transactions in its annual reports.
2-16	Communication of critical concerns	292, 301, 334	Assured		
2-17	Collective knowledge of the highest governance body	294	Assured		
2-18	Evaluation of the performance of the highest governance body	294	Assured		
2-19	Remuneration policies	298	Assured		There are no termination or retirement benefits for members of the Board of Directors, as they are not employees of the Company ¹ . The Company's management are subject to the same termination and retirement benefit rules as other employees of the Company.
2-20	Process to determine remuneration	298	Assured	Information on 2-20 b is not disclosed as not applicable.	There are no consultants on remuneration matters. In the reporting year, stakeholders (including shareholders) did not review the rules of the Board of Directors' remuneration.
2-21	Annual total compensation ratio	—	Not assured	Information has not been disclosed due to the protection of the personal data of the highest paid executive.	

¹ Except for members who are employees of the Company.

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
4. Strategy, policies and practices					
2-22	Statement on sustainable development strategy	6, 8	Assured		
2-23	Policy commitments	38, 218, 326	Assured		For sustainable development policies and statements, please see the Company's corporate website .
2-24	Embedding policy commitments	38, 58	Assured		The Company's employees are familiarised with by-laws upon hiring and in internal training sessions conducted by Norinickel.
					Suppliers and contractors of the Company are familiarised with by-laws when entering into contracts if it is stipulated by provisions of the contracts.
2-25	Processes to remediate negative impacts	334	Assured		For information on the commitment to assess negative impacts and address the situation, please see MMC Norilsk Nickel's Human Rights Policy .
2-26	Mechanisms for seeking advice and raising concerns	66, 99, 140, 177, 334	Assured		
2-27	Compliance with laws and regulations	432	Assured		Significant cases of non-compliance with laws/regulations resulting in fines or non-financial penalties are understood as events disclosed in section 26 of the Notes to the IFRS annual consolidated financial statements and/or receiving adverse publicity. There have been no such cases in 2023.
2-28	Membership associations	62, 449	Assured		
5. Stakeholder Engagement					
2-29	Approach to stakeholder engagement	65, 67	Assured		
2-30	Collective bargaining agreements	100	Assured		
GRI 3: Material Topics 2021					
Disclosures on material topics					
3-1	Process to determine material topics	387	Assured		
3-2	List of material topics	387	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Training and education					
3-3	Management of material topics	91 2022 Sustainability Report, page 312	Assured		Collecting feedback from trainees and assessing their satisfaction serve to assess the effectiveness of training.
404-1	Average hours of training per year per employee	92	Assured		
404-2	Programmes for upgrading employee skills and transition assistance programmes	94, 112	Assured		
Employment and decent working conditions in the regions of operation					
3-3	Management of material topics	76, 83, 155 2022 Sustainability Report, page 311	Assured		The Equal Opportunities Programme defines the Company's approaches and commitments in providing jobs. The Working Conditions Policy sets forth the principles and commitments in ensuring decent working conditions.
201-3	Defined benefit plan obligations and other retirement plans	107	Assured		Payments under the pension plan are made by NPF GAZFOND Pension Savings. For the fund's public reports, please see the website at https://gazfond-pn.ru/about/disclosure/
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	86	Assured	Ratios of minimum level wage by gender compared to local minimum wage at significant locations of operation are not provided due to the lack of relevant accounting system. The Company will consider disclosing this information within three years	The calculation covers the Group's companies with an average headcount of at least 500 employees in 2023.
202-2	Proportion of senior management at significant locations of operation hired from the local community	79	Assured		
401-1	New employee hires and employee turnover	81, 82, 426	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	422, 423, 424	Assured	The indicator is partially disclosed. No information is provided for the following types of benefits: life insurance, healthcare, disability/ temporary disability coverage, childcare leave and share ownership due to the lack of an approved disclosure methodology for this type of data. The Company will consider disclosing this information within three years.	
403-6	Promotion of worker health	103, 106, 144	Assured		The Company respects employees' right to privacy and ensures confidentiality of information relating to their health. Health information is classified as a special category of personal data and is processed in full compliance with the applicable laws. The Labour Code prevents employers from requesting any information on employee health unless it is required for decision-making on the employee's performance of their job functions). The Company does not use data on participation in targeted healthcare programmes or reliance on healthcare services as criteria to make decisions related to hiring, dismissals, promotions/demotions, etc.
404-3	Percentage of employees receiving regular performance and career development reviews	428	Assured		
Contribution to the development of local communities					
3-3	Management of material topics	152, 154, 156, 158, 180, 186 2022 Sustainability Report, page 312	Assured		
201-1	Direct economic value generated and distributed	406	Assured		
203-1	Infrastructure investments and services supported	153, 158, 171, 190, 380	Assured		
203-2	Significant indirect economic impacts	155, 156, 190, 380	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
204-1	Proportion of spending on local suppliers	—	Assured	The indicator is not disclosed in accordance with the GRI requirements due to no accounting system. The Company will consider disclosing this information within three years.	The Development of Local Communities section discloses information on the Company's expenses associated with procurement from suppliers in the key regions of operation.
207-1	Approach to tax	315	Assured		
207-2	Tax governance, control and risk management	316, 334	Assured		
207-3	Stakeholder engagement and management concerns related to tax	317	Assured		Stakeholders' tax-related concerns among their other queries can be addressed as part of the mechanisms of the Corporate Trust Line.
207-4	Country-by-country reporting	—	Assured	The indicator is not disclosed due to the confidential nature of information (this information is a trade secret of the Company).	
413-1	Operations with local community engagement, impact assessments, and development programmes	—	Assured		The share of operations with local community engagement is 4.8% of all business units of the Company.
Contribution to the national industry by promoting Russian technology					
3-3	Management of material topics	38, 370 2022 Sustainability Report , page 312	Assured		As at 31 December 2023, the Company did not adopt policies or set targets as regards contribution to the national industry.
Innovation projects pursuing sustainable development goals					
3-3	Management of material topics	38, 362, 370 2022 Sustainability Report , page 312	Assured		In 2015, Nor Nickel launched the Technological Breakthrough programme focused on automating process control and enhancing productivity and safety, among other things, by introducing cutting-edge information support and automated systems. No specific commitments have been set for the Innovation Projects Pursuing Sustainable Development Goals topic. For more details, please see MMC Norilsk Nickel's Annual Report for 2023 .

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Climate change					
3-3	Management of material topics	252 2022 Sustainability Report , page 310	Assured		
201-2	Financial implications and other risks and opportunities due to climate change	265	Not assured	Financial implications of the risk are not disclosed as there is no such estimate. Estimating financial implications is planned to be conducted within 3–5 years.	In 2023, climate change expenses, including initiatives to improve energy efficiency and create a system for monitoring buildings and structures located in permafrost areas, amounted to RUB 5.1 bn
302-1	Energy consumption within the organisation	283, 284	Assured		The Company uses statistical reporting forms applicable in Russia to record energy consumption data. TJ recalculation ratios are derived from the GRI 3.0 Guidelines and Engineering Magazine, a Russian R&D reference book. In its operations, the Company consumes no cooling energy. The Company sells no cooling or steam energy.
302-3	Energy intensity	283	Assured		
302-4	Reduction of energy consumption	284	Assured		Reduction of energy consumption is calculated based on the technical specifications of equipment and other energy-consuming devices that are replaced as part of energy efficiency initiatives (as the difference between the consumption of more energy-efficient new equipment and less energy-efficient old equipment).
305-1	Direct (Scope 1) GHG emissions	276	Assured		To calculate GHG emissions, we used relevant global warming potential ratios disclosed in the IPCC Sixth Assessment Report: 1 for CO ₂ , 27 for CH ₄ (bio, comb), 29.8 for CH ₄ (fug) and 273 for N ₂ O
305-2	Energy indirect (Scope 2) GHG emissions	276	Assured		
305-3	Other indirect (Scope 3) GHG emissions	277	Assured		To calculate GHG emissions, we used relevant global warming potential ratios disclosed in the IPCC Sixth Assessment Report, which are 1 for CO ₂ , 27 for CH ₄ and 273 for N ₂ O. It takes into account the following greenhouse gases: carbon oxide (CO ₂), nitrous oxide (N ₂ O), methane (CH ₄), with no or insignificant emissions of other greenhouse gases. Biogenic CO ₂ emissions are inapplicable.
305-4	GHG emissions intensity	276	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
305-5	Reduction of GHG emissions	—	Assured		<p>In 2023, we prevented GHG emissions of 272.4 kt of CO₂ equivalent, of which 34.4 kt of CO₂ equivalent are Scope 1 emissions eliminated as a result of direct energy saving initiatives, and 237.9 kt of CO₂ equivalent are Scope 2 emissions eliminated through deregulated bilateral purchase agreements for low-carbon electricity signed by the Trans-Baikal Division companies.</p> <p>Calculation of the emissions prevented as a result of direct energy saving initiatives is based on the calculation of the 302-4 indicator (the prevented emissions estimated result from reduced energy consumption).</p>

Emissions

3-3	Management of material topics	220 2022 Sustainability Report, page 311	Assured		
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	223, 412	Assured	Persistent organic pollutants are not emitted. Hazardous air pollutant emissions are not disclosed as there is no such a category according to the Russian laws.	Emissions of volatile organic compounds (VOCs) in 2023 amounted to 1,910.03 t.

Waste management

3-3	Management of material topics	230 2022 Sustainability Report, page 311	Assured		
306-1	Waste generation and significant waste-related impacts	230	Assured		
306-2	Management of significant waste-related impacts	230, 231	Assured		
306-3	Generation	413, 415	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
306-4	Waste diverted from disposal	231, 413, 415	Assured	Information on the disposal of waste transferred outside the organisation is partially disclosed (without breakdown by type of disposal) due to the lack of relevant accounting systems	Information on waste management methods is disclosed in a breakdown stipulated by the Russian laws (as part of filling the statistic form 2-TP (waste). In the GRI terms, hazard waste is understood as waste of hazard classes 1–4 defined by the Russian laws.
306-5	Waste directed to disposal	413, 415	Assured	Partially disclosed. Internal waste management practices do not imply energy recovery. Breakdown by incineration with energy recovery and incineration without energy recovery is not provided for the waste transferred to the local municipal solid waste operator, as the operator determines waste treatment techniques at its own discretion. The applicable law does not require that the local municipal solid waste operator provide relevant information to the waste suppliers	

Health and safety

3-3	Management of material topics	124 2022 Sustainability Report, page 312	Assured		
403-1	Occupational health and safety management system	126, 129, 133	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
403-2	Hazard identification, risk assessment, and incident investigation	129, 133	Assured		<p>Identification and assessment of occupational health and safety risks take place at all Group companies covered by the Report on an annual basis or ad hoc as described in the STO KISM 121-211-2017 corporate integrated management standard or similar local standards. The quality for these processes is ensured through compliance of assessment requirements with the above standards. Employees may report workplace hazards through the following channels:</p> <ul style="list-style-type: none"> orally to their head; problem-solving boards available at all sites; report to an OHS structural unit; authorised persons present at OHS committee meetings; staff meetings; work refusal form. <p>All injuries are investigated by a dedicated commission as stipulated by the national laws.</p>
403-3	Occupational health services	135, 143	Assured		<p>Contractors work on the Company's sites based on a contract that includes mandatory requirements for occupational health and safety. Before the start of a contractor's work, the Company takes a set of preparatory measures to ensure work safety. During the execution of the contract, the contractor undertakes to provide its employees with personal protective equipment on its own. The contractor ensures that sanitary and epidemiological requirements are met and all necessary OHS measures are taken. In the course of its operations, Norinickel monitors contractor employees' compliance with OHS requirements. In addition, the Company provides contractor employees with access to first aid at first-aid posts on production sites.</p>
403-4	Employee participation, consultation, and communication on occupational health and safety	140	Assured		
403-5	Employee training on occupational health and safety	129, 141	Assured		
403-8	Employees covered by an occupational health and safety management system	431	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
403-9	Work-related injuries	130, 430	Assured	There are no disclosures on the following: <ul style="list-style-type: none"> contractor injury rates due to the lack of accounting for the number of hours worked; types and causes of non-fatal injuries due to the lack of consolidated accounting. <p>The Company will consider developing an appropriate accounting system within the next three years.</p>	Data on total registered injuries is shown using the Company's accounting system based on Russian laws.
403-10	Work-related ill health	130, 430	Assured	Types of occupational diseases and the number of fatalities caused by work-related ill health is not disclosed due to the confidential nature of this information and the lack of permission for its use by the government agencies responsible for maintaining and recording such information.	
				The information on work-related ill health among contractors is also not disclosed, as it is impossible to unambiguously determine whether the contractor's ill health is directly caused by working at the Company's facilities.	
				The information on occupational diseases is not disclosed due to the lack of consolidated records. The Company will consider developing an appropriate accounting system within the next three years.	

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Biodiversity					
3-3	Management of material topics	242 2022 Sustainability Report, page 311	Assured		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	244, 246	Assured		The Company has no sites in protected areas or areas of high biodiversity value.
304-2	Significant impacts of activities, products, and services on biodiversity	246	Assured	The information on the number of affected (unprotected) species and on the reversibility of the impact is not disclosed as it is subject to the Company's further research in biodiversity. The Company will consider disclosing this information within three years	The Company's more than an 80-year-long impact on biodiversity has been scrutinised since 2022 as part of the Big Scientific Expedition.
304-3	Habitats protected or restored	238	Assured		The information is disclosed in accordance with the practice of land rehabilitation (restoration) as per the Russian laws. The completion of land rehabilitation is confirmed by government authorities in relevant documents.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	251, 416	Assured		
Water consumption and wastewater discharge					
3-3	Management of material topics	225 2022 Sustainability Report, page 311	Assured		
303-1	Interactions with water as a shared resource	225, 228, 409	Assured		Supplier relationships as regards impact on water resources are governed by the Company's Supplier Code of Conduct ; there may be consultations with customers at customer's request.

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
303-2	Management of water discharge-related impacts	225	Assured		The wastewater quality standards of the Company are based on: <ul style="list-style-type: none"> Order of the Ministry of Agriculture of Russia No. 552 On Approval of Water Quality Standards for Water Bodies of Fisheries Significance, Including Standards for Maximum Permissible Concentrations of Harmful Substances in the Waters of Water Bodies of Fisheries Significance dated 13 December 2016; Decree of the Chief State Sanitary Doctor No. 2 On Approval of Sanitary Rules and Norms SanPiN 1.2.3685-21 "Hygienic Standards and Requirements for Safety and/or Harmlessness of the Living Environment for People" dated 28 January 2021.
303-3	Water withdrawal	225, 227, 407, 408	Assured		The regions where the Company's assets are located are areas of normal and high water availability. The volume of water withdrawal is recorded using instrumental controls and readings of certified gauges, as well as by indirect methods as may be approved by the relevant territorial office of the Federal Water Resources Agency.
303-4	Water discharge	225, 227, 228, 411	Assured		All water discharged by the Company is not freshwater (in GRI terminology). In 2023, individual cases of exceeding permissible discharge limits were identified. Key substances eliminated as part of wastewater treatment: suspended solids, dry residue, nitrogen compounds, metals, and phosphates
303-5	Water consumption	225	Assured	Information on the impact that changes in water volumes of water reservoirs (storage basins) have on water bodies is not collected.	Total water consumption in 2023 in line with the GRI 303 (2018) methodology was 168 million m ³ .
Industrial environmental safety of production facilities (including tailing dumps)					
3-3	Management of material topics	148, 234 2022 Sustainability Report, page 311	Assured		
306-3 (2016)	Significant spills	—	Assured		In 2023, there were no significant spills.
Responsible exploration and land reclamation					
3-3	Management of material topics	237 2022 Sustainability Report, page 311	Assured		

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Responsible supply chain					
308-1	New suppliers that were screened using environmental criteria	—	Assured		The indicator is disclosed partially. In 2023, the existing supply chain due diligence management system applied to suppliers, processors and transporters of metal-containing mineral feedstock (“mineral suppliers”). As part of due diligence exercises, 11 mineral suppliers were assessed in 2023, including against environmental and social criteria. The number of new mineral suppliers to the Company in 2023 is equal to zero. Following the exercise, all audited mineral suppliers met the environmental and social criteria set out in Nornickel’s Supplier Code of Conduct . No significant environmental and social risks have been identified. In 2023, the Company’s ESG assessment for compliance with the Code covered suppliers of goods, works, and services. The results of a pilot survey of selected suppliers are described in detail in the 2023 Responsible Supply Chain Report .
308-2	Negative environmental impacts in the supply chain and actions taken	—	Assured		
414-1	New suppliers that were screened using social criteria	—	Assured		
414-2	Negative social impacts in the supply chain and actions taken	—	Assured		
Anti-corruption and business ethics					
205-1	Operations assessed for risks related to corruption	311, 348	Assured		In 2023, the assessment of corruption-related risks ¹ covered 74 business units, which is 88% of the total number of the Group’s business units.
205-2	Communication and training about anti-corruption policies and procedures	347	Assured		All members of the Board of Directors carry out their duties in Moscow. All members of the Board of Directors have been fully briefed on the Company’s anti-corruption policies and procedures. However, in 2023, no dedicated training was conducted for the Board members on anti-corruption policies and methods. The Company will consider conducting such training in the future. No training on anti-corruption practices is provided to external stakeholders; when contracts are signed, counterparties are familiarised with the Anti-Corruption Policy.
205-3	Confirmed incidents of corruption and actions taken	345	Assured		
Respect for human rights (including those of indigenous minorities)					
401-3	Parental leave	429	Assured		The indicator is partially disclosed due to the lack of the accounting system; information is provided about employees on maternity leave and/or childcare leave and on those who returned to work after the leave ended. The Company will consider developing an appropriate accounting system within the next three years.

¹ Corruption-related risks were assessed for the aspects of anti-corruption activities significant for the Group.

Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
402-1	Minimum notice periods regarding operational changes	100	Assured		
405-1	Diversity of governance bodies and employees	80, 406	Assured		
405-2	Ratio of basic salary and remuneration of women to men	—	Assured		The indicator is not disclosed due to the lack of the accounting system. The Company will consider developing an appropriate accounting system within three years. This Report provides information on the correlation of wages received by male and female employees by category.
406-1	Incidents of discrimination and corrective actions taken	—	Assured		No discrimination incidents have been recorded.
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—	Assured		Partially disclosed (only for mineral suppliers). There are no such operations and suppliers ¹ . The 2023 due diligence of suppliers covered observance of the right to the freedom of association and collective bargaining as part of checking compliance with the Company’s Supplier Code of Conduct .
408-1	Operations and suppliers at significant risk for incidents of child labour	—	Assured		Partially disclosed (only for mineral suppliers). There are no such operations and suppliers ¹ . The 2023 due diligence of suppliers covered incidents of child labour as part of checking compliance with the Company’s Supplier Code of Conduct .
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	—	Assured		Partially disclosed (only for mineral suppliers). There are no such operations and suppliers ¹ . The 2023 due diligence of suppliers covered incidents of child labour as part of checking compliance with the Company’s Supplier Code of Conduct .
411-1	Incidents of violations involving rights of indigenous peoples	171	Assured		
413-2	Operations with significant actual and potential negative impacts on local communities	220	Assured	—	The main operation (unit) that has a significant negative impact on local communities is Polar Division, whose assets are located in Norilsk. The key source of negative impact is sulphur dioxide emissions into the atmosphere.

¹ In the reporting period, the Company conducted due diligence of mineral suppliers, including internal suppliers that are part of Nornickel Group such as Polar Division, Medvezhy Ruchey, Kola MMC, Murmansk and Polar Transport Divisions, Norilsk Nickel Harjavalta, Poligon-Tekhnogen, and Bystrinsky GOK.

GRI QUANTITATIVE INDICATORS DISCLOSURE

Direct economic value generated and distributed¹, RUB bn

GRI 201-1

Indicator	2019	2020	2021	2022	2023
Direct economic value generated	884.7	1,123.2	1,324.1	1,183.6	1,235.2
Economic value distributed, including:	909.4	811.6	1,241.4	939.8	1,018.6
• operating expenses ²	239.3	295.2	423.0	292.2	409.7
• community investments and charity ³	4.2	9.7	33.0	31.7	25.1
• payroll and other employee remuneration and benefits, including payroll taxes	137.4	147.6	164.7	224.5	234.9
• payments to providers of capital (interest, dividends ⁴)	383.7	213.8	412.2	202.8	171.6
• gross tax payments	144.8	145.2	208.4	188.6	177.3
Economic value retained	-24.7	311.7	82.8	243.9	216.5

Structure of the Board of Directors and the Management Board

GRI 405-1

Indicator	Board of Directors		Management Board	
	Men	Women	Men	Women
Under 30	0 (0%)	0 (0%)	0 (0%)	0 (0%)
30–50	3 (23%)	3 (23%)	5 (46%)	1 (9%)
Over 50	6 (46%)	1 (8%)	2 (18%)	3 (27%)

¹ In 2023, the Company changed the methodology for assessing this indicator. Comparable data for 2019–2022 was recalculated accordingly.

² Since 2020, this line has included environmental and decommissioning provisions.

³ Excluding CAPEX.

⁴ Taking into account dividends accrued.

Total water withdrawal, mcm

GRI 303-3, SASB EM-MM-140a.1

Indicator		Total water withdrawal from external sources ¹	Including			
			from surface water bodies	from underground sources	natural water inflow	effluents from third parties and from municipal water supplies and other water utilities (excluding NTEC)
Group's total	2023	315.0	207.3	26.2	51.5	29.9
	2022	353.1	233.2	24.4	61.9	33.6
	2021	351.2	224.9	29.4	57.4	39.5
	2020	374.9	259.8	30.9	46.7	37.5
	2019	319.3	227.3	26.3	36.5	29.2
Including Polar Division	2023	26.0	0.0	0.0	20.9	5.1
	2022	26.2	0.0	0.0	24.2	1.9
	2021	29.8	0.0	0.0	24.36	5.5
	2020	25.6	0.0	0.0	20.1	5.5
	2019	26.5	0.0	0.0	12.85	13.7
NTEC and Norilskenergo	2023	220.4	189.9	25.7	0.0	4.8
	2022	261.1	217.2	23.9	2.7	17.3
	2021	257.9	209.7	28.8	2.04	17.4
	2020	286.0	234.62	30.63	2.7	18.0
	2019	240.2	212.8	26.1	0.0	1.3
Kola MMC	2023	38.0	13.6	0.0	12.9	11.5
	2022	39.1	12.3	0.0	13.3	13.6
	2021	32.5	11.1	0.0	13.1	8.3
	2020	38.2	21.3	0.0	8.7	8.3
	2019	27.9	13.2	0.0	6.1	8.6

¹ Excluding water reused from NTEC networks.

Water withdrawal by water source and type in 2022–2023,

mcm

GRI 303-3, SASB EM-MM-140a.1

Indicator	2022	2023
TOTAL WATER WITHDRAWAL	353.1	315.0
Water from surface water bodies, including:	233.2	207.3
• fresh water	233.2	207.3
• other water	0.0	0.0
Water from underground sources, including:	24.4	26.2
• fresh water	24.4	26.2
• other water	0.0	0.0
Effluents from third parties and from municipal water supplies and other water utilities (excluding NTEC), including:	33.6	29.9
• fresh water	9.2	0.0
• other water	24.4	29.9
Natural water inflow, including:	61.9	51.5
• fresh water	0.0	0.0
• other water	61.9	51.5
Water from NTEC, including:	85.6	87.4
• fresh water	85.6	87.4
• other water	0.0	0.0
Sea or ocean water, including:	0.0	0.0
• fresh water	0.0	0.0
• other water	0.0	0.0

Water bodies used for water withdrawal and waste water discharge¹

GRI 303-1/ SASB EM-MM-140a.1

Branches and business units	Water bodies used for water withdrawal and the scale of impact associated with the Company	Water bodies used for wastewater discharge and the scale of impact associated with the Company
Polar Division	Water is withdrawn from the Yenisey River, the water bodies of the Norilsk-Pyasino water system and the Kara Sea.	Wastewater is discharged into water bodies of the Yenisey River and Norilsk-Pyasino water system. The Company's operations have no material impact on the water bodies.
Polar Transport Division		
Krasnoyarsk Transport Division	The Company's operations have no material impact on the water bodies.	
Medvezhy Ruchey		
Norilskgazprom		
Norilsktransgaz		
Norilsknickelremont		
Polar Construction Company		
Norilsk Production Support Complex		
NN Technical Services		
Taimyr Fuel Company		
Yenisey River Shipping Company		
Norilsk Airport		
Norilsk-Taimyr Energy Company		
Pechengastroy		
Norilsk Trading and Production Association		
Renons		
Lesosibirsk Port		
Murmansk Transport Division	Water is withdrawn from the water bodies of the Barents Sea. The Company's operations have no material impact on the water bodies.	Wastewater is discharged into the water bodies of the Barents Sea. The Company's operations have no material impact on the water bodies.
Kola MMC		
Taimyr Fuel Company		
GRK Bystrinskoye	Water is withdrawn from the water bodies of the Amur River. The Company's operations have no material impact on the water bodies.	Wastewater is discharged into the water bodies of the Amur River. The Company's operations have no material impact on the water bodies.
Vostokgeologiya		
Zapolyarye Health Resort	Water is withdrawn from the Black Sea. The Company's operations have no material impact on the water bodies.	Wastewater is discharged into the Black Sea. The Company's operations have no material impact on the water bodies.

¹ The Company does not make a material impact on the water bodies specified. Water is withdrawn within the established limits. Waster water is discharged in accordance with the relevant permits and predominantly within the established limits.

Water use, including water recycling,
mcm

Indicator		Total water used	utility water	Including production	Including		Water recycled and reused as percentage of total water used (%)
					water reused	water recycled	
GROUP'S TOTAL	2023	1,291.9	22.9	1,268.9	52.1	1,015.8	82.7
	2022	1,351.4	21.6	1,329.7	27.1	1,077.8	81.8
	2021	1,280.8	25.2	1,255.6	31.6	1,052.0	84.6
	2020	1,458.1	23.0	1,435.1	31.2	1,229.0	86.4
	2019	1,343.5	18.8	1,324.7	30.7	1,141.3	87.2
Including Polar Division and Norilskenergo	2023	438.9	5.1	433.8	28.6	349.7	86.2
	2022	435.6	5.2	430.4	23.4	350.3	85.8
	2021	460.8	14.9	445.9	27.7	384.2	89.3
	2020	471.2	13.6	457.6	27.7	384.2	89.4
	2019	461.2	10.5	450.7	29.4	388.7	90.7
Norilsk-Taimyr Energy Company	2023	624.5	10.8	613.8	0.9	522.1	83.7
	2022	715.6	9.9	705.7	0.9	584.2	81.8
	2021	626.9	0.9	626.0	0.9	514.2	82.2
	2020	764.5	0.9	763.6	0.1	641.1	84
	2019	656.5	0.9	655.6	0.1	551.1	84.1
Kola MMC	2023	113.3	1.7	111.5	0.2	90.3	79.9
	2022	109.8	1.8	108.0	0.1	88.7	80.9
	2021	100.3	1.8	98.5	0.1	98.4	98.2
	2020	141.4	1.6	139.8	0.2	139.7	98.9
	2019	156.5	1.7	154.9	0.1	150	95.9
Other companies	2023	115.2	5.3	109.9	22.4	53.7	66.1

Total effluents¹ and pollutants discharged²

GRI 303-4

Indicator		Total effluents (mcm)	Including				Pollutants in effluents (kt)
			insufficiently treated	contaminated untreated	treated to standard quality at treatment facilities	standard clean (without treatment)	
GROUP'S TOTAL	2023	147.1	32.2	40.8	6.7	67.5	157.3
	2022	168.0	34.1	40.7	3.7	89.5	208.6
	2021	193.8	33.8	60.3	4.9	94.8	237.0
	2020	202.4	33.1	54.8	4.3	110.2	244.3
	2019	142.4	26.2	36	4.6	75.6	210.6
Including Polar Division and Norilskenergo	2023	23.4	0.9	22.1	0.4	—	26.3
	2022	23.5	1.0	22.1	0.4	0.0	26.6
	2021	37.0	1.2	35.4	0.4	0.0	60.0
	2020	33.7	1.7	31.6	0.4	0.0	66.7
	2019	23.7	1.4	21	0.8	0.5	58.3
Norilsk-Taimyr Energy Company	2023	74.3	—	6.5	0.6	67.2	2.5
	2022	95.8	0.0	6.7	0.0	89.1	3.4
	2021	88.2	0.0	6.9	0.0	81.3	3.0
	2020	104.9	0.0	8.8	0.1	96.1	3.0
	2019	74.6	0.0	2.1	0.004	72.5	1.1
Kola MMC	2023	26.6	26.3	0.3	—	—	91.9
	2022	26.7	26.4	0.3	0.0	0.0	129.1
	2021	27.5	25.9	0.9	0.7	0.0	122.0
	2020	25.8	25.1	0.7	0.0	0.0	126.7
	2019	22.1	21.8	0.3	0.0	0.0	124.4
Other companies	2023	22.9	5.0	11.9	5.7	0.3	36.6

¹ Effluents are measured with gauges.

² The main pollutants of the Group include substances dominating in the volume of wastewater: suspended solids, oil products, metals, and nitrogen compounds.

NO_x, SO_x and other significant air emissions, including their type and weight¹, kt

GRI 305-7

Indicator		Group's total	Polar Division	Norilsk-Taimyr Energy Company	Kola MMC	Other companies	
TOTAL AMOUNT		2023	1,707.7	1,671.5	5.8	16.3	14.1
		2022	1,819.4	1,778.9	9.8	16.4	14.3
		2021	1,646.9	1,601.4	12.6	19.6	13.3
		2020	1,968.1	1,857.5	10.1	83.4	17.1
		2019	1,952.7	1,819.2	10.6	110.8	12.1
Including	NO _x	2023	6.0	0.9	2.8	1.5	0.8
		2022	9.7	1.1	6.0	1.4	1.2
		2021	11.4	0.7	8.3	1.4	1.0
		2020	10.0	0.6	6.9	1.6	0.9
		2019	10.3	0.5	7.2	1.8	0.8
	Sulphur dioxide	2023	1,671.4	1,658.3	0.0	12.8	0.3
		2022	1,778.4	1,764.9	0.1	13.1	0.3
		2021	1,601.4	1,585.2	0.1	15.7	0.4
		2020	1,910.8	1,836.9	0.0	73.2	0.7
		2019	1,898.1	1,798.6	0.0	99.4	0.1
	Solids	2023	10.5	5.4	0.0	1.0	4.2
		2022	10.7	5.8	0.0	0.8	4.1
		2021	8.9	3.9	0.0	1.2	3.8
		2020	14.6	4.1	0.0	6.1	4.4
		2019	13.3	4.2	0.0	7.0	2.1
Other pollutants	2023	19.7	6.8	3.0	1.0	8.8	
	2022	20.6	7.1	3.7	1.1	8.7	
	2021	25.2	11.6	4.2	1.3	8.1	
	2020	32.7	15.9	3.2	2.5	11.1	
	2019	31.0	15.9	3.4	2.6	9.1	

¹ Air pollutant emissions are determined on the basis of the Environmental Monitoring and Industrial Control data: emissions are calculated as per the applicable methodologies using data on feedstock and equipment running time, through sampling and analysing flue gases, direct measurements with gas analysers, etc.

Total weight of waste by type and disposal method, mt

GRI 306-3, 306-4, 306-5, SASB EM-MM-150a.8

Indicator		Total (mt)		Including			
				Polar Division	Kola MMC	GRK Bystrinskoye ¹	Medvezhy Ruchey
Waste-related activity	Generation	2023	176.9	13.8	7.6	79.9	53.0
		2022	166.3	13.9	7.3	85.1	59.1
		2021	156.4	13.7	7.5	85.5	49.0
		2020	145.2	14.8	8.1	87.5	34.8
		2019	36.4	15.6	7.9	0.0	12.4
	Waste input from third parties	2023	2.2	0.3	0.0	0.0	1.9
		2022	2.0	0.3	0.0	0.0	1.6
		2021	1.6	0.3	0.0	0.0	1.2
		2020	1.0	0.1	0.0	0.0	0.5
		2019	0.6	0.6	0.0	0.0	0.06
In-house waste recovery	2023	29.9	7.3	4.1	4.7	13.9	
	2022	30.0	8.1	4.0	4.4	13.4	
	2021	23.7	6.1	4.0	3.9	9.7	
	2020	34.3	10.5	6.1	12.1	5.2	
	2019	22.8	14.3	4.2	0.0	4.2	
In-house waste treatment	2023	0.0002	0.00001	0.0001	0.0	0.0	
	2022	0.0004	0.0	0.0003	0.0	0.0	
	2021	0.0001	0.0	0.0	0.0	0.0	
	2020	0.004	0.0	0.002	0.0	0.0	
	2019	0.003	0.0	0.001	0.0	0.0	

¹ In 2020, Bystrinsky GOK was included in the reporting perimeter after it reached its design capacity in the reporting period. Its significant waste figures are driven by the first stage of the deposit development, which involves large volumes of waste generation, mainly overburden, to support further operations.

Indicator		Total (mt)	Including			
			Polar Division	Kola MMC	GRK Bystrinskoye ¹	Medvezhy Ruchey
Waste transfer to third parties (for recovery or treatment)	2023	4.0	2.2	0.0	0.002	1.8
	2022	3.1	1.8	0.02	0.002	1.3
	2021	5.76	5.39	0.04	0.003	0.2
	2020	3.48	3.23	0.04	0.003	0.2
	2019	0.50	0.24	0.014	0.0	0.2
Waste transfer to third parties (for disposal)	2023 ²	0.4	0.1	0.0	0.0	0.01
	2022	0.7	0.2	0.0	0.0	0.01
	2021	0.6	0.2	0.0	0.0	0.01
	2020	0.2	0.1	0.0	0.001	0.01
	2019	0.6	0.1	0.0	0.0	0.01
Waste landfilling at in-house waste disposal sites	2023	0.8	0.8	0.01	0.005	0.00
	2022 ³	0.74	0.72	0.02	0.01	0.0
	2021	127.5	6.0	3.4	77.3	40.4
	2020	111.2	2.3	2.7	76.33	29.9
	2019	6.0	3.2	2.8	0.0	8.0

Waste management in 2023 by hazard class and waste type, kt

GRI 306-3, 306-4, 306-5, SASB EM-MM-150a.4, EM-MM-150a.5, EM-MM-150a.6, EM-MM-150a.7, EM-MM-150a.8

Indicator	Hazard class I	Hazard class II	Hazard class III	Hazard class IV	Hazard class V	Total	Including hazard classes I-IV waste (% of total)
Generation	0.02	0.05	8.02	1,595.45	175,290.85	176,894.4	0.9
Waste generation after processing	-	-	2.17	1.17	0.00	3.34	100
Waste input from third parties	-	-	1.37	88.24	2,118.67	2,208.28	4.1
In-house waste recovery, including	-	-	2.15	0.31	29,897.10	29,899.56	0.0
• direct recycling	-	-	0.01	0.02	18,529.78	18,529.81	0.0
• other recovery activities	-	0	2.13	0.29	11,367.33	11,369.75	0.0
In-house waste treatment	-	0.01	0.06	0.06	0.05	0.18	72.4
Waste transfer to third parties (for processing)	-	-	0.09	0.10	1.34	1.53	12.2
Waste transfer to third parties (for recovery)	0.00	0.03	4.62	4.89	3,987.19	3,996.74	0.2
Waste transfer to third parties (for treatment)	0.02	0.00	1.77	1.41	1.53	4.74	67.3
Waste transfer to third parties (for disposal)	0	0.00001	0	174.00	247.72	421.72	41.3
Transfer to local municipal solid waste operator	-	-	-	17.0	1.3	18.3	92.9
Waste landfilling at in-house waste disposal sites	0	0	0.00271	571.35	211.05	782.41	73.0
Waste handed over for economic utilisation (recovered at intragroup facilities or by contractors)	0.00	0.03	6.77	5.19	33,884.30	33,896.29	0.0
Waste handled (treated or disposed at intragroup facilities or by contractors) ¹	0.02	0.02	1.83	746.83	410.08	1,158.77	64.6

¹ In 2020, Bystrinsky GOK was included in the reporting perimeter after it reached its design capacity in the reporting period. Its significant waste figures are driven by the first stage of the deposit development, which involves large volumes of waste generation, mainly overburden, to support further operations.

² This indicator includes landfilling only.

³ In 2022, the calculation methodology was changed in line with GRI 306-5, with this indicator including landfilling only since 2022.

¹ The indicator does not take into account the transfer of waste to third parties for storage purposes.

The Company's gypsum storage facilities and tailing dumps

SASB EM-MM-540a.1

Facility name	Location	Ownership status	Operational status	Construction method	Permitted maximum storage (mcm)	Amount of tailings stored as of 31 December 2023 (mcm)	Consequences classification	Date of most recent independent technical review	Material findings	Mitigation measures	Site-specific EPRP
Tailing dump of Talnakh Concentrator	Norilsk	Owned by MMC Norilsk Nickel	Active	Upstream	198.0	27.2	High	September 2023	Level of safety: normal	Not applicable	Yes
Tailing dump No. 1 of Norilsk Concentrator	Norilsk	Owned by Medvezhy Ruchey (part of the Group)	Used as an intermediate storage facility	Upstream	144.0	144.0	High	September 2022	Level of safety: unsatisfactory	Not applicable	Yes
Lebyazhye tailing dump	Norilsk	Owned by Medvezhy Ruchey (part of the Group)	Active	Upstream	343.1	233.6	High	September 2022	Level of safety: unsatisfactory	Not applicable	Yes
Tailing dump of Nadezhda Metallurgical Plant	Norilsk urban district	Owned by MMC Norilsk Nickel	Active	Downstream	40.0	37.5	High	March 2021	Level of safety: normal	Not applicable	Yes
Gypsum storage No. 1	Norilsk urban district	Owned by MMC Norilsk Nickel	Under construction	Upstream	90.0	Not applicable	Low	Not applicable	Not applicable	Not applicable	Not applicable
Tailing dump of Zapolyarny Concentrator tailing section, Kola MMC	Murmansk Region, 1 km to the south of Zapolyarny, Pechengsky District	Owned by Kola MMC (part of the Group)	Active	Upstream	263.9	251.0	High	October 2022	Level of safety: normal	Not applicable	Yes
Tailing dump of Bystrinsky GOK	Gazimuro-Zavodsky District, 15 km away from Gazimursky Zavod	Owned by GRK Bystrinskoye (part of the Group)	Active	Upstream	186.1	30.8	High	April 2022	Level of safety: lower	Not applicable	Yes

List of protected species identified in the Company's impact area

GRI 304-4

List of protected species identified in Norilsk and Energy Divisions' areas of operation

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Krasnoyarsk Territory (status)	Limited distribution area
Animals				
Whooper swan (Cygnus cygnus)	LC	No	2, a sparse species with groupings of varying degrees of vulnerability and knowledge	No
White-tailed eagle (Haliaeetus albicilla)	LC	5, Least Concern	5, a rare widespread species	No

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Krasnoyarsk Territory (status)	Limited distribution area
Gyrfalcon (Falco rusticolus)	LC	2, endangered	2, a rare, declining, vulnerable species	No
Grey-tailed tattler (Heteroscelus brevipes)	NT	No	4, an understudied species with an unknown status in the territory	No
Little gull (Larus minutus)	LC	No	3, a rare sporadically found bird	No
Bean goose (Anser fabalis fabalis)	LC	2, endangered	2, a rare, declining subspecies	No
Bean goose (Anser fabalis middendorffii)	LC	2, vulnerable	2, a vulnerable declining subspecies	No

List of rare and protected species identified in the area of Kola Division facilities

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Murmansk Region (status)
Plants			
Heath spotted-orchid (Dactylorhiza maculata)	LC	No	No
Fragrant orchid (Gymnadenia conopsea)	LC	No	No
Reptiles			
Common adder (Vipera berus)	LC	No	3, rare
Birds			
Golden eagle (Aquila chrysaetos)	LC	3, vulnerable	3, rare
Great grey owl (Strix nebulosa)	LC	No	3, rare
Bean goose (Anser fabalis fabalis)	LC	2, declining, endangered	No
Lesser black-backed gull (Larus fuscus)	LC	2, declining in number and/or distribution	No
Whooper swan (Cygnus cygnus)	LC	No	3, a sparse species with groupings of varying degrees of vulnerability and knowledge
Smew (Mergellus albellus)	LC	No	3, rare
Great grey shrike (Lanius excubitor)	LC	No	3, rare
White-tailed eagle (Haliaeetus albicilla)	LC	5, rehabilitated	3, rare
Common kestrel (Falco tinnunculus)	LC	No	3, rare
Rustic bunting (Emberiza rustica)	VU	2, declining	No
Common crane (Grus grus)	LC	No	3, rare
Osprey (Pandion haliaetus)	LC	3, rare	3, rare
Mammals			
Roe deer (Capreolus capreolus)	LC	No	4, uncertain status
Eurasian lynx (Lynx lynx)	LC	No	4, uncertain status

List of rare and protected species identified in the area of Trans-Baikal Division facilities

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Trans-Baikal Territory (status)
Plants			
Red hardy orchid (Cypripedium × ventricosum Sw.)	LC	3, rare	No
Lady's-slipper orchid (Cypripedium calceolus L.)	LC	3, rare	3, rare
Spotted lady's slipper (Cypripedium guttatum Sw.)	LC	No	2, declining
Large-flowered cypripedium (Cypripedium macranthos Sw.)	LC	3, rare	3, rare
Phlojodicarpus sibiricus (Fisch. Ex Sprengel) Koso-Pol.	No	No	2, declining
Neottianthe cucullata (L.) Schlechter	EN	No	2, declining
Iris sanguinea Donn	No	No	2, declining
Snakeroot (Cimicifuga dahurica (Turcz. ex Fisch. & C.A. Mey.) Maxim.)	No	No	3, rare
Atragene ochotensis Pallas	No	No	4, uncertain status
Dwarf daylily (Hemerocallis minor Miller)	No	No	2, declining
Lily of the valley (Convallaria keiskei Miq)	No	No	3, rare
Lilium pumilum DC.	No	No	2, declining
Siberian lily (Lilium pensylvanicus DC.)	No	No	2, declining
Chinese peony (Paeonia lactiflora Pallas)	No	3, rare	2, declining
Siberian rowan (Sorbus sibirica Hedl)	LC	No	3, rare
Invertebrate animals			
Daurian pear oyster (Dahurinaia dahurica)	No	2, declining	2, declining
Amphibians			
Japanese tree frog (Hyla japonica)	LC	No	3, rare
Birds			
Falcated duck (Anas falcata)	NT	2, declining, endangered	1, endangered
Greater spotted eagle (Aquila clanga)	VU	2, declining, endangered	1, endangered
Hen harrier (Circus syaneus)	LC	No	2, declining
Common crane (Grus grus)	LC	No	3, rare

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Trans-Baikal Territory (status)
Demoiselle crane (<i>Anthropoides virgo</i>)	LC	2, declining, vulnerable	1, endangered
Eurasian curlew (<i>Numenius arquata</i>)	NT	2, declining, vulnerable	3, rare
Far Eastern curlew (<i>Numenius madagascariensis</i>)	EN	2, declining, endangered	1, endangered
Black-tailed godwit (<i>Limosa limosa</i>)	NT	No	3, rare
Yellow-breasted bunting (<i>Emberiza aureola</i>)	CR	2, declining	2, declining
Chinese bush warbler (<i>Bradypterus tacsanowskii</i>)	LC	No	4, uncertain status
Mammals			
Ognev's long-eared bat (<i>Plecotus ognevi</i>)	LC	No	3, rare

Methods used by Norinickel to assess the state of ecosystems

Method for integral assessment of ecosystem health

To quantify the current state of biodiversity in various impact areas around the Company's facilities, Norinickel calculates the biodiversity indicator

(as a percentage) for a specific impact area divided by the same indicator determined for the background area.

$$IIEH = \frac{\sum_{i=1}^n \left(\frac{P_i}{P_i(back)} \right)}{n}$$

P_i – average values of indicators determined for a specific site/station;
P_i(back) – values of the same indicators determined for the background area;
n – number of indicators.

For each region, there is a set of key parameters for key groups, including species richness, plant occurrence, dominance index, and so on. By calculating the average percentages obtained for various indicators in a specified area, we can estimate the area's total biodiversity, expressed as the Integral Indicator of Ecosystem Health (IIEH).

For assessment of biodiversity in the impact areas of the Group's divisions, Norinickel uses a division-level IIEH. IIEH is calculated based

on biodiversity indicators for all impact areas taking into account their size separately for each division.

IIEH values

Assets / groups of assets	Terrestrial ecosystems	Water ecosystems
Norilsk and Energy divisions (Norilsk Industrial District)	0.87	0.84
Kola Division	0.92	0.92
Trans-Baikal Division	0.96	1.07

At the first stage, when the approach was tested on data collected for a two-year period, it proved to be relatively effective. The method requires further improvements to confirm its effectiveness for a three-year period data and to include additional indicator groups in IIEH calculations, such as abundance and dominance structure.

Use of phytochemical indices as indicators of depression in plants¹

Exploring changes in secondary metabolites² as more precise indicators of environmental pollution is one of the promising areas for annual monitoring of the state of standalone plants and the ecosystem in general.

In 2023, a phytochemical analysis of the composition of leaves of the mountain birch (*Betula czerepanovii*) was carried out at Kola Division. A set of indicators such as phenolic compounds, pigments and antioxidant activity (which was actually used in this case) can serve as a bioindicator of the intensity of man-induced contamination.

Use of genetic methods of analysis (DNA metabarcoding)

Data collected during a two-year period prove the high effectiveness of DNA metabarcoding, which was used for determining the species richness and specificity of structure in communities of soil microarthropods³.

For aquatic ecosystems, fish biodiversity was investigated by identifying gene remnants of species in the environment from extracellular DNA present in water. The analysis showed that Vetrennoye Lake contains valuable fish species (whitefish and smelt)⁴. This is an effective alternative to the classic method of fish catching.

DNA analysis helps not only discover new species and increase the precision of research results but also gather new data on genetic diversity for scientific databases and share the results of observations with the global academic community by publications in international journals that rely on research materials. Incorporation of genetic methods into the system of corporate indicators helps promote the use of genetic data on the environment.

If the IIEH value is below 1, this means there is a loss in biodiversity as compared to the background area, while IIEH above 1 means a gain in biodiversity.

Indicator	Impact			Background area
	Significant	Medium	Insignificant	
Biodiversity IIEH	<0.80	0.80 – 0.89	0.90 – 0.99	≥1.0

¹ Reduced plant resilience and productivity.

² Products of metabolism in cells, tissues and organs of living organisms.

³ Small arthropods that usually live in the soil.

⁴ For more details, please see [Company's website](#).

Social performance

Benefits for employees of Polar Division

GRI 401-2

Benefits	Full-time work		Temporary work ¹		Seasonal work		Part-time work
	full-time work	part-time work	full-time work	part-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+ ²	+ ²	+ ²	+ ²	+ ³	+ ³	- ²
All kinds of financial aid	+	+	+	+	+	+	- ⁴
Health resort treatment and vacations	+ ⁵	+ ⁵	+ ⁵	+ ⁵	-	-	- ⁵
Vouchers for children's wellness recreation tours	+	+	+	+	-	-	- ⁴
Pension plans	+	+	+	+	-	-	- ⁴
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	+	+ ⁶	+ ⁶	-

Benefits for employees of Kola MMC

GRI 401-2

Benefits	Full-time work		Temporary work ⁷		Seasonal work ⁸		Part-time work
	part-time work	full-time work	part-time work	full-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+ ⁹	+ ⁹	+ ⁹	-	-	-	- ⁹
All kinds of financial aid	+	+	+	-	-	-	- ¹⁰

¹ Work under a fixed-term employment contract.

² The benefit is available to employees who have the Company as their primary employer with workplaces in the Far North, including employees engaged in shift-camp work but permanently residing in the Far North.

³ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from benefits; however, in practice, travel expenses are not reimbursed since no vacation is granted to such employees.

⁴ The benefit is available to employees who have the Company as their main employer.

⁵ The benefit is available to employees who have the Company as their main employer with workplaces in the Far North.

⁶ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from the reimbursement of expenses associated with relocation, it is practically possible. No severance pay is provided by mutual agreement.

⁷ Work under a fixed-term employment contract.

⁸ At Kola MMC, there is no seasonal work; employees do not work seasonally.

⁹ The benefit is available to employees who have Kola MMC as their primary employer with workplaces in the Far North, including employees engaged in shift-camp work and permanently residing in the Far North.

¹⁰ The benefit is available to employees who have Kola MMC as their main employer.

Benefits	Full-time work		Temporary work		Seasonal work		Part-time work
	part-time work	full-time work	part-time work	full-time work	full-time work	part-time work	
Health resort treatment and vacations	+	+	+	-	-	-	- ²
Vouchers for children's wellness recreation tours	+	+	+	-	-	-	- ¹
Pension plans	+	+	+	-	-	-	- ¹
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	-	-	-	-

Benefits for employees of GRK Bystrinskoye

GRI 401-2

Benefits	Full-time work		Temporary work		Seasonal work ³		Part-time work
	full-time work	part-time work	full-time work	part-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+	+	+	+	-	-	+
All kinds of financial aid	+	+	+	+	-	-	- ⁴
Health resort treatment and vacations	+	+	+	-	-	-	- ⁴
Vouchers for children's wellness recreation tours	+	+	+	-	-	-	- ⁴
Pension plans ⁵	-	-	-	-	-	-	-
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	+	-	-	-

¹ The benefit is available to employees who have Kola MMC as their main employer.

² The benefit is available to employees who have Kola MMC as their main employer with workplaces in the Far North.

³ At GRK Bystrinskoye, no seasonal work is carried out; employees do not work seasonally.

⁴ The benefit is available to employees who have GRK Bystrinskoye as their main employer.

⁵ GRK Bystrinskoye does not offer pension plans.

Benefits for employees of the Head Office

GRI 401-2

Benefits	Full-time work		Temporary work		Seasonal work ¹		Part-time work
	full-time work	part-time work	full-time work	part-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+ ²	+ ²	+ ²	+ ²	-	-	- ²
All kinds of financial aid	+	+	+	+	-	-	- ³
Health resort treatment and vacations ⁴	-	-	-	-	-	-	-
Vouchers for children's wellness recreation tours	+	+	+	+	-	-	- ³
Pension plans	+	+	+	+	-	-	- ³
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	+	-	-	-

Headcount by type of employment, gender and region, employees

GRI 2-7, 2-8

Indicator	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
TOTAL HEADCOUNT IN RUSSIA AS AT THE LATEST REPORTING DATE	77,755	54,663	23,092	83,103	-	-	83,065	-	-
CONTRACTORS WHOSE WORK IS CONTROLLED BY THE GROUP, AS AT THE LATEST REPORTING DATE	1,129	784	345	907	-	-	1,013	-	-
EMPLOYEES AS AT THE LATEST REPORTING DATE, INCLUDING:	76,626	53,879	22,747	82,196	57,930	24,266	82,052	57,708	24,344
• in the Norilsk Industrial District	-	-	-	55,470	-	-	55,282	40,338	14,944
• in the Krasnoyarsk Territory (except for NID)	-	-	-	3,455	-	-	3,370	2,361	1,009
• in the Kola Peninsula (Murmansk Region)	-	-	-	12,404	-	-	12,152	8,789	3,363

¹ At the Head Office, no seasonal work is carried out; employees do not work seasonally.

² The benefit is available to employees who have the Company as their main employer with workplaces in the Far North.

³ The benefit is available to employees who have the Company as their main employer.

⁴ The Head Office does not offer any health resort treatment programmes.

Indicator	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
• in Moscow and other regions of Russia	-	-	-	8,006	-	-	8,182	3,653	4,529
• in the Trans-Baikal Territory	-	-	-	2,861	-	-	3,066	2,567	499
EMPLOYEES WORKING UNDER FIXED-TERM CONTRACTS (TEMPORARY AND SEASONAL JOBS) AS AT THE LATEST REPORTING DATE, INCLUDING:	3,944	2,353	1,591	4,497	2,755	1,742	4,836	3,238	1,598
• in the Norilsk Industrial District	2,616	-	-	2,709	-	-	3,247	2,374	873
• in the Krasnoyarsk Territory (except for NID)	136	-	-	116	-	-	84	53	31
• in the Kola Peninsula (Murmansk Region)	194	-	-	180	-	-	202	96	106
• in Moscow and other regions of Russia	898	-	-	1,353	-	-	1,210	646	564
• in the Trans-Baikal Territory	100	-	-	139	-	-	93	69	24
EMPLOYEES WORKING UNDER UNLIMITED CONTRACTS (PERMANENT JOBS) AS AT THE LATEST REPORTING DATE, INCLUDING:	72,682	51,526	21,156	77,699	55,184	22,515	77,216	54,470	22,746
• in the Norilsk Industrial District	48,652	-	-	52,761	-	-	52,035	37,964	14,071
• in the Krasnoyarsk Territory (except for NID)	3,929	-	-	3,339	-	-	3,286	2,308	978
• in the Kola Peninsula (Murmansk Region)	11,719	-	-	12,224	-	-	11,950	8,693	3,257
• in Moscow and other regions of Russia	5,769	-	-	6,653	-	-	6,972	3,007	3,965
• in the Trans-Baikal Territory	2,613	-	-	2,722	-	-	2,973	2,498	475
FULL-TIME EMPLOYEES AS AT THE LATEST REPORTING DATE, INCLUDING:	75,773	53,312	22,461	81,404	57,405	23,999	81,204	57,177	24,027
• in the Norilsk Industrial District	-	-	-	54,932	-	-	54,732	39,942	14,790
• in the Krasnoyarsk Territory (except for NID)	-	-	-	3,422	-	-	3,336	2,348	988
• in the Kola Peninsula (Murmansk Region)	-	-	-	12,359	-	-	12,113	8,769	3,344
• in Moscow and other regions of Russia	-	-	-	7,843	-	-	7,970	3,556	4,414
• in the Trans-Baikal Territory	-	-	-	2,848	-	-	3,053	2,562	491

Indicator	2021			2022			2023		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
PART-TIME EMPLOYEES AS AT THE LATEST REPORTING DATE, INCLUDING:	80	29	51	88	27	61	143	44	99
• in the Norilsk Industrial District	—	—	—	3	—	—	30	15	15
• in the Krasnoyarsk Territory (except for NID)	—	—	—	7	—	—	11	2	9
• in the Kola Peninsula Industrial District (Murmansk Region)	—	—	—	16	—	—	14	7	7
• in Moscow and other regions of Russia	—	—	—	58	—	—	86	20	66
• in the Trans-Baikal Territory	—	—	—	4	—	—	2	0	2

New and terminated employments (by gender, age and region of operations)

employees

GRI 401-1

Indicator	2021	2022	2023
New hires, including:	17,642	20,726	13,344
• male	12,568	14,926	9,824
• female	5,074	5,800	3,520
29 y. o. and below	6,077	7,099	5,593
30 through 44 y. o.	8,098	9,485	5,387
45 y. o. and above	3,467	4,142	2,364
• in the Norilsk Industrial District	12,125	14,693	8,304
• in the Kola Peninsula (Murmansk Region)	1,327	1,846	1,334
• in the Krasnoyarsk Territory (except for NID)	923	964	781
• in Moscow and other regions of Russia	2,648	2,656	1,807
• in the Trans-Baikal Territory	619	567	1,118
Terminated employments, including:	14,803	14,281	13,484
• male	10,697	10,366	9,968
• female	4,106	3,915	3,516

Indicator	2021	2022	2023
29 y. o. and below	3,534	4,032	3,941
30 through 44 y. o.	6,255	5,546	5,336
45 y. o. and above	5,022	4,703	4,207
• in the Norilsk Industrial District	10,065	10,416	8,399
• in the Kola Peninsula (Murmansk Region)	1 616	1 345	1 587
• in the Krasnoyarsk Territory (except for NID)	973	795	863
• in Moscow and other regions of Russia	1 593	1 308	1 724
• in the Trans-Baikal Territory	564	417	911

Employee outflow ratio by region

%

Indicator	2021	2022	2023
Kola Peninsula (Murmansk Region)	13.6	10.8	13.1
Krasnoyarsk Territory (excluding NID)	23.9	23.0	25.6
Moscow and other regions of Russia	23.9	16.3	21.1
Norilsk Industrial District (NID)	19.6	18.8	15.2
Trans-Baikal Territory	20.8	14.6	29.7

Employee inflow ratio by region

%

Indicator	2021	2022	2023
Kola Peninsula (Murmansk Region)	11.1	14.9	11.0
Krasnoyarsk Territory (excluding NID)	22.7	27.9	23.2
Moscow and other regions of Russia	39.7	32.8	22.1
Norilsk Industrial District (NID)	23.7	26.5	15.0
Trans-Baikal Territory	22.8	19.8	36.5

Employee outflow ratio by gender and age

Indicator	2021	2022	2023
Employee outflow, total	19.4	17.4	16.4
Employee outflow, male	19.9	17.9	17.3
Employee outflow, female	18.0	16.1	14.4
Employee outflow, 29 y. o. and below	31.5	32.3	32.6
Employee outflow, 30 through 44 y. o.	16.7	13.1	12.8
Employee outflow, 45 y. o. and above	20.0	17.1	14.9

Employee inflow ratio by gender and age

Indicator	2021	2022	2023
Employee inflow, total	23.1	25.2	16.3
Employee inflow, male	23.3	25.8	17.0
Employee inflow, female	22.3	23.9	14.5
Employee inflow, 29 y. o. and below	54.1	63.2	46.3

Assessment of employees in Russia

% of average headcount

GRI 404-3

Indicator	2021				2022				2023			
	Blue-collar employees	White-collar employees	Managers	Group total	Blue-collar employees	White-collar employees	Managers	Group total	Blue-collar employees	White-collar employees	Managers	Group total
Managerial and corporate competency assessment												
Share of employees covered by competency assessment	0.7	19.7	36.3	10.0	0.6	22.4	47.5	12.6	2.3	40.4	45.5	17.8
Share of male employees covered by competency assessment	0.8	25.3	38.0	10.0	0.6	25.6	43.7	11.1	2.3	34.3	43.8	14.1
Share of female employees covered by competency assessment	0.2	17.9	31.1	9.9	0.6	19.7	58.8	19.0	2.6	45.9	50.4	27.1
Professional competency assessment												
Share of employees covered by competency assessment	0.7	15.5	36.1	8.9	0.7	19.7	36.3	10.0	2.0	23.7	21.5	9.9
Share of male employees covered by competency assessment	0.7	28.6	33.9	9.4	0.8	25.3	38.0	10.0	2.3	28.5	24.4	9.9
Share of female employees covered by competency assessment	0.4	5.2	43.1	7.8	0.2	17.9	31.1	9.9	0.6	19.2	13.0	9.9
KPI-based assessment												
Share of employees covered by KPI-based assessment	0.1	50.2	64.0	19.9	0.04	60.1	59.5	22.1	0	62.2	60.7	23.6
Share of male employees covered by KPI-based assessment	0.1	45.5	60.0	15.6	0.02	56.0	54.3	16.6	0	58.8	57.2	18.4
Share of female employees covered by KPI-based assessment	0.1	54.4	76.6	31.0	0.1	63.7	75.4	35.9	0	65.3	70.7	36.7

Indicator	2021	2022	2023
Employee inflow, 30 through 44 y. o.	21.6	25.3	12.9
Employee inflow, 45 y. o. and above	13.8	16.6	8.3

Number of employees on maternity and/or childcare leave and those back from maternity and/or childcare leave

GRI 401-3

Indicator	2021	2022	2023
Employees on maternity and/or childcare leave as at the year-end, including:	1,528	1,526	1,557
• male	58	69	91
• female	1,470	1,457	1,466
Employees back from maternity and/or childcare leave over the year, including:	771	592	623
• male	51	39	61
• female	720	553	562

Key occupational injury and occupational disease rates by gender in 2021–2023

GRI 403-9, 403-10

Indicator ¹	2021	2022	2023
Fatal workplace injuries, including:	11	4	5
• Men	11	3	5
• Women	0	1	0
FIFR	0.1	0.034	0.042
Lost time workplace injuries, including:	42	67 ²	78
• Men	36	57	69
• Women	6	10	9
LTIFR	0.38	0.58 ²	0.65
Severe occupational injury rate	0.12	0.11	0.12
Total recorded workplace injuries in accordance with the Russian labour laws (minor + severe + fatal), including:	53	71 ²	83
• Men	47	60	74
• Women	6	11	9
Severe injuries	13	13	15
• Men	11	11	15
• Women	2	2	0
Occupational diseases	213	174	145
• Men	202	156	131
• Women	11	18	14
Occupational disease rate	1.94	1.49	1.21
Lost day rate	23.39	20.75	23.21
Absentee rate ³	3.58	3.57	3.77

¹ Across Norilsk Nickel Group

² The 2022 values were updated as regards the values shown in the 2022 Sustainability Report.

³ Number of absentee rate for Moscow and other regions exclude Zapolyarye Health Resort.

Indicator ¹	2021	2022	2023
Injury rate ²	0,48	0,61 ³	0,69
Hours worked, million	109,95	116,5	120,1
Total recorded workplace injuries among contractors' employees engaged at the Group's sites, in accordance with the Russian labour laws:	30	46	32
• Men	30	43	27
• Women	0	3	5
Including fatalities:	2	4	7
• Men	2	4	7
• Women	0	0	0

Employees and contractors covered by the corporate Health and Safety Management System (HSMS)

GRI 403-8

Indicator	HSMS coverage	Including HSMS that underwent an internal audit	Including HSMS that underwent an external audit or another independent review
Headcount of the Group's business units covered by HSMS	80,677	68,609	28,109
Share of employees of the Group's business units covered by HSMS in the Group's total headcount, %	100	85	35
Headcount of contractors working at the Group's sites and covered by HSMS	15,754	14,916	3,723
Share of employees of contractors covered by HSMS in the total headcount of contractors, %	100	94.7	23.6

¹ Across Norilsk Nickel Group

² The injury rate is calculated per 1 million hours worked and takes into account the number of individuals affected by lost-time injuries or fatalities.

³ The 2022 values were updated as regards the values shown in the 2022 Sustainability Report.

Fines and non-financial sanctions related to environmental and social impacts in 2023

GRI 2-27

Indicator	Total number of non-compliances with laws and/or regulations during the reporting period	Number of non-compliances with laws and/or regulations during the reporting period: cases resulting in fines	Number of non-compliances with laws and/or regulations during the reporting period: cases resulting in non-financial sanctions	Total number of fines for non-compliance with laws and/or regulations paid during the reporting period	Including fines for non-compliance with laws and/or regulations that occurred during the reporting period	Including fines for non-compliance with laws and/or regulations that occurred in previous reporting periods	Total amount of fines paid during the reporting period, RUB	Including fines imposed in the current reporting period, RUB	Including fines imposed in previous reporting periods, RUB
TOTAL FINES AND NON-FINANCIAL SANCTIONS	657	258	399	265	236	29	27,362,909	22,366,557	4,996,352
Environmental laws and regulations	49	24	25	23	20	3	1,770,000	1,615,000	155,000
Anti-competitive behaviour and breach of antitrust laws	0	0	0	0	0	0	0	0	0
Non-compliance with labour laws	14	0	14	0	0	0	0	0	0
Non-compliance with occupational health and safety laws	33	16	17	17	17	0	1,360,000	1,360,000	0
Non-compliance with consumer protection laws, including with respect to product information and labelling	3	2	1	2	2	0	55,868	55,868	0
Non-compliance with marketing (advertising) regulations	0	0	0	0	0	0	0	0	0
Non-compliance with regulations on the impact of products and services on occupational health and safety	0	0	0	0	0	0	0	0	0
Failure to timely comply with the improvement notices issued by regulatory authorities	29	24	5	23	21	2	9,245,000	8,345,000	900,000
Non-compliance with fire safety requirements	14	1	13	0	0	0	0	0	0
Breach of sanitary and epidemiological laws unrelated to product requirements	22	11	11	10	10	0	105,000	105,000	0
Breach of capital construction laws	105	35	70	35	23	12	4,432,500	2,572,500	1,860,000
Breach of industrial safety laws	206	52	154	63	53	10	7,940,500	6,590,500	1,350,000
Breach of transportation security laws	31	1	30	0	10	0	0	0	0
Other grounds	151	92	59	92	90	2	2,454,041	1,722,689	731,352

SASB METALS&MINING CONTENT INDEX

Topic	SASB code	Accounting metric	Disclosure	Page/link	Comment
Greenhouse gas emissions	EM-MM-110a.1	Gross global Scope 1 emissions	Full	Greenhouse Gas Emissions and Carbon Footprint of Products section	—
		Percentage covered under emissions-limiting regulations	—	—	No emissions-limiting regulations are imposed in Russia.
	EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Full	Approaches to Climate Change Management and Greenhouse Gas Emissions and Carbon Footprint of Products sections	—
Air quality	EM-MM-120a.1	Air emissions of the following pollutants:			
		CO	Full	—	CO emissions in 2023 stood at 10,594.71 t
		NO _x (excluding N ₂ O)	Full	Air section	—
		SO _x	Full	—	—
		Particulate matter (PM10)	Full	—	—
		Mercury (Hg)	Full	—	There were no air emissions of mercury in 2023
		Lead (Pb)	Full	—	Air emissions of lead and its inorganic compounds (expressed as lead) in 2023 stood at 9.54 t
		Volatile organic compounds (VOCs)	Full	—	Emissions of volatile organic compounds (VOCs) in 2023 amounted to 1,910.03 t.
Energy management	EM-MM-130a.1	Total energy consumed			
		Percentage grid electricity	Full	—	The share of grid electricity for 2023 was 71%
		Percentage renewable	Full	Energy Consumption and Efficiency section	—
Water management	EM-MM-140a.1	Total fresh water withdrawn	Full	GRI Quantitative Indicators Disclosure appendix	—
		Total fresh water consumed	Full	GRI Quantitative Indicators Disclosure appendix	—
		Percentage of each in regions with High or Extremely High Baseline Water Stress	Full	GRI Quantitative Indicators Disclosure appendix	—
	EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Not disclosed	—	—

Topic	SASB code	Accounting metric	Disclosure	Page/link	Comment	
Waste & hazardous materials management	EM-MM-150a.4	Total weight of non-mineral waste generated	Full	GRI Quantitative Indicators Disclosure appendix	—	
	EM-MM-150a.5	Total weight of tailings produced	Full	Tailings and Waste section	—	
	EM-MM-150a.6	Total weight of waste rock generated	Full	—	—	
	EM-MM-150a.7	Total weight of hazardous waste generated	Full	—	—	
	EM-MM-150a.8	Total weight of hazardous waste recycled	Full	—	—	
	EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management	Full	—	There were zero significant incidents associated with hazardous materials and waste management in 2023	
	EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations	Full	Tailings and Waste section	—	
	Biodiversity impacts	EM-MM-160a.1	Description of environmental management policies and practices for active sites	Full	Biodiversity section	—
		EM-MM-160a.2	Percentage of mine sites where acid rock drainage is:			
Predicted to occur			Not disclosed	—	—	
Actively mitigated			Not disclosed	—	—	
		Under treatment or remediation	Not disclosed	—	—	
EM-MM-160a.3		Percentage of:				
	proved reserves in or near sites with protected conservation status or endangered species habitat	Not disclosed	—	—		
	probable reserves in or near sites with protected conservation status or endangered species habitat	Not disclosed	—	—		

Topic	SASB code	Accounting metric	Disclosure	Page/link	Comment
Security, human rights & rights of indigenous peoples	EM-MM-210a.1	Percentage of: proved reserves in or near areas of conflict	Full	—	0%
		probable reserves in or near areas of conflict	Full	—	0%
	EM-MM-210a.2	Percentage of: proved reserves in or near indigenous land	Full	—	0%
		probable reserves in or near indigenous land	Full	—	0%
	EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Full	→ Interactions with Indigenous Minorities section	—
	Community relations	EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Full	→ Interactions with Indigenous Minorities section
EM-MM-210b.2		Number and duration of non-technical delays	Full	—	No delays recorded
Labour relations	EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by local and foreign employees	Partial	→ Social Partnership Framework section	—
	EM-MM-310a.2	Number and duration of strikes and lockouts	Full	—	No such incidents
Workforce health and safety	EM-MM-320a.1	All-incidence rate	Full	→ Work-related injuries section	—
		Fatality rate	Full	—	—
		Near miss frequency rate (NMFR)	Full	—	—
	EM-MM-320a.2	Average hours of health, safety, and emergency response training for (a) full-time employees and (b) contractors	Partial	→ OHS Training section	—
Business ethics and transparency	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	Full	→ Business Ethics and Anti-Corruption section	—
	EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Full	—	We do not operate in such countries

Topic	SASB code	Accounting metric	Disclosure	Page/link	Comment
Tailing dump management	EM-MM-540a.1	Tailing dump inventory table: facility name, location, ownership status, operational status, construction method, maximum permitted storage capacity, current amount of tailings stored, consequence classification, date of most recent independent technical review, material findings, mitigation measures, site-specific emergency preparedness and response plan (EPRP)	Full	→ GRI Quantitative Indicators Disclosure appendix	—
	EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailing storage facilities	Full	→ Tailings and Waste section	—
	EM-MM-540a.3	Approach to development of emergency preparedness and response plans (EPRPs) for tailing dumps	Full	—	—
Activity metric	EM-MM-000.A	Production of: Metal ores	Not disclosed	—	Please see the information in the 2023 Annual Report
		Finished metal products	Full	→ Our highlights section (form more details please see the 2023 Annual Report)	—
Activity metric	EM-MM-000.B	Total number of employees, percentage of contractors	Partial	→ HR Management section	—

UNCTAD GUIDANCE ON CORE INDICATORS FOR ENTITY REPORTING ON CONTRIBUTION TOWARDS IMPLEMENTATION OF THE UN SDGS

UNCTAD indicator	Page	Disclosure status	Information/comments	
A Economic indicators				
A.1 Revenue and/or (net) added value	A.1.1: revenue	15	Disclosed	RUB 1,231.7 bn
	A.1.2: added value	—	Disclosed	RUB 825.4 bn
	A.1.3: net added value	—	Disclosed	RUB 736.8 bn
A.2 Payments to the Government	A.2.1: taxes and other payments to the Government	154	Disclosed	In 2023, tax and non-tax payments totalled RUB 281 bn VAT is not included in taxes since this tax is indirect and actually paid by end consumers of products and services rather than by the reporting entity. VAT is also excluded from the calculation of profit (loss) and is not disclosed in the Income Statement.
A.3 New investment/expenditures	A.3.1: green investment	—	Disclosed	RUB 98.1 bn The expenditures in question make 8% of the Company's consolidated revenue for 2023.
	A.3.2: community investment	153	Disclosed	RUB 43.7 bn The expenditures in question make up 3.5% of the Company's consolidated revenue for 2023
	A.3.3: total expenditures on research and development	364	Disclosed	RUB 198.9 mln The expenditures in question make 0.02% of the Company's consolidated revenue for 2023.
A.4 Local supplier/purchasing programmes	A.4.1: percentage of local procurement	—	Partially disclosed	Data is collected for materials and supplies only. As for other procurement categories, there is no centralised data collection broken down by the location of suppliers. Materials and supplies procured from Russian suppliers make 98.8% of total procurements in this category.
B Environmental indicators				
B.1 Sustainable use of water	B.1.1: water recycling and reuse	226	Disclosed	Reused and recycled water makes up 82.7% of total water consumption
	B.1.2: water use efficiency	—	Disclosed	The ratio between water withdrawal and net added value is 400 m ³ / RUB mln
	B.1.3: water stress	225	Disclosed	No water is withdrawn in water-scarce areas.

UNCTAD indicator	Page	Disclosure status	Information/comments	
B.2 Waste management	B.2.1: reduction of waste generation	417	Disclosed	In 2023, waste generation increased to 176.9 mt from 166.3 mt in 2022. The ratio between waste generation and net added value increased from 203 t to 240 t / RUB mln
	B.2.2: waste reused, re-manufactured and recycled	232	Disclosed	In 2023, the amount of waste recycled remained flat (29.9 mt in 2022) The ratio between waste recycling and net added value increased from 36.7 t to 40.6 t / RUB mln
	B.2.3: hazardous waste	419	Disclosed	In 2023, hazard classes 1–4 waste generation increased to 1.604 kt from 1.535 kt in 2022. The ratio between such waste generation and net added value went up from 1.88 t to 2.18 t / RUB mln
B.3 Greenhouse gas emissions	B.3.1: greenhouse gas emissions (scope 1)	276	Disclosed	The absolute relative amount of scope 1 GHG Emissions remained flat y-o-y at 5.9 mt of CO ₂ equivalent
	B.3.2: greenhouse gas emissions (scope 2)	276	Disclosed	The absolute relative amount of scope 2 GHG Emissions remained flat at 0.5 mt of CO ₂ equivalent
B.4 Ozone-depleting substances and chemicals	B.4.1: ozone-depleting substances and chemicals	—	Disclosed	No emissions
B.5 Energy consumption	B.5.1: renewable energy	282	Partially disclosed	The Report discloses the amount of electric power generated by HPPs and its share in total energy consumption. The current metering system does not allow the disclosure to be made in full compliance with UNCTAD guidelines. Along with in-house generation, Norilsk Nickel Group purchases electric power from third parties connected to Russia's unified energy system. In 2023, the share of power from renewable sources amounted to 55% for the Group and 58% for assets in the Norilsk Industrial District. For more details, please see the Climate Change section. Share of renewable energy in the Norilsk Industrial District's total energy consumption: <ul style="list-style-type: none">total electricity consumption: 6.9 bn kWh;share of electricity generation and consumption from renewable energy sources (HPPs) in the NID: 58%. Electric power sold to retail consumers and third parties in the Norilsk Industrial District: <ul style="list-style-type: none">Total electric power sold to retail consumers and third parties: 1.02 bn kWh, including HPP generated: 591 mln kWh
	B.5.2: energy efficiency	—	Disclosed	In 2023, the ratio between total energy consumption by the Group and net added value was 0.19 TJ / RUB mln
C Social area				
C.1 Gender equality	C.1.1: proportion of women in managerial positions	80, 297	Disclosed	The proportion of women in managerial positions is 26% The proportion of women on the Management Board is 36% (4 out of 11 members)

UNCTAD indicator		Page	Disclosure status	Information/comments
C.2 Human capital	C.2.1: average hours of training per year per employee	92	Disclosed	88 hours
	C.2.2: expenditure on employee training per year per employee	93	Disclosed	Expenditure on employee training per year per employee: <ul style="list-style-type: none"> For all employee categories – RUB 16,800 Blue-collar employees – RUB 10,000 Managers – RUB 36,000 White-collar employees – RUB 15,000
	C.2.3: employee wages and benefits with breakdown by employment type and gender	86	Partially disclosed	Data is disclosed on wages and remuneration package (excluding insurance contributions); the data disclosed is broken down by region, gender, category, and age. There is no statistics on wages and benefits broken down by labour contract type or employment type.
C.3 Employee health and safety	C.3.1: expenditures on employee health and safety	134	Disclosed	Expenditures on employee health and safety make up 1.4% of the Group's consolidated revenue.
	C.3.2: frequency/incident rates of occupational injuries	130, 131, 434	Partially disclosed	The Report discloses information about the occupational injury rate and lost day rate in accordance with the GRI requirements.
C.4 Coverage of collective agreements	C.4.1: percentage of employees covered by collective agreements	100	Disclosed	94.02% of the Group's employees are covered by collective bargaining agreements.
D Institutional area				
D.1 Corporate governance disclosures	D.1.1: number of Board meetings and attendance rate	292	Disclosed	Number of Board of Directors meetings – 46 Attendance rate – 100%
	D.1.2: number and percentage of female Board members	292	Disclosed	The proportion of women on the Board of Directors is 31% (4 out of 13 members)
	D.1.3: Board members by age range	292	Disclosed	Disclosed in the 2023 Annual Report
	D.1.4: number of meetings of the audit committee and attendance rate	—	Disclosed	Number of meetings of the Audit Committee – 16 Attendance rate – 100%
	D.1.5: compensation: total compensation per Board member(both executive and non-executive directors)	—	Disclosed	The 2023 Annual Report discloses the total amount of compensations paid to the members of the Board of Directors.
D.2 Anti-corruption practices	D.2.1: amount of fines paid or payable due to settlements	436	Disclosed	–
	D.2.2: average hours of training on anti-corruption issues per year per employee	347	Partially disclosed	No records are kept on the length (in hours) of anti-corruption training. Reporting in the Company is based on the GRI standards; it means the Report discloses the number and proportion of employees trained in anti-corruption policies and practices.

TCFD DISCLOSURES

Section	Disclosure	Page	Assured by the auditor
Governance Describe the Board's oversight of climate-related risks and opportunities	a) Describe the Board's oversight of climate-related risks and opportunities	256	Assured
	b) Describe the management's role in assessing and managing climate-related risks and opportunities	60, 256	Assured
Strategy Disclose the actual and potential impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	265	Not assured
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	38, 260, 274	Assured
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario	38, 266, 272	Assured
Risk management Describe how the organisation identifies, assesses, and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks	265, 303	Not assured
	b) Describe the organisation's processes for managing climate-related risks	265, 302	Assured
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	302	Assured
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	44	Assured
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	276, 278	Assured
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	44	Assured

PILOT DISCLOSURE UNDER IFRS S2¹

Section	Disclosure	Page
Governance Controls and procedures the entity uses to monitor and manage climate-related risks and opportunities	6 (a): Indicate the governance body (individual) responsible for overseeing climate-related risk and opportunity management	
	(i) how responsibilities for climate-related risks and opportunities are reflected in the mandates, role descriptions and other related policies applicable to that body	256-258
	(iii) how and how often the body is informed about climate-related risks and opportunities	258
	(v) how the body oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies	256-258, 262
	6 (b): Describe the role of executive management in the processes and procedures for the management and oversight of climate-related risks and opportunities	
	(i) whether the role is delegated to a specific officer or collegial governance body (committee) and how oversight is exercised over that officer or body	256-258
Strategy The approach the entity uses to manage climate-related risks and opportunities	10 (a): Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	265
	10 (b): explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	265
	10 (c): specify, for each climate-related risk and opportunity the entity has identified, over which time horizons (short, medium or long term) the effects of each climate-related risk and opportunity could reasonably be expected to occur	The Company assesses physical risks on a short-term horizon up to 2028. For market risks, a general assessment has been completed for the horizons up to 2030, 2040 and 2050
	13 (a): Describe the current and expected impact of climate-related risks and opportunities on the entity's business model and value chain.	274
	13 (b): Indicate which parts of the entity's business model / value chain are characterised by climate-related risks and opportunities	267-269
	14 (a): Explain how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation	
	(ii) current and anticipated direct mitigation and adaptation efforts	262-264, 270-271, 275, 282, 285

Section	Disclosure	Page
	(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets	270-271, 275, 282, 285
	14 (b): information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a)	The Environmental and Climate Change Strategy allocates a budget for climate-related activities
	14 (c): Provide quantitative and qualitative information about the progress of plans disclosed in previous reporting periods	44, 255
	22 (a): Disclose information about the entity's assessment of the climate resilience of its strategy and business model as at the reporting date	274
	22 (b): Indicate how and when the climate-related scenario analysis was carried out	266, 272
Risk management Procedures the entity uses to identify, assess, prioritise, and monitor climate-related risks and opportunities	25 (a): Describe the process of identifying, assessing, and prioritising climate-related risks	
	(ii) whether and how the entity uses climate-related scenario analysis to identify climate-related risks	266-275
	(v) how the entity monitors climate-related risks	268-273
	(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period	Approaches to risk identification and assessment compared to the data in the Climate Change Report have not changed
	25 (b): Describe the processes used by the entity to identify, assess, prioritise, and monitor climate-related opportunities, including whether the entity uses climate change scenario analysis to identify climate-related opportunities	266-275
Metrics and targets The entity's performance in relation to sustainability/climate-related risks and opportunities, including progress towards the entity's objectives set by the entity or required by law or regulation	29 (a): Disclose Scope 1, 2 and 3 GHG emissions and approaches to measurement methodology	276-278
	29 (e): Disclose the amount of capital expenditures, investments, and other types of financing allocated to projects associated with climate-related risks and opportunities	254
	29 (f): Disclose information on the entity's application of an internal carbon price mechanism	262
	29 (g) (i): Provide a description of whether and how climate-related considerations are factored into executive remuneration	262
	33: Disclose the quantitative and/or qualitative climate-related goals and targets that the entity has set to monitor progress towards its strategic objectives, as well as the targets it is required to meet by law or regulation (including GHG emission targets), including:	
	33 (a): the metric used to set the target	44
	33 (d): the period over which the target applies	44
	33 (g): if the target is quantitative, whether it is an absolute target or an intensity target	44
	Applicable metrics from SASB Metals & Mining Sustainability Accounting Standard as specified in the Industry-Based Guidance on Implementing IFRS S2: EM-MM-110a.1, EM-MM-110a.2, EM-MM-130a.1, EM-MM-140a.1, EM-MM-140a.2, EM-MM-000.A, EM-MM-000.B	
		→ This information has been disclosed in the SASB METALS&MINING Content Index appendix

¹ Disclosure is limited to IFRS S2 requirements. For the remaining elements the Company continues to improve its governance, accounting, and reporting frameworks for future disclosure.

DISCLOSURE UNDER ORDER OF THE MINISTRY OF ECONOMIC DEVELOPMENT OF RUSSIA NO. 764 DATED 1 NOVEMBER 2023

No.	Disclosure	Unit of measurement	2021	2022	2023	Source	Comments
Economic indicators							
1	Revenue	RUB bn	1,316.9	1,184.5	1,231.7	2023 Sustainability Report, page 438	—
2	Added value	RUB bn	901.2	891.4	825.4		—
3	Net added value	RUB bn	833.1	817.7	736.8		—
4	Total expenditure on research and development	RUB mln	241.43	84.3	198.8		—
5	Labour productivity	—	—	—	—		The indicator is not disclosed.
6	Total mandatory payments accrued (excluding fines and penalties), including: <ul style="list-style-type: none"> taxes and levies insurance contributions other mandatory payments 	RUB bn	—	—	—		The Company will consider disclosing this information within three years.
7	Total mandatory payments paid (excluding fines and penalties), including: <ul style="list-style-type: none"> taxes and levies insurance contributions other mandatory payments 	RUB bn	287	262	281	2023 Sustainability Report, page 154	The Report presents tax and non-tax payments to budgets of various levels.
8	Domestically sourced goods, work, and services in total procurement of goods, work, and services	%	96	95	99	2021 Sustainability Report, page 252 2022 Sustainability Report, page 319 2023 Sustainability Report, page 438	Data is collected for materials and supplies only. As for other procurement categories, there is no centralised data collection broken down by the location of suppliers.
9	Procurement of goods, works, and services from small and medium-sized businesses in total procurement from Russian companies	%	—	—	—		The Development of Local Communities section discloses information on the Company's expenses associated with procurement from suppliers in the key regions of operation.

No.	Disclosure	Unit of measurement	2021	2022	2023	Source	Comments
10	Sustainable investment (including green investment)	RUB bn	103.7	130.4	141.8	2023 Sustainability Report, page 153, 219	Operating environmental expenditure and capital investments to ensure environmental protection and sustainable use of natural resources
11	Investments in projects related to achieving technological sovereignty and structural adaptation of the Russian economy	RUB bn	—	—	—		The indicator is not disclosed. The Company will consider disclosing this information within three years.
12	Economic exposure of business and other operations to climate risks	—	—	—	—		
Environmental indicators							
13	Water used from all water supply sources	mcm	1,280.8	1,345.9	1,291.9	2023 Sustainability Report, page 410	—
14	Recirculating and recycling water supply	mcm %	1,083.6 84.6	1,104.9 81.8	1,067.8 82.7	2023 Sustainability Report, page 410	—
15	Total effluents, including untreated water	mcm	94.1 60.3	74.8 40.7	73.0 40.8	2023 Sustainability Report, page 411	—
16	Water use efficiency (per unit consumption)	mcm / RUB bn	1.5	1.6	1.7	Estimated value (item 13 ÷ item 3)	—
17	Total generated waste of hazard classes 1–5, including: <ul style="list-style-type: none"> hazard class 1 hazard class 2 hazard class 3 hazard class 4 hazard class 5 	kt	156,416.09	166,277.8	176,894.4	2021 Sustainability Report, page 240. 2022 Sustainability Report, page 337-338. 2023 Sustainability Report, page 415	For more details on waste generation by hazard class, please see the GRI Quantitative Indicators Disclosure appendix
18	Total management of waste of hazard classes 1–5, including: <ul style="list-style-type: none"> disposed of waste neutralised waste landfilled waste reused waste recycled waste reduction of waste generation 	kt	29,464.9	34,540.7	35,055.1	2021 Sustainability Report, page 240. 2022 Sustainability Report, page 337-338. 2023 Sustainability Report, page 415	Waste handed over for economic utilisation and eliminated (disposed of, neutralised, or landfilled at intragroup facilities or by contractors). For a breakdown by category, please see the GRI Quantitative Indicators Disclosure appendix
19	Air pollutant emissions from stationary sources	kt	1,646.9	1,819.4	1,707.7	2023 Sustainability Report, page 412	—

No.	Disclosure	Unit of measurement	2021	2022	2023	Source	Comments
20	Greenhouse gas (GHG) emissions	mt of CO ₂ equivalent	10.3	9.9	9.7	2023 Sustainability Report, page 276	Scope 1 and 2 (including a GHG emissions provision for the Sulphur Programme and GHG emissions generated from heat and electricity supply to households)
21	Total environmental protection expenditure, including: <ul style="list-style-type: none"> air protection and climate change prevention wastewater collection and treatment waste management preservation of biodiversity and protection of natural areas 	RUB bn	18.1	34.4	37.8	2023 Sustainability Report, page 219	Operating environmental protection expenditures
22	Renewable and low-carbon energy consumption	TJ, %	47	51	55	2023 Sustainability Report, page 282	—
23	Energy efficiency: energy consumption per unit of net added value	TJ / RUB '000	0.19	0.18	0.19	2023 Sustainability Report, page 439	—
Social indicators							
24	Total labour expenses	RUB mln	164,740	224,512	234,869	Consolidated Financial Statements for the years ended 31 December 2023, 2022, 2021, page 61	—
25	Total average headcount, including employees with disabilities	'000 employees	73.6	78.4	80.6	2023 Sustainability Report, page 78	Number of employees with special needs is not disclosed
26	Total average payroll, including: <ul style="list-style-type: none"> by position by gender by age 	RUB '000	145.1	182.5	184.1	2023 Sustainability Report, page 10	Average payroll by position, gender, age is disclosed starting from 2023 (page 86)
27	Total occupational health and safety expenses, including average per employee	RUB bn RUB '000	12.7 177	21.6 272	17.5 218	2023 Sustainability Report, page 134	—

No.	Disclosure	Unit of measurement	2021	2022	2023	Source	Comments
28	Expenditure on preparing and holding social, sports and recreation and healthcare events for employees and their family members	RUB mln	13,158	15,254	16,442	2023 Sustainability Report, page 104	—
29	Injuries with lost time of one working day or more and fatalities, including fatalities	People	53	71	83	2023 Sustainability Report, page 430	—
		people	11	4	5		
30	Total expenditure on employee training, including average per employee	RUB mln RUB '000	952 18.3	1,447 21.1	1,277 16.8	2023 Sustainability Report, page 93	—
31	Average number of training hours per year per employee by position		69.2	85	88	2023 Sustainability Report, page 92	—
32	Share of employees covered by collective bargaining agreements in the average headcount	%	94.0	94.4	94.0	2023 Sustainability Report, page 100	—
33	Employee turnover	%	12.2	10.5	11.4	2023 Sustainability Report, page 82	—
34	Total expenses associated with social programmes not aimed at employees and their family members, including: <ul style="list-style-type: none"> charitable housing healthcare educational social assistance 	RUB bn	40.5	34.3	27.3	2023 Sustainability Report, page 153	Nornickel's social infrastructure, social, charity, and sponsorship expenses (excluding expenses related to social programmes and benefits for employees). For a breakdown of expense items, please see page 153
Governance indicators							
35	Sustainable development policy and/or other relevant strategic documents in place	—	Yes	Yes	Yes	2021 Sustainability Report, page 23-34. 2022 Sustainability Report, page 230-234. 2023 Sustainability Report, page 58	—
36	Number and attendance of Board of Directors meetings	%	43 100	38 100	46 100	2021 Sustainability Report, page 253. 2022 Sustainability Report, page 323. 2023 Sustainability Report, page 292	—

No.	Disclosure	Unit of measurement	2021	2022	2023	Source	Comments
37	Total number of directors, including by age groups	people	13	13	13	2021 Sustainability Report, page 171. 2022 Sustainability Report, page 224. 2023 Sustainability Report, page 291-292	For more details on the Board of Directors, please see the Company's annual reports
38	Number and attendance of the Audit Committee meetings		12 100	15 100	16 100	2021 Sustainability Report, page 253. 2022 Sustainability Report, page 323. 2023 Sustainability Report, page 440	—
39	Participation in ESG indices and ratings	—	Yes	Yes	Yes	2021 Sustainability Report, page 34. 2022 Sustainability Report, page 234. 2023 Sustainability Report, page 64	—
40	Violations of the rights of Russia's indigenous minorities		0	0	0	2021 Sustainability Report, page 150. 2022 Sustainability Report, page 186. 2023 Sustainability Report, page 171	—
41	Employees occupying positions with a high degree of corruption risk exposure	—	—	—	—		The indicator is not disclosed. The Company will consider disclosing this information within three years.
42	Average hours of training on anti-corruption issues per year per employee	hours	—	—	—		No records are kept on the length (in hours) of anti-corruption training.
43	Administrative sanctions against the organisation, its subsidiaries, and affiliates for corruption		0	0	0	2021 Sustainability Report, page 196. 2022 Sustainability Report, page 252. 2023 Sustainability Report, page 346	—
44	Share of women in managerial positions in the total number of managers, including in the Board of Directors	% %	25 8	27 23	26 31	2023 Sustainability Report, page 14, 80	—

NORNICKEL'S SUPPORT FOR INITIATIVES, STANDARDS, AND PARTICIPATION IN ASSOCIATIONS FOCUSED ON SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY

GRI 2-28

International

UN initiatives

- [UN Global Compact](#)
- Sustainable Development Goals of the UN 2030 Agenda

Associations, charters, alliances, and initiatives

- [International Platinum Group Metals Association](#)
- [Nickel Institute](#)
- Together for Sustainability (TfS) initiative
- [Global Battery Alliance \(GBA\)](#)

Russian

UN initiatives

- [National Global Compact Network](#)

Associations and charters

- [National ESG Alliance](#)
- National Association of International Information Security
- Security Charter for Critical Industrial Facilities
- [Social Charter of the Russian Business](#)
- [Anti-Corruption Charter of the Russian Business](#)
- [Environmental Charter of the Krasnoyarsk Territory](#)

CERTIFICATION OF CORPORATE INTEGRATED MANAGEMENT SYSTEM (CIMS)

Company	Compliance with international standards	External audits in 2023	Certification body	Audit results	Certification scope
MMC Norilsk Nickel	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018	Recertification audit	Bureau Veritas Certification (BVC)	Certificates for the new certification period were obtained: ISO 9001:2015, ISO 14001:2015 (seventh certification period), ISO 45001:2018 (second certification period).	Production, project management, storage, delivery, including by sea, and sales (nickel, copper, cobalt, precious metals, sulphur, selenium, tellurium)
Kola MMC	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018	Surveillance audit of Corporate Integrated Management System (CIMS)	Bureau Veritas Certification (BVC)	The audit showed that the stated scope of certification is consistent with the operations carried out by Kola MMC. Kola MMC's commitment to maintaining the performance of and upgrading the CIMS ¹ to improve its operation was confirmed	Mining and processing of ore, production of nickel, cobalt, their compounds, precious metal concentrates, sulphuric acid
Gipronickel Institute	ISO 9001:2015	Surveillance audit	Societe Generale de Surveillance (SGS)	The quality management system of Gipronickel Institute is certified for compliance with the ISO 9001:2015 requirements.	R&D, design, engineering surveys, engineering and environmental activities, project management in mining, concentration and smelting. Development of standards for non-ferrous metal industry products and their inspection methods. Development of reference standards for non-ferrous metal industry products.
GRK Bystrinskoye	ISO 14001:2015	Certification audit	Certification body – IRCLASS IRQS	The environmental management system was certified for compliance with ISO 14001:2015 for the first certification period.	–

Company	Compliance with international standards	External audits in 2023	Certification body	Audit results	Certification scope
Pechengastroy	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018	Certification audit	Quality Management Pursuant to International Standards LLC	Certificates of compliance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018	Design, development, manufacturing, assembly, repair of parts, components, metal structures, machinery and equipment; maintenance and repair of industrial equipment, buildings and structures; capital construction and reconstruction of industrial facilities; welding operations, technical supervision; operation of motor vehicles, special-purpose machinery, and treatment facilities; sand and gravel extraction.
Norilsk Nickel Harjavalta	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018	Surveillance audit	Bureau Veritas Certification (BVC)	Norilsk Nickel Harjavalta maintains certification to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018	Manufacturing of nickel and cobalt products

¹ Corporate Integrated Management System.

AWARDS AND ACCOLADES

Social

- Nornickel won the Grand Prix at the 16th Russian national contest It's All about People: Companies Investing in the Future.
- We retained leadership in key rankings of the best employers:
 - 22nd place among 129 finalists (Russia's largest companies), 1st place among the largest industrial companies, 24th place in the Top 50 companies with highly developed HR processes according to HeadHunter;
 - employer group I consisting of 25 companies (without any ranking within) in the RBC Employer Rankings (November 2023);
 - gold prize awarded by Forbes in its 125 best employers rating, platinum prizes in the Employees and Society category and the Corporate Governance category, and gold prize in the Environment category;
 - Best Employer according to the Best Company Award 2024, a ranking compiled by Changellenge based on a survey of students and graduates from the leading universities: 1st place in the metals industry, 20th place in the Technical Professions nomination, 57th place in the Business Professions nomination, and the 53/57th places in the IT Professions nomination;
 - 8th place in the Best Employers among Their Target Audience category in Future Today's ranking, which takes into account the opinions of Russian university students;
 - best employer brand in the metals industry according to Crystal Pyramid 2023, an award for achievements in personnel and human capital management.
- Made with Care programme won in the WORKPLACE comfort category of the WOW!HR award and in the category Reconstruction of the Internal Environment for Users of an Industrial Facility according to the Green Property Awards.
- Building the Future: Nurturing Engineering Talent project:
 - 1st place in HR HERO, the nomination of the best integrated HR projects of the WOW!HR award;
 - 1st place in the category Best Project Contributing to the Development of Education in the Russian Federation according to the rating of the Donors Forum (Leaders of Corporate Charity project);
 - gold in the Federation Grand category of the 17th HR Brand award by HeadHunter;
 - 3rd place in the Human Resource Management. Large Business nomination at the 16th Russian national contest It's All about People: Companies Investing in the Future;
 - 1st place in the Employer Image category according to the International EMBRAS Awards (Employer Branding Awards);
 - diploma for contribution to addressing strategic human potential development issues of the Responsible Business Leadership national award.
- Let's Do It environmental marathon won a silver award in the Best Eco-Education Project nomination according to the Donors Forum rating (Leaders of Corporate Charity project).
- Plant of Goodness corporate volunteering programme took the 1st place in the Good Deeds category according to the International EMBRAS Awards (Employer Branding Awards).
- New People for New Industries: Recruitment without Borders programme ranked 2nd in the Business Result category of the International EMBRAS Awards (Employer Branding Awards).
- Tsifronickel Kids, an interactive digital project, was among the Top 3 winners of the national Graduate Award competition in the Best Project for Working with Schoolchildren category.
- Learning to Learn Digital Academy project won the Grand Prix in the HR Project of 2023 category of the Crystal Pyramid 2023 award.
- Career Navigator project received a silver award of the Creating the Future competition.
- Implementation of the Comprehensive Plan for Social and Economic Development of Norilsk through 2035 was awarded a diploma in the Contribution to Sustainable Development of Territories nomination of the Responsible Business Leadership national award.
- Zapolyarye Health Resort ranked among 5 winners of the Russian Hospitality Awards 2022 (Best Health Hotel nomination). Experts praised the quality and variety of the recreational services of the health resort, the high level of medical facilities and infrastructure in general.
- According to the results of the Best ESG Projects in Russia programme, the winners in the Gender Equality. Inclusion and Diversity category were MMC Norilsk Nickel and Women in Mining Russia (WIM RU).

Environmental

- Nornickel was awarded for the best environmental project in the Russian Arctic (Clean Norilsk programme) based on the results of the 5th national contest of best environmental practices Reliable Partner in Ecology.
- Nornickel won the Sustainability Project of the Year nomination of the Russian Mining Excellence award for its Sulphur Programme.
- Nornickel won the Sustainable Development category of the Company of the Future award for implementing the first stage of the Sulphur Programme at Nadezhda Metallurgical Plant in Norilsk.
- The Sulphur Programme and the Clean Norilsk Programme were awarded diplomas of the Responsible Business Leadership national award

for Contribution to Addressing Strategic Environmental and Climate Issues.

- Based on the results of the Best ESG Projects of Russia programme, Nornickel's technology for restoring bioproductivity of Arctic lakes won the nomination Conservation of Terrestrial Ecosystems. Support for Environmental Research and Education Projects.

Innovation and technology

- Nornickel's solution (recording quantities during ore transportation) won the Mining Industry 4.0 contest for the best digitalisation project in the mining and metals sector in the Practical Import Substitution category.
- Supernika corporate application for employees was recognised as the IT project of the year
- Nornickel's solution (recording quantities during ore transportation) won the Mining Industry 4.0 contest for the best digitalisation project in the mining and metals sector in the Practical Import Substitution category.
- in the mobile app category according to the national TADVISER IT Prize awards.
- Based on the results of the Best ESG Projects of Russia programme, Nornickel's digital twin of a plant for environmental monitoring won the Industry, Innovation and Infrastructure. Digital Transformation category.

- Murmansk Transport Division received a commendation from the Russian Ministry of Transport for its achievements in the upgrade of transport technologies and contribution to the safety of navigation.

Competencies

- The PMO team of Nornickel's IT Department won the Project Olympus open nationwide competition, taking the 1st place in the Project Management System nomination and the 2nd place in the Competent Project Management Office nomination.
- Nornickel Sputnik service support line won two professional awards: Best Customer Service and Best Customer Service Manager.
- YRSC won the Shipping Company Engaged in River Cargo Transportation nomination. The experts praised the company's major achievements, safety and social responsibility.
- Nornickel's HR team was awarded the 2nd degree diploma of the Crystal Pyramid 2023 award.

Information transparency and sustainability reporting¹

- Moscow Exchange's Annual Report Competition – special diploma For High Quality of Sustainability Reporting and Maintaining Leadership in This Area.
- 2023 Visionaries. Change Management award – winner in the Best ESG Risk and Risk Management Disclosure category.
- 2022 Leaders of Russian Business: Dynamics and Responsibility contest – winner in the High Quality of Reporting on Sustainable Development nomination.
- 2023 Responsible Business Leadership national award – 1st degree winner and recipient of diplomas for contribution to addressing strategic issues in the relevant areas (nominations).
- ARC Awards International:
 - gold award in the category Sustainability Report: Americas & Europe (printed version);
 - silver award in the category Sustainability Report: Americas & Europe (interactive version);
- LACP Awards:
 - platinum award in the Best Sustainability Report category;
 - Top 1 in the Best Sustainability Report in Russia category;
 - Top 1 in the Best Sustainability Report in EMEA category;
 - silver award in the Best Cover Design of Sustainability Report category.
- Interfax and AK&M news agencies presented Norinickel with an annual award for its active corporate disclosure policy. The experts praised the user-friendly corporate website and financial and non-financial disclosures, the high quality of the Company's reporting, prompt disclosures of material facts, overall format, and openness in communicating with journalists.

LIST OF ABBREVIATIONS

JSC	Joint-stock company
APCS	Automatic process control system
RES	Renewable energy sources
FOCL	Fibre optic communication lines
GOK	Mining and processing plant
GOST	State standard
Group	Norilsk Nickel Group
GJ	Gigajoule
HPP	Hydropower plant
VHI	Voluntary health insurance
IEEH	Integral Indicator of Ecosystem Health
CPI	Consumer price index
IT	Information technologies
ICC	Industrial Competence Centre
CIMS	Corporate Integrated Quality and Environmental Management System
Kola MMC	Kola Mining and Metallurgical Company
KPI	Key performance indicators
IPCC	Intergovernmental Panel on Climate Change
ILO	International Labour Organisation
PGM	Platinum group metals
IUCN	International Union for Conservation of Nature
IFRS	International Financial Reporting Standards
EMERCOM	Ministry of the Russian Federation for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters
VAT	Value added tax
R&D	Research and development
NPO	Non-profit organisation
NMP	Nadezhda Metallurgical Plant
NC	Norilsk Concentrator
NID	Norilsk Industrial District
NTEC	Norilsk-Taimyr Energy Company
CHI	Compulsory health insurance

¹ Including awards received in 2023 by Norinickel's Sustainability Report 2022 (unless otherwise stated).

UN	United Nations
LLC	Limited liability company
SPNA	Specially protected natural areas
OECD	Organisation for Economic Cooperation and Development
pp	Percentage point
PJSC	Public joint-stock company
OHS	Occupational health and safety
AML / CFT / prevention of WMD proliferation	Anti-money laundering / counter-terrorism financing / prevention of proliferation of weapons of mass destruction
RBU	Russian business unit
PPE	Personal protective equipment
CTL	Corporate Trust Line
CIS	Commonwealth of Independent States
FPIC	Free, Prior and Informed Consent
ISMS	Information Security Management System
TJ	Terajoule
CHP	Combined heat and power plant
PCF	Product carbon footprint
FZ	Federal law
SDGs	UN Sustainable Development Goals
DFA	Digital financial asset
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNIDO	United Nations Industrial Development Organisation
AA1000 SES	AccountAbility 1000 Stakeholders Engagement Standard
AA1000AP	Accountability Principles
AI	Artificial Intelligence
Ag	Silver
Au	Gold
BVC	Bureau Veritas Certification
CAM	Cathode materials
Co	Cobalt
CO ₂ equivalent	Carbon dioxide equivalent
COP28	28th Conference of the Parties

COSO ERM	The Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management
Cu	Copper
DDMS	Due Diligence Management System
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
FIFR	Fatal-Injury Frequency Rate
ICMM	International Council on Mining and Metals
Ir	Iridium
IRMA	Initiative for Responsible Mining Assurance
ISO	International Organisation for Standardisation
JDDS	Joint Due Diligence Standard
GHG Protocol	Greenhouse Gas Protocol
GISTM	Global Industry Standard on Tailings Management
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
GWP	Global warming potential
LTIFR	Lost Time Injury Frequency Rate
ML	Machine learning
Ni	Nickel
Pd	Palladium
PCAM	Precursors of cathode active materials
Pt	Platinum
Rh	Rhodium
REACH	Registration, Evaluation and Authorisation of CHemicals
RMI	Responsible Mining Index
Ru	Ruthenium
S	Sulphur
SAP	System Analysis and Program Development
SASB	Sustainability Accounting Standards Board
SCADA	Supervisory control and data acquisition
Se	Selenium
SO ₂	Sulphur oxide

SRM	Supplier relationship management
SSP	Shared Socioeconomic Pathways
TCFD	Task Force on Climate-related Financial Disclosures
Te	Tellurium
VPSHR	Voluntary Principles on Security and Human Rights
WRI	World Resources Institute
UNCTAD	The United Nations Conference on Trade and Development
UNGPs	United Nations Guiding Principles on Business and Human Rights

GLOSSARY

- Business unit of the Company's Head Office:** department, division or any other unit within the organisational structure of the Company's Head Office approved by the President of MMC Norilsk Nickel and/or Senior Vice President for HR, Social Policy and Public Relations.
- Business units:** subsidiaries of MMC Norilsk Nickel.
- Certification:** confirming compliance of qualitative characteristics with quality standard requirements.
- Charitable activities:** the Company's voluntary transfer of property, including cash, free works and services, and other support, to legal entities or individuals free of charge or on preferential terms.
- Collective Bargaining Agreement:** legal instrument governing social and labour relationships within a company or a sole trader business and signed by the representatives of employees and the employer.
- Compliance:** conducting business in compliance with the requirements of government authorities, applicable laws, regulations, guidelines and standards, including corporate policies and procedures, and ethical business practices.
- Corporate culture:** combination of standards, values and beliefs that determine the way a company addresses the matters of internal integration and external adaptation, guide and motivate daily behaviour of employees, while also transforming under its influence.
- Corporate social responsibility (CSR):** corporate behaviour philosophy and concept applied by the business community, companies and company representatives to their activities aimed at meeting stakeholder expectations and ensuring sustainable development.
- Environmental protection and resource efficiency:** corporate programmes aimed at minimising the Company's environmental impact.
- Global Reporting Initiative (GRI):** independent organisation developing sustainability reporting guidelines and standards.
- Health and safety:** occupational health and safety protection system embracing legal, social, economic, organisational, technical, sanitary, hygienic, healthcare, rehabilitation and other activities.
- HR management policy:** end-to-end integrated HR management system including all stages of employee-employer interaction, from recruitment to retirement and post-retirement support.
- HR policy:** set of standards, rules, regulations, concepts and goals determining the Company's HR management practices (personnel planning and record keeping, recruitment, adaptation, training and development, remuneration and incentivisation, performance assessment, social security, etc.) in line with its development strategy.
- Human rights due diligence:** set of measures that includes assessing impacts and risks in the value chain and conducting business responsibly in order to prevent and mitigate human rights abuses and hold businesses accountable for such abuses in which the businesses may be implicated through their own operations or relationships.
- Incentivisation:** tools and methods of boosting staff performance and productivity, motivating an employee or a group of employees to achieve corporate goals.
- Local communities:** population with Russian citizenship.
- Mediation:** method of alternative dispute resolution based on finding a mutually acceptable solution through the mediation of an impartial third party (independent expert).
- Minetoken:** a digital financial asset linked in value to a share in MMC Norilsk Nickel.
- Mission:** statement of the Company's goals and objectives that distinguish it from its peers.
- Norilsk Industrial District:** a territory of municipalities that includes the city of Norilsk, the Taimyrsky Dolgano-Nenetsky Municipal District, and the Turukhansky District.
- Nornickel (Norilsk Nickel) Group for the purpose of the 2023 Sustainability Report,** MMC Norilsk Nickel and the totality of operations forming Nornickel Group. Unless otherwise specified or required by the context, the "Company", "Group", "Nornickel" or "the Group companies" shall refer to Nornickel Group.
- Occupational disease:** health disorder caused by a systematic and lasting exposure to workplace factors or a combination of production-specific working conditions.
- Payroll budget:** total payroll and social payments.
- Personnel development:** set of initiatives aimed at employee recruitment, adaptation, retention, and fully unlocking their professional and creative potential.
- Risk:** negative factor that might result from current processes or future events and have a potential impact on the Company's ability to achieve its goals.
- Safe working conditions:** working conditions where occupational exposure to harmful and/or hazardous production factors is prevented or controlled within the set limits.
- Senior executives:** President, Vice Presidents, heads of departments in case of the Head Office, and general directors and their deputies in case of entities located in the Norilsk Industrial District and on the Kola Peninsula.
- Significant regions of operation: Russian regions where the Company's core production is concentrated and key assets in terms of headcount (1,000 or more people) are located:** the Norilsk Industrial District, Krasnoyarsk Territory (except for the NID), Kola Peninsula (Murmansk Region), Trans-Baikal Territory, Moscow, and other Russian regions.

- **Social package:** set of benefits, compensations, additional payments, statutory and additional services provided to employees by the employer on top of their salary.
- **Social partnership:** framework of relationships among employees (their representatives), employers (their representatives), and federal and local government authorities aimed at reconciling interests of employees and employers on matters pertaining to the regulation of labour relations and other directly associated matters.
- **Social programmes:** voluntary corporate initiatives pertaining to employee development and motivation, creating favourable working conditions, promoting corporate culture and charity, and supporting local communities. These initiatives are implemented on a regular basis in line with the Company's business strategy, and focused on satisfying balanced requests of various stakeholders. From the management perspective, a social programme is a set of initiatives carefully planned in terms of resources, workforce and timeframes, and efficiently addressing the Company's internal or external social objectives.
- **Soil thawing:** process whereby soil receives heat in a quantity sufficient for its natural negative temperature to increase to 0 °C and also for its disseminated ice to turn to liquid.
- **Southern Cluster:** Nornickel's promising project to develop reserves in the northern part of the Norilsk-1 Deposit.
- **Stakeholder engagement:** the Company's activities aimed at identifying stakeholders' expectations and concerns and their engagement in the decision-making process.
- Stakeholders are individuals, legal entities, groups, associations and other organisations whose interests can be potentially affected by the Company's operations, as well as parties that can influence it. Stakeholders include the Company's shareholders, investors, employees, suppliers, contractors, consumers,

- trade unions and other public organisations, federal and local authorities, mass media, residents of areas where the company operates, and others.
- **Standard:** regulation containing a set of requirements for activities and their products.
- **Sulphur Programme:** Nornickel's largest and most important environmental initiative, providing for a phased reduction of sulphur dioxide emissions in the Norilsk Industrial District and on the Kola Peninsula, as well as the establishment of green production.
- **Sustainability Report (non-financial report):** accessible, accurate and balanced description of the main aspects of the Company's activities and achievements pertaining to its values, goals and sustainable development policy, and addressing the matters of most importance for the key stakeholders. This is a way of publicly informing the shareholders, employees, partners and other stakeholders of the Company's progress towards its goals and objectives set out in its mission statement and strategic development plans with respect to financial and environmental stability, and social security.
- **Sustainable development:** concept developed by the UN that acknowledges the role of business in ensuring sustainable development of the society; a concept of global community development taking into account interests of both present and future generations.
- **System Analysis and Programme Development Governance, Risk and Compliance (SAP GRC):** a SAP-based information system combining three main components – corporate governance, risk management and compliance.
- **Tailing dump:** facility encompassing dedicated structures and equipment designed to store radioactive, toxic or other tailings resulting from the concentration process.
- **Top management:** President, Senior Vice Presidents, Vice Presidents, members of the Management Board and heads of departments

of MMC Norilsk Nickel; directors of branches of MMC Norilsk Nickel and their deputies; sole executive bodies (directors, general directors) of the Group companies and their deputies.

- **Young talents:** graduates of universities and colleges whose post-graduate experience does not exceed three years.

STAKEHOLDER RECOMMENDATIONS

The Company is committed to information transparency and strives to regularly provide stakeholders with up-to-date information on its operations, results,

social programmes for employees and local communities, events, and the status of its ESG agenda. Nornickel holds annual dialogues with stakeholders while drafting

sustainability reports. 27 November 2023 saw a foresight dialogue titled “Staying on track for a sustainable future: 20 years of Nornickel's non-financial reporting”¹.

Stakeholder dialogue minutes

Date and time: 27 November 2023, 10:00 am –12:00 noon

Format: live-streamed in-person meeting.

Target audience: managers and employees of the Company; regional and local authorities, local communities, non-profit organisations, investment community, businesses, rating agencies, ESG experts.

Event purposes:

- receiving recommendations and other feedback from a wide range of stakeholders both on the Company's activities in the areas discussed and on the disclosure of relevant information in the 2023 Report;
- sharing the results of the stakeholder survey conducted as part of the materiality assessment;

- presenting and discussing with a wide range of stakeholders the Company's vision and approach to Nornickel's social strategy, environmental management, and innovative projects for sustainable development.

Programme

Item 1. **Addressing stakeholders.**

Item 2. **Results of stakeholder survey.**

Item 3. **Nornickel's social strategy.**

Item 4. **Nornickel's innovative projects for sustainable development.**

Item 5. **Environmental management: biodiversity conservation and the Sulphur Programme.**

¹ For more details, please see the press release on ESG events on [Nornickel's corporate website](#). For more details on stakeholder proposals, please see the [Definition of Material Topics](#) and [Stakeholder Recommendations](#) sections.

Item 1. Addressing stakeholders.

Speaker:

Vladimir Zhukov,

Vice President for Investor Relations and Sustainable Development at MMC Norilsk Nickel.

Mr Zhukov gave a retrospective review of non-financial reporting. As its first social report was published back in 2005, Nornickel is a Top 3 company with the longest history of sustainability reporting in Russia. To disclose high-quality, complete, and accurate information on sustainable development

in a report, which is, in fact, a data mart, the Company needs to invest some effort in this area. Nornickel has been doing it for a long time, which is confirmed by the annual growth of expenditures on projects related to the UN SDGs.

Vladimir Zhukov emphasised that the Company strives to comply not only with the Russian laws and regulator recommendations but also with international best practices: for example, the number of GRI indicators disclosed by the Company has almost doubled since the first report. In addition, there is a tightening of requirements

to the quality of non-financial disclosure: 2023 saw the issue of the first international IFRS standards – IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. According to Mr Zhukov, the Company plans to pilot the disclosure of climate-related indicators under IFRS S2 in its 2023 Sustainability Report. People, nature, and innovations are the main and most relevant areas of the Company’s sustainable development.

Item 2. Results of stakeholder survey.

Speaker:

Inessa Chernova,

Head of Sustainability Reporting at MMC Norilsk Nickel.

Ms Chernova stressed the Company’s commitment to information transparency; its key tool is annual sustainability reporting compliant with national and international reporting standards, recommendations, stakeholder requests, and suggestions. In 2022, along with its flagship report, Nornickel published a number of thematic reports: they help expand and deepen the Company’s non-financial reporting practices. Nornickel’s anniversary report incorporated more requirements and recommendations

compared to previous reporting; it is planned to disclose indicators under Order of the Ministry of Economic Development of Russia No. 764 dated 1 November 2023 and pilot climate-related disclosures under IFRS S2.

Inessa Chernova spoke about the stages and results of the procedure for defining material topics, which serves to consider the input of external and internal stakeholders and publish the most up-to-date and relevant information. The 2023 survey showed a significant increase in the number of respondents, changes in the ranking of material topics (Top 3 – social aspect topics, increased score for certain topics)¹, a broad stakeholder response (the Company received a high

score for its 2022 Report (4.7 points out of 5.0)), and proposals to improve disclosure practices².

In conclusion, Ms Chernova noted that international and Russian experts highly appreciated the Company’s sustainability reports, which encouraged the development of environmental, social, and management practices and their sharing.

After the presentation, the participants discussed foreign rating agencies and cooperation prospects, as well as the reasons for the reprioritisation of material topics in 2023 and the 2023 materiality assessment procedure.

Item 3. Nornickel's social strategy.

Speakers:

Larisa Zelkova,

Senior Vice Presiden for HR, Social Policy, and Public Relations at MMC Norilsk Nickel,

Andrey Grachev,

Vice President for Federal and Regional Programmes at MMC Norilsk Nickel.

Larisa Zelkova presented four key areas of the Company’s Sustainable Social Development Strategy through 2030, which are related to Nornickel’s impact on society, social interests, and other areas: safety and working conditions, talent management and corporate culture, development of technologies and products that help foster technological and social progress, and involvement

in the lives of local communities and society at large. These areas were formulated based on the Company’s business priorities and key challenges facing Nornickel. They bring together well-known social programmes, projects, and corporate efforts, such as In Good Company programme for young professionals, the Norilsk renovation programme, a comprehensive programme to aid indigenous northern minorities, and more.

Andrey Grachev spoke about the Company’s policy on interaction with indigenous peoples and relevant achievements. Special attention is paid to the Free, Prior and Informed Consent (FPIC) process. In Tukhard, it saw more than 500 people taking part in four meetings. Tukhard’s case extends to the Company’s new Kolmozersk

project, which is unique for Nornickel: it is the first lithium deposit in Russia and the first mining project where the Company conducts FPIC prior to development. According to monitoring results, foreign colleagues are interested in the Company’s experience.

Following the presentations, there were additional discussions on the development of the HR brand, the re-hiring programme, the possibility of attracting various categories of individuals, including vulnerable groups, the Company’s creative industry development goals in the regions where it operates, the transformation of the corporate environment, and the expansion of the programme for interaction with indigenous peoples in the Taimyr Peninsula.

Item 4. Nornickel's innovative projects for sustainable development.

Speakers:

Vitaly Busko,

Vice President for Innovations at MMC Norilsk Nickel,

Liliya Yafarova,

Senior Researcher at the Hydrometallurgy Laboratory of the R&D Department, Project Director at the Project Management Department of Gipro-nickel Institute.

Mr Busko reported on four innovation areas in sustainable development and relevant projects: reduction of CO₂ emissions (natural and active mineralisation of rock with CO₂ absorption), minimisation of environmental impact (new technologies for mine and waste water treatment, re-use of slags

and tailings in backfill production), industrial safety (in-house development of exoskeletons, machine vision for monitoring occupational health and safety), new products accelerating the green transition using the Company’s metals (palladium and nickel), which are being developed jointly with Russian and international research institutes.

Liliya Yafarova presented the results of Gipro-nickel Institute’s work to create cathode materials for the future energy. The scientists analyse not only products that are currently in use but also promising compounds: three of them were created in 2023, and potential consumers are testing the products and have already given positive feedback. Ms Yafarova stressed that the technology is being developed in parallel with ways to dispose

of and recycle used batteries: the experts ran preliminary lab tests with high quality samples obtained, and were able to extract from used batteries the target cathode material, which can rival commercial products in terms of its properties. The project is implemented by young scientists holding a PhD and aged under 30. The lab created for them has become a competence centre. Ms Yafarova urged companies to support research efforts, as it will allow them to develop their own competences and become a talent foundry for the production segment.

The speakers answered questions about the criteria for ESG products, demand for such products, assessment of their impact, and contribution to the ESG agenda.

¹ For more details, please see the [Definition of Material Topics](#) appendix.
² For more details, please see the [Stakeholder Recommendations](#) appendix.

Item 5. Environmental management: biodiversity conservation and the Sulphur Programme.

Speaker:

Stanislav Seleznev,

Vice President for Ecology and Industrial Safety at MMC Norilsk Nickel.

Mr Seleznev's presentation focused on three key areas of the Company's ESG agenda: biodiversity research, reduction of sulphur dioxide emissions, and occupational health and safety.

For two years, Norinickel, together with the Russian Academy of Sciences, has been conducting the Big Scientific Expedition, Russia's largest biodiversity survey to assess biodiversity changes in terms of impact on the regions where the Company operates. The expedition is underpinned by a scientific approach: experts developed a methodology for calculating an integral indicator of ecosystem health, confirmed the possibility of using molecular genetic analysis, including for rapid plant diagnostics, assessed and analysed the Company's impact on ecosystems; the research was expanded with studying the processes of heavy metal migration in soils. In 2023, the expedition results confirmed by the Russian Academy of Sciences were published on the Preserving Ecosystems¹ website (to be updated annually with relevant data and results of new projects).

Stanislav Seleznev presented the key results of the Sulphur Programme aimed at addressing atmospheric pollution

from the Company's operations. Since 2015, SO2 emissions at Kola Division have decreased by 90%, outperforming the target of an 85% reduction, and there are remediation processes that have started around the Company's sites. At Norilsk Division, the Sulphur Programme at Nadezhda Plant was launched in October 2023 – once the full capacity is reached, sulphur dioxide emissions are expected to go down by 45%. Thanks to the programme, Norilsk will no longer be on the list of Russia's dirtiest cities.

As regards occupational health and safety, the Company's focus is on accident investigation, corrective actions, and changes in employee training: the Cardinal Safety Rules have been revised, the motivation system has been changed (incentives for risk identification), and a project to train internal coaches has been created. The retrospective growth of fatality rates is due to a new approach to recording, classification, and investigation of accidents, which has increased the transparency and reliability of data provided. Mr Seleznev emphasised that the Company is committed to the strategic goal of zero fatalities, but it takes time to achieve it.

After his presentation, Stanislav Seleznev took questions from stakeholders on the independent expert review of the Sulphur Programme's environmental results, development of the permafrost monitoring system,

performance of the Centre for Monitoring Technical, Production, and Environmental Risks, and the Environmental Monitoring Centre.

The speakers' reports were followed by an open discussion where stakeholders could ask questions, provide comments and suggestions. In particular, additional discussions were held on investment project financing mechanisms, motivation for the Company's cooperation with Asia-Pacific countries, Norinickel's contribution to addressing the country's national and strategic objectives, and the Company's interaction with educational institutions.

The participants were invited to vote online and also to provide feedback via QR code:

- 98% of respondents noted that adhering to the sustainable development strategy is important both for maintaining the Company's image and for sustainability in the face of a rapidly changing world;
- 93% of respondents said that the climate agenda is fairly/extremely important;
- as open feedback, participants thanked the Company for its commitment to openness and transparency and various opportunities offered, and praised the organisation of the event.

Stakeholder recommendations

Recommendations	Company response
From external stakeholders	
Provide more details on cooperation with secondary vocational education institutions and participation in the Professionalitet federal project	Done. Disclosed in the Training Programmes section
Provide more details on cooperation with schools, universities, and the Career Navigator project	Done. Disclosed in the Training Programmes section
Make navigating the Report easier	Done
Provide information about the Company's goals and objectives as regards the Global Biodiversity Framework to 2030	Done. Disclosed in the Biodiversity section
Disclose a detailed emissions reduction plan	To be done in the next reports
Provide more detailed information about the Company's contribution to the national and strategic objectives of Russia	Partially done. Disclosed in the Norinickel's Contribution to the UN SDGs and Russia's Strategic Priorities section
From internal stakeholders	
Provide more details on safe operation of hydraulic structures	Done. Disclosed in the Tailings and Waste section
Provide information about working with disabled persons	Partially done. Disclosed in the HR Management and Social Policy sections
Provide more details on interaction with regions of operation and effects of charitable and socially important events	Partially done. Disclosed in the Development of Local Communities section
Provide information about the management of supplier and contractor requirements, control of environmental and social requirements set by Norinickel, and alignment of responsible supply chain activities with specific divisions	Done. Disclosed in the Supply Chain Responsibility section and 2023 Responsible Supply Chain Report
Broader representation of social projects	Done. Disclosed in the Development of Local Communities and Human Capital Development sections
Provide information about employee wages by age and gender, career growth and career tracks	Done. Disclosed in the Incentives and Rewards and Training Programmes sections
Provide information about renewable energy sources by divisions	To be done in the next reports
Report on the use of alternative fuels in production	Done. Disclosed in the Energy Consumption and Efficiency section

¹ <https://life.nornickel.com/>

OPINION OF THE RSPP COUNCIL ON NON-FINANCIAL REPORTING



At the request of MMC Norilsk Nickel (the "Company"), the Council on Non-Financial Reporting, Indices and Sustainability Ratings of the Russian Union of Industrialists and Entrepreneurs (RSPP) (the "Council") reviewed the Company's 2023 Sustainability Report (the "Report").

The Company requested the RSPP to arrange for the public assurance of the Report, with the Council on Non-Financial Reporting providing an opinion on the materiality and completeness of the Report's information about the Company's operations from the perspective of the Social Charter of the Russian Business. The Charter sets out key principles of responsible business conduct aligned with those of the UN Global Compact, as well as domestic and international CSR and sustainability standards and guidelines.

The public assurance process took place from 12 April to 4 May 2024 in accordance with the Council's approved Procedure for Public Assurance of Corporate Non-Financial Reports. This Opinion was issued based on the assessment by the RSPP Expert Panel on Non-Financial Reporting, as well as the Report analysis and assessment by the RSPP Council on Non-Financial Reporting, Indices and Sustainability Ratings.

The Council members possess all the required competencies in corporate responsibility, sustainable development and non-financial reporting, comply with the ethical requirements for independence and impartiality, and provide their personal expert opinion rather than the opinion of organisations they represent.

The Report was assessed based on the below-listed criteria of information materiality and completeness.

Information is considered to be material if it reflects the company's efforts to implement the principles of responsible business conduct set out in the Social Charter of the Russian Business (see www.rspp.ru).

Completeness implies that the Company provides a comprehensive overview of its operations, including the underlying values and strategic benchmarks, governance systems and structures, stakeholder relationship framework, accomplishments, key results, and performance indicators.

The procedure for the public assurance of the Report factors in the Company's application of international reporting frameworks;

this Opinion does not, however, purport to assess the Report's compliance with such international frameworks.

The Company is responsible for the information and statements provided in the Report. The accuracy of the Report's information is beyond the scope of the public assurance procedure.

This Opinion has been prepared for MMC Norilsk Nickel. The Company may use it for both corporate and stakeholder communication purposes by publishing the original version without any changes.

CONCLUSIONS

Based on the review of the Report and the information publicly available on the Company's official website, and following a collective discussion of the results of the Report's independent assessment undertaken by the members of the RSPP Expert Panel on Non-Financial Reporting, the Council confirms as follows:

Norilsk Nickel Group's 2023 Sustainability Report covers all the key areas of responsible business conduct in accordance with the principles set out in the Social Charter of the Russian Business, and provides sufficient information about the Company's operations in relation thereto.

The recommendations made by the RSPP Council following the public verification of the Norilsk Nickel Group's 2022 Report were incorporated into the 2023 Report. The Company included information on its approach to defining the scope of the Report, application of the Big Scientific Expedition results, results of monitoring ESG compliance across the supply chain, as well as a detailed description of the materiality assessment procedure conducted by the Company when preparing the Report.

The Company's 2023 Report contains relevant information relating to the below-listed aspects of responsible business conduct:

Economic freedom and responsibility: The Report presents information on the key areas and results of the Company's operations, its position in the industry, and long-term global trends as regards the output and consumption of the Company's metal basket. The Report describes the 2023–2024 investment programme parameters, energy infrastructure modernisation plan, and strategic priorities regarding the use of technologies and

products. There is information on product quality assurance measures implemented as part of the Corporate Integrated Management System, as well as data on innovation and R&D activities. The Report outlines digital solutions to improve business processes, key areas of application and use of digital technology and AI. According to the Report, the Company maintains its strategic priorities in sustainable development in the scope of the Environmental and Climate Change Strategy through 2031 and the Sustainable Social Development Strategy through 2030. To that end, the Report features information on priorities, goals, KPIs, and main initiatives underlying both strategies. Norinickel intends to carry on with its major Sulphur Programme designed to reduce emissions of sulphur dioxide. The Report presents information on initiatives and programmes contributing to the achievement of the UN SDGs and Russia's national projects. In the Report, Norinickel also presents its corporate governance model and sustainability management system along with the Board of Directors' role in it. The Company discloses its risk management system, including relevant process automation accomplishments. The Report also sets out Norinickel's approaches, principles, and focus areas as regards corporate culture and ethics development and anti-corruption practices.

Business partnerships: The Report presents stakeholder engagement mechanisms and provides a stakeholder map with 2023 highlights while also listing corporate documents outlining the main principles and standards of stakeholder engagement.

Shareholders and investors: The Report discloses mechanisms and key events in investor engagement. The Company implements a strategy to engage with retail investors, including its own employees participating in the Digital Investor corporate programme. The Report also reflects Norinickel's goal to raise the number of retail investors along with their proportion in the Company's authorised capital.

Employees: The Report contains information on the HR management system, creation of new jobs as part of the Sulphur Programme implementation, employee development and training system, as well as social guarantees and incentives. The Company reports on the performance of its offices for labour relations, Norinickel Live Q&A session, and corporate dialogue sessions with the Company's top managers. It discloses the establishment of a youth ecosystem, development of corporate employee communities to share interests,

and the Corporate Volunteering Programme. The Report presents the results of corporate culture and employee engagement surveys. It contains information on the occupational health and safety management system within the Company and along the supply chain, measures to improve safety culture, implementation of digital controls, and injury prevention measures. The Company reports on its special assessment of working conditions, measures to prevent occupational diseases, and the Digital Medicine programme. The Report also includes data managing complaints and queries submitted via the Corporate Trust Line, along with guidelines for registering and reviewing queries.

Government authorities: The Report presents information on the Company's liaison with government authorities on implementing regional development plans, national projects, environmental stewardship, and other initiatives. Norinickel regularly interacts with tax authorities in the real-time mode through the tax monitoring system.

Suppliers and contractors: The Report contains information on the Company's efforts to build a responsible supply chain in line with the Responsible Sourcing Policy and Supplier Code of Conduct. The Report contains information on assessing suppliers for compliance with corporate requirements, including those related to human rights, OHS, and labour relations. The Report also states that the Company issued a separate Responsible Supply Chain Report. Consumers and customers: The Company shared information on customer satisfaction assessment, as well as control and analysis of its delivery against contractual obligations. The Report presents details of the Company's sales strategy that seeks to ensure uninterrupted supplies of products to customers. Business partners: The Report describes Norinickel's approach to cooperation with non-governmental institutions, non-profits, and R&D hubs, and presents information on the Company's joint projects and its participation in business and industry associations.

Human rights: The Report has a section dedicated to human rights, and the Company's principles and management approaches in this domain formalised in the Human Rights Policy and other by-laws. The Report states that the Company had prepared its 2023 Human Rights Report, emphasising the focus on labour rights and zero tolerance

towards discrimination. The Report discloses mechanisms and procedures for protecting employee interests, including trade union engagement. There is also information on social support for employees facing redundancy following mine mothballing, and employment of people with disabilities. The Company places a special focus on respecting the rights of indigenous peoples of the North. It maintains an open dialogue with them, including in terms of planned deposit development. The Company adopted the Indigenous Peoples' Rights Policy, which defines Norinickel's key commitments in this aspect. Norinickel states a zero tolerance approach to any violations of human rights across the supply chain.

Environmental protection and climate change agenda: The Report outlines the Company's Environmental and Climate Change Strategy through 2031, including its key focus areas and targets. It presents details on the Environmental Management System and informs about the launch of the Sulphur Programme at Nadezhda Metallurgical Plant. Key environmental performance indicators of the Company and their evolution are disclosed. The environmental management structure is presented, including the role of the Sustainable Development and Climate Change Committee of the Board of Directors. Key environmental management regulations are specified. The Report highlights successful completion of the latest surveillance audit, which reaffirmed compliance of Norinickel's corporate integrated environmental management system with ISO 14001:2015. The Report details the innovations the Company has adopted to reduce its environmental footprint. It outlines the principles and management systems in place for the use of water and land resources. It provides information on the updated Tailings Management Policy of MMC Norilsk Nickel and describes the tailings safety monitoring and risk management system. The Report states there is no water scarcity across the Company's footprint, highlighting that its focus is on ensuring wastewater quality compliance. The impact of transport on water bodies is characterised. The Report outlines the Clean Norilsk programme to clean up and revamp industrial territories in Norilsk. It provides details on Norinickel's contribution to the work of the Arctic and biodiversity conservation team of Rosprirodnadzor's R&D Council. The Report also covers biodiversity impact management, encompassing value chain, life cycle stages, etc. It cites the completion of the second season of the Big Scientific Expedition used to refine the methodology for calculating

an integral indicator of ecosystem health across the Company's footprint. The progress of the energy infrastructure modernisation through 2030 is presented, including the most essential projects to improve equipment reliability, boost energy efficiency, and increase production output. Energy generation and consumption indicators are also covered in the Report. The Report highlights the Company's consistent efforts to leverage more cost-efficient and green energy sources, as evidenced by the increased share of renewable energy consumption in 2023. The Report outlines the Company's climate strategy and approaches to climate risk management and informs about the release of the Company's standalone Climate Change Report. The Report reviews the resilience of the Company's product portfolio under three global economic and climate change scenarios and discloses the carbon footprint of its products, as well as the approved Innovation Strategy, which provides for the development of new products. The Report also provides details about a partnership project to build small-capacity nuclear power plants in permafrost areas. Key outcomes of the corporate climate agenda are presented, along with data on greenhouse gas emissions.

Contribution to the development of local communities: The Report outlines the Company's contribution to social and economic development of local communities across its footprint in line with the Sustainable Social Development Strategy through 2030. This includes the Company's role in regional economic development through tax payments, jobs, and support for local suppliers. The Report reviews the progress of a comprehensive plan to renovate the Norilsk Industrial District and the city of Norilsk, as well as the testing of digital construction systems at renovation sites. The Report also provides an overview of the Company's tourism investment projects and its contribution to the Tourism and Hospitality national project. It presents data on the piloting of an air quality monitoring and forecasting system in Norilsk, Monchegorsk, Zapolyarny, and Nickel. The Report provides an overview of the Company's focus areas and budget allocation for the development of local communities, including charitable initiatives, sponsorship, infrastructure development, and other forms of expenditures. The Report also details the Company's support of initiatives and events organised by territorial development institutions, including the Urban Development Agency, and outlines key programmes aimed at improving the well-being of local communities.

Final provisions

Overall, the Report testifies to the Company's commitment to responsible business practices, detailing Norinickel Group's sustainable development strategy, achievements, and the governance systems in place to support its corporate social responsibility efforts. It highlights the Company's contribution to addressing public well-being challenges and provides a detailed overview of its progress in helping achieve UN SDGs by 2030 and implement Russia's national projects, disclosing a significant number of economic, social and environmental performance indicators. When making a list of material topics, the Company took into account feedback from stakeholders. The Report also cites the publication of standalone reports focused on Norinickel's management approaches and practices in the areas of human rights, climate change, and responsible supply chain.

The Report has been prepared in compliance with the GRI Standards (2021). Among others, the Report relies on the following documents: the UN Global Compact, SASB Metals & Mining Sustainability Accounting Standard (2021), UNCTAD Guidance on core indicators for entity reporting on contribution towards implementation of the UN Sustainable Development Goals, recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), RSPP Reference Performance Indicators, AccountAbility Standards AA1000SES (2015) and AA1000AP (2018). In preparing the Report, the Company also followed the Methodological Recommendations for Sustainability Reporting approved by the Ministry of Economic Development of Russia.

The 2023 Report is the Company's 20th non-financial report, which demonstrates its determination to consistently develop reporting processes and commitment to openness and transparency.

The Company uses various forms of independent assessment and confirmation of disclosed information (professional audit and public assurance). This reflects its commitment to maintaining the high quality of disclosures.

RECOMMENDATIONS

While acknowledging the Report's strengths, the Council calls attention to some substantial aspects of disclosures' materiality and completeness, which should be addressed in the future reporting cycles.

The Council notes that the recommendations made following the review of the previous reports remain valid and good for use going forward.

The Report outlines the Company's commitment to sustainable use of energy resources and provides data on the energy savings achieved. It is recommended to expand the scope of disclosure on the specific efforts that have led to the reported energy and fuel savings, as well as to provide more details on the methodology used for the measurement of quantitative performance indicators.

The Report highlights the Company's active investment in improving energy efficiency and expanding the use of renewable energy sources. It would be valuable to provide more comprehensive disclosure on the use of renewable energy sources by division and RES type.

The Report indicates that specific environmental and climate impact metrics are calculated using a financial indicator in the denominator. It is recommended that future reports provide more detailed commentary on changes in these specific indicators and the drivers behind them.

Furthermore, it is recommended that future reports place special emphasis on providing detailed commentary on these indicators, as this significantly affects the quality of the disclosures and their perception by stakeholders.

The Report highlights the Company's contribution to the Labour Productivity national project, but the indicator itself is not included in disclosures. However, this indicator is important as it is used, among other things, in an independent assessment of companies' performance based on the review of their public reports.

The Report highlights the Company's extensive efforts to develop local communities, including long-term social projects and significant social investments. To further strengthen the disclosure, it is recommended that future reports include information on the Company's approach to evaluating the effectiveness of these social investments, as well as the results of such evaluations.

The Report outlines the Company's strong commitment to supporting people with disabilities and special needs, including through their employment. To further strengthen the disclosure, it is recommended that future reports provide more detailed information on specific internal initiatives focused on creating an accessible environment and employment opportunities for these population groups, including data on the number of employees with disabilities and the work they perform.

It is recommended that future reports include feedback from representatives of the Company's key stakeholder groups, beyond just employees, regarding social, economic and environmental impacts of the Company's operations, as well as the quality of their communication with the Company on these matters.

The Report references various internal regulations that govern different aspects of the Company's operations. To enhance information disclosure, it is recommended that relevant links to these internal regulations are included in future reports.

The RSPP Council on Non-Financial Reporting, Indices and Sustainability Ratings hereby takes a positive view of this Report, supports the Company's commitment to responsible business practices, notes consistency in developing the reporting process, and confirms that Norilsk Nickel Group's 2023 Sustainability Report has passed the public assurance procedure.

Chairman of the Council on Non-Financial Reporting, Indices and Sustainability Ratings

INDEPENDENT ASSURANCE REPORT

GRI 2-5

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Independent Audit Firm's Limited Assurance Report on the Information in the Sustainability Report of PJSC "Mining and Metallurgical Company "Norilsk Nickel" for 2023

To the Shareholders and Management of PJSC "Mining and Metallurgical Company "Norilsk Nickel"

Introduction

We were engaged by the Management of PJSC "Mining and Metallurgical Company "Norilsk Nickel" ("the Management") to issue a report on certain information in the Sustainability Report of PJSC "Mining and Metallurgical Company "Norilsk Nickel" ("the Group") for 2023 ("the Report") which includes a limited assurance conclusion on whether such information in the Report is prepared and presented, in all material respects, based on applicable criteria (as set out in section "Criteria Used" of this report) and is free from material misstatement.

Our conclusion covers only the following indicators and information ("the Information in the Report"):

- the information disclosed in the Report in accordance with the recommendations of TCFD¹ in the Appendix to the Report "TCFD Disclosures" and marked "Assured" in the column "Assured by the auditor";
- GRI² indicators included in the Report in the Appendix to the Report "GRI Content Index" and marked "Assured" in the column "Assured by the auditor".

Our conclusion does not extend to any other indicators or information included or disclosed in the Report.

Management's Responsibilities

Management is responsible for preparing and presenting the Information in the Report that is free from material misstatement in accordance with the applicable criteria (set out below in section "Criteria used" of this report) and for the information contained therein.

This responsibility includes: designing, implementing and maintaining internal control system relevant to the preparation and presentation of the Information in the Report that is free from material misstatement whether due to fraud or error. It also includes determining the Group's objectives in respect of sustainable development performance and reporting, including the identification of key stakeholders groups and their material issues; selecting the applicable criteria (set out below in section "Criteria used" of this report); preventing and detecting fraud; identifying and ensuring that the Group complies with laws and regulations applicable to its activities; selecting and applying appropriate policies; making judgments and estimates that are reasonable in the circumstances; maintaining adequate records in relation to the information included in the Report; ensuring that staff involved in the preparation of the Report is properly trained; information systems are properly updated and that any changes in the reporting system encompass all key business units.

¹ Information disclosed in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD).

² Indicators prepared in accordance with Global Reporting Initiative (GRI) Sustainability Reporting Standards.

Engaging entity: PJSC "Mining and Metallurgical Company "Norilsk Nickel"

Audit firm: JSC "Kept"

Registration number in the United State Register of Legal Entities № 1028400000298

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

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Our Responsibilities

Our responsibility is to perform procedures to obtain evidence in respect of the Information in the Report and to report thereon in the form of a limited assurance conclusion regarding whether the Information in the Report is prepared, in all material respects, in accordance with applicable criteria and is free from material misstatement based on the evidence obtained.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

ISAE 3000 requires that we plan and perform our procedures to obtain a limited level of assurance about whether the Information in the Report is prepared and presented, in all material respects, based on applicable criteria (set out below in section "Criteria used" of this report) and is free from material misstatement.

Our Independence and Quality Management

We have complied with the independence and ethical requirements established by the *Russian Rules on Independence of Auditors and Audit Firms* and the *Russian Code of Professional Ethics for Auditors*, and by the *International Code of Ethics for Professional Accountants* (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures Performed

The procedures selected, and our determination of the nature, timing and extent of these procedures, depend on our judgment, including the assessment of risk of material misstatement of the Information in the Report, whether due to fraud or error, our understanding of the Group's activities, as well as other engagement circumstances.

In making these risk assessments, we considered internal control system relevant to the Group's preparation and presentation of the Information in the Report in order to design procedures that are appropriate in the circumstances, but not for the purposes of forming a conclusion as to the effectiveness of the Group's internal control.

Our engagement also included: assessing the appropriateness of the subject matter, the suitability of the criteria (set out below in section "Criteria used" of this report) used by Management in preparing and presenting the Information in the Report in the circumstances of the engagement; evaluating the appropriateness of the methods, policies and procedures used in the preparation of the Information in the Report and the reasonableness of estimates made by Management.

The procedures we developed based on the performed risk assessment are a combination of inspections, confirmations, recalculations, analytical procedures and inquiries.

Our procedures included, but were not limited to, the following:

- inspection of the processes used by PJSC "Mining and Metallurgical Company "Norilsk Nickel" to identify topics and issues material to the Group's key stakeholder groups, with the purpose of understanding such processes in the Group, as well as analysis of information from open sources on topics and issues material to key stakeholder groups of other organizations in the industry, with the purpose of determining the level of completeness of disclosure of such topics and issues in the Report;

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- interviews with Management representatives and officers at the head office regarding the sustainable development strategy and policies regulating material issues in areas of importance for the Group, stage of implementation of such policies, and procedures for collecting information on sustainable development;
- interviews with employees of the head office responsible for providing the information for the Report;
- conducting procedures at the level of the following companies of the Group and a division:
 - Head office (PJSC "Mining and Metallurgical Company "Norilsk Nickel")
 - Polar division (PJSC "Mining and Metallurgical Company "Norilsk Nickel")
 - Medvezhy Ruchey LLC
 - JSC Kola MMC
 - GRK Bystrinskoye LLC
 - JSC NTEC
 - Norilsknickelremont LLC
 - Norilskij Obespechivayushchij Kompleks LLC
 - Nornickel Sputnik LLC

which were selected based on risk analysis using qualitative and quantitative criteria;

- comparing the Information in the Report with data from other sources to determine its completeness, accuracy and consistency;
- assessing the completeness of qualitative and quantitative information on sustainable development against the criteria used (set out below in section "Criteria used" of this report);
- reading and analyzing information on sustainable development included in the Report to determine whether it is in line with our understanding and knowledge of the Group's sustainable development activity;
- recalculation of quantitative data that are part of the Information in the Report and inspection of underlying documentation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of this engagement, we have not performed any procedures by way of audit or review of the Information in the Report nor of the underlying records or other sources from which the Information in the Report was extracted.

Criteria Used

The applicable criteria comprise relevant requirements and recommendations on the methodology for preparing the Report, as well as necessary reference information contained in the following documents:

- Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)³;
- Global Reporting Initiative Sustainability Reporting Standards (GRI)⁴;
- Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard⁵;
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories⁶.

³ <https://www.fsb-tcf.org/recommendations/>
⁴ <https://www.globalreporting.org/standards>
⁵ <https://ghgprotocol.org/corporate-value-chain-scope-3-standard>
⁶ <https://www.ipcc-nggip.iges.or.jp/public/2006gl/russian/index.html>

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Inherent Limitations

Greenhouse Gas quantification is subject to inherent uncertainty because of the incomplete scientific knowledge used to determine emission factors of different gases.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed, described in this report, nothing has come to our attention that causes us to believe that the Information in the Report is not prepared or not presented, in all material respects, in accordance with the applicable criteria (set out in section "Criteria used" of this report) or is not free from material misstatement.



Velichko Natalia Nikolaevna
 Partner, JSC «Kept»
 Power of attorney No. 375/22 as of 1 July 2022
 Moscow, Russia
 22 May 2024

DISCLAIMER

The information contained herein relies on the data available to MMC Norilsk Nickel (the “Company”) as at the date of this 2023 Sustainability Report (the “Report”). After this Report was prepared, the Company’s operations as well as forecasts and overview of the current situation presented in the Report may have been affected by external or other factors, including the escalation of the geopolitical conflict in Ukraine, sanctions imposed by the United States, the European Union, the United Kingdom and other nations against the Russian Federation, Russian individuals and legal entities, Russian Federation’s response to sanctions, economic and other measures introduced to maintain the economic and financial stability of the Russian Federation, and other factors beyond the Company’s control. In particular, the United States, the European Union, the United Kingdom, and other nations have imposed export controls against the Russian Federation that adversely affect, among other things, supply of industrial equipment to the Russian Federation. The impossibility to purchase and deliver equipment to Russia may limit the development of the Company’s production capacities.

The Report discloses the Company’s short-, medium-, and long-term goals and plans. All plans and intentions outlined in this Sustainability Report are provisional and subject, among other things, to a number of economic, political and legal factors, including the factors mentioned above, beyond Nornickel’s control. Forward-looking statements are subject to risks and uncertainties as they refer to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of the Company’s future operational and financial performance, and actual results of the Company’s operations, its financial position, liquidity, prospects, growth, strategy, and the development of the industry in which the Company operates may differ materially from those expressed or implied by the forward-looking statements contained in this Report. The Company hereby disclaims any liability for any loss resulting from the use of this Report, and assumes no obligation to update any forward-looking statements contained herein.

Information about the market share and other statements regarding the industry in which MMC Norilsk Nickel operates,

as well as the Company’s position relative to its competitors are based on publicly available information published by other metals and mining companies or obtained from trade and business organisations and associations. Such data and statements have not been verified, and the financial and operating performance metrics of the Company’s competitors used to assess and compare positions may have been calculated differently from the method used by MMC Norilsk Nickel.

This Report is not part of a securities advertisement, an offer or invitation to sell, issue or offer the right to sell or subscribe for MMC Norilsk Nickel shares and other securities.

Any and all logos and trademarks used in this Report are the property of their immediate owners, and use thereof in this Report should not be construed as a promotion or advertisement for those owners’ goods or services.

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Nornickel on social media

→ vk.com/nornickel_official

→ t.me/nornickel_official

→ ok.ru/nornickel

→ youtube.com/user/NornikOfficial

Norilsk through the eyes of its residents

→ www.norilskfilm.com

Corporate website

→ <https://www.nornickel.com/>