

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

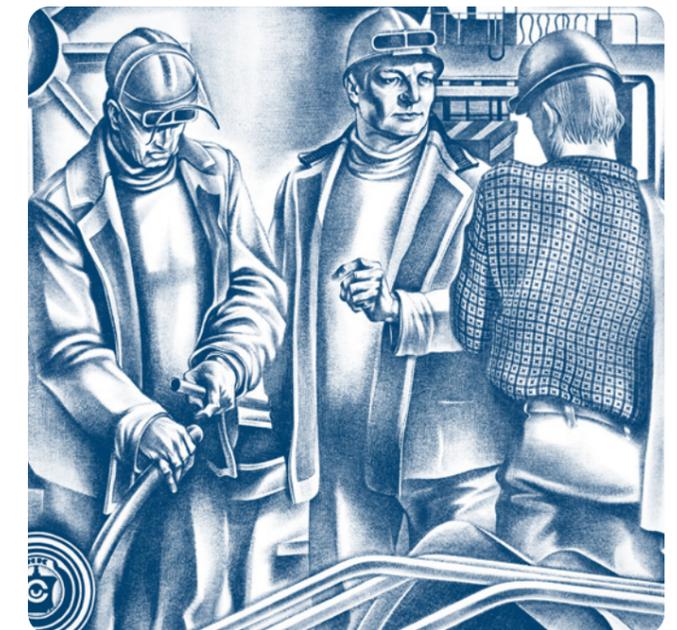
2022

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.

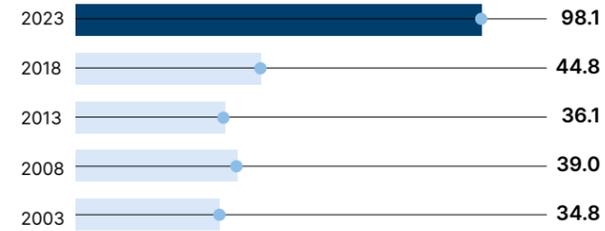
Key sustainability indicators in 2003–2023¹



Environmental expenditures (adjusted for the CPI)²

RUB bn

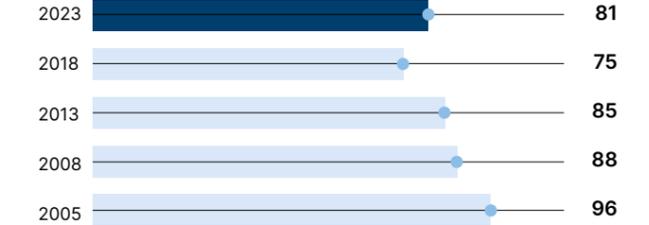
98.1 RUB bn



Nornickel Group headcount

'000

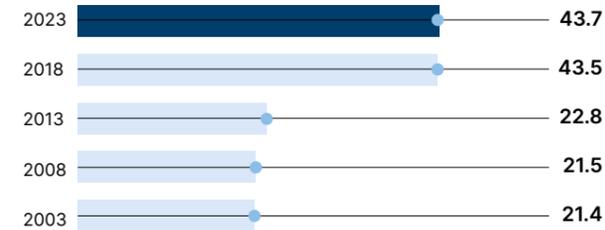
81 '000 people



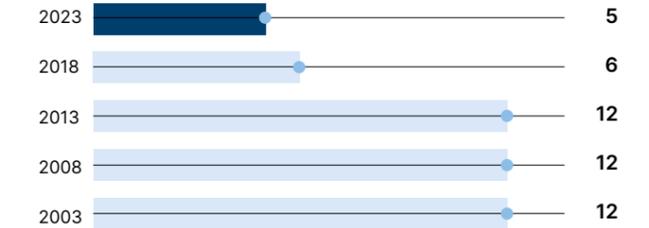
Social expenses (adjusted for the CPI)

RUB bn

43.7 RUB bn



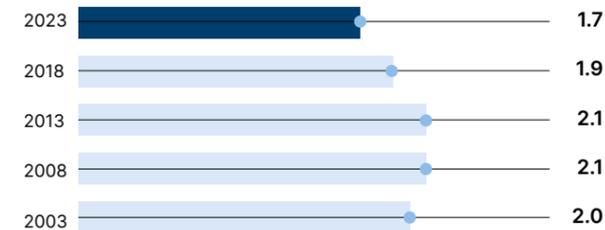
Fatalities



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>

- 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, Nor nickel 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>
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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

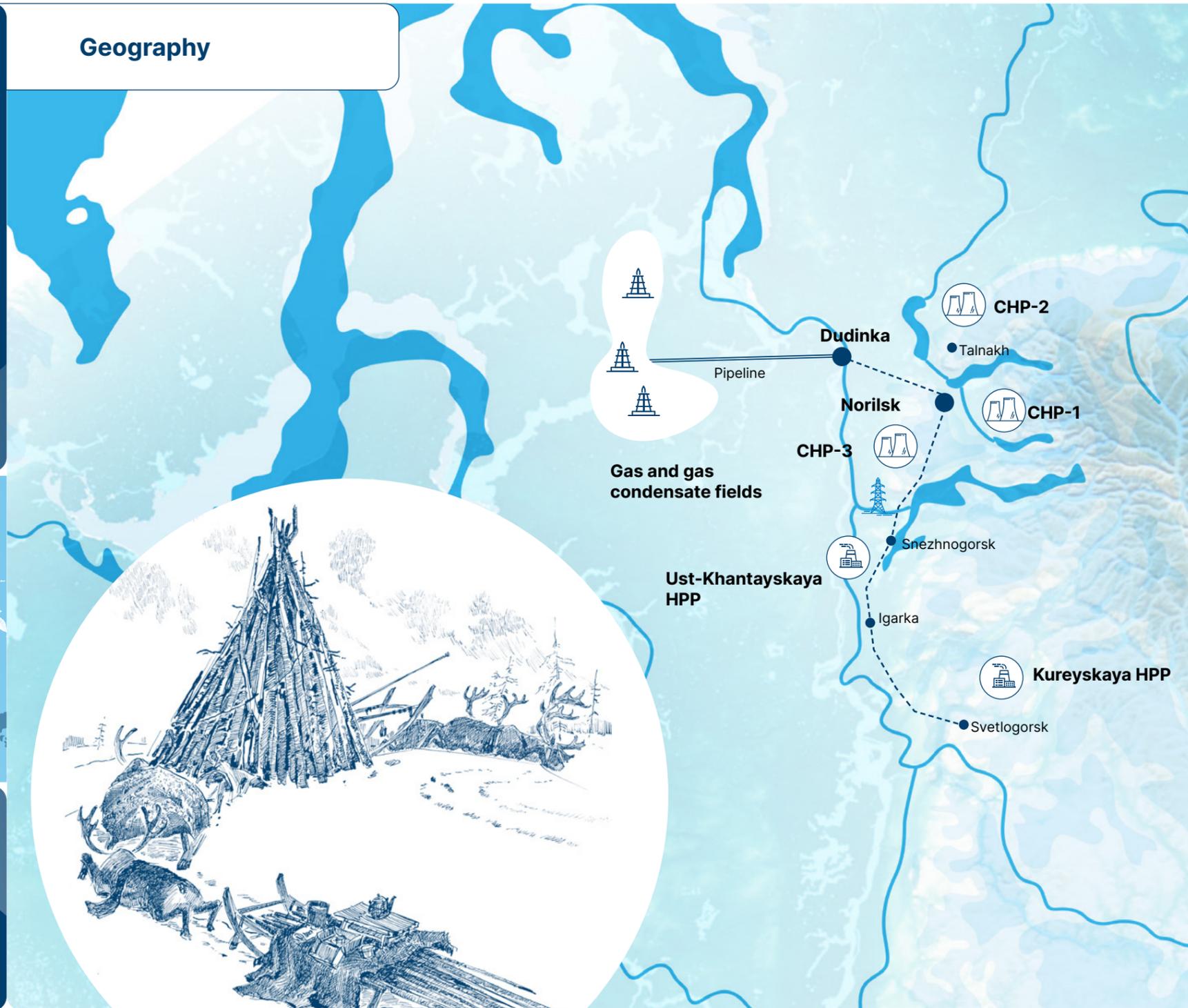
² For more details, please see MMC Norilsk Nickel's Annual Report for 2023.

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:

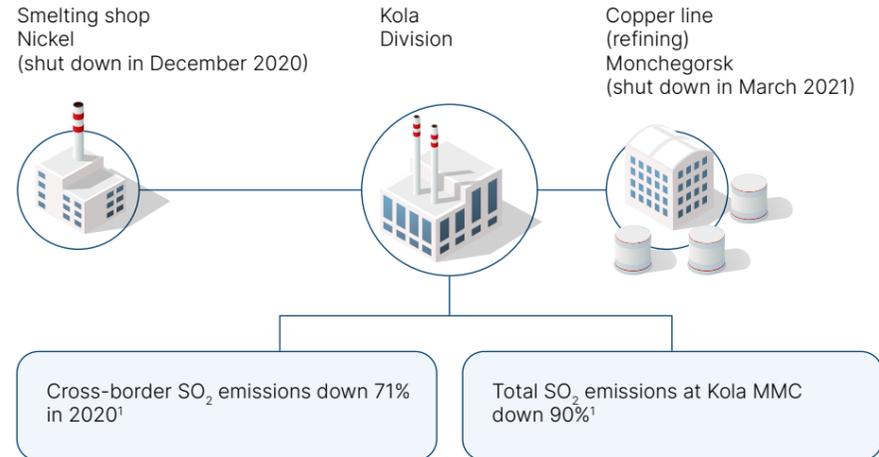
Focus on enhancing performance of new CHP power units and an overall reduction of energy losses along the energy generation and transmission chain

Sulphur Programme

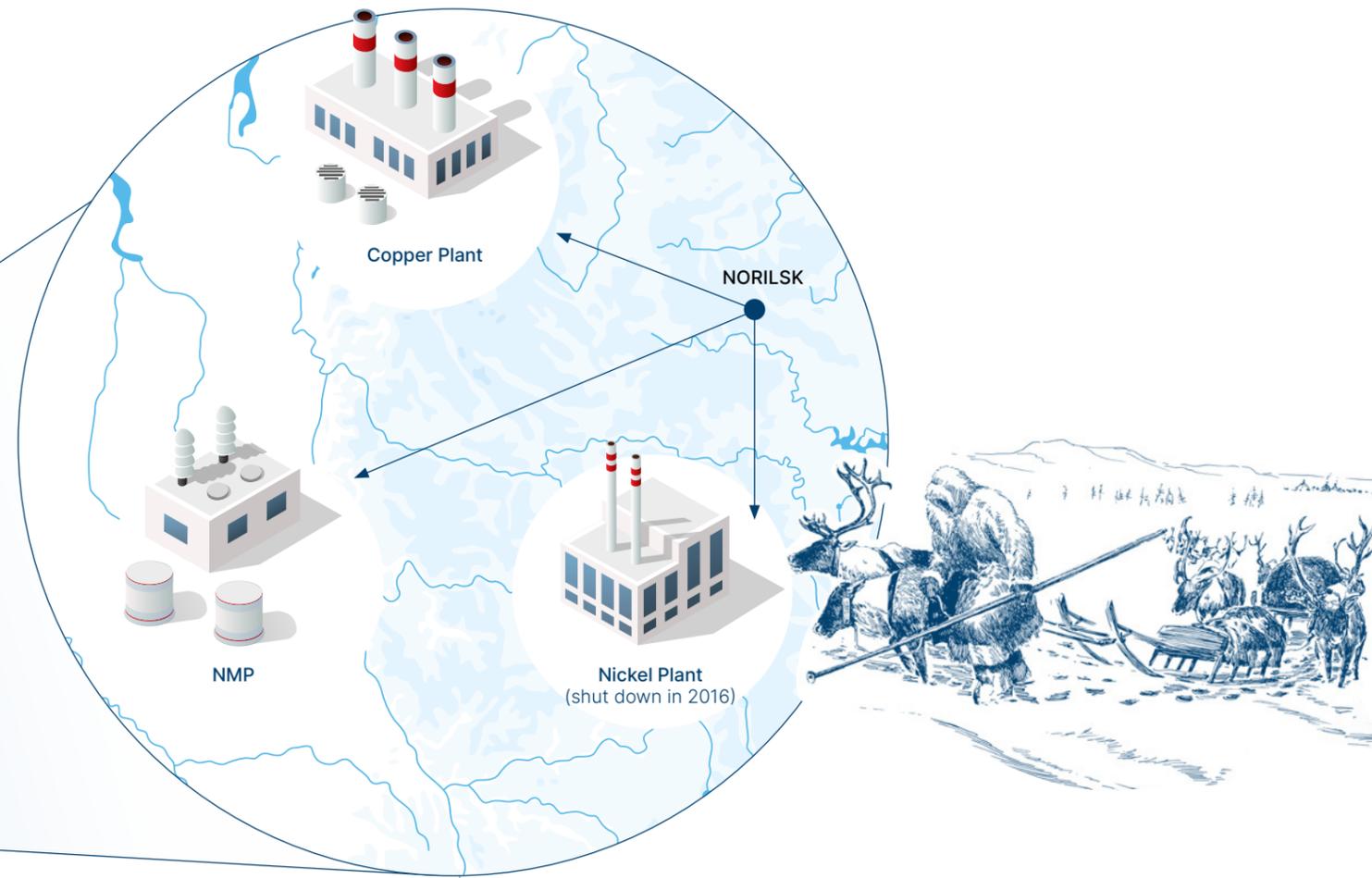
To reduce our environmental footprint, we carry on with our Sulphur Programme. After we finished its stage on the Kola Peninsula in 2021, sulphur dioxide emissions went down 90% in 2022 compared to the 2015 baseline. In October 2023, Nadezhda Plant (Norilsk Division) initiated Norinickel's leading environmental 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

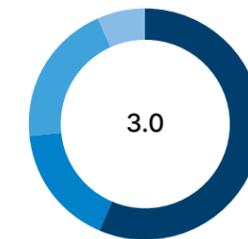


2020	2021	2023-2024 Implementation	Redesign, project updates
<p>Optimisation of smelting operations to cut SO₂ emissions in the Russia-Norway border zone</p> <p>Shutdown of the obsolete smelting shop in Nickel in December 2020</p> <p>▼2x</p> <p>50%¹ Reduction of SO₂ emissions in Nickel and Zapolyarny</p>	<p>Full shutdown of the obsolete copper line at the refining shop on the Kola Peninsula</p> <p>Metallurgical Shop shut down in March 2021</p> <p>▼7x</p> <p>90%¹ reduction of total SO₂ emissions at Kola Division sites</p>	<p>Launch of Sulphur Programme 2.0 at Nadezhda Metallurgical Plant to recover furnace gases</p> <p>~2x</p> <p>45%¹ reduction of SO₂ emissions at Norilsk Division sites after the ramp-up to design capacity</p>	<p>Launch of Sulphur Programme 2.0 at Copper Plant to cut pollutant emissions substantially</p> <p>~10x</p> <p>up to 90%¹ reduction of SO₂ emissions at Norilsk Division sites after the ramp-up to design capacity</p>

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.

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	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 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 Backing initiatives aimed at improving living standards 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
	Eradicating catastrophic accidents		
	Aligning working conditions with the needs of our staff		
	Consistently mitigating safety risks to an acceptable level		

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

Strategic priority	Goals	KPIs	Key activities	
 <p>Talent management and corporate culture</p>	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 	<p>➔ For more details, please see the Development of Human Capital section.</p>
	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 	
 <p>Development of technologies and products that help foster technological and social progress</p>	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. 	<p>➔ For more details, please see the Innovative Development section.</p>
	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 	
 <p>Involvement in the lives of local communities and society at large</p>	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 	<p>➔ For more details, please see the Development of Local Communities section.</p>
	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

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 6:

Ensure availability and sustainable management of water and sanitation for all



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 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

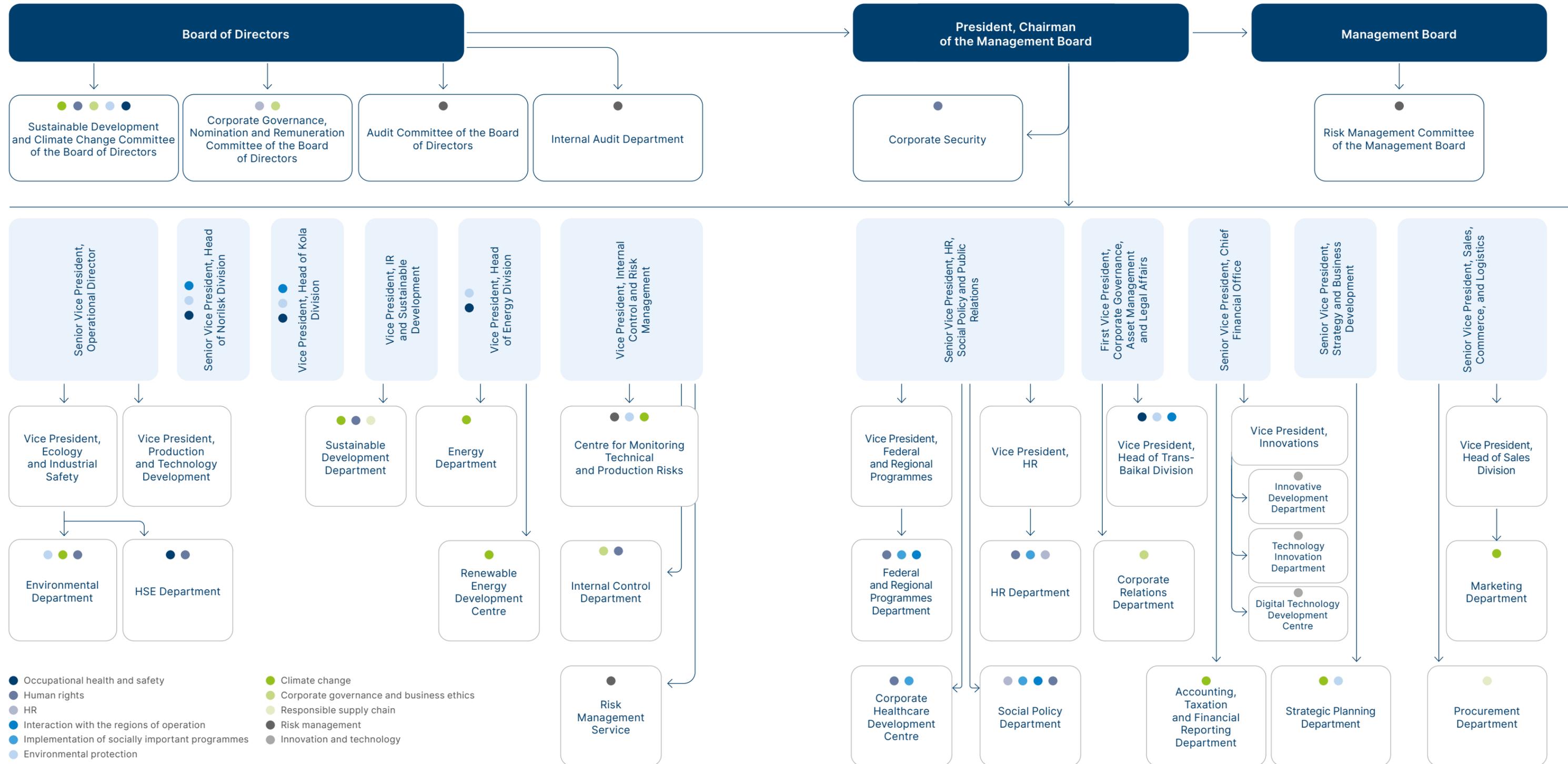
¹ The texts of the documents are available on the [Company's website](#).

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"](#)

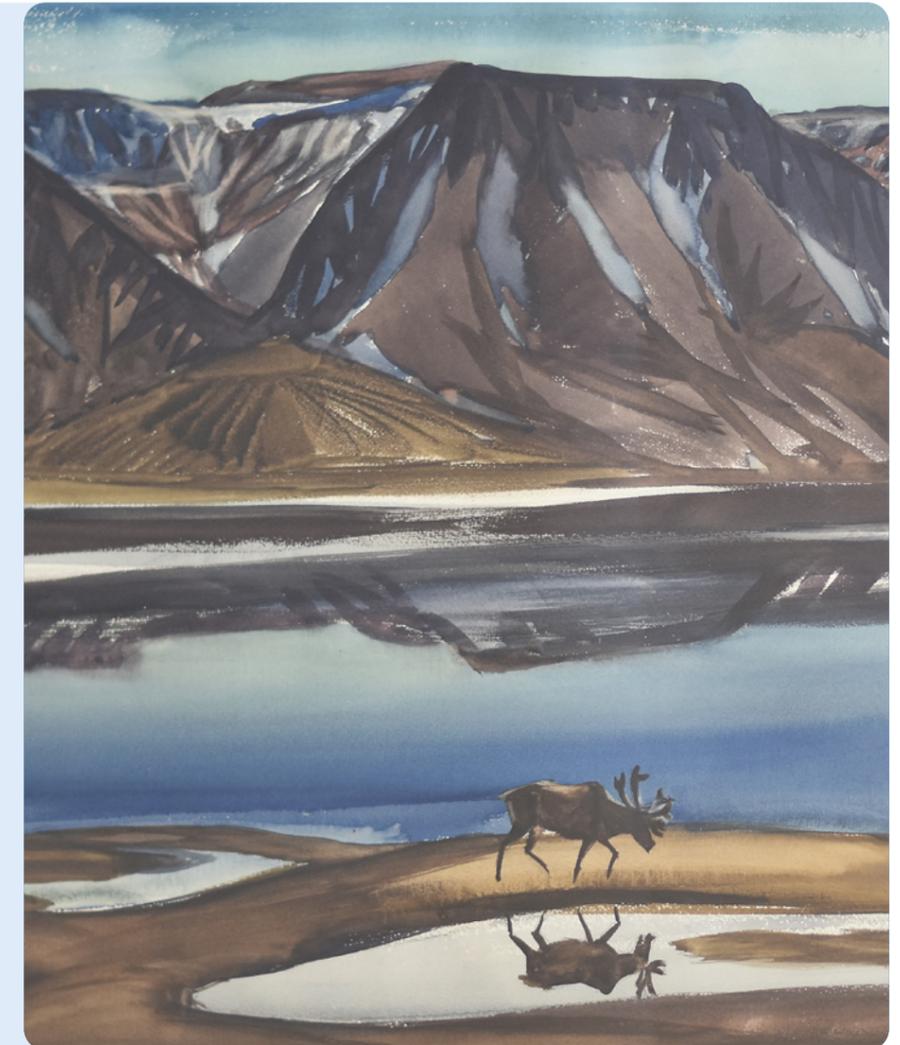
National ESG Alliance

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)
	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.

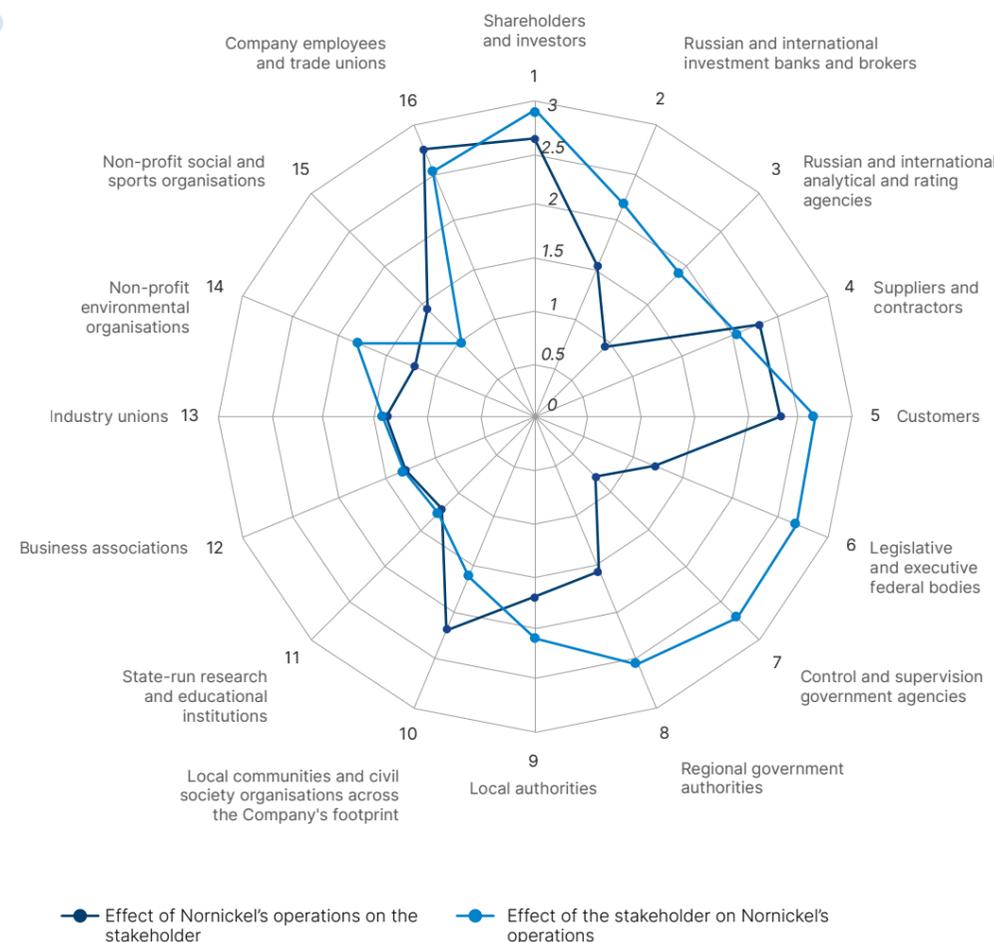
2023 highlights

- 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).

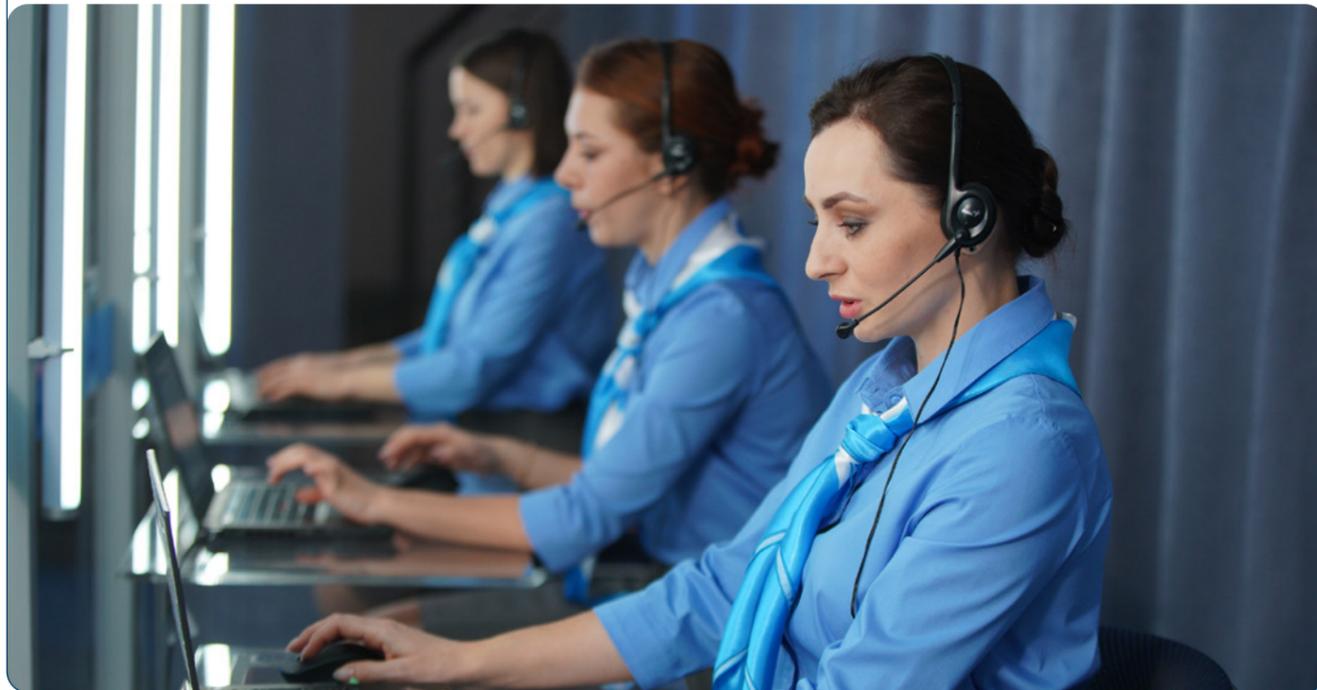
Employee interest is evidenced by the numbers of questions submitted (over 7,000 during the year) and the audience's active involvement.

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.

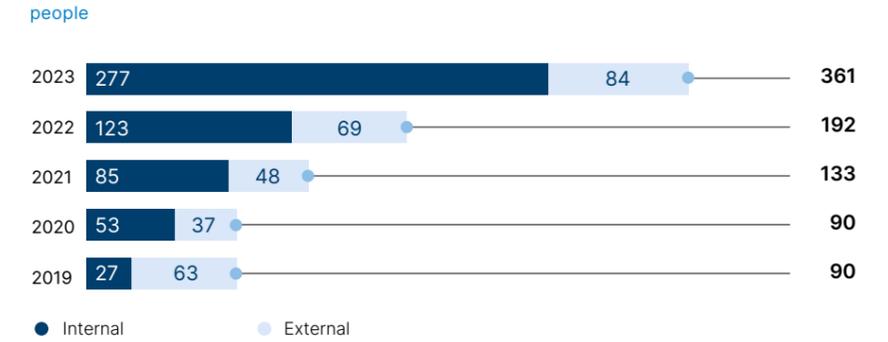
Represented in committees, commissions, expert and working groups

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.