

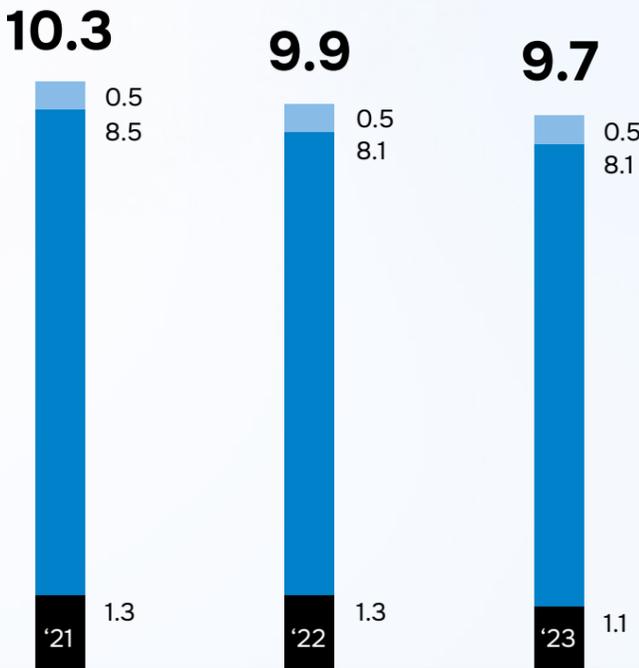
FOCUSSED ON RESULT

The Company consistently reduces direct and indirect GHG emissions (Scope 1 + 2)



GHG emissions, Scope 1 + 2,
MLN T OF CO₂ EQUIVALENT

- Scope 2 emissions from production assets
- Scope 1 emissions from production assets
- Scope 1 emissions from households and infrastructure facilities



SUSTAINABLE DEVELOPMENT

96
Strategic approach

102
Employees

119
Health and safety

127
Environment and climate

139
Social policy

Strategic approach

Since 2022, the Company has been publishing reports on its progress towards 10 United Nations Global Compact (UNGC) Sustainable Development Goals (SDGs).

Sustainability governance

The Company's sustainability management is based on a matrix structure, with responsibility for specific ESG aspects split among all Nornickel functions. At the same time, most matters are overseen by the Management Board, Board of Directors, and respective committees.

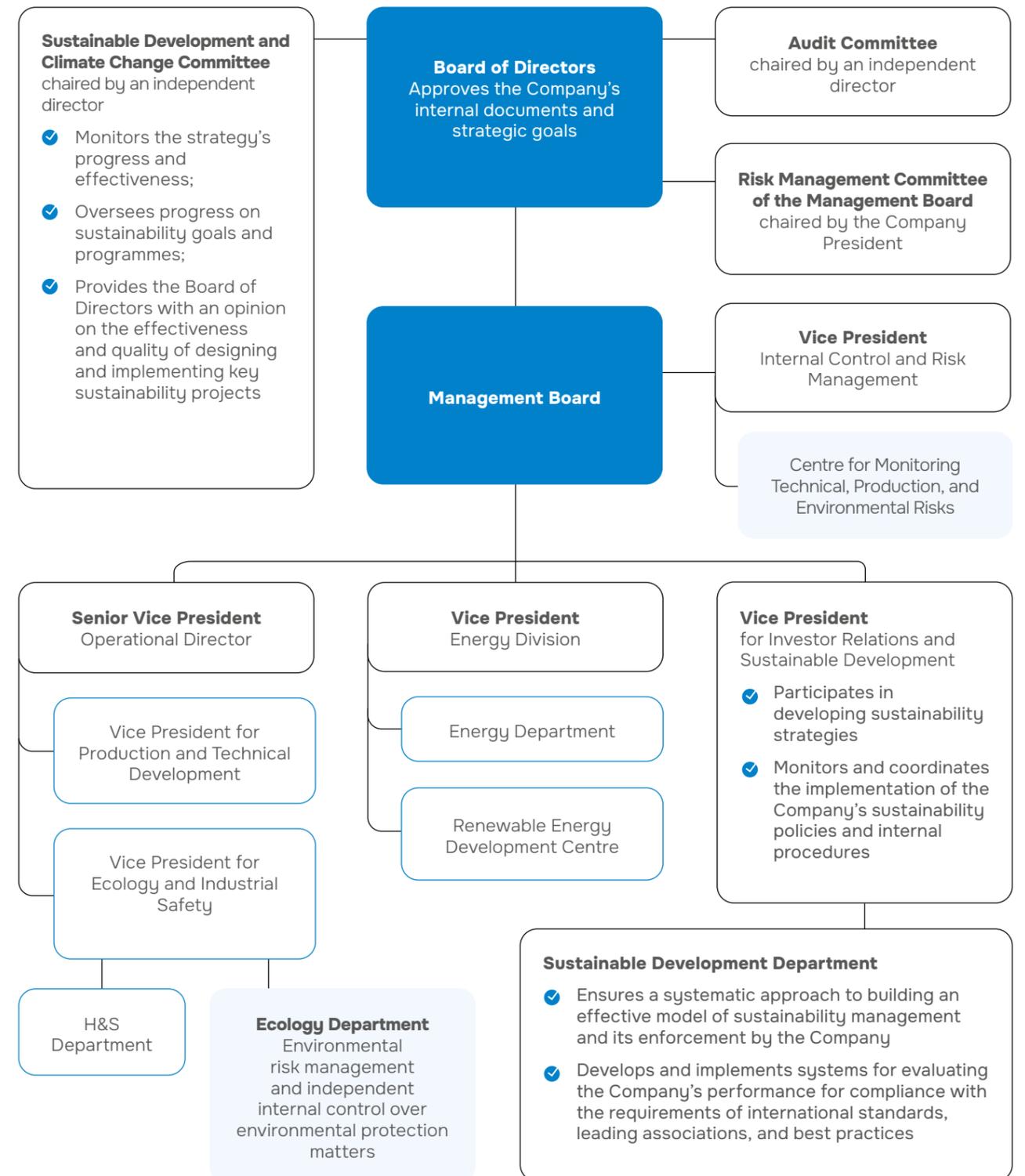
Sustainability-related processes are coordinated by the Sustainable Development Department, headed by the Vice President for Investor Relations and Sustainable Development. At the Board level, the Sustainable Development and Climate Change Committee is responsible for overseeing the evolution of ESG practices.

Contribution to the UN SDGs



For more details on the projects, see [Nornickel's 2023 Sustainability Report](#).

Sustainability management flowchart



ESG projects that received the most funding in 2023:

- ✓ Sulphur Project;
- ✓ Clean Norilsk programme;
- ✓ Norilsk renovation plan;
- ✓ Investments in tourism projects;
- ✓ Range of health and safety initiatives;
- ✓ Corporate Healthcare programme;
- ✓ Digital Investor programme;
- ✓ Range of measures around water management, wastewater collection, treatment, and discharge, and waste management.

Faced with challenges such as managing a workforce of over 70 thousand in the Arctic, a variety of environmental impacts, and commitments to the state and society to build large-scale infrastructure projects, Nornickel consistently pursues sustainability-related initiatives. The Company provides safe living conditions in the Arctic zone, invests in the socio-economic development of its operating regions and community well-being, takes steps to prevent environmental and climate risks as well as climate-related losses

while building open and trust-based relationships with stakeholders and transparent corporate governance.

Sustainability principles underpin the Company's operations and strategic business development and are outlined in [Nornickel's internal documents](#).

In 2023, the Board of Directors adopted the [Socially Sustainable Development Strategy](#) to drive technological and social progress through technology and product innovation. These innovations, in particular, will ensure safe, just, and supportive work environment and

preserve and restore the environment. The Company is committed to providing decent pay, comfortable living conditions, and self-fulfilment opportunities, seeing these factors among the most important drivers of its sustainable development. Nornickel maintains partner relations with the indigenous peoples of the Taimyr and Kola Peninsulas and takes its responsibility for preserving the culture and traditions of the Russian North communities very seriously.

In early 2024, the Board of Directors approved the updated [Environmental and Climate Change Strategy](#).

Achievements and priorities

Key achievements

E environmental protection and climate change

- Reduction of SO₂ emissions on the Kola Peninsula following the shutdown of the Company's smelting operations (down 90% from 2015)
- The lowest CO₂ emission level (Scopes 1, 2, and 3) among global metals and mining peers
- Conducting a pilot climate-related risk assessment and publishing first Climate Change Report

S social responsibility

- Reputation of a socially responsible business
- Comprehensive support for local communities and national projects
- Long track record of supporting indigenous peoples; pioneering the process to obtain their free, prior, and informed consent to projects
- Publishing first Human Rights Report

G governance

- Sustainable corporate governance and risk management
- Integrating ESG targets into short-term and long-term KPIs
- Balanced and effective Board of Directors
- Publishing first Responsible Supply Chain Report

Strategic priorities

- Achieving the key SO₂ reduction milestones for the Norilsk Industrial District
- Clean-up of legacy waste and remediation following environmental incidents in Norilsk
- Assessing biodiversity impact and preparing a scientific rationale for a biodiversity conservation programme
- Further developing the physical risk management system across the Company's footprint
- Supporting environmental initiatives across the Company's footprint

- Zero work-related fatalities
- Employee health and safety
- Preventing social risks for the Company's operations
- Attracting young talent and experienced professionals and reducing the turnover rate to 8% by 2026
- Matching living and working conditions to employees' demands
- Building supply chain transparency on social metrics
- Reducing the impact of operations on indigenous peoples in the regions of operation
- Refurbishment of housing and social infrastructure in Norilsk

- Further integrating sustainability principles into the Company's corporate culture
- Compliance with key international sustainability initiatives
- Developing a framework for managing climate-related risks and opportunities

The Company actively integrates sustainability principles into its corporate culture.

For example, in 2023, Nornickel:

- ✓ delineated the areas exposed to the environmental impact of its operations and studied the plant and animal species inhabiting the Taimyr and Kola Peninsulas and Zabaykalsky Territory, the regions where it operates
- ✓ held trainings on responsible supply chains at its divisions, including on enhancing internal audits in line with ISO 19011:2018 and on conducting supplier audits in line with international standards and ESG principles.

The Company maintains its status as an active participant in Russian and international events on the sustainable development agenda. In 2023, Nornickel speakers took part in the 28th UN Climate Change Conference (COP28), the forum of the UN Economic Commission for Europe in Geneva on sustainable development, human rights, and climate change; the Company also participated in the International Forum on Sustainable Mineral Supply Chains (Chengdu, China).

In the reporting year, Krasnoyarsk hosted the third Siberian Perspective summit organised by Nornickel and supported by the National Council on Corporate Volunteering, the Russian Managers Association, and the Protected Areas Embassy charity foundation. The summit was centred around responsible consumption and supply chains and gathered together more than 200 representatives of businesses and government, experts,

and volunteers, including the Company's suppliers, to discuss the challenges in these areas, as well as the relevant roles and relationships between businesses and consumers.

In 2023, the Company published its 2022 Sustainability Report and specialised reports on human rights, responsible supply chain, and climate change.

[2022 Sustainability Report](#)

[Human Rights Report](#)

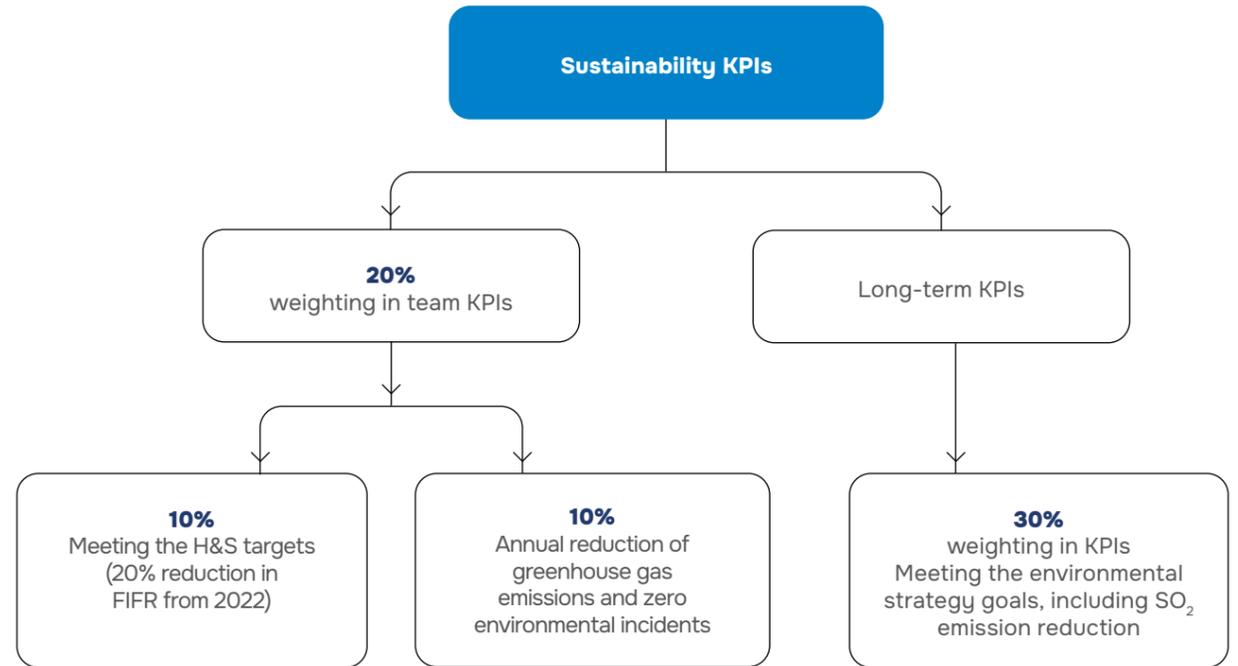
[Responsible Supply Chain Report](#)

[Climate Change Report](#)

In 2024, Nornickel will continue measures to harmonize activities based on leading international standards and guidelines, including:

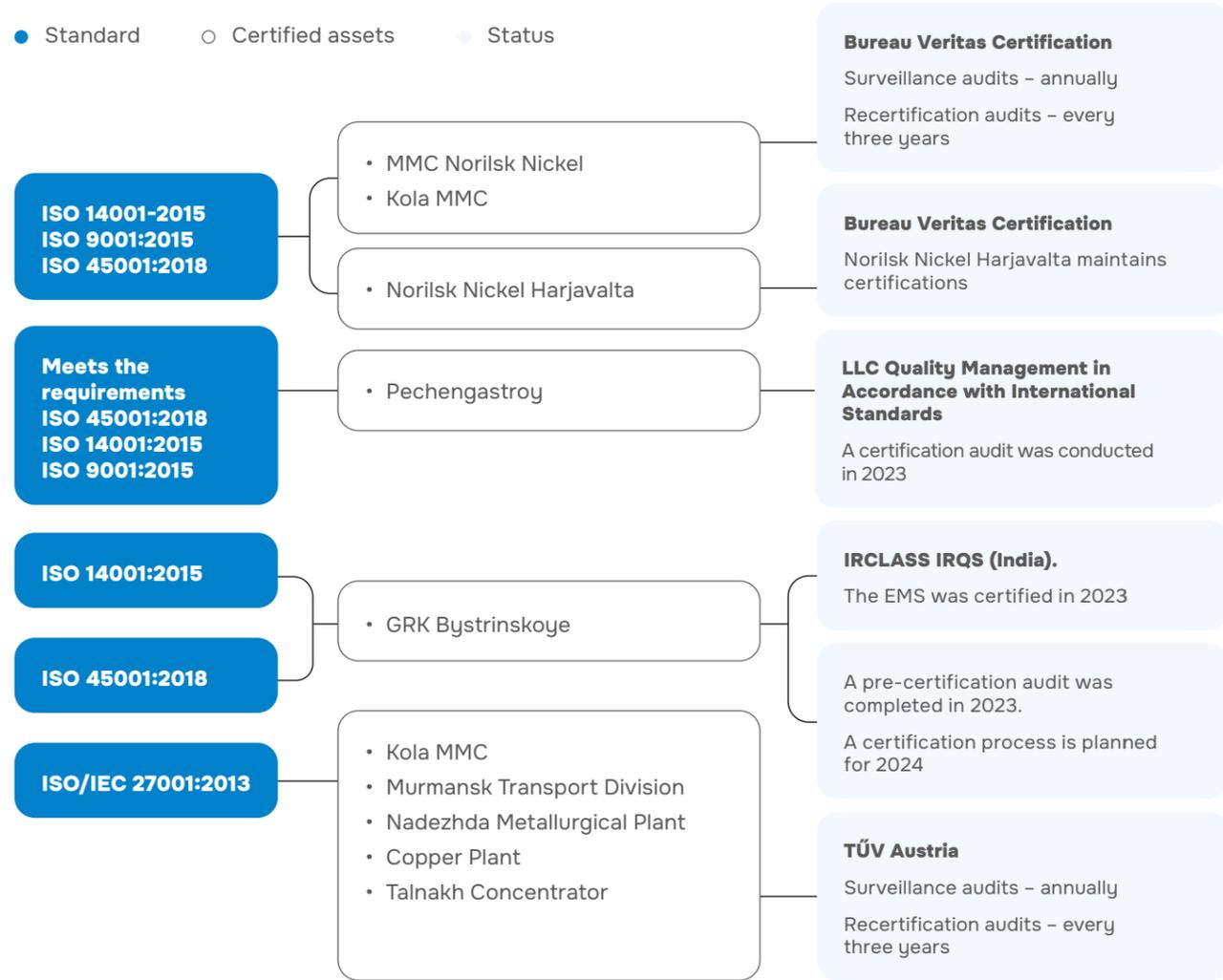
- further integrating ESG principles into strategic planning, risk management, and reporting procedures
- working towards closer alignment with the IRMA Standard for Responsible Mining
- completing the self-evaluation process in line with the Global Industry Standard on Tailings Management (GISTM)
- cascading adopted policies to subsidiaries for implementation
- setting additional ESG-related KPIs and evaluating performance
- establishing a human rights due diligence system
- expanding the scope of ESG supplier assessment.

Sustainability KPIs for management

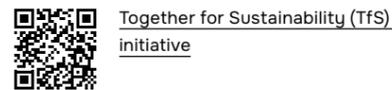


International sustainability standards

● Standard ○ Certified assets ● Status



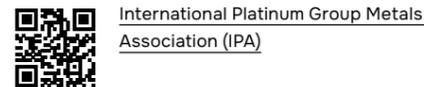
Global ESG initiatives



The Company's compliance with the requirements of the initiative was confirmed by the 2022 follow-up audit



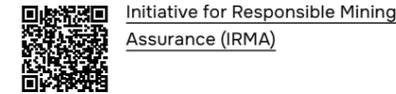
Member since 2005



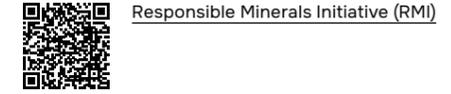
Member since 1999



Member since 2016



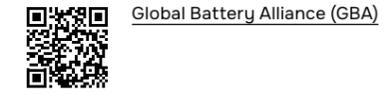
In 2022, IRMA suspended cooperation with Russian companies. In the same year, Nornickel independently assessed its mining assets for compliance and readiness for the certification and prepared a roadmap



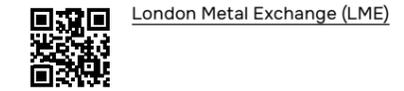
In 2022, RMI suspended cooperation with the Company's Russian assets



In 2022, ICMM suspended cooperation with Russian companies. The Company is pursuing a compliance roadmap (60% of measures implemented as of 2023-end)



Member since 2021



In 2023, the London Metal Exchange accepted the Company's 2022 RFAs. The Company decided to continue confirming its compliance with LME requirements by submitting annual Track C RFAs

ESG ratings

EcoVadis	ESG score – 58
MSCI ¹	ESG-rating – « B », score – 3.1 (out of 10)
Corporate Human Rights Benchmark	Score – 21.0 (out of 100.0)
ACRA	ESG-rating – « B », ESG-2 , a very high ESG score
ESG Index by RBC and NCR	ESG level I (high)
RAEX	ESG-rating – « A », high level
Da-Strategy Group	ESG-rating – « A », Russia's Best Corporate ESG Practice
Sustainalytics	ESG risk score – 44.0 (out of 100), on a scale from 1 (low risk) to 100 (high risk)
Expert RA	ESG-rating – III (a) , a high level of compliance with sustainability goals when making key decisions. Outlook – stable

¹ In August 2023, MSCI suspended ratings on Russian companies.

Employees

HR policy

People are Nornickel’s main value. The Company views its employees as its core asset and invests in their professional and personal development, provides them with safe and comfortable working conditions as well as decent pay and benefits package, and seeks to boost their performance and ownership of work-related tasks.

HR policy: investing in human capital



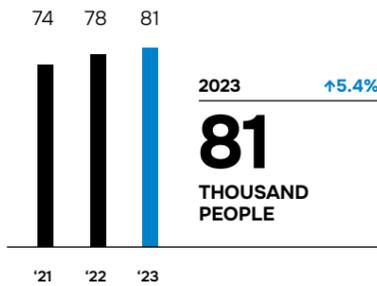
Nornickel retains leadership in key Russian and international rankings of the best employers

Contribution to the UN SDGs



Increase in headcount as capacity expands and environmental and production projects are implemented,

THOUSAND PEOPLE



RUB 184.1 THOUSAND

Average monthly salary of Nornickel employees in 2023

6%

Proportion of the benefits package in the compensation package

Business Ethics Code

The Company has in place the Business Ethics Code, a fundamental document that plays a major role in ensuring compliance with professional standards and commitment to Nornickel’s core values.

Every employee is fully aware of the content and significance of the Business Ethics Code. To encourage commitment to the principles set out in the Code, the Company operates a system of rewards and incentives.

To address potential breaches of the Code, procedures are in place for employees to safely and confidentially report relevant situations. All reports are subject to subsequent investigation. The Company guarantees that no disciplinary action or sanctions, including dismissal, demotion, or bonus forfeiture, will be applied to employees who report breaches of the Code.

Human rights and working conditions

The Company respects the rights and freedoms of its employees as well as those of its stakeholders – partners, investors, contractors, local communities, customers, and consumers.

Nornickel upholds the principles of international standards such as the UN Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. Nornickel complies with the laws of the countries in which it operates.

The Company implements programmes for the development and social support of its employees, upholding their rights in respect of social security, education, family welfare, housing, freedom of artistic expression, and participation in cultural life.

The Company is committed to fostering an inclusive work environment free from any form of discrimination. We work towards ensuring equal opportunities in hiring, promotion, training, and remuneration for all employees, regardless of ethnicity, nationality, religion, gender, age, sexual orientation, marital status, special needs, or any other protected characteristic under applicable law.

The Company hires employees, including those with disabilities. According to the employment quotas, the share of such employees is 2% of the average headcount, excluding employees involved in hazardous or dangerous work. We provide necessary working conditions for this category of people with regard to the work and rest schedule, duration of the annual paid leave, extra days off, additional financial assistance, and other parameters.

The Company strictly adheres to the following principles with respect to its employees:

- Zero tolerance for the use of child labour, forced or slave labour
- Zero tolerance for the employment of persons aged under 18 for hazardous and/or dangerous work
- Zero tolerance for violence or discrimination
- The Company does not engage female employees in extreme or dangerous working conditions

- The Company ensures its employees’ right to safe working conditions
- The Company makes sure all employees enjoy equal rights and opportunities regardless of gender, age, race, nationality, and origin
- The Company provides all employees with equal opportunities for unlocking their potential. Employee performance is evaluated on a fair and impartial basis, and recruitment and promotion decisions are tied exclusively to professional abilities, knowledge, and skills
- The Company respects the right to form trade unions and does not prevent employees from joining them

The Company has adopted internal labour regulations, which are approved in consultation with the trade union organisation and establish employees’ working hours. The Company has a standard working week of 40 hours as determined by applicable Russian laws and regulations. Employees involved in hazardous or dangerous work enjoy a reduced working week of not more than 36 hours. Women employed in the Far North and equivalent areas work 36 hours per week unless a shorter working week is stipulated by Russian laws and regulations. The Company arranges for accurate work time control for each employee.

Work on weekends and overtime is paid as per the Labour Code of the Russian Federation.

Awards and industry recognition

In 2023, Nornickel entered a number of best employer lists:

- ✓ Top 30 best employers in HeadHunter’s ranking
- ✓ Gold in the Forbes Employer Rating with the highest scores in the Employees and Society and Corporate Governance categories
- ✓ No. 1 among metals companies in Changellenge’s Best Company Award ranking of the best employers according to young respondents
- ✓ No. 8 in Future Today’s ranking of top employers selected by students
- ✓ Grand Prix of HeadHunter’s HR Brand of the Year award in the Grand Federation category for the Present for the Future: Developing Engineering Potential project
- ✓ Project of the Year Grand Prix of AKMR’s People Are Key award for the Present for the Future: Developing the Engineering Potential of the Industry and the Company project
- ✓ Three EMBRAS international awards in the Employer Image, Good Deeds, and Business Results categories
- ✓ Crystal Pyramid award for the best employer brand in metallurgy
- ✓ Two top awards of the WOW!HR International Business Awards in the HR Hero and Workplace categories

Staff composition

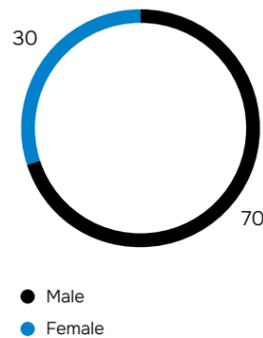
In 2023, the Group’s average headcount was 80.6 thousand employees, of which 99.5% were employed by its Russian companies. In 2023, the Company’s turnover rate stood at 11.4%. Nornickel is among the largest employers in the Norilsk Industrial District and Kola Peninsula, employing 67% and 15% of the regional workforce, respectively. Local population accounts for 99.7% of the headcount. The average headcount increase in 2023 was driven by the Company’s investment strategy as well as organisational and technical changes.

Employees under permanent employment contracts account for 94% of the workforce.

Since Nornickel is a production company, the proportion of men in its workforce is significantly higher than that of women.

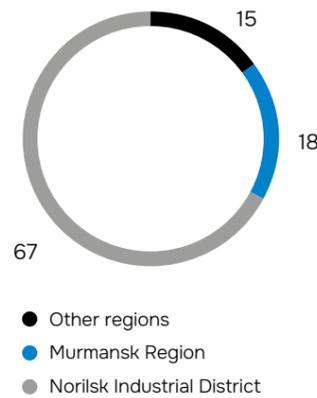
80.6 THOUSAND

EMPLOYEES
The average headcount of Nornickel employees in 2023



99.7%

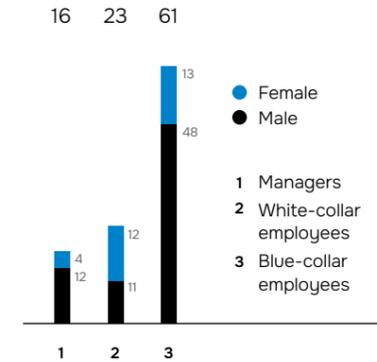
The share of new hires from among local population



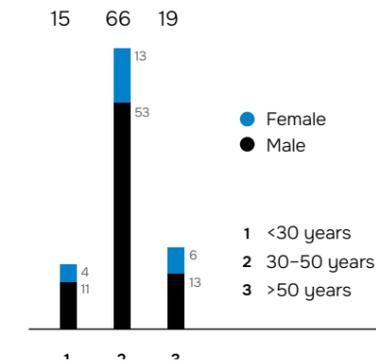
Average headcount

Location	2021	2022	2023
Russia	73,061	77,980	80,166
Africa	151	38	47
Europe	317	331	322
Asia	15	15	22
USA	10	10	5
Australia	3	0	0
TOTAL	73,557	78,374	80,562

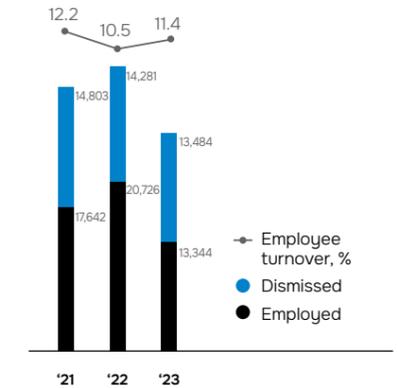
Headcount by category and gender¹, %



Headcount by age and gender¹, %



Employee turnover, PEOPLE²



Recruitment

The Company’s headcount grows every year. Nornickel aims to provide equal hiring opportunities for employees while attracting talent from across Russia and training them to match its production needs. The Norilsk Nickel Corporate University offers numerous upskilling and retraining programmes. Internal candidates have a priority when filling vacant positions. In 2023 alone, more than 4 thousand employees were promoted within the Group.

All vacancies in the Company are posted on public resources and on the intranet portal. Candidates can send their CVs by e-mail, telephone a 24/7 call centre, or visit HR support centres. In addition, recruitment centres were opened in shopping malls in Norilsk, Ufa, Orsk, and Irkutsk. Feedback is given to each candidate.

The call centre received 3,155 phone calls from job applicants in 2023.

In addition, a branded HR Support Centre featuring a comfortable waiting area, queue management system, and career advice service was opened in Norilsk to welcome candidates in person.

A programme was launched to hire back employees who had previously left the Company. In 2023, 3.5 thousand former employees were contacted by phone as part of the programme. Over 3.3 thousand of them showed interest in vacancies, and 880 were re-employed.

Eight units of the Norilsk Division operate on a shift basis. In 2023, 1,919 employees worked on rotational shifts, primarily crane operators, electricians, drivers, and technicians.

Career guidance

The Company pays special attention to career guidance for school students and young people both in the cities where it operates and throughout Russia.

A unique encyclopaedia platform, Nornickel’s City of Occupations, was created for school students: an interactive map incorporating game mechanics such as quizzes, quests, and a conversational bot. The map includes descriptions of 147 occupations and offers a career guidance test to identify a “candidate’s” strengths and

3,155

phone calls from job applicants handled by the call centre in 2023

> 4 THOUSAND

employees promoted within the Group

880

people employed under the programme to hire back employees who had previously left the Company

1,919

employees worked on rotational shifts

¹ Based on the average annual RUB/USD exchange rate given at the end of the Report.

² The ratio of resignations, dismissals for breach of labour discipline, and negotiated terminations to the average headcount as at the year-end.

weaknesses. The platform also features guidelines for parents to help their child choose a career.

The Conquerors of the North four-week online educational programme is available for students across Russia majoring in professions that are in-demand at the Company. In 2023, 2,090 students applied for the programme, with 336 people completing it and recommended for further employment and internships at Nornickel.

The third stream of the First Arctic programme aimed at building the leadership potential of university graduates was launched, with 323 applicants evaluated and 20 winners employed as a result.

The Company also runs the Career Start-up programme to attract young talent to internship programmes. In 2023, 516 students from 20 Russian higher education institutions and 200 students from five vocational training institutions completed their internships under the Polar College programme.

626 students were accepted for on-the-job and pre-graduation internships, including 360 students employed for temporary jobs as part of student construction brigades. Corporate scholarships were awarded to 454 students.

In addition, Nornickel supports federal programmes aimed at engaging young people, such as the Your Move championship and the I Am a Professional Olympiad.

Recruitment for the Sulphur Project

In October 2023, Nornickel inaugurated the Sulphur Project at Nadezhda Metallurgical Plant, marking the launch of Russia's most ambitious environmental project to date. The sulphuric acid production and neutralisation shop will need to fill over 500 jobs, including over 70 jobs for specialists and managers and over 400 blue-collar jobs. As at end-2023, 418 people were already employed, including 64 managers and specialists and 354 blue-collar employees.

In addition to general jobs and jobs that can be covered by related enterprises, such as repair technician, electrical equipment repair and maintenance electrician, electric and gas welder, bunkerman, crusher operator, and many others, the enterprise needs specialists in new jobs, specifically neutralisation and oxidation unit operators. Such specialists were trained in Omsk under training programmes developed by the Omsk Polytechnic College; students studied theory independently while practical studies took place at Omsk Rubber Plant.

Staff for the new shop at Nadezhda Metallurgical Plant was trained by seasoned mentors across three sites of the Norilsk Division: Copper Plant, Nadezhda Metallurgical Plant, and Talnakh Concentrator.

Project staff was recruited both on the local labour market and outside Norilsk in a 50/50 split, with employees from other Polar Division entities and invited specialists from other Russian regions across a wide geography, including Vladikavkaz, Bashkortostan, Chelyabinsk Region, Zabaykalsky Territory, Krasnoyarsk Territory, etc.

2,090
students applied for participation in the Conquerors of the North online programme

323
applicants evaluated as part of the First Arctic programme for university graduates

516
university students completed their internships under the Career Start-up programme»

200
students from vocational training institutions completed their internships under the Polar College programme

454
students awarded corporate scholarships

Outplacement following an asset closure

At the end of 2023, the Company began the conservation of the Kaula-Kotselvaara mine on the Kola Peninsula. The Company developed a set of measures for redundant miners – those who decided to terminate their employment with the Company as well as those who opted for moving to other Company units. The former received support payments, while the latter benefited from a whole package of measures, from finding vacancies within the Company and training in new jobs while retaining their salaries to reimbursement of relocation expenses and housing rent if their new place of work was in another city. The programme was agreed with the social and labour council and primary trade union organisations.

The Succession programme implies that a redundant employee is trained by another Company employee of retirement age with a severance pay paid to the mentor upon completion of training.

Nornickel has fully delivered on its programme of social guarantees to redundant employees: beneficial terms for moving to other production facilities within the Company, a retraining programme, and a pension plan. Nornickel launched a dedicated Employment Centre to provide all-round support to employees affected by the mine shutdown (including by providing information, advice, and career guidance) and to partner with other

Group entities on job opportunities for redundant employees. All staff-related decisions and actions complied with the Russian labour and employment laws and Nornickel's Social Support Programme.

190 employees of the Kaula-Kotselvaara mine and 36 employees of other Company units chose to terminate their employment as part of the Social Support Programme, while 299 employees were employed within the Group.

When an employee is employed by other Group companies, Nornickel provides:

- ✓ reimbursement of rental expenses when relocating to another city
- ✓ retention of the same salary during one calendar year
- ✓ reimbursement of relocation expenses for the employee and their family members
- ✓ reimbursement of baggage fees
- ✓ priority right to participate in corporate subsidised loan programmes to purchase housing at the new place of employment
- ✓ training/retraining/certification in a new job/position at the Company's expense.

In case of termination, an employee is entitled to:

- ✓ a severance pay of six or more average monthly salaries (as well as additional payments to pensioners, socially vulnerable employee groups, and participants in the Succession programme)
- ✓ early payment of corporate pensions to participants in corporate pension plans who receive old-age or disability pension or pension for length of service
- ✓ reimbursement of relocation expenses for the employee and their family members
- ✓ reimbursement of baggage fees
- ✓ the right to early termination of participation in housing programs in favor of an employee
- ✓ retention of the VHI policy for one calendar year from the date of employment termination.

Training and career

Nornickel offers ample opportunities for employee development, guided by the principles of accessibility, innovation, and relevance.

In 2023, the Company continued to foster a culture of continuous learning and expand an accelerated training ecosystem to boost professional excellence and enhance and build managerial, corporate, and critical competencies.

2023 saw a continued trend towards higher share of employees completing training – now at 6% of the workforce, or a 94% increase, while the share of in-person training decreased. 42% of Nornickel’s total training was focussed on building critical skills and 50% – on building professional competencies.

In addition, a career marathon was held for the first time, involving over 1.8 thousand employees, with over 30% of them already promoted in 2023.

Professional competency development

In 2023, the Company changed the format of developing professional competencies by introducing distance learning and a module-based approach which accelerated timelines and improved the quality of training. A successful pilot project triggered a change to the entire approach to organising professional training.

In 2023, ten group training programmes covering the Company’s core jobs were developed and approved by the customer. Along with distance-learning modules, these programmes comprised modules devoted to operating various types of equipment. In particular, the most complicated programmes involving

simulator training and sessions at the underground training base (to train LHD operators, operators of self-propelled underground vehicles, and hole drillers) were redesigned accordingly.

360-Degree management programme

Along with level-specific manager development programmes, the Company offers extensive opportunities to develop management and corporate skills to employees who have passed a 360-degree assessment. In 2023, the 360-Degree Management programme offered in-person training that included training sessions, business games, and real-world management case studies. Participants independently chose their training topics based on the assessment results, a dialogue with their manager, and their individual development plan.

In-person trainings within the programme are grouped into three themed development areas: operational discipline, systems thinking, and people skills.

In 2023, the programme comprised 59 in-person training sessions involving over 1 thousand employees, and nine online workshops that had 3.5 thousand views.

School of leadership

In 2023, the School of Leadership training programme was launched for middle managers to build team management skills. This crash course

Training in figures:

- ✓ Reduced duration of one training activity
- ✓ Unchanged split between in-person (30%) and online (70%) learning
- ✓ Increased coverage of in-house training (86% of the average headcount) at Nornickel Academy

Increased training volumes

UP BY **45%** Y-O-Y

Number of person-events per person:

4.1 EVENTS

> **1.8** THOUSAND

Company employees participated in a career marathon

> **1** THOUSAND

employees participated in face-to-face trainings within the 360-Degree Management programme

comprises four online modules and one three-day in-person module, Leadership Workshop, where participants practice their newly acquired knowledge. The programme focuses on transforming routine approaches to thinking, acting, and interacting with colleagues.

In 2023, 356 managers were trained under the programme.

One of the pressing tasks in the reporting year was designing a development programme for line managers aimed primarily at improving understanding of their management role and developing their management skills. The need for extensive coverage (Nornickel employs over 6 thousand line managers and supervisors) prompted an innovative solution: an AI-powered chatbot integrated into the Supernika corporate app, which enables training anytime and anywhere. Besides, interaction with artificial intelligence helps employees get a grasp of modern digital technologies.

Training young managers

As part of the In a Good Company project, young managers aged under 35 were invited to compete for the opportunity to study at one of the most prominent business schools in Russia, the Graduate School of Management at Saint Petersburg University. More than 65 young managers completed the studies in 2023. The top graduates mastered best practices in people management, becoming role models to Company employees.

Building practical skills

Employee training infrastructure is becoming increasingly focussed on learning practical skills with every year. In 2023, Nornickel set up two lean production laboratories, in Norilsk and Monchegorsk, and launched the most advanced work-at-height simulator at

Talnakh. The simulator was custom-designed for Nornickel to match the Company’s production profile and requirements. It allows practicing more than 25 basic skills for working at height, with over 2 thousand employees trained on the simulator over four months.

In 2023, the Norilsk Nickel Corporate University’s underground training base at the Anhydrite shaft of the Kayerkansky mine was ranked among the top 15 industrial tourism facilities. The base is used for training professionals in complex mining operations.

The Company is also strongly focussed on creating a comfortable learning environment. Specifically, the renovated building of the corporate university in Monchegorsk has become a key venue for training and professional skills competitions as well as for corporate events. The next step is a large-scale renovation project for the corporate university building in Norilsk.

Digital training tools, such as the Nornickel Academy platform, have become commonplace for 80% of Nornickel employees. The platform offers training courses to develop professional and management skills and provides insights into modern trends and tools as well as expert advice. We collaborate with the Alpina Publisher publishing house to develop an electronic reading room currently offering over 10 thousand books free of charge. In 2023, Company employees completed more than 221 thousand courses.

Assistance programme

Since the Company’s production sites are located in remote areas, Nornickel actively sources staff from other regions of Russia. To help them better adapt to new environment, Nornickel launched the Assistance programme targeting not only skilled talent and managers but also young employees and talent with hard-to-find skills. All employees coming to Taimyr are provided with comfortable living conditions and reimbursed for relocation and resettlement costs.

356

managers trained under the School of Leadership programme in 2023

> **65**

young managers (under 35) trained at the Graduate School of Management at Saint Petersburg University

> **2** THOUSAND

employees trained on a work-at-height simulator

> **221** THOUSAND

courses completed by Company employees on the Nornickel Academy platform in 2023

> **10** THOUSAND

books are available in the electronic reading room of Nornickel Academy

Today, the programme covers more than 4.5 thousand Nornickel employees, including 1.6 thousand who joined the Company in 2023.

Relocation programme

The employee relocation programme has been in place since early 2022. The programme supports all employees relocating to another

region, whether they remain with their current employer or are transferred to other units within the Group. Along with the standard reimbursement of travel, baggage, accommodation, and subsistence cost and an additional leave for settling in, relocated employees receive a supplementary relocation allowance amounting to up to 40% of the salary, depending on the destination.

Relocation to a new place of work unlocks opportunities for employees' personal and professional growth, while the Company is able to fill vacancies even if there are no sufficiently qualified candidates in the talent pool and on the labour market of the relevant operating regions.

Currently, 61 Nornickel employees are covered by the programme, including 27 who joined in 2023.

Corporate culture

Nornickel nurtures its corporate culture to bring together activist employees, enhance their engagement in achieving the Company's strategic objectives and involvement in the corporate and social activities of its facilities and regions of operation.

In the second half of 2023, the Company ran a large-scale corporate culture diagnostic covering the Head Office and 16 production facilities. Analysis of the current state and changes in corporate culture since 2016 yields the following key findings:

- Nornickel's corporate culture is becoming stronger and more homogeneous. 64% of respondents believe that employees live corporate values
- The Company has become more united and has successfully adapted to the current environment. Employee communication channels were enhanced, and understanding and acceptance of corporate values deepened. Today, Nornickel is focussed on workplace safety, environmental awareness, social development, cooperation, and innovation
- Corporate culture development drove a significant improvement in employee engagement while enhancing mutual understanding and vertical communication within the team. The significance of

these achievements is confirmed by a clear correlation between corporate culture assessment and employees' confidence in the Company's management

- An important element of corporate culture development is systematic communication of the Company's values and their integration into the hiring, assessment, and career planning processes
- The objectives of corporate culture development may need to be revised in view of generational change as well as changes in the external environment and business priorities. Going forward, this may drive the need to update the value model. Currently, increasing priority is given to people, cooperation, effectiveness, safety, progress, and initiative

Mentoring

In 2023, the Company introduced a mentoring system. Top 100 managers holding CCE ICF international

certificates acted as mentors to high-potential employees. 40 mentoring meetings were held in the reporting year.

In a Good Company programme

Nornickel's youth programme, In a Good Company, was created to unite employees aged under 35 and encourage their professional and creative growth in various areas and spheres. Programme participants are invited to implement projects within four tracks: professional practice, growth, social practice, and creativity.

The programme's additional objective is to identify talented students and young talents outside the Company, attract them to work at Nornickel, and make their onboarding as fast and successful as possible.

Programme participants can communicate via an internal online app that had 6,725 registered

users (Company employees) as at end-2023, which accounted for 20.3% of the target audience.

Corporate volunteering

Corporate volunteering is an important tool for human capital development. Volunteering has become an integral part of Nornickel's corporate culture and social mission, as evidenced by almost 4 thousand employees in the community of volunteers in the Plant of Goodness program, who annually attract about 40 partners and conduct more than 410 volunteer events.

In 2023, Plant of Goodness was named the winner of the Employer Brand Award & Summit in the Good Deeds category which featured social projects.

The program carries out a wide range of volunteer and charity projects in which everyone can choose what suits them: the Icebreaker educational programme, the Poneslos ("Let's Roll") environmental initiative, and the Your Habitat regional ecological shifts. More details are available on the Company website and in the Sustainability Report.

Dialogue with employees

Nornickel's management is strongly focussed on employee engagement and continues to promote vertical dialogue. In 2023, the following events were organised:

- The main Nornickel Live Q&A session involving the Company's Vice Presidents
- Divisional Nornickel Live Q&A sessions involving division heads and enterprise senior managers
- Corporate dialogues involving enterprise heads and key managers

Employees actively engage in dialogues with management and submit a large number of questions,

more than 7 thousand per year. In 2023, more than 25 thousand employees participated in Q&A sessions, and about 3 thousand employees took part in corporate dialogues.

The most significant topics of discussion included the remuneration and bonus system, social support, and safety culture. In 2023, Nornickel ran seven major information campaigns covering changes in these areas: salary increase from 1 July; bonuses for the Company Day, annual performance, and H&S achievements; progress of the Support from Nornickel programme, etc.

Efficient communication is enabled by applying a multichannel approach and training a large number of in-house speakers. Specifically, in 2023, more than 1 thousand in-house speakers maintained live contact and engaged with employees, and the total audience of our information campaigns exceeded 250 thousand people, i.e. each employee was contacted on average more than three times over the year.

Open dialogue with management helps build employees' confidence, reduces stress, and increases employee engagement.

6,725

employees registered in the online application of the In a Good Company programme

In 2023, Plant of Goodness, a corporate volunteering programme, attracted

~ 4 THOUSAND EMPLOYEES

40 PARTNERS

and enabled

> 410 ACTIVITIES

In 2023, more than

25 THOUSAND

employees participated in Q&A sessions

70%

↑5%

employee satisfaction in 2023

> 250 THOUSAND

people reached by information campaigns in 2023

Engagement

Nornickel conducts regular targeted polls and surveys to measure employee engagement and assess social programmes.

In 2023, the engagement survey covered 57,145 Company employees, 6,563 more than in 2022. Employee engagement increased by 5 p.p. y-o-y and currently exceeds the industry benchmark by 6 p.p.

In 2023, efforts to improve engagement focussed primarily on increasing the amount and quality of internal communications, boosting the bonus component and developing remuneration programmes, targeting the most sensitive audiences (young

talent and active employees), and promoting social partnership. In addition, the Company improved working conditions and business processes, ensured the supply of necessary equipment and resources, and improved the accessibility of information about vacancies and internal promotions.

The Company's business objectives were also integrated into the engagement management cycle. In 2023, more than 500 activities were delivered to increase engagement, of which 53% directly supported enterprises' current goals: implementing the production programme, ensuring uninterrupted equipment operation, attracting talent to remote areas, etc.

Remuneration

Key performance indicators

The bonus system for Nornickel's managers and specialists is based on the achievement of KPIs, including financial performance, social responsibility, occupational safety, environmental safety, operational efficiency, and capital management metrics. In 2023, a total of 18,390 employees of the Group were assessed against their KPIs.

KPI setting is driven by the principles of balance, regularity, validation, decomposition, and ambition as well as the SMART criteria. Cascading is used in KPI setting: a manager breaks down their KPIs into components which become their subordinates' KPIs. Therefore, when employees meet their KPI targets, their superiors' KPIs are also achieved.

The performance of Head Office employees and Group managers is evaluated separately. In 2020, a new incentive system was introduced for all employees of project management offices (PMOs): project bonuses and traditional annual bonus were replaced with project completion bonuses to motivate key project staff and retain them until the project is completed. In 2023, the performance of the project bonus system was evaluated by 1,328 Group employees.

In addition, an automated 360-degree assessment procedure was run at 30 Group enterprises. Following the assessment, employees receive feedback from their superiors, discuss areas for improvement, and build their individual development plans for the year. In 2023, the assessment covered more than 5 thousand

5 P.P.
Year-on-year increase in employee engagement

>500
activities delivered to increase engagement in 2023

18,390
Group employees assessed against their KPIs in 2023

>5 THOUSAND MANAGERS
7 THOUSAND SPECIALISTS
covered by an automated 360-degree assessment

managers at all levels, including top management, and 7 thousand specialists, of whom 85% filled in their individual development plans.

Salary and benefits package

Nornickel has in place a comprehensive employee incentive system aimed at improving operational efficiency and labour productivity, delivering robust performance, and retaining highly skilled employees.

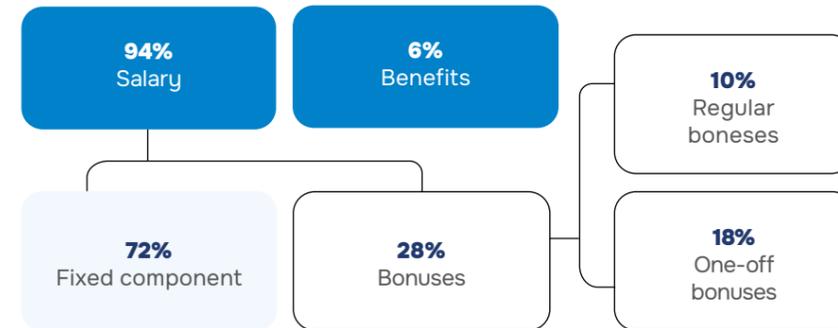
Financial rewards are governed by the Company's remuneration policy and include salary and a benefits package. In its turn, salary includes fixed and variable components.

The variable component is linked to the Company's performance and KPI achievement as well as progress on capital construction investment projects. The variable component of remuneration includes one-off bonuses paid for the fulfilment of one-off tasks that deliver an economic benefit.

6.1%
Increase in Company employees' salaries from 1 July 2023

Nornickel employees' salaries do not depend on their gender, age, race, nationality, origin, and religion.

Employee compensation package breakdown



Nornickel has in place a grading system, which is a key tool to develop and implement various HR-related programmes. Positions are graded using the point rating method, which takes into account the required knowledge and skills, the complexity of tasks involved, and the responsibility level in each job.

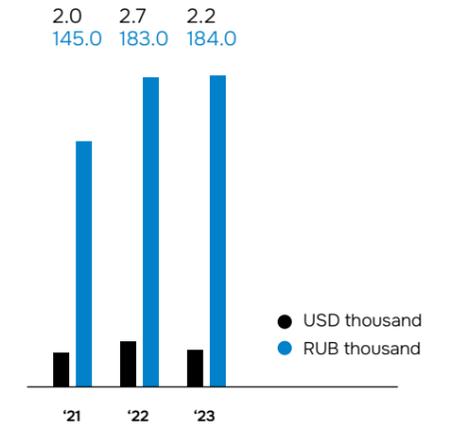
A position's grade determines the amount of fixed salary and annual bonus, the category of the VHI programme, and other components of the compensation package.

The Company has developed and implemented policies to determine salary levels and annual bonus rates.

A uniform approach to performance-based bonuses is used along with project-based bonuses and uniform rules for paying one-off bonuses. In 2023, the automation of the year-end performance bonus process was completed for all employee categories.

The Company regularly reviews pay levels and trends and makes sure that salaries exceed the subsistence minimum, while also considering the cost of living – both the nation-wide averages and the average figures for each of its operating regions. Wage indexation is done annually based on the review results. Specifically, the Company increased employees' salaries by 6.1% from 1 July 2023.

Average monthly salaries of Nornickel employees¹



¹ Based on the average annual RUB/USD exchange rate given at the end of the Report.

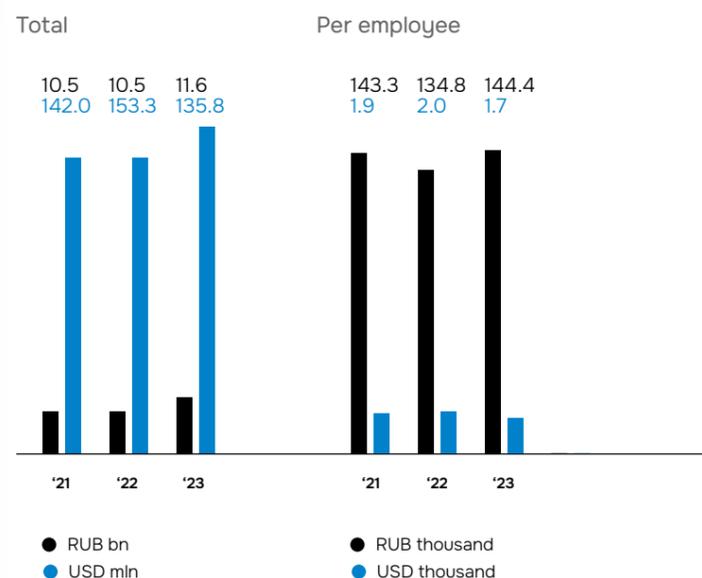
Minimum wage rate and employee remuneration by region

Region	Established minimum wage rate		Average monthly salaries of Nornickel employees	
	RUB	USD	RUB	USD
Norilsk Industrial District	42,230	495	184,936	2,169
Murmansk Region	37,357	438	127,778	1,499
Krasnoyarsk Territory (excluding NID)	25,987	305	95,596	1,121
Zabaykalsky Territory	24,363	286	154,470	1,812
Moscow and other regions of Russia	17,054	200	316,722	3,715

The benefits package includes the following benefits and compensations:

- ✓ VHI and major accident insurance coverage
- ✓ Discounted tours for health resort treatment and recreation of employees and their families
- ✓ Reimbursements of holiday travel expenses for a round trip and baggage fees for employees and their families living in the Far North and territories equated thereto
- ✓ One-off financial assistance in difficult circumstances
- ✓ Complementary corporate pension plan
- ✓ Other types of social benefits under the existing collective bargaining agreements and local regulations

Benefits package costs at Nornickel’s Russian entities



VHI policy

Voluntary health insurance covers 100% of Group employees. In addition, employees can take out a policy at the corporate rate for one close relative.

Employees residing in the Far North are entitled to medical assistance under a VHI policy in these regions and beyond. All insurance programmes offer the same range of services with only the level of clinics and covered regions differing depending on employee category.

100%
of Group employees covered by voluntary health insurance

Additional employee incentives

Digital Investor

In 2023, Nornickel launched the Digital Investor programme, unique in the Russian market. It aims to build a new model of the employer-employee relationship. The Company covers 100% of employees' expenses on purchasing digital financial assets (DFAs), a new investment instrument based on the blockchain technology. DFAs entitle their holders to cash payments and securities; they are issued and circulated on dedicated platforms under the supervision of the Bank of Russia.

Nornickel's DFAs are called minetokens. The price of one minetoken equals the value of one Company share at issuance and at redemption. The number of DFAs granted to an employee is determined by their length of service with the Group as at 1 January 2023.

In 2023, the project was implemented in the Norilsk Industrial District, Moscow, Saint Petersburg, Sochi, Saratov, Arkhangelsk, and the Krasnoyarsk Territory, and in the first quarter of 2024, it was rolled out to the Murmansk Region and the Zabaykalsky Territory. At the time of writing this Report, more than 60 thousand Company employees already became DFA holders.

Under the programme, one year after the receipt of minetokens, holders are entitled to sell them to investors registered on the special platform. After five years, the DFAs will be automatically redeemed and their holders will receive an amount equivalent to the value of the respective number of Nornickel shares at redemption.

Thus, the remuneration of Nornickel DFA holders is linked directly to the Company's capitalisation, which ensures additional motivation for strong performance and success of the team.

Simultaneously with the start of the project, the Company launched an information campaign to explain all features of the new instrument to employees. A dedicated training programme and an online educational module were developed, and a series of webinars was held with leading experts on financial literacy and investment. In particular, over 200 HR specialists were trained and became ambassadors for the programme across all Company enterprises. In addition, employees can get an answer to any question about digital assets by calling the hotline, visiting the website, or examining other informational materials.

Award policy

Nornickel's Award Policy is closely linked to its values and strategic priorities. Employees are rewarded for outstanding professional achievements and contribution, innovations that drive growth and add value, efforts going beyond formal agreements with employees, and contribution to overall performance of the business. Resolutions on corporate incentives are passed by the President of the Company.

Employees may also be rewarded at the initiative of relevant enterprises.

Nornickel welcomes recognition of its employees' accomplishments by the government and regional and municipal authorities and nominates those who achieved outstanding results in operations and management and made a significant contribution to production development.

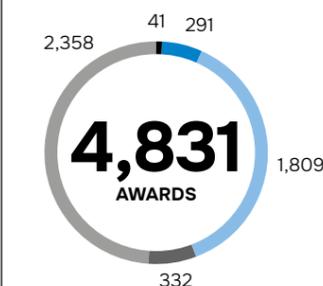
Number of DFAs granted to an employee depending on length of service

Length of service, years	Number of DFAs
Up to 1	0
1-4	2
5-9	4
10-14	6
15-19	8
Over 20	10

> **60 THOUSAND**

Company employees already holding DFAs at the time of writing this Report

Employee awards in 2023



- Governmental and President of Russia awards
- Ministerial and agency awards
- Awards from regional and municipal authorities
- Corporate awards
- Internal awards

Social partnership

The social partnership framework regulates labour relations within the Company and is a key tool to engage with employees. Other engagement mechanisms include offices for social and labour relations, a response centre, and task forces at branches.

Trade union organisations

The Company has 58 trade union organisations that are united into territorial trade unions and are part of the Trade Union of MMC Norilsk Nickel Employees, an interregional public organisation.

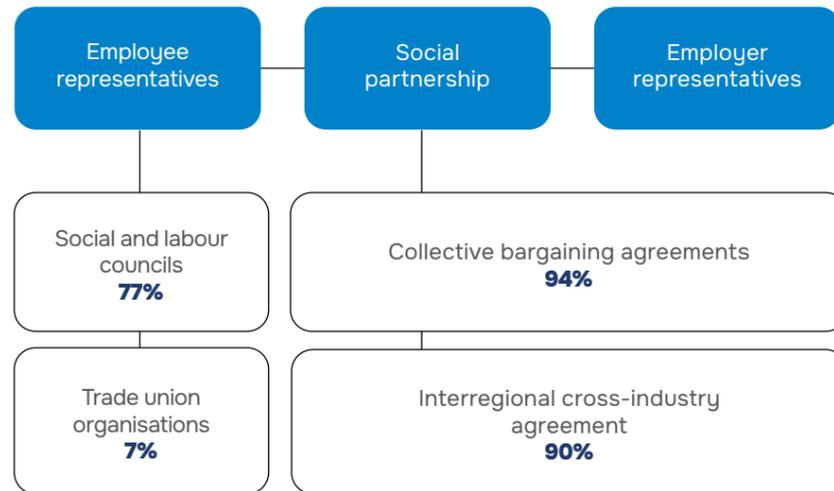
The trade unions of transport and logistics divisions of the Krasnoyarsk region are members of the Yenisey Basin Trade Union of Russia's Water Transport Workers, headquartered in Krasnoyarsk.

In 2023, trade unions participated in negotiations to extend collective bargaining agreements at eight Group companies for three years, in quality audits of catering facilities and healthy meals suppliers, and in special assessments of employees' working conditions.

Social and labour councils

Social and labour councils have been in place since 2006 to represent the interests of all employees at the local level. They can raise matters relating to health resort treatment, recreation, and leisure programmes for employees, disease prevention, provision of personal protective equipment, workplace and catering arrangements, etc.

Social partnership framework at Nornickel



Offices for operational, social, and labour matters

In addition to the Corporate Trust Line speak-up programme, the Group set up offices for operational, social, and labour matters back in 2003. Their key functions are to respond to queries and requests, oversee their review, regularly monitor team climate, and promptly resolve conflict situations.

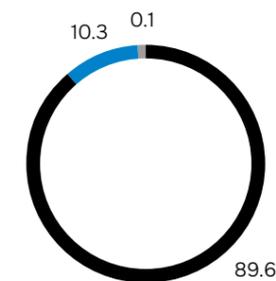
Relevant specialists review incoming queries and requests or redirect them to functions or production units and monitor response times and quality. Complaints are never forwarded to the managers whose actions are challenged.

In 2023, Group enterprises in the Norilsk Industrial District operated 26 offices, which received a total of over 49 thousand queries and requests from employees (82.5%), former employees (17%), and other individuals (0.5%).

> **49 THOUSAND**

queries and requests received by offices for operational, social, and labour matters operated by Group enterprises in the Norilsk Industrial District

Main topics of queries and requests, %



- Social welfare matters
- Legal matters
- Other

Collective bargaining agreements

Collective bargaining agreements at the Group's Russian enterprises comply with applicable laws and adequately reflect employee expectations.

In 2023, Group enterprises extended for three years eight collective bargaining agreements, which have historically provided one of the industry's best benefits packages. Today, all collective bargaining

agreements of the Group's Russian entities stipulate a uniform approach to regulating social and labour relations.

No breaches of collective bargaining agreements and no strikes or mass layoffs took place across Group enterprises in 2023.

Interregional cross-industry agreement

The interregional cross-industry agreement, along with collective bargaining agreements, regulates

social and labour relations at Group enterprises. Participants in the agreement establish uniform corporate approaches to compensation, work and rest hours, provision of guarantees, allowances, and benefits to employees, occupational health, and other matters. This allows Group enterprises active in various industries to pursue a uniform social policy.

In December 2021, the agreement was amended and extended for 2022–2025. Currently, it covers 21 enterprises.

Social programmes for employees

Health improvement programmes

Health resort treatment and health improvement programmes for employees and their families are among the most popular programmes offered by Nornickel as part of its social policy in the Far North.

In 2023, 17.5 thousand employees and their family members improved their health at the corporate Zapolyarye Health Resort in Sochi; 7.1 thousand employees spent their holidays at other health resorts, with 1.6 thousand employees' children visiting children's health resorts. The Company compensates its employees an average of about 86% of the trip voucher cost.

Sports programmes

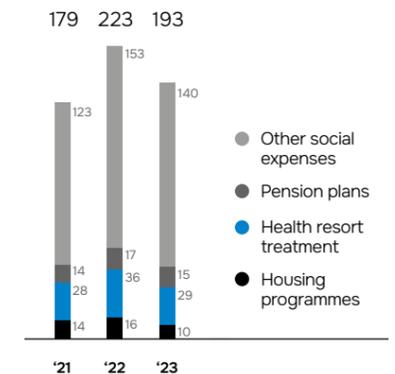
Another important social support programme run by Nornickel promotes corporate sports and supports healthy lifestyle. It aims to improve the quality of life, build a more attractive employer brand, and make sports more accessible to employees and local people in the Company's regions of operation.

The Company regularly holds sporting events with a particular focus on corporate competitions, including annual Spartakiads. Hockey, futsal, volleyball, basketball, alpine skiing, snowboarding, swimming, and family sports contests are particularly popular with employees. The Night Hockey League was established to encourage involvement in amateur hockey.

In 2023, a large-scale project, Nornickel: Hooked on Sport, was launched to help each employee stay physically active, eat healthy, effectively cope with stress, and feel satisfied with life and work. A mobile app was developed for project participants. The Company collaborated with Hero Race to organise the Nornickel Run Race at the Norilsk and Kola Divisions, which attracted a vast number of participants.

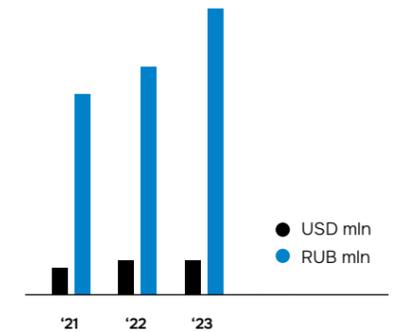
During the year, sporting and recreational events covered 27 thousand Company employees, live broadcasts of corporate competitions gathered over 55 thousand views.

Spending on social programmes for employees, USD MLN



Sports expenses

4.0 5.0 5.0
297.0 337.0 423.0



Housing programmes

In 2023, Nornickel continued its housing programmes, Our Home / My Home and Your Home, which enabled employees to purchase ready-to-move-in apartments on preferential terms across Russia.

Nornickel purchases housing at its expense and transfers it to employees under co-financing agreements: the employer pays up to 50% of the cost, but in any case no more than RUB 3 million (USD 35 thousand), with the rest paid by the employee within a certain period of employment with the Company (from 5 to 10 years). The cost of housing remains unchanged throughout the employee's participation in the programmes.

The Our Home / My Home programme entitles an employee to use the housing from the time they receive it, but the property title is registered in their name at the end of their participation in the programme. Under the Your Home programme, the property title is registered in the name of the employee immediately (with the title encumbered by a mortgage and encumbrance removed from the property once the employee fully repays the debt to the seller).

In 2014–2023, apartments for employees were purchased in the Moscow and Tver Regions, Krasnodar Territory, and Yaroslavl. To develop additional infrastructure, create a more comfortable living environment for employees, and optimise maintenance for the property management company, Nornickel purchased closely located properties. A total of 6,118 apartments have been provided to employees.

On top of this, Nornickel operates a subsidised loan social programme offering employees an interest-free

loan to pay the initial instalment and reimbursing a certain percentage of interest paid to the bank on the mortgage loan. More than 1.6 thousand employees have already benefited from these preferential loans.

Corporate pension plans

Nornickel offers its employees private pension plans. Under the co-funded pension plan, Nornickel and its employees make equal contributions to the plan. This provides incentives for pre-retirement employees with a long service record at Nornickel enterprises and considerable job achievements.

Support to former employees

As part of Nornickel's corporate social policy, the Company's Veterans programme aimed at supporting former employees targets unemployed pensioners who permanently reside in Norilsk. The main eligibility criterion is the employee's length of service at the Company.

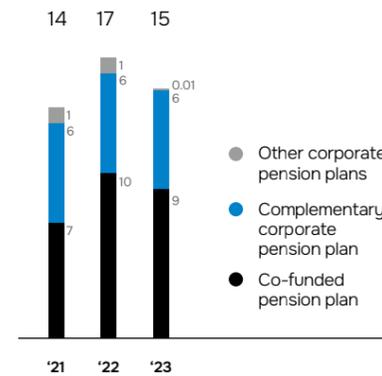
The Pensioner Financial Aid Fund supports former employees who retired prior to 10 July 2001 provided they had been employed by the Company for 25 years or more and permanently reside outside of the Norilsk Industrial District. The Fund relies on voluntary monthly contributions from employees and charitable contributions from the Company's budget.

The Company also provides targeted assistance to its former employees and their families in difficult circumstances, pays for health improvement, medicines, or funeral services.

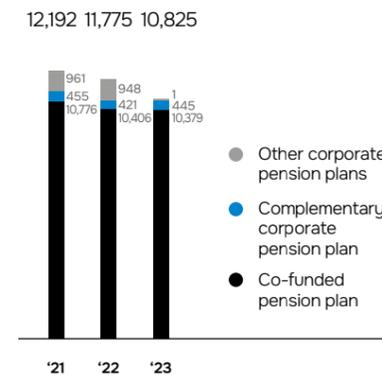
>1.6 THOUSAND employees benefitted from preferential mortgage loans

Contributions to, and participation in, corporate pension plans

Contribution, USD mln



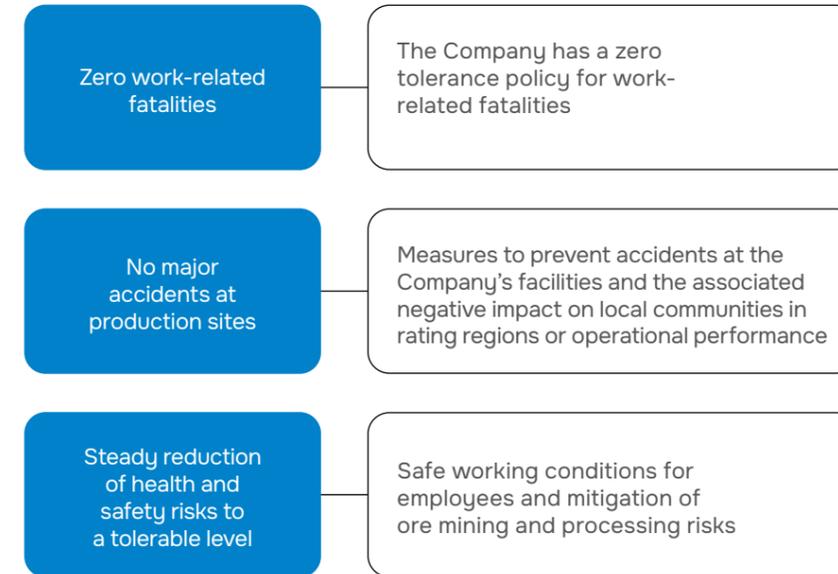
Number of participants, people



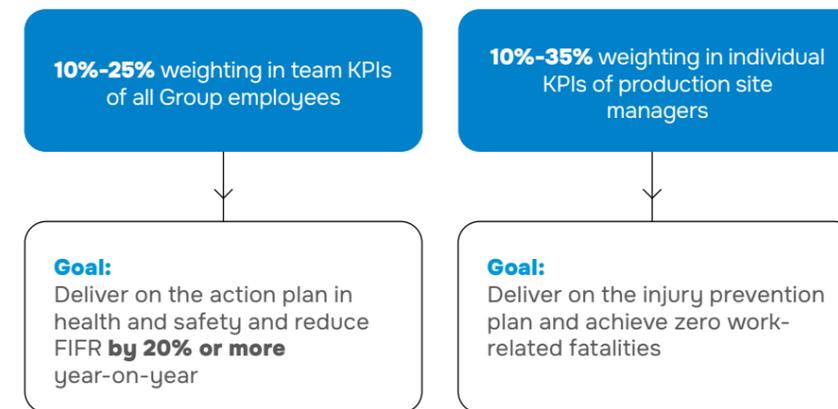
Health and safety

Management system

Strategic goals



Key performance indicators



Contribution to the UN SDGs

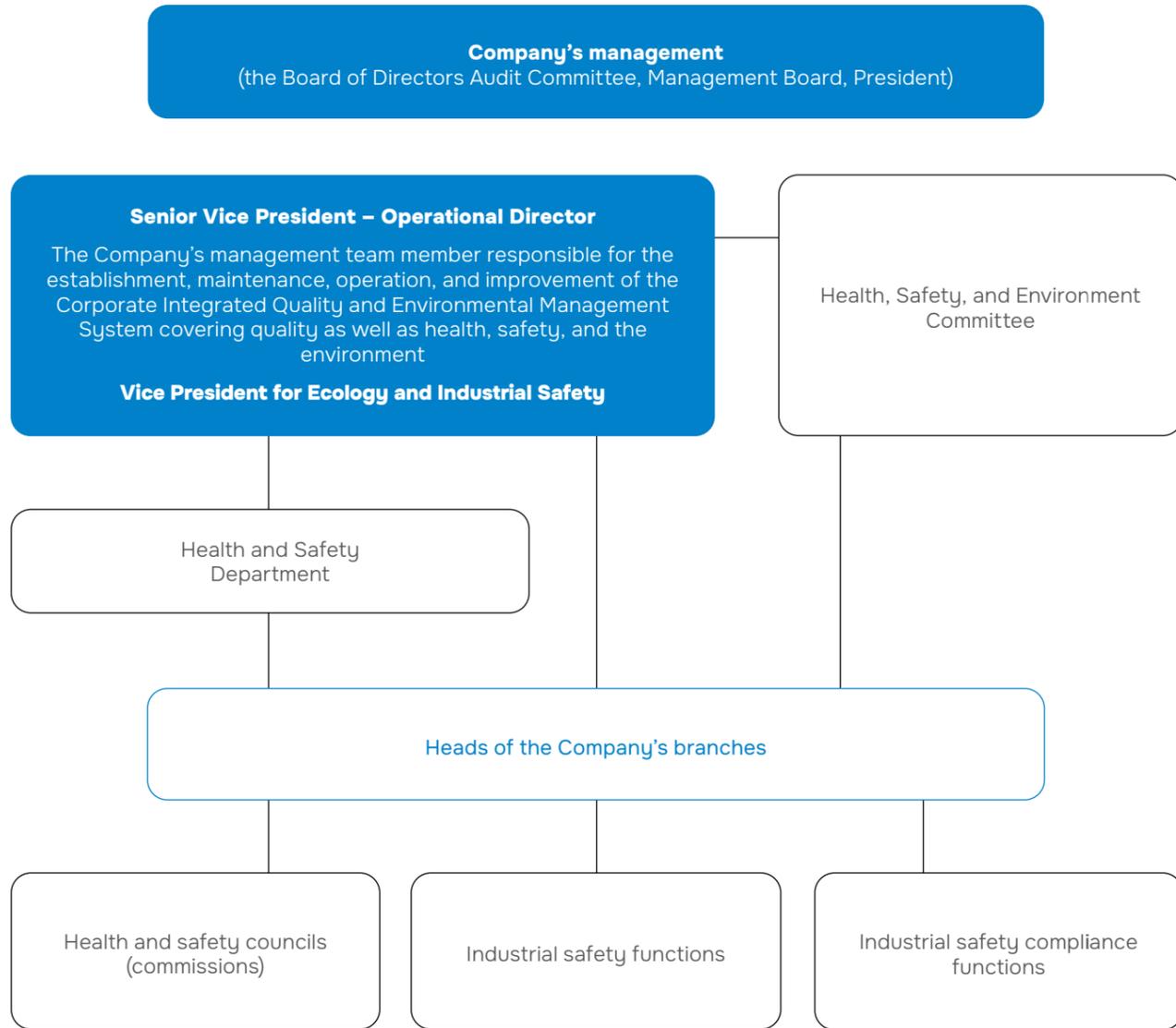


In 2022, the Company updated its key strategic objectives in health and safety for 2023–2025. Efforts in this area are primarily focussed on achieving an industry average injury rate and zero-rate fatalities.

Heads of production sites are personally responsible for the life and health of each of their subordinates. Injury and industrial safety metrics weigh between 10% and 35% in their individual KPIs. Failure to prevent a fatality blocks performance bonuses. In addition, team KPIs for all employees include injury rate and FIFR1 reduction by 20% or more, with 10%–25% weighting.

¹ Fatal Injury Frequency Rate, the number of fatalities per million hours worked.

Control structure



The Audit Committee at the Board of Directors deals with industrial safety matters. The Committee reviews management reports on industrial safety performance every quarter, hears reports on causes of accidents, measures taken to prevent

similar accidents in the future, and disciplinary actions taken against the employees at fault. The Company's Health, Safety, and Environment Committee, led by the Senior Vice President – Operational

Director, is focussed on improving performance and accountability in health and safety. The Committee meets quarterly at various production sites of the Group.

Certifications and audits

In 2023, Nornickel's health and safety management system updated its certificate of conformity through a successful audit.

Bureau Veritas Certification, the certification body, described the Company's OHS management system as mature and well-established and found that the corporate systems of Nornickel's audited companies met the relevant requirements of the standard. The Company's strengths cited by the auditor include the ongoing safety culture development project; use of IT solutions and

risk-based approach tools; contractor management; and focus on continuous improvement of the health and safety management system.

As at the end of 2023, 49%¹ of Group companies maintained health and safety certification ISO 45001

A total of 53 audits involving the Group's production site heads and their deputies took place in 2023. The audits included a comprehensive inspection of safe practices as well as equipment condition, maintenance, and operation.

49%
of Group companies maintained health and safety certification ISO 45001

53 AUDITS
took place in 2023

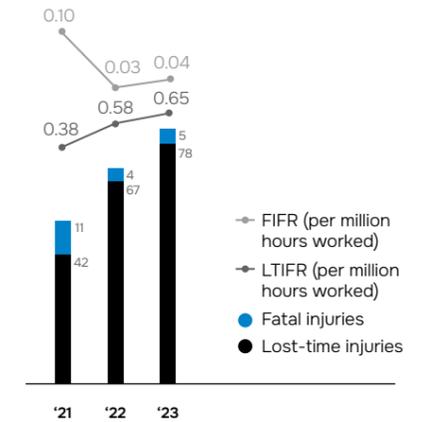
Work-related injuries

In 2023, the Company continued implementing its Building Risk-Based Thinking Skills project aimed at revising the health and safety incident reporting process to improve transparency and quality of incident classification. These efforts resulted in faster response times and unlocked more opportunities for further analysis of workplace incidents. Root cause investigation and identification were also

overhauled, which contributed to more effective incident prevention in the future.

In 2023, the Company's lost time injury frequency rate (LTIFR) slightly rose from 0.58 to 0.65 but remains below the industry average. Nornickel continued to improve mine safety by deploying its Anti-collision proprietary solution and enhancing its machinery and personnel tracking systems.

Work-related injuries across the Group, PEOPLE



¹ By average headcount.

Causes of fatalities

Item	2021	2022	2023
Fall from height	1	1	0
Falling objects	0	0	0
Moving objects/parts	3	0	0
Rock fall	2	2	0
Underground transport	0	0	3
Electrocution	1	0	0
Collapse of structures	0	0	2
Explosion	0	0	0
Other	4	1	0
TOTAL	11	4	5

Tragically, five fatal accidents were recorded at the Company in 2023. All accidents were thoroughly investigated, with the resulting reports submitted to the Board of Directors and action plans developed to eliminate their root causes. The Company continues to improve the quality of its incident investigations while also reinventing its occupational safety communications

with employees. The Group sees fatality-free operations as its strategic priority.

Following the investigations of structure collapse incidents in the Kola and Norilsk Divisions, the Company has structured a procedure for performing maintenance and repair of ore conveyors subject to the results of sensor-based non-destructive testing,

set up a technical council to assess the quality of repair, and decided to replace wooden roofing of vertical mine workings with concrete roofing.

To prevent collision of employees with self-propelled diesel equipment, the Company fits its mining machinery with the Anti-collision system that stops the vehicle if a pedestrian is detected in a hazardous area. Nornickel also installs walkways, traffic lights, and spherical mirrors. Common requirements have been developed for vehicle and pedestrian traffic plans in underground workings, and safety zones set up for remote control load-haul dumper (LHD) operators.

Following the investigation into a self-propelled drilling rig fall from height, Nornickel has developed a standard fence for vertical mine workings with change in elevation; visualised hazardous areas; provided operators of underground machinery with up-to-date traffic plans; and piloted underground navigation solutions.

Contractor safety

Contractors' work-related injuries

The Company's procedural documents on industrial safety – regulations, policies, corporate standards, Golden Rules of Safety – also apply to our contractors.

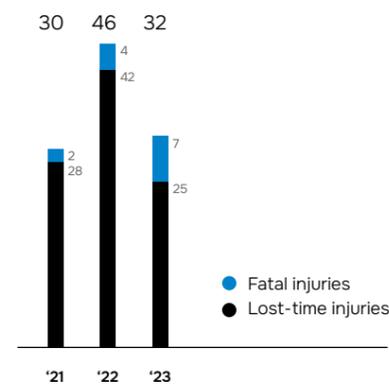
In 2022, Nornickel reviewed the general terms and conditions related to occupational health in its contracts with contractors to emphasise the achievement of zero fatalities and zero breaches of industrial safety rules.

All tasks performed by contractors in highly hazardous conditions are carried out in line with corporate

standards. Work permits must contain safety requirements to be met when organising and performing work. The Company checks compliance with these requirements during each shift. Prior to the commencement of any work, contractor employees are required to receive induction and targeted briefings on occupational health, including safety measures.

At its sites, Nornickel holds regular joint inspections for compliance with safety requirements and H&S committee meetings involving contractor representatives. In the event that contractors fail to comply with safety requirements, they are fined.

Contractors' work-related injuries



Safety culture

The Company continuously improves its H&S system elements. These changes cover all production units of the Company – from mining ore to making metals.

To keep employees well-informed about safety measures, the Company regularly develops and updates its guides, videos, presentations, and other visuals highlighting the most important guidance to protect life and health in various situations or when performing certain types of work.

A culture of safety begins with mindful behaviour and leadership demonstrated by each employee. Nornickel continues to run the Developing Risk-Based Thinking project across all of its mines while also growing its train-the-trainer

programme. Since 2023, 20 Group enterprises run an initiative that encourages employees to take ownership of workplace safety. This initiative has served as a basis for a bonus programme that encourages employees to adopt safer ways of working and offers additional rewards for showing initiative and taking responsibility. Bonuses are also awarded to employees who complete training in safe working practices offered by internal coaches and later successfully identify new risks and suggest mitigants. The bonus size depends on the extent of employee's involvement in risk mitigation and is between RUB 5 thousand and RUB 10 thousand. Once these bonuses were introduced, most identified risks were eliminated as employees adopted

a more responsible and mindful approach to health and safety requirements, thereby improving the overall manufacturing culture and employee engagement. In 2023, 449 employees earned bonuses to a total of RUB 3.5 million for identifying workplace risks.

The Company has in place a formal procedure for refusing a task if exposed to a risk. Such refusal does not entail any sanctions against the employee. Complaints or suggestions can be anonymously submitted by each employee via the Corporate Trust Line speak-up programme. On top of this, employees can ask questions and get feedback from managers of different levels at working meetings, huddles, etc.

Emergency preparedness

In line with Russian laws, Nornickel's facilities remain prepared at all times for any emergencies, including emergency containment and response. This is vital, as the Company operates more than 300 hazardous production facilities that rely on hazardous substances for their operational processes.

Emergency preparedness system

- ✔ Every enterprise has in place on-site emergency response plans
- ✔ Our employees take emergency response training, with drills conducted on a regular basis
- ✔ Contracts with professional emergency rescue services and organisations are maintained across the Company's footprint
- ✔ Provisions are made for emergency response at hazardous production facilities
- ✔ Auxiliary mine rescue teams are set up and take regular training in near-real-world settings
- ✔ Emergency surveillance, warning, communication, and response support systems operate across facilities

Monitoring of violations

Nornickel has developed and operates a multi-tiered H&S monitoring system, with ad hoc, targeted, and comprehensive H&S inspections.

Monitoring tiers

Tier I
Monitoring by a line manager, involving H&S officers Workplace inspection

Tier II and onwards
Monitoring by H&S commissions aided by management and employees

In 2022, the incident reporting procedure was changed to accelerate responses, and the incident classification system was improved to enhance further analysis. The investigation and root cause identification process was significantly transformed to prevent future incidents.

In addition, the Company conducts regular behavioural safety audits. The prevention and control team has identified and disciplined close to 8 thousand non-compliant employees, including by partially or completely stripping them of their bonuses.

Employee training

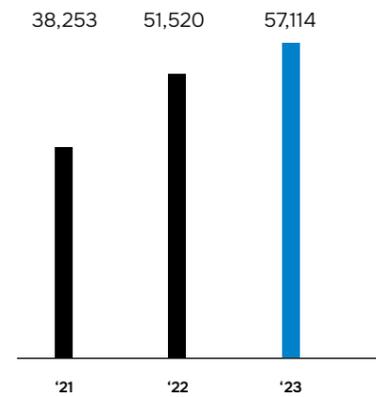
The Company is committed to ensuring its people have all the necessary knowledge, skills, and competencies to perform their duties in a safe and responsible manner.

Training starts right after a new employee is hired, with a health and safety induction and subsequent on-the-job briefings. Briefings are then repeated regularly in accordance with the existing corporate programmes. All Group employees also regularly take online industrial safety trainings followed by tests. There are also interactive training courses for employees in main occupations.

In 2023, over 57 thousand Group employees were covered by these trainings and briefings.

A project to establish a train-the-trainer programme for safety culture moved into an active phase during the year. In 2023, a total of 3,111 Dynamic Risk Assessment trainings were held involving about 45 thousand employees as well as 1,151 Behavioural Safety Audit trainings involving over 13 thousand employees.

Employees trained



>57 THOUSAND

Group employees took online industrial safety trainings followed by tests

Prevention of occupational diseases

To minimise the risk of occupational diseases, Nornickel operates the Sulphur Project aimed at reducing sulphur dioxide emissions, takes effective healthcare measures considering both workplace and personal risk factors, and encourages healthy lifestyle.

The Company protects employees from negative workplace factors by providing collective and personal protective equipment while also offering more effective work and rest schedules and better workplace amenities. All employees have a mandatory meal break during their shifts.

Regular health monitoring of employees is key to preventing occupational diseases. Employees undergo mandatory pre-employment, regular, and ad-hoc medical examinations at the Company's expense during their employment at the Company. Production enterprises have dedicated medical aid posts to perform pre-shift health checks and provide medical assistance on request.

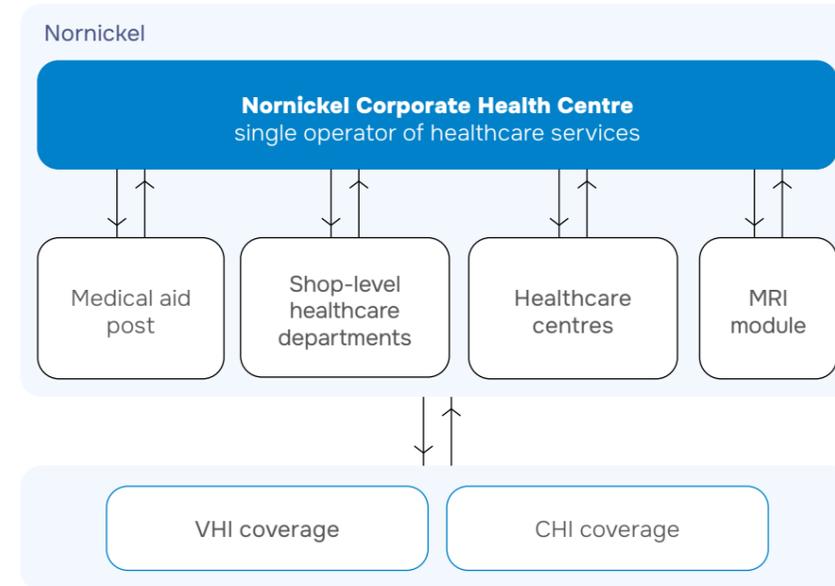
Special examinations at occupational pathology centres are provided to employees exposed to hazardous substances. Employees working in contaminated conditions are provided with free-of-charge wash-off and decontaminating agents. Employees exposed to hazardous or highly hazardous conditions are provided with free preventive nutrition, milk, or equivalent food products.

Corporate healthcare

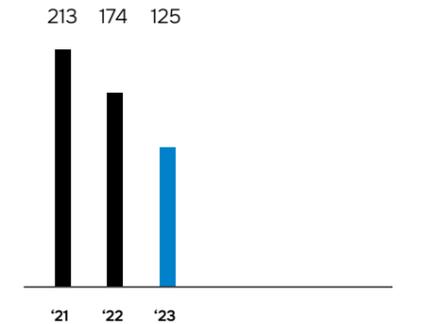
The Company is focussed on the availability of medical care for its employees and their families. To

provide them with quality and timely healthcare services both at medical centres and enterprises, the Company set up Nornickel Corporate Health Centre.

Nornickel's medical care framework



Newly identified occupational diseases



30

medical facilities put into operation since 2021

A total of

>2.2 MILLION

medical examinations delivered



249

types of medical services across 13 primary care specialties are provided by Nornickel's healthcare centre

86

types of medical services across five specialties are provided by an MRI department in Monchegorsk

174

types of medical services across nine specialties are provided by the Dudinka Medical Centre

Nornickel's first corporate medical centre opened in Norilsk in 2021 to service patients under the voluntary health insurance (VHI) programme. Today, it provides 249 types of medical services across 13 primary care specialties. The average appointment wait time ranges from seven days to one month, which confirms the high local demand for quality medical care.

In 2023, the Company continued to roll out its healthcare network to the production sites in the Norilsk Industrial District and on the Kola Peninsula. Shop-level healthcare departments were set up to prevent diseases and provide quality medical care to employees directly on-site.

An MRI department was commissioned at the Kolsky Health and Spa Centre in Monchegorsk, which provides 86 types of medical services across five specialties. In Dudinka, the Dudinka Medical Centre was opened. It currently offers 174 types of medical services across nine specialties, with a therapist, physical therapist, massage nurse,

and nursing staff available on a permanent basis. Specialist doctors come to the centre weekly from central outpatient facilities.

Since 2021, 30 medical facilities have been put into operation, with a total of more than 2.2 million medical examinations and over 34 thousand procedures delivered. At the moment, medical centres in the Talnakhsy and Kayerkansky Districts of Norilsk and in Monchegorsk are being prepared for launch.

The Company also rolled out its Digital Healthcare programme to deploy innovative IT solutions in medical technology. The programme was introduced at Zapolyarye Health Resort in 2021 and in Norilsk in 2022. A mobile app was developed and launched, enabling employees to access their medical records, make an appointment with a doctor, and get all the information they need about the clinics' services. Nornickel continues to digitise key medical documents and set up self-diagnostic systems and a disease risk assessment system.

Environment and climate

Environmental strategy

In 2020, Nornickel developed its Holistic Environmental Strategy which sets clear goals across key focus areas: climate change, air, water, soil, waste, and biodiversity. The Strategy was further detailed and approved by the Board of Directors in 2021 and updated in the first quarter of 2024.

 For more details on the Environmental Strategy, see [the Company website.](#)

The updated Strategy is divided into mandatory and voluntary sections. The mandatory part focuses on legal compliance and includes targets across seven key pillars: number of emergencies, air, water, tailings and waste, soil, biodiversity, and stock exchange requirements.

To meet the set targets, the Company developed programmes containing more than 150 specific initiatives.

Key measures include reduction of sulphur dioxide emissions in Norilsk and Monchegorsk; water recycling and reuse; commissioning and retrofit of wastewater treatment at discharge sites; land remediation, clean-up, and reforestation; monitoring of environmental media and the deployment of an automated pollutant emission control system; and biodiversity impact assessment in all areas affected by the Company's operations.

The voluntary section of the Strategy includes optional pillars, such as waste (increasing recycling rates), soil, some international initiatives and standards, and climate change – a total of 187 initiatives.

Contribution to the UN SDGs



To meet the set targets, the Company developed programmes containing

>150
ACTIVITIES

The voluntary section of the Strategy includes

187
ACTIVITIES



Environmental management

In place since 2005, Nornickel's Environmental Management System (EMS) is part of the Corporate Integrated Quality and Environmental Management System. This ensures coordination between all environmental matters and other areas, enhancing the Company's overall performance on environmental safety.

System audit

The Company confirms the EMS compliance with ISO 14001:2015 by engaging Bureau Veritas Certification Rus (BVC), a leading international certification body, to conduct surveillance audits once a year and recertification audits every three years.

Bureau Veritas Certification Rus operates in Russia under the accreditation of the Egyptian EGAC, which is a full signatory and participant of the IAF MLA (the Multilateral Recognition Arrangement of the International Accreditation Forum).

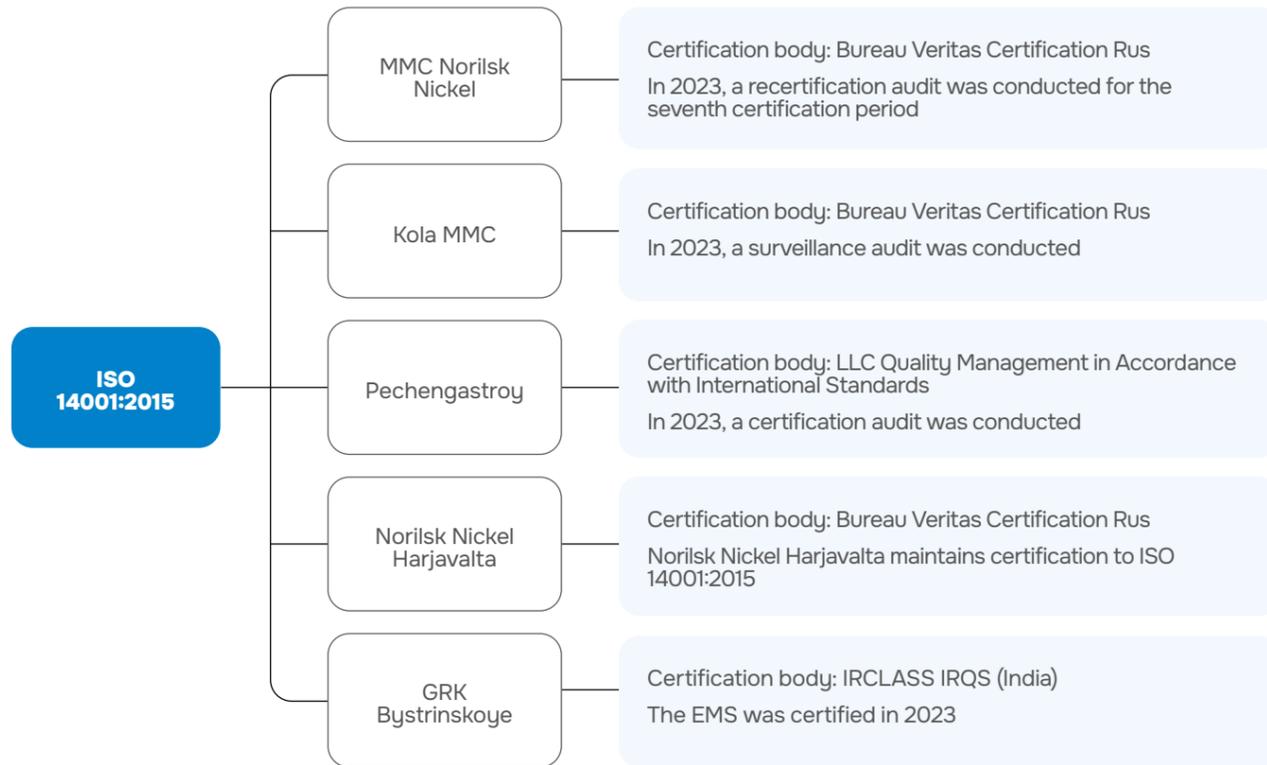
In 2023, the seventh recertification audit of the system confirmed the Company's compliance with the standard and extended the certification until 12 January 2027.

At the end of 2023, 53% of Group companies¹ were certified to this international environmental standard ISO 14001:2015

53%
of Group companies¹ certified to the international environmental standard at the end of 2023

Сертификат ISO 14001:2015

● Certificate ○ Certified assets ● Audit



¹ By average headcount.

Climate

Our approach

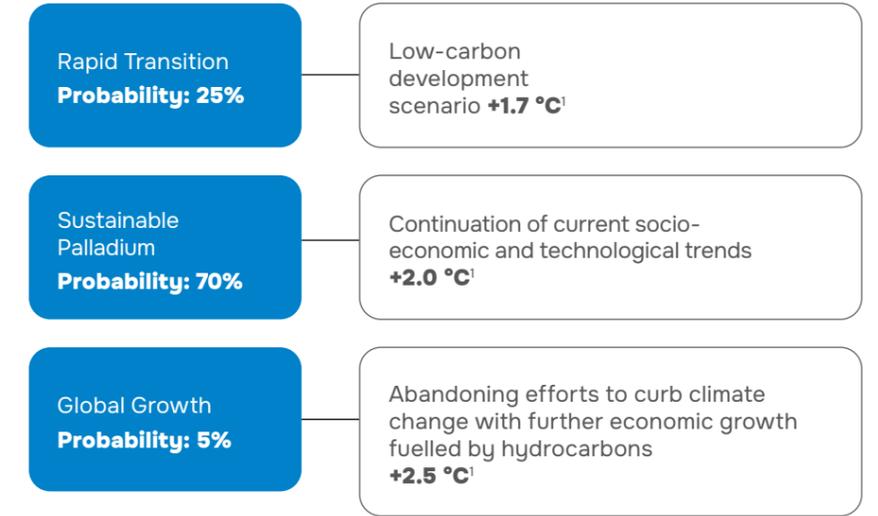
The Company continues integrating its climate risk and risk factor management system into its business processes in accordance with TCFD and COSO recommendations.

To assess risks and opportunities arising from the global energy transition, Nornickel has developed three own scenarios for global economy and climate change until 2050.

🔗 For more details on climate-related risks and opportunities, see the [Risk Management section of this Report](#).

The Company has chosen the Sustainable Palladium as its baseline scenario, according to which traditional industries are expected to remain centre stage along with the growing green economy. In particular, internal

combustion engine vehicles are expected to retain a large market share, resulting in a steady long-term demand for palladium. The other two scenarios are used by the Company to stress-test climate-related risks.



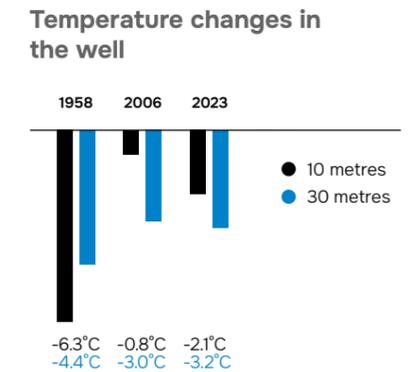
Permafrost monitoring

Climate change in the Arctic drives global-scale challenges and poses a significant threat to the security of polar infrastructure.

In 2022, Nornickel focused on building a science-based, practical framework for asset operation management. Deep monitoring wells were drilled in populated areas of the Norilsk Industrial District to study the permafrost soil temperature range and assess the impact of global climate change. A well in the centre of Norilsk, where temperature measurements have been taken since as early as 1958, was restored and fitted with a thermistor string. Data from the well are sent twice a day to the Company's Facilities Monitoring

Centre. Observations showed that in 1958 the base of permafrost was at a 150 m depth, while now it is at 147.7 m. The pace of permafrost thawing at the depth of 10 m was also established: the temperature there has increased by 4.2 °C since record keeping began, which confirms the steady trend of global warming.

The system developed by Nornickel to monitor permafrost and the facilities built on it enables assessments of the impact permafrost degradation on the Taimyr Peninsula has on the stability of engineering structures while managing related risks.



¹ Temperature change by 2050.

In 2023, the Company started to develop a scientific approach to monitoring permafrost and using these data to build mathematical models to assess the impact of natural and anthropogenic factors on permafrost. Cooperation was established with the Research Centre for Construction Technologies and Monitoring of Buildings and Structures in the Northern Arctic of the Fedorovsky Polar State University.

The technical condition of facilities built on permafrost in the Norilsk Industrial District is monitored to reduce the risk of emergencies. To date, more than 1.8 thousand automated sensors have been installed across 218 facilities to gauge soil temperature and displacement of individual elements, carry out an ongoing control of temperature and humidity in crawl spaces, respond to possible failures of heat and water supply systems, monitor for relative deformation of structures, etc.

Sensor readings are sent to the control unit in real time. Along with analysing automated monitoring data, the Centre's experts run a range of geotechnical surveys, including visual inspections, geodetic monitoring, and measurement of groundwater level and foundation soil temperature.

A new approach based on the methods of mathematical modelling of thermal and mechanical interaction was developed to assess the impact of climate change on the stability of facilities in the Norilsk Industrial District. It relies on the climate change forecast across the Company's footprint, prepared by leading research institutions. Buildings with foundation on soils that remained frozen

throughout construction and operation will be most affected by climate change. That said, one of the key challenges is the lack of information about the properties of soils, which have changed significantly during the operation of structures. To address this issue, geotechnical surveys and laboratory studies of frozen soils have been carried out to collect the necessary data.

Background monitoring

Nornickel was the first Russian organisation to set up its own regional system of background permafrost monitoring. The data obtained can be used to supplement the database on the condition and changes of permafrost in the natural environment, quantitatively predict changes in permafrost conditions, and assess natural and anthropogenic impacts on the soil temperature.

To date, studies have covered an area stretching about 147 km from the Norilsk Industrial District to Dudinka and measuring about 8 thousand sq km, and identified 11 testing grounds that best reflect the diversity of landscape and geocryological conditions. In 2023, the Company awarded contracts to drill 24 wells with a depth of 10 to 20 m and two wells with a depth of 200 m on the allocated testing grounds to assess permafrost characteristics and determine the parameters of terrestrial heat flow. The project was awarded the National Environmental Prize named after V.I. Vernadsky.

Thus, the Company now has geotechnical and background monitoring data that support informed and economically sound decisions regarding further operation of assets.

Greenhouse gases

In 2023, direct and energy indirect GHG emissions from operations (Scope 1 + 2) that could not be potentially removed by the Company amounted to 8.6 mln t, without the possibility of the process of absorbing greenhouse gas emissions in the Company.¹

The year-on-year decrease in GHG emissions (Scope 1 + 2) was due to:

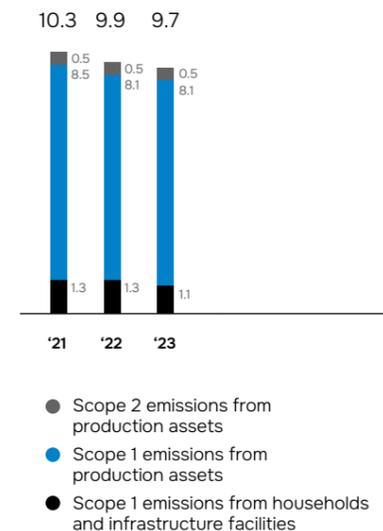
- lower per unit fuel consumption for electricity generation as a result of optimising equipment operation modes at combined heat and power (CHP) plants
- higher share of HPPs in the power generation mix due to the overall optimisation of the energy system's operation
- less diesel fuel burnt at CHP plants in 2023 year-on-year.

Energy indirect GHG emissions (Scope 2) were calculated using the location-based method, including regional emission factors. Notably, the Trans-Baikal Division and RusHydro signed a bilateral agreement to purchase 212.1 mln kWh of electricity generated by RusHydro hydropower plants, up 20% y-o-y. This reduced Scope 2 GHG emissions by more than 200 kt of CO₂ equivalent in 2023.

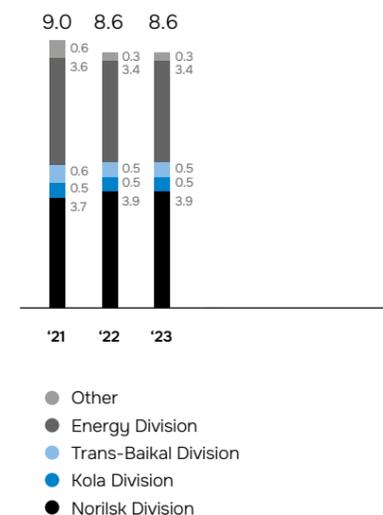
Nornickel is exploring opportunities for climate projects to reduce the impact of its operations on climate. To this end, the Company signed an agreement with Siberian Federal University to conceptualise approaches to implementing a comprehensive environmental and climate project.

The Company has also developed an innovative solution to utilise waste from its core operations to

GHG emissions, Scope 1 + 2, MLN T OF CO₂ EQUIVALENT¹



GHG emissions from operations by division, Scope 1 + 2, MLN T OF CO₂ EQUIVALENT



remove GHG carbon dioxide (CO₂). By extracting materials from mines and bringing them to the surface, the Company already creates conditions for mineralisation, which is a natural carbon dioxide absorption process.

Concentrators fine grind ores and separate useful elements from gangue – tailings. The tailings then undergo special treatment and are transported to tailings storage facilities to be distributed over the entire surface, which enables their reaction with atmospheric carbon dioxide. During mineralisation, minerals contained in Nornickel's ores react with carbon dioxide to form stable secondary carbonates, which remain in the tailings storage facility.

The tailings from ore concentration can chemically capture from 4.5 to 17.9 kg of CO₂ per tonne of tailings in the natural environment, depending on the mineral composition of gangue.

Calculations based on natural mineralisation studies conducted in 2022 and 2023 showed that about 300 kt of CO₂ has been removed. The Company is currently developing a methodology to estimate and account for this absorption capacity of tailings, which, once audited and verified by an external auditor, will be incorporated in the Company's statements on GHG emissions and removals.

The Company's further research is focused on developing a technology for accelerated and artificial mineralisation. Such a technology will significantly increase the absorption capacity of tailings as compared to natural mineralisation and, when implemented at all Company sites, reduce the carbon footprint of products in the long term.

In 2023, Nornickel submitted a Report on GHG Emissions to the Russian Ministry of Economic Development to include its data in the GHG emissions registry.² The calculations only include direct GHG emissions and are made as per Order No. 371 On Approval of Methods for Quantitative Determination of Greenhouse Gas Emissions and Greenhouse Gas Removals, dated 27 May 2022.

In addition, the Board of Directors approved Nornickel's Key Focus Areas of Carbon Neutrality, outlining key steps to reduce gross GHG emissions and carbon footprint of products over short-, medium-, and long-term horizons. The document emphasises development of low-carbon energy sources and climate projects, the use of energy-efficient technologies and equipment, artificial intelligence, and conversion of vehicles to alternative fuels. The Company also continues looking into opportunities for CO₂ capture and utilisation projects and unregulated bilateral power purchase agreements.

Nornickel's key production facilities are located in the Norilsk Industrial District, in the Arctic Circle, and operate in sub-zero temperatures for about eight months of the year. The district is isolated from the federal energy infrastructure, so Nornickel generates electricity and heat locally at its own generating facilities (100% owned by the Group). As a result, the bulk of GHG emissions comes from the Company's energy assets. As Nornickel is the only producer of electricity and heat in the Norilsk Industrial District, the Company also fully meets the demand for energy and heat from social infrastructure facilities and the local population. The share of GHG emissions generated by infrastructure facilities and households in Nornickel's regions of operation is on average 12% of total Scope 1 + 2 GHG emissions.

¹ The emissions were calculated using the location-based method, including the emissions allowance for the Sulphur Project and excluding emissions from heat and electricity supplies to household consumers.

¹ GHG emissions were calculated as per the GHG Protocol Guidelines. Estimates of greenhouse gas emissions for the Group included the following greenhouse gases: direct emissions of carbon dioxide (CO₂) – 9.5 mln t, nitrogen oxide (N₂O) – 0.051 kt, and methane (CH₄) – 5.2 kt, mostly from gas transportation, including the Sulphur Project, and heat and electricity supplies to household consumers.

² According to Federal Law No. FZ-296 On Limiting Greenhouse Gas Emissions, dated 2 July 2021, starting from 2023, emitters generating 150 kt of carbon dioxide per year or more must submit annual reports on their GHG emissions by 1 July of the year following the reporting year.

Scope 3

The Company annually quantifies its other indirect (Scope 3) GHG emissions, which originate outside the Group and are beyond the Group’s control or influence. The Company distinguishes between upstream and downstream Scope 3 emissions.

The bulk of upstream Scope 3 emissions is related to the purchase of raw materials and equipment from suppliers as well as energy and fuel consumption

(to the extent not included in Scope 1 + 2). Upstream Scope 3 emissions have been primarily impacted by lower diesel fuel consumption for power generation in the Norilsk Industrial District and by the sale of NordStar Airlines in 2022.

Downstream Scope 3 emissions come mostly from transportation and processing of intermediates sold outside the Group – iron ore and copper concentrates produced by the Trans-Baikal Division and nickel

intermediate products. Downstream Scope 3 emissions are influenced by changes in sales volumes, the Group’s product and customer portfolio, and the geographic mix of product sales. In 2023, these emissions increased year-on-year mostly due to higher sales of intermediates.

Scope 3 emissions are quantified in line with the GHG Protocol guidance for all categories relevant to the Group and the IPCC Guidelines for National Greenhouse Gas Inventories.

GHG emissions, Scope 3, MLN T OF CO₂ EQUIVALENT

Emissions by category	2021	2022 ¹	2023
Scope 3 (other indirect GHG emissions)	5.4	5.3	6.4
UPSTREAM¹, INCLUDING:	1.4	1.4	1.3
raw and other materials	0.8	0.9	0.8
equipment	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
from processing of sold products	3.8	3.7	4.9
from transportation	0.2	0.2	0.2

Energy sources and energy efficiency

The Company’s key renewable energy source is hydropower generated by the Group’s Ust-Khantayskaya and Kureyskaya HPPs. In 2023, the share of renewables in total electricity generation stood at 55% for the Group and 58% for the Norilsk Industrial District. The share of renewables in the Group’s total electricity and fuel mix was 12%.

Nornickel has its own energy assets located in the Norilsk Industrial District. Natural gas and renewables (hydropower) are the core low-carbon sources for energy generation. Diesel fuel, fuel oil, petrol, and jet fuel are used by Nornickel’s transport assets. Use of coal by energy assets is minimised to only small amounts in certain production processes.

55%

Share of renewables in total electricity generation for the Group in 2023

58%

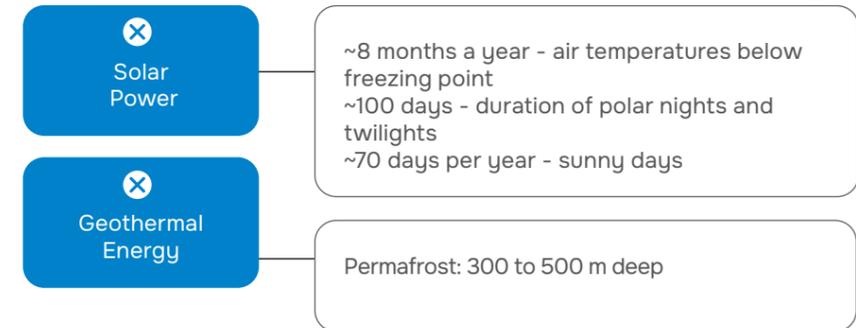
Share of renewables in total electricity generation for the Norilsk Industrial District in 2023

¹ As part of its effort to standardise the approach to identifying GHG emission sources, the Company reduced the uncertainty of calculating upstream Scope 3 emissions by excluding insignificant sources in the Purchased Goods and Services and Capital Investment categories from the calculation. The 2021 and 2022 data have been recalculated using the new approach.

The use of other renewables, such as solar and geothermal energy, is impracticable as Nornickel’s core operating assets are located in a region with harsh climatic conditions.

The Group’s own energy assets produce about 54% of total energy and 90% of electricity consumed by the Group. The Company also supplies electricity and heat to external consumers, primarily local social infrastructure and local communities in the Norilsk Industrial District.

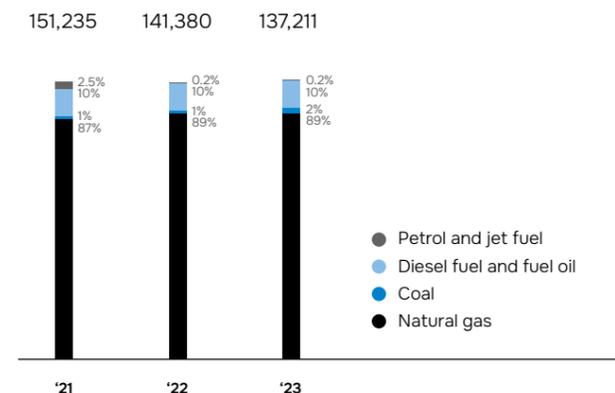
Due to harsh climates, not all renewables are available in the Arctic Circle



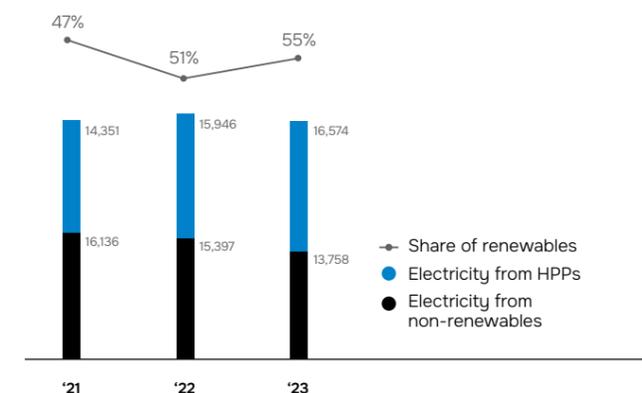
Energy generation and consumption by the Group¹, TJ

Item	2021	2022	2023
Fuel consumption by the Company ²	151,235	141,380	137,211
• Natural gas	130,867	125,933	121,643
• Diesel fuel and fuel oil	15,097	13,581	13,080
• Petrol and jet fuel	3,715	311	308
• Coal ³	1,557	1,555	2,180
Electricity and heat from own renewable sources (HPPs)	14,586	16,152	16,800
Electricity and heat purchased from third parties	10,891	11,005	8,700
Sales of electricity and heat to third parties	19,974	18,968	19,216
TOTAL CONSUMPTION OF ELECTRICITY AND FUEL⁴	156,383	149,274	143,146
Share of renewables in total electricity and fuel consumption	9%	11%	12%

Fuel consumption by the Group, TJ



Electricity consumption by the Group, TJ



¹ For a detailed breakdown of the Group’s energy consumption by enterprise, see Nornickel’s Sustainability Report 2023.

² Including the fuel used to generate electricity for Norilsk.

³ Coal is only used in production processes, with the Kola Division accounting for 60% of total consumption, the Trans-Baikal Division 20%, and the Norilsk Division 20%.

⁴ Including losses.

The Group attaches great importance to improving the energy efficiency of its existing and future production sites, focusing on keeping GHG emissions within the targets announced in its comprehensive environmental programme. In 2023, the Company invested more than USD

400 million in upgrading its energy infrastructure. The investments cover multiple projects related to equipment replacement at thermal and hydropower plants and upgrades to fuel tank storage facilities, power grids, and gas pipelines. In 2023, 45 energy-saving initiatives were implemented.

Air

High sulphur dioxide emissions from the smelting of sulphide concentrates with high sulphur content are a key environmental issue for the Company.

business by implementing Sulphur Project 2.0 across the Norilsk and Kola Divisions and thus cutting its sulphur dioxide emissions.

Our targets

Nornickel's strategic plan is to transform the Company into an environmentally clean and safe

In 2023, the Group's pollutant emissions totalled 1.7 mln t, down 6.1% y-o-y. The decline was due to lower sulphur content in metal-bearing feed.

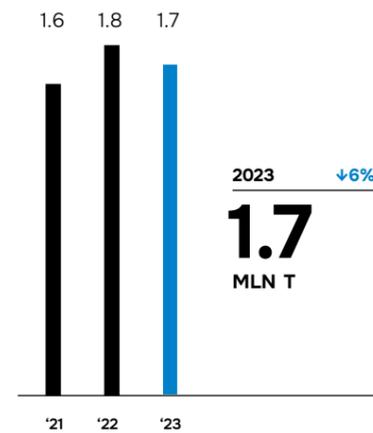
Air pollutant emissions across the Group, KT

Item	2021	2022	2023
Sulphur dioxide (SO ₂)	1,601	1,778	1,671
Nitrogen oxide (NO _x)	11	10	6
Particulate matter	9	11	11
Other pollutants	25	21	20
TOTAL	1,647	1,819	1,708

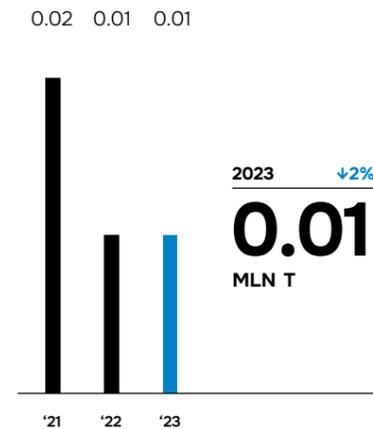
>USD **400** MLN

invested in upgrading energy infrastructure in 2023

SO₂ emissions from the Norilsk Division, MLN T



SO₂ emissions from the Kola Division, MLN T



Water

The Company's assets are located in regions with sufficient water resources. In 2023, as in previous years, no shortage of water was reported as enterprises and households were supplied with sufficient amounts of water.

relatively low level. Furthermore, the Company never withdraws water from protected natural areas. The water we use is mostly withdrawn from surface and underground water bodies, in addition to third-party wastewater and natural water inflow. Water withdrawal in 2023 decreased by 38 Mcm y-o-y, including a 17 Mcm decrease in fresh water. This was due to the launch of automated systems for energy metering, savings in water consumption, and variable water withdrawal for cooling CHPP equipment. Natural water inflow accounted for 16.3% of total water withdrawal in 2023. All facilities using water have programmes in place to monitor water bodies and water protection areas.

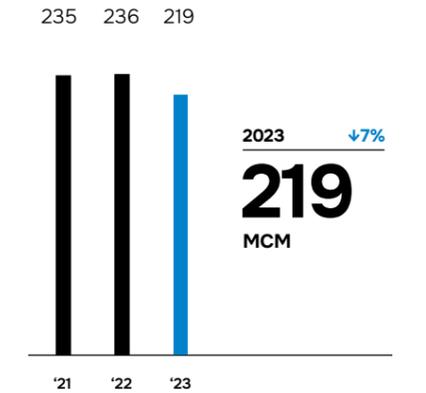
Nornickel is committed to responsible and sustainable use of water resources and prevention of water body pollution. To this end, the Company regularly monitors groundwater at production facilities and designs water collection and treatment systems.

The Company is extremely careful about its use of fresh water and strictly complies with restrictions applicable to industrial water withdrawal.

Nornickel's key production facilities use closed water circuits to keep clean water withdrawal on a

In 2023, 83% of all water used was recycled or reused, in line with the Company's strategic goals.

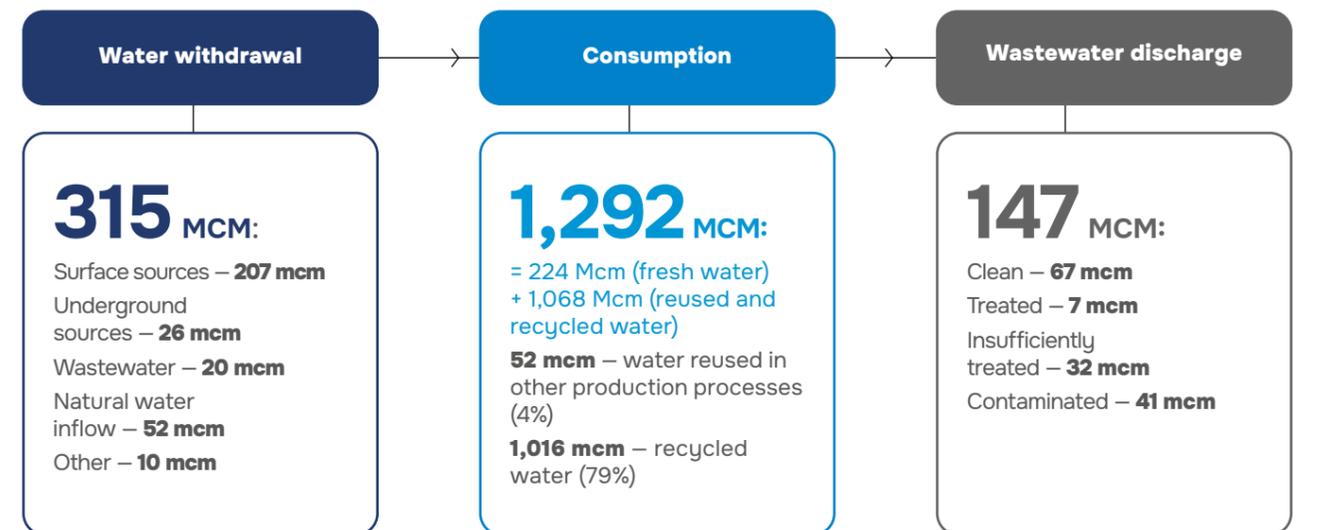
Total fresh water withdrawn for production activities with the exception of mine waters, MCM³



In 2023, water withdrawal decreased

BY **38** MCM

Water consumption and wastewater discharge in 2023



Wastewater discharge into water bodies primarily stays within the approved limits and has no material impact on biodiversity of water bodies and related habitats. In 2023, the Company decreased its total wastewater discharge by 12.5% y-o-y, with untreated wastewater discharge unchanged year-on-year. In 2023, the mass of pollutant discharges decreased by 25% y-o-y to 157 kt.

The Company routinely partially reuses its produced and mine waters in production, particularly at concentrators, and in sulphuric acid neutralisation under the Sulphur Project.

Nornickel strives to comply with legal requirements for pollutant concentrations in wastewater. All domestic sewage discharges are treated at biological or mechanical and chemical treatment facilities to ensure

that water quality meets accepted standards. All programmes at the Company contain measures to this end.

The Company's regular measures to assess its impact on water resources include:

- wastewater inventory
- assessment of wastewater quality at accredited laboratories as often as required by laws
- monitoring of wastewater discharge volume and quality at discharge sites
- observation of surface water bodies at control points upstream and downstream of discharge sites
- investments in improving the performance of water treatment systems and building new systems
- monitoring of wastewater treatment processes at treatment facilities and implementation of organisational and technical measures to improve treatment effectiveness.

open pits, road fill, or for tailings dam reinforcement. In total waste generated, gangue accounts for 80%, tailings 17%, and recycled/reused waste 19%.

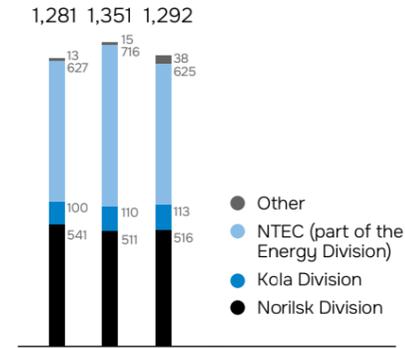
Total waste generation increased in 2023 due to the development of the Mokulayevskoye limestone deposit.

Waste

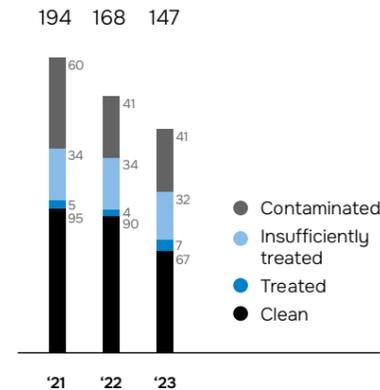
Over 99% of the Company's generated waste is mineral and non-hazardous. Such waste includes rock and overburden, tailings, metallurgical slags, and ferrous cake.

Ore extraction waste is placed in tailings and used as backfill for underground workings and

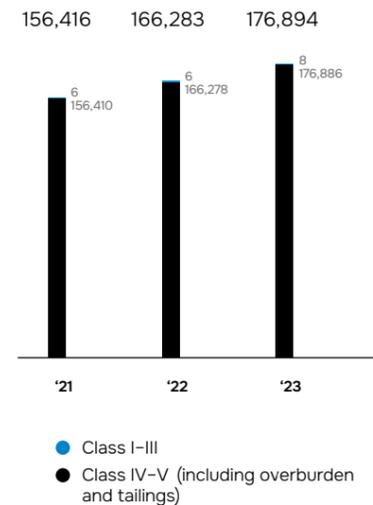
Water consumption by the Group, MCM



Wastewater discharge, MCM



Waste generation by hazard class, KT



Tailings

Today, Nornickel operates six tailings storage facilities: four in the Norilsk Division, one in the Kola Division, and one in the Trans-Baikal Division.

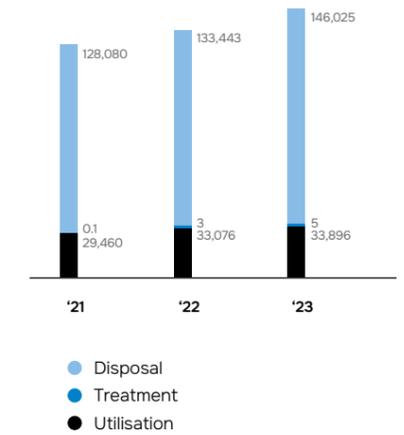
While all tailings storage facilities operated by the Company are located at a significant distance from production facilities and local communities, Nornickel recognises these facilities as higher-risk

assets with significant potential environmental and social impacts. This is why the Company has in place the Tailings Management Policy, regularly monitors the condition of hydraulic structures, and inspects discharge sites as well as adjacent areas.



Tailings Management Policy

Waste management, KT



Biodiversity

Although Nornickel has been focused on supporting protected areas in its regions of operation for years, it was not until 2022 that the Company decided to establish a dedicated biodiversity impact management system. This led to first baseline surveys, which became another milestone in Nornickel's history of partnering with research institutions for biodiversity conservation.

The baseline survey project, known as the Big Scientific Expedition, is a comprehensive study of the ecosystems near the Company's mining, production, and energy facilities. Phase 2 of the Expedition covered three regions: the Zabaykalsky Territory, the Murmansk Region, and the Taimyr Peninsula. This biodiversity survey became the most extensive ecosystem study since the Soviet era.



For more details on the survey findings and Nornickel's biodiversity conservation measures, see life.nornickel.com, the dedicated website with data by division,



and the Biodiversity section on the Company website.

Nornickel created the life.nornickel.com website to tell about its biodiversity conservation projects and individual measures taken in clear and simple language.

Phase 2 of the Big Scientific Expedition brought more detailed delineation of the areas where ecosystem biodiversity is exposed to impact from our operations. New data were also used to update the methodology for calculating the integrated ecosystem health indicator (IEHI), which will be used in assessing progress towards the goal of net-zero biodiversity loss. Changes in the IEHI can also confirm biodiversity net gain where it is achieved. In addition to refining the boundaries and methodology for calculating the IEHI, the 2023 surveys established which negative impacts from operations affect the surrounding ecosystems.

The scientists used the latest research methods, molecular genetic and phytochemical, and seamlessly integrated the results into the existing methodology for calculating the IEHI. The molecular genetic studies also discovered a new weevil species near Norilsk, which Norilsk residents called

“putoranchik” after the Putorana Plateau, and a lot of new Myxogastria species in the Zabaykalsky Territory.

The team also studied how heavy metals migrate from rock dumps and proved that such migration does not affect plant diversity: the dumps were initially set up in areas with increased natural content of heavy metals in soils, so their leaching does not have a negative impact on plant and soil ecosystems as they are adapted to increased heavy metal concentrations in soils. Such adaptability is characteristic of places where ore bodies lie very close to fertile soil layers.

The next step in developing a biodiversity impact management system is to use the baseline study results to finalise the draft corporate Standard for Ecosystem Biodiversity Conservation and Monitoring and divisional biodiversity conservation and monitoring programmes and incorporate them into short-term biodiversity conservation action plans (measures). The draft standard describes how impacts on biodiversity are managed, while conservation and monitoring programmes

contain information on division-specific biodiversity aspects. All this information feeds into action plans (measures) for biodiversity conservation. The documents are expected to be finalised and approved within a year of the end of the last, third, phase of the Big Scientific Expedition.

Studies to improve the productivity of Lake Pyasino through eutrophication were another separate project, now in its second year.

Nornickel also signed an agreement with the Russian Ministry of Natural Resources and Environment to preserve the gyrfalcon population in Russia, starting this effort in 2023.

Cooperation with nature reserves

There are no nature reserves in the proximity of Nornickel's operations. In the Murmansk Region, the Pasvik and the Lapland Nature Reserves are 10 to 15 km away from the Kola Division production facilities. In the Krasnoyarsk Territory, the boundaries of the Putoransky Nature Reserve buffer zone are at a distance of 80 to 100 km from the Norilsk Division production sites.

In 2023, Nornickel environmentalists, expedition participants from the Siberian Branch of the Russian Academy of Sciences, and representatives of the nature reserves wrapped up the second year of the Big Scientific Expedition. The

expedition covered the areas around Nornickel's mining and processing operations. Its key feature was collaboration between researchers and scientists from the nature reserves who have the most complete statistical data on biodiversity within their respective areas over the past decades.

In line with its long-term strategy to maintain biodiversity in its regions of operation and preserve the unique Arctic nature, the Company also organises regular volunteer campaigns, supports nature reserves, and finances studies on Red Data Book animals.



Social policy

Nornickel is playing an important role in the Russian economy and has a strong impact on the social and economic life in its operating regions. With its enterprises located mostly in single-industry towns, Nornickel seeks to foster a favourable social climate and create a comfortable urban environment, providing its employees and their family members with ample opportunities for creative pursuits and self-fulfilment.

To this end, Nornickel maintains partnerships with its operating regions, whereby all stakeholders collaborate on the development and implementation of social programmes.

The harsh climate faced by Nornickel employees in life and at work, the remoteness of the Company's key industrial facilities, and the increasing competition for human capital across the industry call for a highly effective, human-centred social policy that would promote Nornickel's reputation as an employer of choice.

Contribution to the UN SDGs



Support for indigenous peoples

Nornickel uses a comprehensive approach to engagements with indigenous peoples, consistently scaling related support programmes. They cover Nenets, Dolgans, Nganasans, Evenks, and Enets on the Taimyr Peninsula, and Sámi, Nenets, and Komi in the Murmansk Region.

The Company contributes to preserving ethnic communities, their traditional lifestyles, and indigenous trades. Engagement with indigenous peoples living within the Company's footprint is driven by respect for their rights, indigenous culture, and historical heritage. Nornickel maintains a mutually beneficial dialogue with indigenous peoples, recognises its responsibility for ensuring their well-being, and encourages careful attitudes towards indigenous habitats.

The Company's commitments and key principles of engaging with indigenous peoples are set out in its Indigenous Rights Policy, which reiterates, inter alia, its commitment to implement free, prior and informed consent (FPIC) for indigenous peoples where applicable, according to the standards and recommendations of the International Council on Mining and Metals (ICMM).

~ RUB 1 BN
spent by the Company on projects to support indigenous peoples in 2023

Nornickel's metals and mining assets are located outside ancestral lands of indigenous peoples. The Company's voluntary commitments towards the indigenous peoples of Taimyr are formalised by agreements and minutes of meetings with representatives of indigenous family communities.

For instance, Nornickel, Wowhaus architectural bureau, and the Norilsk Development Agency have teamed up to hold a public consultation with Tukhard residents (Taimyr) focussed on the new settlement’s master plan and house plans. The consultation was part of a process to obtain FPIC for any changes from affected indigenous peoples, held in line with the UN principles. During the discussion, comments and suggestions of Tukhard residents were taken into account.

Nornickel operates a programme to support and develop the indigenous peoples of Taimyr. The programme’s terms are detailed in the quadripartite agreement on engagement and cooperation for 2020–2024, with allocated funds exceeding RUB 2 billion.

The Company supports the sustainable development of indigenous peoples, involving them in the efforts to enhance their quality of life, preserve indigenous habitats, improve infrastructure, facilitate traditional economic activities, and increase access to healthcare, education, culture, sports, and tourism services.

In 2023, a key programme highlight was the World of Taimyr contest aimed at addressing local challenges and fostering the sustainable development of indigenous territories. Only indigenous participants and non-profit organisations acting in the interests of indigenous peoples were eligible for participation in the contest. The winners started implementing their projects in June 2023 and are expected to complete them in November 2024. A total of 18 social-impact projects received the grants totalling RUB 52.8 million.

The Indigenous Communities Coordination Council, created at the initiative of indigenous peoples, operates in the Norilsk Division to monitor the programme’s implementation. A total of 58 indigenous family communities are represented in the Council to provide public oversight for the programme as well as to ensure, through voting, fair allocation of extra funds for strengthening the communities’

infrastructure, helping them prepare for autumn and winter hunting and fishing seasons, and fostering indigenous culture and traditional economic activities (RUB 100 million on an annual basis).

To handle routine matters and coordinate engagement with indigenous peoples, a department was set up within the Norilsk Division, responsible for engagement with indigenous peoples of Taimyr and staffed with the right level of indigenous talent.

In 2021–2023, local educational institutions organised community service activities for high school students across local communities; the Five Hunters game was published; and offline translators into indigenous languages, unique in Russia, were developed. Façades of 75 homes were heat-insulated at the villages of Popigay and Zhdanikha; 30 thousand refractory bricks were delivered for the repair of heating stoves at eight settlements within the Khatanga rural municipality; premises were repaired in the

Community Centre at the Khantayskoe Ozero; and repair materials were acquired for the Volochanka and Ust-Avam settlements.

Nornickel supported the International Decade of Indigenous Languages started in 2022. Initiatives run by the Company on the Taimyr Peninsula in 2023 aimed at preserving and promoting indigenous culture. They included the Nomad Camp festival, youth forums, a folklore festival, and a project to create language nests. The first ever literary competition in indigenous languages of Taimyr, Voice of the North, was held during the year.

In 2023, the Company spent close to RUB 1 billion on projects to support the indigenous peoples of the North.

Nornickel’s strength in engaging with indigenous peoples is driven by its ongoing contacts with indigenous communities and families and regular discussion of issues as they arise, contributing to better understanding and inclusive engagement.



Youth programmes

Add Colours to Your Town project

For ten years running, Nornickel has been holding its annual Add Colours to Your Town art contest for children and young people living in Norilsk and Monchegorsk. The main idea behind the project is to engage the younger generation in transforming these places through art, foster place attachment, and build a vision of their future intertwined with where they live. Apart from providing a springboard for art projects, the contest encourages responsible attitudes towards the environment and sustainable use of resources.

Career guidance for children

On 1 September each year, the Company provides all first-graders in its host cities with A Book on How Metals Helped Build Cities, showcasing metals and mining jobs. Consistent career guidance efforts foster a feeling of pride for Nornickel among children and helps them relate to what Nornickel does as well as introduce them to local cultural heritage while promoting scientific knowledge and making science more attractive through exposure to the Company’s production processes.

Green Brush online camp

Every year during vacations, Nornickel supports the Green Brush online children’s camp to offer career guidance and foster green behaviours and a safety culture. The project lays a foundation for training future environmental engineers and H&S professionals by teaching school students to be environmentally responsible and considerate as well as conscious of their own safety and the safety of those around them.

In 2023, over 600 schoolchildren aged between 8 and 14 participated in webinars, creative workshops, and online quizzes hosted by practicing environmental engineers, geologists, occupational safety specialists, and education experts. Around 80 people took part in webinars for teachers.

City of Endless Inspiration art festival

The second City of Endless Inspiration public art festival was held in Norilsk in 2023 supported by Nornickel. The festival’s key message is that we can and should improve the environment we live in, and public art, such as street art, singing, playing music, and dancing are excellent tools to do just that. The festival helps rally

Norilsk residents around the idea of improving the city and its environment by creating art together.

Reflection was the keynote idea behind the most recent festival. People, urban space, and art are all reflections of the city. Throughout the event, local residents could take part in interactive immersive activities that put a spotlight on the beauty of the city and its people. During the festival, more than 3 thousand local residents attended creative laboratories, masterclasses and workshops, with the most active participants recognised with prizes. In the run-up to the event, a campaign was held to collect scrap metal and plastic bottle caps, which the festival participants turned into unique art projects during the festival.



Charity programmes

World of New Opportunities

To foster sustainable development across its operating regions, Nornickel has launched the World of New Opportunities charity

programme focussed on building social skills among local communities, demonstrating and incorporating new social technology as well as supporting and encouraging community initiatives and intersectoral partnerships.

The programme’s key focus areas in 2023:

Focus area	Programmes and projects
Develop!	We Are the City! social technologies forum Socially Responsible Initiatives Competition World of Taimyr project contest Social Engineering Bureau Peremena: Change Starts with You education project SVET ON youth forum
Invent!	IMAKE engineering marathon
Act!	An accelerator for regional entrepreneurs and an investment round
Create!	Norilsk Development Agency Second School centre for community initiatives in the Pechengsky District Monchegorsk Development Agency

The programme’s goals include developing the service economy across Russian regions, improving the business climate, and facilitating the development of small- and medium-sized businesses, including social entrepreneurship. Since 2014, training programmes have been annually delivered for business communities, with support from trainers and mentors. On top of this, in 2023, Nornickel provided access to entrepreneurship trainings and financial aid for launching a business to high-school and university students based in Norilsk.

During the year, over 80 participants were trained under entrepreneur support programmes, with 35 projects selected for post-training investment rounds. A total RUB 49 million in interest-free loans (for nine projects) was raised in Norilsk and RUB 20 million (for eight projects) in the Murmansk Region.

For more details on the World of New Opportunities programme, see Nornickel’s 2023 Sustainability Report.

In 2023,

>32 THOUSAND PEOPLE

attended the World of New Opportunities events

>80 PARTICIPANTS

trained under entrepreneur support programmes

35 PROJECTS

selected for post-training investment rounds

The Socially Responsible Initiatives Competition, held by Nornickel since 2014 to support community initiatives, is a crucial element of the World of New Opportunities programme. Over 3.6 thousand applications have been submitted to the competition over the past decade, with support granted to more than 950 projects for a total of RUB 1.1 billion.

Socially Responsible Initiatives Competition

In 2023, 106 social-impact initiatives were implemented in Nornickel’s regions of operation. In 2022 and 2023, Nornickel primarily focussed on intersectoral partnerships and integration projects. In September 2023, the Company announced the new phase of the Socially Responsible Initiatives Competition. The competition’s geography was expanded, with a total of 371 applications received.

The competition’s sponsors observe some positive trends: the quality and definition of applications have improved; the number of partnership projects has increased; and the range of social services provided by participants is expanding. 2023 also saw an increase in the number of partnership projects and situations where resources were pooled to boost the social impact.

Systematic work with participants, educational programmes, and travel grants are starting to bear fruit. Employee volunteers team up with school students and teachers to create projects; makers innovate for non-profit organisations and children with special needs; and entrepreneurs offer their resources to monetise and scale social-impact projects – such partnerships generate synergies and promote sustainability.

Peremena: Change Starts with You education project

During the year, the Company continued its Peremena: Change Starts with You project, which brings together all stakeholders of the educational process: children, parents, and teachers. Over 2 thousand people from six localities took part in the project. In early 2023, project experts delivered a series of in-person trainings modules such as Strong Skills of a Modern Educator, Motivation and Methods for Engaging School Students in Game Activities, and others.

In June, the Peremena: Urban summer academy was organised in Saint Petersburg for 50 school students from the Company’s operating regions. During the ten busy days of the event, the participants were immersed in the world of urbanism and social design. They also visited the site of GiproNikel Institute and met with employee volunteers.

In March 2023, over 700 teenagers aged 14 to 18 from three of Nornickel’s operating regions took part in the SVET ON youth forum to try their hand at entrepreneurship, engineering, and technologies. Over 30 Nornickel partners joined their efforts to support the forum.

IMAKE League project

The project brings together aspiring makers and future engineers and scientists. The Company leverages this venue to build a system of educational activities that promote science projects among children and teenagers.

The project’s key activities in 2023 were IMAKE Science Camp in Skolkovo, Skill Camp in Vladivostok, and IMAKE engineering marathon, which included crash courses and workshops across a number of cities, consultations with makers, and reviews of inventions and prototypes. In 2023, more than 5 thousand school students from the Company’s regions of operation took part in the project. For the first time, the project’s events – a family invention festival, a maker cleanup day, and a crash course for children – were held in the settlement of Snezhnogorsk.