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About the Report

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

The 2022 Sustainability Report of Nornickel Group (the "Report") is the nineteenth public non-financial report prepared by MMC Norilsk Nickel and addressed to a wide range of stakeholders.

This Report has been prepared in accordance with the GRI Standards (2021) and discloses the Company's contribution to the UN Sustainable Development Goals up to 2030.

Among others, the Report relies on the following documents: SASB Metals & Mining Sustainability Accounting Standard (2021), UNCTAD Guidance on core indicators for entity reporting on contribution towards implementation of the UN Sustainable Development Goals, recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), Reference Performance Indicators of the Russian Union

of Industrialists and Entrepreneurs (RSPP), AccountAbility Standards AA1000SES (2015) and AA1000AP (2018).

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

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

of sustainable development are disclosed for the Group's specific operations in accordance with the Reporting Boundaries Appendix.

Each year, the Company's Report undergoes external assurance procedures, including independent professional assessment of the Report's compliance with the GRI Standards and the RSPP public verification procedure.

The Sustainable Development Department of MMC Norilsk Nickel and a dedicated working group comprising representatives of the Group's key companies supervised the preparation of the Report. The Report has been approved by MMC Norilsk Nickel's Management Board and Board of Directors.

Other sources of information about Nornickel Group

– Corporate website: <https://www.nornickel.com/>



– Nornickel's approach to sustainable development: <https://www.nornickel.com/sustainability/>



– Nornickel's annual reports: <https://www.nornickel.com/investors/reports-and-results/annual-reports/>



GRI content index

Nornickel prepared the Report in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
GRI 1: Foundation 2021						
GRI 2: General Disclosures 2021						
	1. The organisation and its reporting practices					
	2-1	Organisational details	11, 285	Assured		Nature of ownership – private.
	2-2	Entities included in the organisation's sustainability reporting	304	Assured		For a list of entities included in the financial statements of Nornickel Group, please see the Group's IFRS financial statements .
	2-3	Reporting period, frequency and contact point	285, 377	Assured		Financial and sustainability reporting is prepared annually for the calendar year. The date of this report is 23.05.23.
	2-4	Restatements of information	285	Assured		Information on changes in previous periods' data is provided in the report in the footnotes below the respective figures.
	2-5	External assurance	285, 375	Assured		
	2. Activities and workers					
	2-6	Activities, value chain and other business relationships	11, 22, 27, 261	Assured		There were no significant changes in the supply chain of the core production process in the reporting year. Due to sanctions imposed on the Russian Federation, the Company is in the process of revising its list of equipment and software suppliers.
	2-7	Employees	131, 344	Assured		
	2-8	Workers who are not employees	344	Assured		The relations with such employees are mainly formalised through civil law contracts. Such contracts are usually made for temporary work, without any prevailing type of activity. There are no significant hiring fluctuations within the reporting periods, and the changes from one reporting period to another may be associated with an increasing number of FTEs (a part of the functions handed over to FTEs).
	3. Governance					
	2-9	Governance structure and composition	53, 113, 130, 189, 223, 226, 231, 236, 247, 250	Assured		Disclosure 2-9-c is provided in the Annual Report of MMC Norilsk Nickel for 2022: https://www.nornickel.com/investors/reports-and-results/annual-reports/#2022 .

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	2-10	Nomination and selection of the highest governance body	223	Assured		
	2-11	Chair of the highest governance body	223	Assured		The Chairman of the Board of Directors is not an executive director.
	2-12	Role of the highest governance body in overseeing the management of impacts	41, 53, 114, 130, 189, 223, 225, 226, 231, 236, 247, 250	Assured		
	2-13	Delegation of responsibility for managing impacts	41, 53, 114, 130, 189, 223, 226, 227, 231, 236, 247, 250	Assured		
	2-14	Role of the highest governance body in sustainability reporting	41	Assured		The Sustainability Report, including the list of material topics, was approved by the Board of Directors, GMK/24-pr-sd dated 23.05.2023.
	2-15	Conflicts of interest	228	Assured		The Company publicly discloses information on related-party transactions in its annual reports.
	2-16	Communication of critical concerns	225, 236, 256	Assured		
	2-17	Collective knowledge of the highest governance body	227	Assured		
	2-18	Evaluation of the performance of the highest governance body	227	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	2-19	Remuneration policies	229	Assured		The Board of Directors' remuneration is set out in Remuneration Policy for Members of Board of Directors are no termination or retirement benefits for members of the Board of Directors, as they are not employees of the Company. The Company's management are subject to the same termination and retirement benefit rules as other employees of the Company.
	2-20	Process to determine remuneration	229	Assured	Information on 2-20 b is not disclosed as not applicable.	The Board of Directors' remuneration is set out in Remuneration Policy for Members of Board of Directors .
	2-21	Annual total compensation ratio	–	Not assured	Information has not been disclosed due to the protection of the personal data of the highest paid executive.	
4. Strategy, policies and practices						
	2-22	Statement on sustainable development strategy	3, 5	Assured		
	2-23	Policy commitments	21, 46, 104	Assured		For sustainable development policies and statements, please see the Company's corporate website at https://www.nornickel.com/investors/disclosure/corporate-documents/ . The Company's employees are familiarised with by-laws upon hiring and in internal training sessions conducted by Nornickel. Suppliers and contractors of the Company are familiarised with by-laws when entering into contracts if it is stipulated by provisions of the contracts.
	2-24	Embedding policy commitments	21, 230	Assured		
	2-25	Processes to remediate negative impacts	256	Assured		For information on the commitment to assess negative impacts, please see MMC Norilsk Nickel's Human Rights Policy .
	2-26	Mechanisms for seeking advice and raising concerns	101, 122, 137, 192, 256	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	2-27	Compliance with laws and regulations	251	Assured		Significant cases of non-compliance with laws/regulations resulting in fines or non-financial penalties are understood as events disclosed in section 26 of the Notes to the IFRS annual consolidated financial statements and/or receiving adverse publicity. There have been no such cases in 2022.
	2-28	Membership associations	353	Assured		
5. Stakeholder engagement						
	2-29	Approach to stakeholder engagement	99, 228	Assured		
	2-30	Collective bargaining agreements	138	Assured		
Disclosures on material topics						
	3-1	Process to determine material topics	307	Assured		
	3-2	List of material topics	307	Assured		
Employment and decent working conditions in the regions of operation						
	3-3	Management of material topics	129, 135, 177, 311	Assured		The Equal Opportunities Programme defines the Company's approaches and commitments in providing jobs. The Working Conditions Policy sets forth the principles and commitments in ensuring decent working conditions: https://www.nornickel.com/upload/iblock/7d3/Working_Conditions_Policy_en_new.pdf .
	201-3	Defined benefit plan obligations and other retirement plans	157	Assured		Payments under the pension plan are made by NPF GAZFOND Pension Savings. For the fund's public reports, please see the website at: https://gazfond-pn.ru/about/disclosure/ .

GRI 3: Material Topics 2021

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	141	Assured		The calculation covers the Group's companies with an average headcount of at least 500 employees in 2022.
	202-2	Proportion of senior management at significant locations of operation hired from the local community	131	Assured		
	401-1	New employee hires and employee turnover	133, 134, 346	Assured		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	342	Assured		The indicator is partially disclosed. No information is provided for the following types of benefits: life insurance, healthcare, disability/temporary disability coverage, childcare leave and share ownership.
	403-6	Promotion of worker health	124, 154, 156	Assured		
	404-3	Percentage of employees receiving regular performance and career development reviews	347	Assured		
Emissions						
	3-3	Management of material topics	71, 311	Assured		
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	72, 333	Assured		Persistent organic pollutants are not emitted. Hazardous air pollutant emissions are not disclosed as there is no such a category according to the Russian laws. Emissions of volatile organic compounds (VOCs) in 2022 amounted to 1,366 t.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Training and education						
	3-3	Management of material topics	147, 312	Assured		Collecting feedback from trainees and assessing their satisfaction serve to assess the effectiveness of training.
	404-1	Average hours of training per year per employee	146	Assured		
	404-2	Programmes for upgrading employee skills and transition assistance programmes	147, 160	Assured		
Innovation projects pursuing sustainable development goals						
	3-3	Management of material topics	271, 274, 312	Assured		In 2015, Nornickel launched the Technological Breakthrough programme focused on automating process control and enhancing productivity and safety, among other things, by introducing cutting-edge information support and automated systems. ➔ For more details, please see MMC Norilsk Nickel's Annual Report for 2022 .
Contribution to the development of local communities						
	3-3	Management of material topics	167, 180, 312	Assured		
	201-1	Direct economic value generated and distributed	325	Assured		
	203-1	Infrastructure investments and services supported	180, 186, 200, 279	Assured		
	203-2	Significant indirect economic impacts	177, 178, 200, 279	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	204-1	Proportion of spending on local suppliers	–	Assured	The indicator is not disclosed in accordance with the GRI requirements due to no accounting system. The Company will consider disclosure within the next three years.	The Development of Local Communities section discloses information on the Company's expenses associated with procurement from suppliers in the key regions of operation.
	207-1	Approach to tax	247	Assured		
	207-2	Tax governance, control and risk management	247, 256	Assured		
	207-3	Stakeholder engagement and management concerns related to tax	248	Assured		Stakeholders' tax-related concerns among their other queries can be addressed as part of the mechanisms of the Corporate Trust Line.
	207-4	Country-by-country reporting	–	Assured	The indicator is not disclosed due to the confidential nature of information (this information is a trade secret of the Company).	
	413-1	Operations with local community engagement, impact assessments, and development programmes	–	Assured		The share of operations with local community engagement is 45% of all business units of the Company.
Climate change						
	3-3	Management of material topics	48, 310	Assured		
	201-2	Financial implications and other risks and opportunities due to climate change	57	Not assured	Financial implications of the risk are not disclosed as there is no such estimate. Estimating financial implications is planned to be conducted within 3-5 years.	In 2022, the expenses on the Climate Change and Energy Efficiency initiatives as well as the permafrost-focused activity as part of the Environmental and Climate Change Strategy totalled RUB 8.5 bn.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	302-1	Energy consumption within the organisation	68, 69	Assured		The Company uses statistical reporting forms applicable in Russia to record energy consumption data. TJ recalculation ratios are derived from the GRI 3.0 Guidelines and Engineering Magazine, a Russian R&D reference book. The calculation does not include cooling energy as inapplicable.
	302-3	Energy intensity	68	Assured		To calculate internal energy intensity, the Group's total energy consumption and the consolidated IFRS revenue are taken as the numerator and the denominator.
	302-4	Reduction of energy consumption	70	Assured		Reduction of energy consumption is calculated based on the technical specifications of equipment and other energy-consuming devices that are replaced as part of energy efficiency initiatives (as the difference between the consumption of more energy-efficient new equipment and less energy-efficient old equipment).
	305-1	Direct (Scope 1) GHG emissions	61	Assured		The calculation of GHG emissions relied on GWP values from the IPCC Fifth Assessment Report, which are 1 for CO ₂ , 28 for CH ₄ and 265 for N ₂ O. The organisational boundaries for the quantitative assessment of GHG emissions in 2022 include MMC Norilsk Nickel companies over which the Company has operational control. At present the Company does not report indirect GHG emissions calculated using a market-based method. The information is not provided due to the need to request it from electric power companies.
	305-2	Energy indirect (Scope 2) GHG emissions	61	Assured		
	305-3	Other indirect (Scope 3) GHG emissions	61	Assured		The calculation of GHG emissions relied on GWP values from the IPCC Fifth Assessment Report, which are 1 for CO ₂ , 28 for CH ₄ and 265 for N ₂ O. It takes into account the following greenhouse gases: carbon oxide (CO ₂), nitrous oxide (N ₂ O), methane (CH ₄), with no or insignificant emissions of other greenhouse gases. Biogenic CO ₂ emissions are inapplicable.
	305-4	GHG emissions intensity	61	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	305-5	Reduction of GHG emissions	–	Assured		In 2022, we prevented GHG emissions of 146.6 kt of CO ₂ equivalent, of which 26.6 kt of CO ₂ equivalent are Scope 1 emissions eliminated as a result of direct energy saving initiatives, and 120 kt of CO ₂ equivalent are Scope 2 emissions eliminated through deregulated bilateral purchase agreements for low-carbon electricity signed by the Trans-Baikal Division companies. Calculation of the emissions prevented as a result of direct energy saving initiatives is based on the calculation of the 302-4 indicator (the prevented emissions estimated result from reduced energy consumption).
Contribution to the national industry by promoting Russian technology						
	3-3	Management of material topics	274, 312	Assured		As at 31 December 2022, the Company did not adopt policies or set targets as regards contribution to the national industry.
Waste management						
	3-3	Management of material topics	78, 311	Assured		
	306-1	Waste generation and significant waste-related impacts	78	Assured		
	306-2	Management of significant waste-related impacts	78, 79	Assured		
	306-3	Waste generated	335	Assured		
	306-4	Waste diverted from disposal	79, 335	Assured	Waste diversion is only disclosed as regards recycling. Information on the disposal of waste transferred outside the organisation is partially disclosed (without breakdown by type of disposal).	Information on waste management methods is disclosed in a breakdown stipulated by the Russian law (as part of filling the statistic form 2-TP (waste)). In the GRI terms, hazard waste is understood as waste of hazard classes 1-4 defined by the Russian law.
	306-5	Waste directed to disposal	335	Assured	Partially disclosed (without breakdown by incineration with energy recovery and incineration without energy recovery).	

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Biodiversity						
	3-3	Management of material topics	88, 311	Assured		
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	90, 93	Assured	No data is disclosed on the size of Kola MMC operational sites located in the vicinity of protected areas due to no accounting system. The Company will consider disclosure within the next three years.	
	304-2	Significant impacts of activities, products, and services on biodiversity	90	Assured	The information on the number of affected (unprotected) species and on the reversibility of the impact is not disclosed as it is subject to the Company's further research in biodiversity. The Company will consider disclosing this information within three years.	
	304-3	Habitats protected or restored	84	Assured	The information on the condition of the restored habitats is not disclosed due to the lack of the accounting system. The Company will consider disclosing this information within three years.	The information is disclosed in accordance with the practice of land rehabilitation (restoration) as per the Russian laws. The completion of land rehabilitation is confirmed by government authorities in relevant documents.
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	96, 339	Assured	For Pasvik and Lapland nature reserves, there is no breakdown by vulnerability of protected species in accordance with GRI 304-4 (CR, EN, VU, NT, LC).	
Health and safety						
	3-3	Management of material topics	112, 312	Assured		
	403-1	Occupational health and safety management system	112, 115, 118	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	403-2	Hazard identification, risk assessment, and incident investigation	115, 118	Assured		<p>Identification and assessment of occupational health and safety risks take place at all Group companies covered by the Report on an annual basis or ad hoc as described in the STO KISM 121-211-2017 corporate integrated management standard or similar local standards. The quality for these processes is ensured through compliance of assessment requirements with the above standards.</p> <p>Employees may report workplace hazards through the following channels:</p> <ul style="list-style-type: none"> orally to their head; problem-solving boards available at all sites; report to an OHS structural unit; authorised persons present at OHS committee meetings; staff meetings; work refusal form. <p>All injuries are investigated by a dedicated commission as stipulated by the national laws.</p>
	403-3	Occupational health services	119, 123	Assured		Contractors work on the Company's sites based on a contract that includes mandatory requirements for occupational health and safety. Before the start of a contractor's work, the Company takes a set of preparatory measures to ensure work safety. During the execution of the contract, the contractor undertakes to provide its employees with personal protective equipment on its own. The contractor ensures that sanitary and epidemiological requirements are met and all necessary OHS measures are taken. In the course of its operations, Nornickel monitors contractor employees' compliance with OHS requirements. In addition, the Company provides contractor employees with access to first aid at first-aid posts on production sites.
	403-4	Worker participation, consultation, and communication on occupational health and safety	122	Assured		
	403-5	Worker training on occupational health and safety	115, 123	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	403-8	Workers covered by an occupational health and safety management system	350	Assured		
	403-9	Work-related injuries	116, 348	Not assured	There are no disclosures on the following: <ul style="list-style-type: none"> contractor injury rates due to the lack of accounting for the number of hours worked; types and causes of non-fatal injuries due to the lack of consolidated accounting. The Company will consider developing an appropriate accounting system within the next three years.	Data on total registered injuries is shown using the Company's accounting system based on Russian laws. In addition, the following data for 2022 is disclosed in line with the GRI-driven methodology: <ul style="list-style-type: none"> total number of registered injuries among employees (number of workplace injuries and minor injuries): 257; occupational injury rate among employees per million hours worked: 2.21; total number of registered workplace injuries among contractors' employees engaged at the Company's sites (number of workplace injuries and minor injuries): 68.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	403-10	Work-related ill health	116, 348	Assured		Types of occupational diseases and the number of fatalities caused by work-related ill health is not disclosed due to the confidential nature of this information and the lack of permission for its use by the government agencies responsible for maintaining and recording such information. The information on work-related ill health among contractors is also not disclosed, as it is impossible to unambiguously determine whether the contractor's ill health is directly caused by working at the Company's facilities. The information on occupational diseases is not disclosed due to the lack of consolidated records. The Company will consider developing an appropriate accounting system within the next three years.

Water consumption and wastewater discharge

	3-3	Management of material topics	74, 311	Assured		
	303-1	Interactions with water as a shared resource	74, 328	Assured		Supplier relationship as regards impact on water resources is governed by the Company's Supplier Code of Conduct; there may be consultations with customers at customer request.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	303-2	Management of water discharge-related impacts	74	Assured		The wastewater quality standards of the Company are based on Order of the Ministry of Agriculture of Russia No. 552 On Approval of Water Quality Standards for Water Bodies of Fisheries Significance, Including Standards for Maximum Permissible Concentrations of Harmful Substances in the Waters of Water Bodies of Fisheries Significance dated 13 December 2016 and Decree of the Chief State Sanitary Doctor No. 2 On Approval of Sanitary Rules and Norms SanPiN 1.2.3685-21 "Hygienic Standards and Requirements for Safety and/or Harmlessness of the Living Environment for People" dated 28 January 2021.
	303-3	Water withdrawal	74, 75, 326, 327	Not assured		The regions where the Company's assets are located are areas of normal and high water availability. The volume of water withdrawal is recorded using instrumental controls and readings of certified gauges, as well as by indirect methods as may be approved by the relevant territorial office of the Federal Water Resources Agency.
	303-4	Water discharge	74, 76, 331	Not assured		All water discharged by the Company is not freshwater (in GRI terminology). In 2022, individual cases of exceeding permissible discharge limits were identified.
	303-5	Water consumption	74, 75	Not assured	Information on the impact that changes in water volumes of water reservoirs (storage basins) have on water bodies is not collected.	

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
Industrial environmental safety of production facilities (including tailings dumps)						
	3-3	Management of material topics	81,127, 311	Assured		
	306-3 (2016)	Significant spills	–	Assured	–	In 2022, there were no significant spills.
Impact of transport on water bodies						
	3-3	Management of material topics	77, 311	Assured		The key principles in managing the environmental impact of the Company's transport on water bodies are set out in the Environmental Policy . No targets were set for the environmental impact of the Company's transport on water bodies in 2022. Stakeholder engagement is mainly interactions with the government agencies and port infrastructure operators as regards compliance with transport operation requirements.
Responsible exploration and land reclamation						
	3-3	Management of material topics	83, 311	Assured		
Supply chain responsibility						
	3-3	Management of material topics	261, 312	Assured		

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	308-1	New suppliers that were screened using environmental criteria	–	Assured		
	308-2	Negative environmental impacts in the supply chain and actions taken	–	Assured		In 2022, the existing supply chain due diligence management system applied only to suppliers, processors and transporters of metal-containing mineral feedstock (“mineral suppliers”). As part of the due diligence, eight existing mineral suppliers were assessed in 2022, including against environmental and social criteria. The number of new mineral suppliers to the Company in 2022 is zero. Following the exercise, all audited mineral suppliers met the environmental and social criteria set out in Nornickel’s Supplier Code of Conduct. No significant environmental and social risks have been identified. The Company plans to include other categories of suppliers in the due diligence exercise in 2023–2024.
	414-1	New suppliers that were screened using social criteria	–	Assured		
	414-2	Negative social impacts in the supply chain and actions taken	–	Assured		
Anti-corruption and business ethics						
	205-1	Operations assessed for risks related to corruption	243, 253	Assured		
	205-2	Communication and training about anti-corruption policies and procedures	253	Assured		No training on anti-corruption practices was conducted for Board members in 2022. Training is scheduled for 2023. No training on anti-corruption practices is provided to external stakeholders; when contracts are signed, counterparties are familiarised with the Anti-Corruption Policy.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	205-3	Confirmed incidents of corruption and actions taken	252	Assured		
Respect for human rights (including those of indigenous minorities)						
	401-3	Parental leave	346	Assured		The indicator is partially disclosed due to the lack of the accounting system; information is provided about employees on maternity leave and/or childcare leave and on those who returned to work after the leave ended. The Company will consider developing an appropriate accounting system within the next three years.
	402-1	Minimum notice periods regarding operational changes	138	Assured		
	405-1	Diversity of governance bodies and employees	132, 133, 325	Assured		
	405-2	Ratio of basic salary and remuneration of women to men	–	Assured		The indicator is not disclosed due to the lack of the accounting system. The Company will consider developing an appropriate accounting system within the next three years.
	406-1	Incidents of discrimination and corrective actions taken	–	Assured		No discrimination incidents have been recorded.

GRI standard	Disclosure number	Disclosure	Page/link	Assured by the auditor	Omission	Comments
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Assured		There are no such operations. The 2022 due diligence of suppliers covered observance of the right to the freedom of association and collective bargaining as part of checking compliance with the Company's Supplier Code of Conduct.
	408-1	Operations and suppliers at significant risk for incidents of child labour		Assured		
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		Assured		There are no such operations and suppliers ¹ .
	411-1	Incidents of violations involving rights of indigenous peoples	186	Assured		
	413-2	Operations with significant actual and potential negative impacts on local communities	71	Assured		The main operation (unit) that has a significant negative impact on local communities is Polar Division, whose assets are located in Norilsk. The key source of negative impact is sulphur dioxide emissions into the atmosphere.

Report boundaries

GRI 2-2

Reporting boundaries

Nornickel has a long and successful track record of preparing sustainability reports. The 2022 Sustainability Report is the nineteenth report prepared by the Company in accordance with the GRI Standards (formerly the Guidelines). During this period, the Company has established an information collection system configured in such a way that entities of Nornickel Group¹ provide information on the topics and aspects of operations where they have significant sustainability impacts. As a result, the boundaries of information consolidation in a sustainability report are easily adjustable for the context of the entities' operations and differ across material topics.

The reporting boundaries include data on Russian business units. Foreign business units are insignificant in terms of sustainability impacts, except for Norilsk Nickel Harjavalta, a Finnish company of the Group. No data for Norilsk Nickel Harjavalta are included in the 2022 Sustainability Report due to the limited ability to collect information in the new geopolitical environment². However, the Company reasonably believes that not including Norilsk Nickel Harjavalta in the reporting boundaries will not have a material effect on the Group's performance (Norilsk Nickel Harjavalta's headcount, occupational injury rate, and key environmental impact

indicators are traditionally within 1% of the consolidated figure for Nornickel Group). To ensure transparency of Norilsk Nickel Harjavalta, sustainability data for this asset will be disclosed on the Norilsk Nickel Harjavalta website as a separate set of indicators (ESG Databook).

The Company traditionally does not include investment assets that are outside the Group's control unless they form a significant part of the Group's production chain. In 2022, the Company did not carry out any major mergers and acquisitions that would have a significant impact on the reporting boundaries.

¹ In total, Nornickel Group counts over 80 entities. A detailed list of entities in the perimeter of [the Group's IFRS financial statements is available](#).

² A limited number of indicators that include Norilsk Nickel Harjavalta data is included in the reporting boundaries, in which case this is reported in a special note. For reference, the Report also discloses data on the headcount of foreign operations.

¹ The reporting year saw a due diligence of Polar Division and Kola MMC.

Reporting boundaries for material topics

- All assets of the Subgroup are included
- Assets of the Subgroup with the most significant impacts are included
- Entities of the Subgroup are not included

Material topics	GRI disclosures	Norilsk Division	Kola Division ¹	Trans-Baikal Division	Energy Division	Head Office	Other Group assets
Employment and decent working conditions in the regions of operation	201-3	●	●	●	●	●	●
	202-1, 202-2	●	●	●	●	●	●
	401-1, 401-2	●	●	●	●	●	●
	403-6	●	●	●	●	●	●
	404-3	●	●	●	●	●	●
Emissions	305-7	●	●	●	●	●	●
Training and education	404-1, 404-2	●	●	●	●	●	●
Innovation projects pursuing sustainable development goals	–	●	●	●	●	●	●
Contribution to the development of local communities	201-1	●	●	●	●	●	●
	203-1, 203-2	●	●	●	●	●	●
	204-1	●	●	●	●	●	●
	207-1, 207-2, 207-3	●	●	●	●	●	●
Climate change	201-2	●	●	●	●	●	●
	302-1, 302-3, 302-4	●	●	●	●	●	●
	305-1 – 305-5	●	●	●	●	●	●
Contribution to the national industry by promoting Russian technology	–	●	●	●	●	●	●

Material topics	GRI disclosures	Norilsk Division	Kola Division ¹	Trans-Baikal Division	Energy Division	Head Office	Other Group assets
Waste management	306-1 – 306-5	●	●	●	●	●	●
Biodiversity	304-1 – 304-4	●	●	●	●	●	●
Health and safety	403-1 – 403-5, 403-8 – 403-10	●	●	●	●	●	●
Water consumption and wastewater discharge	303-1 – 303-5	●	●	●	●	●	●
Industrial environmental safety of production facilities (including tailings dumps)	–	●	●	●	●	●	●
Impact of transport on water bodies	–	●	●	●	●	●	●
Responsible exploration and land reclamation	–	●	●	●	●	●	●
Supply chain responsibility	308-1, 308-2, 414-1, 414-2	●	●	●	●	●	●
Corporate governance and risk management	2-9 – 2-21	●	●	●	●	●	●
Anti-corruption and business ethics	205-1, 205-2, 205-3	●	●	●	●	●	●
Respect for human rights (including those of indigenous minorities)	401-3	●	●	●	●	●	●
	402-1	●	●	●	●	●	●
	405-1	●	●	●	●	●	●
	406-1	●	●	●	●	●	●
	407-1	●	●	●	●	●	●
	408-1	●	●	●	●	●	●
	409-1	●	●	●	●	●	●
	411-1	●	●	●	●	●	●
413-2	●	●	●	●	●	●	

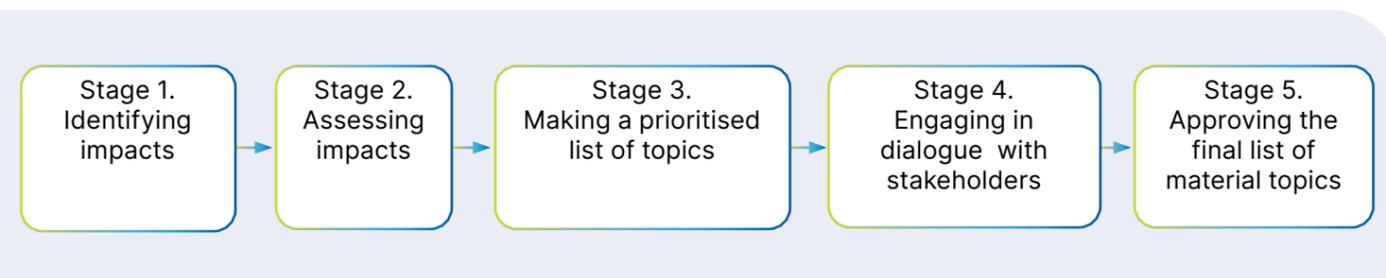
¹ Excluding Norilsk Nickel Harjavalta.

Definition of material topics

GRI 3-1, 3-2

Process to determine material topics

When preparing the 2022 Sustainability Report, we identified material topics in accordance with the GRI Standards. The process of identifying material topics included five stages.



At the first stage, the working group for the Report preparation jointly with external consultants¹ made a base list of the Company's actual and potential economic, environmental, and social impacts, including those related to human rights.

To assess the identified impacts, we polled a wide range of stakeholders, including internal and external sustainability experts, at the second stage. As a result, 221 respondents were polled in 2022 – twice as many as the average number of respondents in recent years.

The poll included questions that helped us assess the list of impacts made by the Company against the key parameters recommended by the GRI Standards:

- severity, with a breakdown by positive and negative impact;
- regularity and likelihood;
- scale and scope.

At the third stage, based on the results of the poll, average scores for two groups of respondents were calculated for all questions: sustainable development experts and other stakeholders. The average

correlation between the scores of the two groups of respondents across all questions was 92%.

For each impact, the severity of the impact was determined (average score for impact severity and scope), and the likelihood/regularity of the impact was assessed.

In order to make a list of material topics, impacts were grouped into material topics (see the Prioritised List of Topics table below).

¹ The working group for the Report preparation included employees of MMC Norilsk Nickel's Sustainable Development Department and two groups of independent consultants.

A materiality matrix reflecting the relative significance of the topics was plotted on the Severity of Impact and Likelihood/Regularity of Impact axes.

The Company has set cut-off thresholds for the materiality boundary in the matrix. A value of 5.0 on the sum of coordinate values (rounded)¹ was selected as the cut-off point – 50% of the maximum score. Topics falling below the cut-off

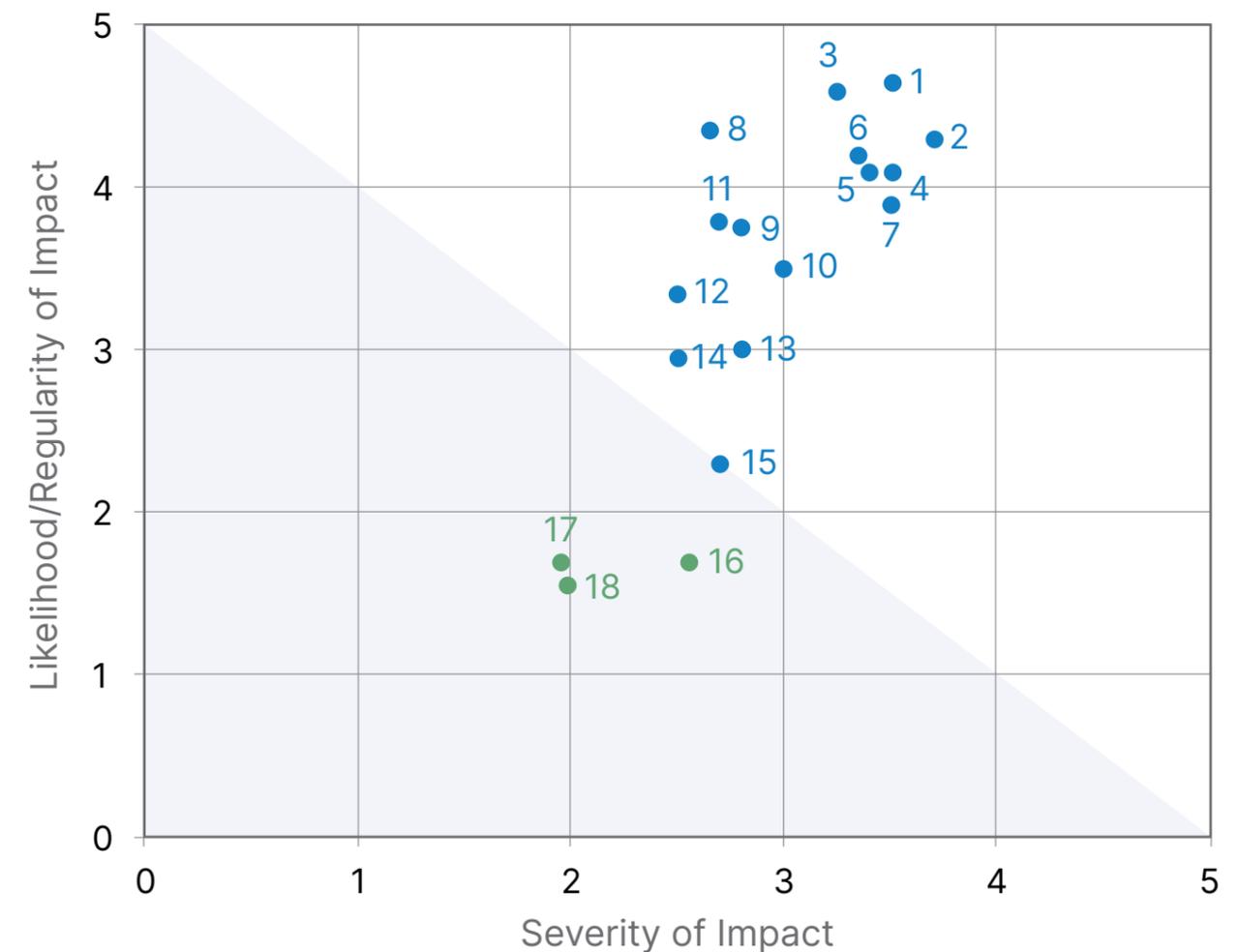
point serve as grounds for deeming them insignificant. They are also reported in line with stakeholder needs, but GRI Standards are not mandatory for these topics. As a result of the stage, 15 material topics were identified for disclosure in the 2022 Sustainability Report.

At the fourth stage, the Company conducted stakeholder dialogue to present the materiality matrix to stakeholders.

Stakeholders reviewed the results and made recommendations on the report and the details of topics disclosure in the report.

At the last stage, the working group analysed the materiality assessment results, with due regard to the recommendations provided by the session participants, and finalised the materiality matrix.

Materiality matrix



● The topic was deemed material ● The topic was deemed immaterial

¹ The average of the sum of the maximum values of the matrix's parameters.

Prioritised List of Topics¹

Nº	Topic wording	Operations related to sustainable development
1	Employment and decent working conditions in the regions of operation	Employment and decent working conditions in the regions of operation
2	Emissions	Emissions of sulphur dioxide and other pollutants
3	Training and education	Training and education
4	Innovation projects pursuing sustainable development goals	Innovation projects pursuing sustainable development goals
5	Contribution to the development of local communities	Payment of taxes to budgets of various levels
		The Company's charitable activities targeting local communities (including indigenous minorities) and non-profit organisations to support sustainable development
		Development of housing, energy, and other infrastructure in the regions of operation
6	Climate change	Support for entrepreneurship in the regions of operation
		Greenhouse gas emissions
		Development of a climate change monitoring system
7	Contribution to the national industry by promoting Russian technology	Metals production needed to combat climate change
		Contribution to the national industry by promoting Russian technology
		Generation of industrial waste from operations
8	Waste management	Generation of industrial waste from operations
9	Biodiversity	Impact on biodiversity in the regions of industrial operations
10	Health and safety	OHS risks for employees and contractors Work-related injuries
		Occupational disease risks for employees and contractors
11	Water consumption and wastewater discharge	Wastewater discharge to water bodies
		Water withdrawal from water bodies
12	Industrial environmental safety of production facilities (including tailings dumps)	Tailings risks
		Industrial environmental safety risks
13	Impact of transport on water bodies	Pollution of water bodies by sea and river transport
14	Responsible exploration and land reclamation	Land disturbance
15	Supply chain responsibility	Risks related to the violation of sustainability principles in the supply chain

¹ Following the prioritisation, the first 15 topics were found to be material.

Nº	Topic wording	Operations related to sustainable development
16	Corporate governance and risk management	Risks related to inadequate corporate governance and risk management
17	Anti-corruption and business ethics	Corruption and business ethics risks
18	Respect for human rights (including those of indigenous minorities)	Risks related to the violation of employee and contractor rights (including wrongdoings, discrimination, etc.)
		Risks related to the violation of fundamental rights of local communities in the regions of operation (including indigenous minorities)

The final list of material topics contains a number of changes as compared to 2021. The key triggers for the changes were:

- change in the methodology to determine material topics, a new procedure for assessing impacts;
- optimisation of contents, change of focus in disclosure at stakeholder requests, relevant change in the names of topics;

- contextual optimisation (in particular, the topic “Response to the COVID-19 Pandemic” was disclosed in detail in the context of the 2021 reporting year’s events);
- the topic “Compliance” in accordance with the GRI Standards (2021) is mandatory for disclosure and is not subject to the materiality assessment procedure.

Impacts related to material topics

Material topic	Related impact	Description
Environmental		
Climate change	Greenhouse gas emissions	Metals and mining is a highly carbon-intensive industry. The majority of GHG emissions produced by Nornickel operations comes from burning various substances in metallurgy along with fuel combustion as part of power generation and transportation. A global increase in GHG concentration in the air may lead to higher average annual temperatures in Nornickel's regions of operation, making physical risks related to climate change more likely to materialise. This would ultimately drive up our operating expenses and disrupt production processes.
	Development of a climate change monitoring system	A project to develop climate change monitoring is set to raise our awareness of actual and potential changes in soils, which will enable us to proactively identify potentially hazardous defects and deviations and to prevent accidents related to industrial facilities and housing infrastructure across our geography.
	Metals production needed to combat climate change	Nornickel contributes to global transitioning to low-carbon and carbon-free energy by growing the output of PGM needed to advance renewable energy and green transport.
Emissions	Emissions of sulphur dioxide and other pollutants	Higher sulphur dioxide emissions due to the ramp-up of our production capacities have a negative impact on the air quality and natural ecosystems across our footprint. Our Sulphur Project aimed at production upgrade and sulphur dioxide capture and recovery will be instrumental in improving air quality in our regions of operation.

Waste management	Generation of industrial waste from operations	Inefficient management of industrial waste generated by the Company's operations may compromise the quality of the environment and living standards for local communities. By implementing practices to recycle in-house waste and making efforts to clean up the existing pollution, we can minimise our negative impact on the environment.
Biodiversity	Impact on biodiversity in the regions of industrial operations	Capacity ramp-up and expanding production sites may lead to the degradation of natural habitats and loss of biodiversity across our footprint. Large-scale studies of biodiversity in ecosystems and regular monitoring of the relevant impact will help restore and preserve such biodiversity.
Water consumption and wastewater discharge	Wastewater discharge to water bodies	Excessive wastewater discharge into water bodies may negatively affect the biodiversity of aquatic ecosystems and the well-being of local communities. Water shortages may disrupt Nornickel's production processes and increase operating expenses. We seek to make our management of water resources as efficient as possible to reduce costs and minimise our impact on aquatic biodiversity.
	Water withdrawal from water bodies	
Industrial environmental safety of production facilities (including tailing dumps)	Tailings risks	Tailing dump-related incidents may have a negative impact on nearby ecosystems, as well as our business reputation and financial performance due to additional costs to eliminate the consequences of such incidents. The Company regularly monitors the hydraulic structures of tailing dumps and conducts environmental monitoring on-site and within the impact area to ensure safety of nearby ecosystems.
	Industrial environmental safety risks	Incidents related to the operation of Nornickel's industrial sites may have a negative impact on ecosystems in the vicinity of the place of incident, as well as our business reputation and financial performance due to response costs. Stronger environmental management and environmental safety initiatives will help reduce the risk of industrial incidents.
Impact of transport on water bodies	Pollution of water bodies by sea and river transport	Sea and river transport that has an anthropogenic impact on water bodies may also affect endemic ecosystems primarily because such vessels run on fuel.
Responsible exploration and land reclamation	Land disturbance	Greenfield development to step up production may lead to a significant disturbance of land and higher costs of response and rehabilitation. Effective exploration planning, preparing decommissioning roadmaps and putting them into action will be instrumental in reducing these risks.
Social		
Employment and decent working conditions	Employment and decent working conditions in the regions of operation	An effective employment policy may cut unemployment rates and increase economic stability in the regions of operation. Failure to duly observe labour practices and respect employee rights may result in materialised reputational and legal risks, including discontinued production operations in the worst case scenario. High employee satisfaction with labour conditions and engagement in discussing production matters help increase motivation and productivity.

Training and education	Training and education	Training programmes for employees boost organisational efficiency and added value for the Company while also helping employees improve their competencies and gain an edge in the labour market.
Contribution to the development of local communities	Payment of taxes to budgets of various levels	By implementing the tax strategy and timely paying taxes to budgets of various levels, we secure economic stability across our geography.
	The Company's charitable activities targeting local communities (including indigenous minorities) and non-profit organisations to support sustainable development	Our charitable activities serve to maintain a favourable social climate and a comfortable environment in the regions of operation while also preserving the traditions and lifestyle of indigenous minorities.
	Development of housing, energy, and other infrastructure in the regions of operation	By developing housing, energy and social infrastructure, we help improve social and economic conditions along with living standards in our regions of operation, establish a constructive dialogue with stakeholders and enhance our reputation.
Health and safety	Support for entrepreneurship in the regions of operation	Support to local small and medium-sized businesses translates into social and economic stability in the regions of operation.
	OHS risks for employees and contractors Workplace injuries	A high level of workplace hazards and insufficient health and safety efforts may lead to fatalities and severe injuries among the Company's employees and contractors. We can reduce injury risks by developing health and safety management systems and taking steps to foster a corporate culture of safety.
	Occupational disease risks for employees and contractors	Employees and contractors working at metals and mining facilities may contract occupational diseases.
Governance		
Innovation projects pursuing sustainable development goals	Innovation projects pursuing sustainable development goals	Innovation projects may have a positive impact on various aspects of sustainable development, including HSE, boost a competitive edge in the long run and strengthen the Company's position in the domestic and international business arena.
Contribution to the national industry through import substitution	Contribution to the national industry through import substitution	By supporting local manufacturers and focusing on import substitution, Nornickel will contribute to the growth of national and regional economies, support stable cash flows for businesses and strengthen ties with its key stakeholders.
Responsible supply chain	Risks related to the violation of sustainability principles in the supply chain	Non-compliance with sustainability principles on the part of suppliers may lead to a whole range of negative impacts on the economy, environment and society within the boundaries of their operations. Nornickel seeks to prevent negative impacts its suppliers may have, as the most critical of them may entail reputational risks and the need to rethink its relations with suppliers as a result.

SASB METALS&MINING

content index

Topic	SASB code	Accounting metric
Greenhouse gas emissions	EM-MM-110a.1	Gross global Scope 1 emissions
		Percentage covered under emissions-limiting regulations
	EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets
Air quality	EM-MM-120a.1	Air emissions of the following pollutants:
		CO
		NOx (excluding N ₂ O)
		SOx
		Particulate matter (PM ₁₀)
		Mercury (Hg)
		Lead (Pb)
		Volatile organic compounds (VOCs)
Energy management	EM-MM-130a.1	Total energy consumed
		Percentage grid electricity
		Percentage renewable
Water management	EM-MM-140a.1	Total fresh water withdrawn
		Total fresh water consumed
		Percentage of each in regions with High or Extremely High Baseline Water Stress
	EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations

Disclosure	Page/link	Comment
Full	Climate Change and Energy Efficiency	–
–	–	No emissions-limiting regulations are imposed in Russia.
Full	Climate Change and Energy Efficiency	–
Not disclosed	–	–
Full	Air Pollutant Emissions	–
Full	Air Pollutant Emissions	–
Full	Air Pollutant Emissions	–
Not disclosed	–	–
Not disclosed	–	–
Full	Air Pollutant Emissions	–
Not disclosed	–	–
Full	Utilisation of Renewable Energy Sources	–
Full	Appendices	–
Full	Appendices	–
Full	Appendices	–
Not disclosed	–	–

Topic	SASB code	Accounting metric
Waste & hazardous materials management	EM-MM-150a.4	Total weight of non-mineral waste generated
	EM-MM-150a.5	Total weight of tailings produced
	EM-MM-150a.6	Total weight of waste rock generated
	EM-MM-150a.7	Total weight of hazardous waste generated
	EM-MM-150a.8	Total weight of hazardous waste recycled
	EM-MM-150a.9	Number of significant incidents associated with hazardous materials and waste management
	EM-MM-150a.10	Description of waste and hazardous materials management policies and procedures for active and inactive operations
Biodiversity impacts	EM-MM-160a.1	Description of environmental management policies and practices for active sites
	EM-MM-160a.2	Percentage of mine sites where acid rock drainage is:
		Predicted to occur
		Actively mitigated
		Under treatment or remediation
	EM-MM-160a.3	Percentage of:
		Proved reserves in or near sites with protected conservation status or endangered species habitat
	Probable reserves in or near sites with protected conservation status or endangered species habitat	
Security, human rights & rights of indigenous peoples	EM-MM-210a.1	Percentage of:
		Proved reserves in or near areas of conflict
		Probable reserves in or near areas of conflict
	EM-MM-210a.2	Percentage of:
		Proved reserves in or near indigenous land
		Probable reserves in or near indigenous land
EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	
Community relations	EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests
	EM-MM-210b.2	Number and duration of non-technical delays
Labour relations	EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by US and foreign employees
	EM-MM-310a.2	Number and duration of strikes and lockouts

Disclosure	Page/link	Comment
Full	Appendices	–
Not disclosed	–	–
Full	Sustainable Waste and Tailing Dump Management, Waste Disposal	–
Full	Biodiversity	–
Not disclosed	–	–
Full	–	0%
Full	Human Rights, Interaction with Indigenous Minorities	–
Full	Interaction with Indigenous Minorities	–
Full	–	No delays recorded.
Partial	Occupational Health and Safety	–
Full	–	No such incidents.

Topic	SASB code	Accounting metric
Workforce health and safety	EM-MM-320a.1	MSHA all-incidence rate
		Fatality rate
		Near miss frequency rate (NMFR)
		Average hours of health, safety, and emergency response training for (a) full-time employees and (b) contractors
Business ethics and transparency	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain
	EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index
Tailing dump management	EM-MM-540a.1	Tailing dump inventory table: facility name, location, ownership status, operational status, construction method, maximum permitted storage capacity, current amount of tailings stored, consequence classification, date of most recent independent technical review, material findings, mitigation measures, site-specific emergency preparedness and response plan (EPRP)
	EM-MM-540a.2	Summary of tailings management systems and governance structure used to monitor and maintain the stability of tailing storage facilities
	EM-MM-540a.3	Approach to development of emergency preparedness and response plans (EPRPs) for tailing dumps
Activity metric	EM-MM-000.A	Production of: Metal ores
		Finished metal products
Activity metric	EM-MM-000.B	Total number of employees, percentage of contractors

Disclosure	Page/link	Comment
Full	Workplace Injuries	–
Full	Workplace Injuries	–
Full	Workplace Injuries	–
Full	OHS Training	–
Full	Business Ethics and Anti-corruption	–
Full	–	We do not operate in such countries.
Partial	Waste Disposal	–
Full	Waste Disposal	–
Full	Waste Disposal	–
Not disclosed	–	–
Not disclosed	–	–
Partial	Staff Composition	–

UNCTAD Guidance on core indicators for entity reporting on contribution towards implementation of the UN SDGs

UNCTAD indicator		Page	Disclosure status	Information/comments
A Economic indicators				
A.1 Revenue and/or (net) added value	A.1.1: revenue	–	Disclosed	RUB 1,184.5 bn
	A.1.2: added value	–	Disclosed	RUB 902.6 bn
	A.1.3: net added value	–	Disclosed	RUB 828.9 bn
A.2 Payments to the Government	A.2.1: taxes and other payments to the Government	–	Disclosed	In 2022, tax and non-tax payments totalled RUB 262 bn. VAT is not included in taxes since this tax is indirect and actually paid by end consumers of products and services rather than by the reporting entity. VAT is also excluded from the calculation of profit (loss) and is not disclosed in the Income Statement.
A.3 New investment/ expenditures	A.3.1: green investment	–	Disclosed	RUB 82.2 bn The expenditures in question make 7% of the Company's consolidated revenue for 2022.
	A.3.2: community investment	–	Disclosed	RUB 48.5 bn The expenditures in question make up 4% of the Company's consolidated revenue for 2022.
	A.3.3: total expenditures on research and development	–	Disclosed	RUB 84.3 mln The expenditures in question make 0.01% of the Company's consolidated revenue for 2022.
A.4 Local supplier/ purchasing programmes	A.4.1: percentage of local procurement	–	Partially disclosed	Data is collected for materials and supplies only. As for other procurement categories, there is no centralised data collection broken down by the location of suppliers. Materials and supplies procured from Russian suppliers make 95% of total procurements in this category.

UNCTAD indicator		Page	Disclosure status	Information/comments
B Environmental indicators				
B.1 Sustainable use of water	B.1.1: water recycling and reuse	–	Disclosed	82%
	B.1.2: water use efficiency	–	Disclosed	The ratio between water withdrawal and net added value is 400 m ³ / RUB mln
	B.1.3: water stress	–	Disclosed	No water is withdrawn in water-scarce areas.
B.2 Waste management	B.2.1: reduction of waste generation	–	Disclosed	In 2022, waste generation increased to 166.3 mt from 156.4 mt in 2021. The ratio between waste generation and net added value increased from 160 t to 200 t / RUB mln
	B.2.2: waste reused, re-manufactured and recycled	–	Disclosed	In 2022, the amount of waste recycled increased to 30 mt from 23.7 mt in 2021. The ratio between waste recycling and net added value increased from 19 t to 36 t / RUB mln
	B.2.3: hazardous waste	–	Disclosed	In 2022, hazard classes I–IV waste generation increased to 1,151.2 thousand t from 1,492.8 thousand t in 2021. The ratio between such waste generation and net added value went up from 1.53 t to 1.86 t / RUB mln
B.3 Greenhouse gas emissions	B.3.1: greenhouse gas emissions (scope 1)	–	Disclosed	The absolute relative amount of Scope 1 greenhouse gas emissions decreased from 6.3 t to 5.9 t of CO ₂ equivalent per RUB mln of net added value
	B.3.2: greenhouse gas emissions (scope 2)	–	Disclosed	The absolute relative amount of Scope 2 greenhouse gas emissions remained flat at 0.5 t of CO ₂ equivalent per RUB mln of net added value
B.4 Ozone-depleting substances and chemicals	B.4.1: ozone-depleting substances and chemicals	–	Disclosed	No emissions

UNCTAD indicator		Page	Disclosure status	Information/comments
B.5 Energy consumption	B.5.1: renewable energy	–	Partially disclosed	<p>The Report discloses the amount of electric power generated by HPPs and its share in total energy consumption. The current metering system does not allow the disclosure to be made in full compliance with UNCTAD guidelines. Along with in-house generation, Nornickel Group purchases electric power from third parties connected to Russia's unified energy system. In 2022, the share of power from renewable sources amounted to 51% for the Group and 52% for assets in the Norilsk Industrial District. For more details, please see the Climate Change and Energy Efficiency section. Share of renewable energy in the Norilsk Industrial District's total energy consumption:</p> <ul style="list-style-type: none"> Total electricity consumption: 6.59 bn kWh including HPP generated: 3.8 bn kWh <p>Electric power sold to retail consumers and third parties in the Norilsk Industrial District:</p> <ul style="list-style-type: none"> Total electric power sold to retail consumers and third parties: 1.16 bn kWh including HPP generated: 649.9 mln kWh
	B.5.2: energy efficiency	–	Disclosed	In 2022, the ratio between total energy consumption by the Group and net added value was 0.18 TJ / RUB mln

UNCTAD indicator		Page	Disclosure status	Information/comments
C Social area				
C.1 Gender equality	C.1.1: proportion of women in managerial positions	–	Disclosed	The proportion of women in managerial positions is 25%. The proportion of women on the Management Board is 40% (four out of ten members)
C.2 Human capital	C.2.1: average hours of training per year per employee	146	Disclosed	–
	C.2.2: expenditure on employee training per year per employee	–	Disclosed	Expenditure on employee training per year per employee: For all employee categories – RUB 18,500 thsd Blue-collar employees – RUB 10,400 thsd Managers – RUB 19,900 thsd White-collar employees – RUB 22,000 thsd
	C.2.3: employee wages and benefits with breakdown by employment type and gender	141	Partially disclosed	Data is disclosed on wages and remuneration package (excluding insurance contributions); the data disclosed is broken down by region. There is no statistics on wages and benefits broken down by labour contract type, employment type, age or gender.
C.3 Employee health and safety	C.3.1: expenditures on employee health and safety	119	Disclosed	Expenditures on employee health and safety make up 1.8% of the Group's consolidated revenue.
	C.3.2: frequency/incident rates of occupational injuries	116, 348	Partially disclosed	The Report discloses information about the occupational injury rate and lost day rate in accordance with the GRI requirements.

UNCTAD indicator		Page	Disclosure status	Information/comments
C.4 Coverage of collective agreements	C.4.1: percentage of employees covered by collective agreements	138	Disclosed	–
D Institutional area				
D.1 Corporate governance disclosures	D.1.1: number of Board meetings and attendance rate	–	Disclosed	Number of Board of Directors meetings – 38 Attendance rate – 100%
	D.1.2: number and percentage of female Board members	–	Disclosed	The proportion of women on the Board of Directors is 23% (three out of 13 members)
	D.1.3: Board members	–	Disclosed	Disclosed in the 2022 Annual Report ¹
	D.1.4: number of meetings of the audit committee and attendance rate	–	Disclosed	Number of meetings of the Audit Committee – 15 (of which two jointly with other committees). Attendance rate – 100%
	D.1.5: compensation: total compensation per Board member (both executive and non-executive directors)	–	Disclosed	The 2022 Annual Report ¹ discloses the total amount of compensations paid to the members of the Board of Directors.
D.2 Anti-corruption practices	D.2.1: amount of fines paid or payable due to settlements	351–352	Disclosed	–
	D.2.2: average hours of training on anti-corruption issues per year per employee	253–254	Partially disclosed	No records are kept on the length (in hours) of anti-corruption training. Reporting in the Company is based on the GRI standards; it means the Report discloses the number and proportion of employees trained in anti-corruption policies and practices.

TCFD disclosures

Section	Disclosure	Page	Assured by the auditor
Governance Describe the Board's oversight of climate-related risks and opportunities	• Describe the Board's oversight of climate-related risks and opportunities	53	Assured
	• Describe the management's role in assessing and managing climate-related risks and opportunities	53, 231	Assured
Strategy Disclose the actual and potential impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	• Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	57	Not assured
	• Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	27, 49	Assured
	• Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	22, 28, 59	Not assured
Risk management Describe how the organisation identifies, assesses, and manages climate-related risks	• Describe the organisation's processes for identifying and assessing climate-related risks	57, 239	Not assured
	• Describe the organisation's processes for managing climate-related risks	60, 238	Assured
	• Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	238	Assured
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks	• Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	43	Assured
	• Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	61	Assured
	• Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	43	Assured

¹ <https://www.nornickel.com/investors/reports-and-results/annual-reports/>.

GRI quantitative indicators disclosure

Direct economic value generated and distributed¹ (RUB bn)

GRI 201-1

Indicator	2018	2019	2020	2021	2022
Direct economic value generated	734.6	884.6	1123.3	1324.1	1183.6
Economic value distributed, including:	684.6	918.4	990.5	1141.2	919.5
• operating expenses ²	228.5	239.1	449.0	281.8	281.0
• community investments and charity ³	12.9	14.4	36.4	76.0	24.9
• payroll and other employee remuneration and benefits, including payroll taxes	128.8	136.8	146.6	163.6	222.9
• payments to providers of capital (interest, dividends ⁴)	243.1	383.7	213.8	412.2	202.8
• gross tax payments	71.3	144.4	144.8	207.6	187.8
Economic value retained	50.0	-33.8	132.8	182.9	264.1

Structure of the Board of Directors and the Management Board

GRI 405-1

Indicator	Board of Directors		Management Board	
	Men	Women	Men	Women
Under 30	0 (0%)	0 (0%)	0 (0%)	0 (0%)
30–50	5 (38.5%)	3 (23%)	4 (40%)	2 (20%)
Over 50	5 (38.5%)	0 (0%)	2 (20%)	2 (20%)

¹ Calculated on an accrual basis under the IFRS. The Company used an in-house calculation methodology developed in line with the GRI Standards.

² Since 2020, this line has included environmental and decommissioning provisions.

³ Excluding CAPEX.

⁴ Taking into account dividends accrued.

Total water withdrawal (mcm)

GRI 303-3, SASB EM-MM-140a.1

Indicator	Total water withdrawal from external sources ¹	Including				
		from surface water bodies	from underground sources	natural water inflow	Effluents from third parties and from municipal water supplies and other water utilities (excluding NTEC)	
Group's total	2022	353.1	233.2	24.4	61.9	33.6
	2021	351.2	224.9	29.4	57.4	39.5
	2020	374.9	259.8	30.9	46.7	37.5
	2019	319.3	227.3	26.3	36.5	29.2
	2018	356.8	254.3	28.3	44.2	30.1
Including: Polar Division and Norilskenergo ²	2022	26.2	0.0	0.0	24.2	1.9
	2021	29.8	0.0	0.0	24.36	5.5
	2020	25.6	0.0	0.0	20.1	5.5
	2019	26.5	0.0	0.0	12.85	13.7
	2018	38.1	0.02	0.0	22.4	15.7
Including: Norilsk-Taimyr Energy Company	2022	261.1	217.2	23.9	2.7	17.3
	2021	257.9	209.7	28.8	2.04	17.4
	2020	286.0	234.62	30.63	2.7	18.0
	2019	240.2	212.8	26.1	0.0	1.3
	2018	269.5	241.2	28.3	0.0	0.0
Kola MMC	2022	39.1	12.3	0.0	13.3	13.6
	2021	32.5	11.1	0.0	13.1	8.3
	2020	38.2	21.3	0.0	8.7	8.3
	2019	27.9	13.2	0.0	6.1	8.6
	2018	32.8	11.7	0.0	12.4	8.7

¹ Excluding water reused from NTEC networks.

² Included in water withdrawal from NTEC.

Water withdrawal by water source and type in 2022 (mcm)

GRI 303-3, SASB EM-MM-140a.1

Indicator	2022 год
Total water withdrawal	353.1
Water from surface water bodies, including:	233.2
• fresh water	223.2
• other water	0.0
Water from underground sources, including:	24.4
• fresh water	24.4
• other water	0.0
Effluents from third parties and from municipal water supplies and other water utilities (excluding NTEC), including:	33.6
• fresh water	9.2
• other water	24.4
Natural water inflow, including:	61.9
• fresh water	0.0
• other water	61.9
Water from NTEC, including:	85.6
• fresh water	85.6
• other water	0.0
Sea or ocean water, including:	0.0
• fresh water	0.0
• other water	0.0

Water bodies used for water withdrawal and waste water discharge¹

GRI 303-1, SASB EM-MM-140a.1

Branches and business units	Water bodies used for water withdrawal and the scale of impact associated with the Company	Water bodies used for wastewater discharge and the scale of impact associated with the Company
Polar Division	Water is withdrawn from the Yenisey River, the water bodies of the Norilsk-Pyasino water system and the Kara Sea.	Wastewater is discharged into water bodies of the Yenisey River and Norilsk-Pyasino water system.
Polar Transport Division		
Medvezhy Ruchey		
Norilskgazprom		
Norilsktransgaz		
Norilsknickelremont		
Polar Construction Company		
Norilsk Production Support Complex		
NN Technical Services		
Taimyr Fuel Company		
Yenisey River Shipping Company		
Norilsk Airport		
NTEC		
Renons		
Lesosibirsk Port	Water is withdrawn from the water bodies of the Barents Sea.	Wastewater is discharged into the water bodies of the Barents Sea.
Murmansk Transport Division		
Kola MMC		
Taimyr Fuel Company	Water is withdrawn from the water bodies of the Amur River.	Wastewater is discharged into the water bodies of the Amur River.
GRK Bystrinskoye		
Vostokgeologiya	Water is withdrawn from the Black Sea.	Wastewater is discharged into the Black Sea.
Zapolyarye Health Resort		

¹ The Company does not make a material impact on the water bodies specified. Water is withdrawn within the established limits. Waster water is discharged in accordance with the relevant permits and predominantly within the established limits.

Water use, including water recycling (mcm)

Indicator		Total water used	Including				Water recycled and reused as percentage of total water used (%)
			utility water	production	Including		
					Water reused	Water recycled	
Group's total	2022	1345,9	21.6	1324,3	27.1	1077.8	82.1
	2021	1280.8	25.2	1255.6	31.6	1052.0	84.6
	2020	1458.1	23.0	1435.1	31.2	1229.0	86.4
	2019	1343.5	18.8	1324.7	30.7	1141.3	87.2
	2018	1412.1	20.1	1392.0	31.5	1178.5	85.7
Polar Division and Norilskenergo	2022	435.6	5.2	430.4	23.4	350.3	85.8
	2021	460.8	14.9	445.9	27.7	384.2	89.3
	2020	471.2	13.6	457.6	27.7	384.2	89.4
	2019	461.2	10.5	450.7	29.4	388.7	90.7
	2018	463.5	12.1	451.4	29.2	389.5	90.4
Including: NTEC	2022	715.6	9.9	705.7	0.9	584.2	81.8
	2021	626.9	0.9	626.0	0.9	514.2	82.2
	2020	764.5	0.9	763.6	0.1	641.1	84
	2019	656.5	0.9	655.6	0.1	551.1	84.1
	2018	709.1	1.00	708.1	1.1	578.2	81.7
Kola MMC	2022	109.8	1.8	108.0	0.1	88.7	80.9
	2021	100.3	1.8	98.5	0.1	98.4	98.2
	2020	141.4	1.6	139.8	0.2	139.7	98.9
	2019	156.5	1.7	154.9	0.1	150	95.9
	2018	171.6	1.8	169.8	0.0	158.6	92.4

Total effluents¹ and pollutants discharged²

GRI 303-4

Indicator	Total effluents (mcm)	Including				Pollutants in effluents (kt)
		Insufficiently treated	Contaminated untreated	Treated to standard quality at treatment facilities	Standard clean (without treatment)	
Group's total	2022	168.0	34.1	40.7	3.7	208.6
	2021	193.8	33.8	60.3	4.9	237.0
	2020	202.4	33.1	54.8	4.3	244.3
	2019	142.4	26.2	36	4.6	210.6
	2018	164.5	31	34.3	6.6	232.4
Polar Division and Norilskenergo	2022	23.5	1.0	22.1	0.4	26.6
	2021	37.0	1.2	35.4	0.4	60.0
	2020	33.7	1.7	31.6	0.4	66.7
	2019	23.7	1.4	21	0.8	58.3
	2018	35	3.7	28.7	1.9	72.7
NTEC	2022	95.8	0.0	6.7	0.0	3.4
	2021	88.2	0.0	6.9	0.0	3.0
	2020	104.9	0.0	8.8	0.1	3.0
	2019	74.6	0.0	2.1	0.004	1.1
	2018	91.6	0.0	0.0	0.0	1.4
Kola MMC	2022	26.7	26.4	0.3	0.0	129.1
	2021	27.5	25.9	0.9	0.7	122.0
	2020	25.8	25.1	0.7	0.0	126.7
	2019	22.1	21.8	0.3	0.0	124.4
	2018	25.6	25.5	0.1	0.0	148

¹ Effluents are measured instrumentally with certified gauges and also indirect indicators as approved by the territorial office of the Federal Water Resources Agency.

² The main pollutants of the Group include substances dominating in the volume of wastewater: suspended solids, oil products, metals, and nitrogen compounds.

NOx, SOx and other significant air emissions, including their type and weight¹(kt)

GRI 305-7

Indicator		Group's total	Polar Division	NTEC	Kola MMC
Total amount	2022	1819.4	1778.9	9.8	16.4
	2021	1646.9	1601.4	12.6	19.6
	2020	1968.1	1857.5	10.1	83.4
	2019	1952.7	1819.2	10.6	110.8
	2018	1926.6	1789.0	11.7	117.4
NOx	2022	9.7	1.1	6.0	1.4
	2021	11.4	0.7	8.3	1.4
	2020	10.0	0.6	6.9	1.6
	2019	10.3	0.5	7.2	1.8
	2018	11.2	0.6	8.0	1.7
Including: Sulphur dioxide	2022	1778.4	1764.9	0.1	13.1
	2021	1601.4	1585.2	0.1	15.7
	2020	1910.8	1836.9	0.0	73.2
	2019	1898.1	1798.6	0.0	99.4
	2018	1869.6	1764.4	0.0	104.8
Solids	2022	10.7	5.8	0.0	0.8
	2021	8.9	3.9	0.0	1.2
	2020	14.6	4.1	0.0	6.1
	2019	13.3	4.2	0.0	7.0
	2018	14.5	5.5	0.0	7.6

¹ Air pollutant emissions are determined on the basis of the Environmental Monitoring and Industrial Control data: emissions are calculated as per the applicable methodologies using data on feedstock and equipment running time, through sampling and analysing flue gases, direct measurements with gas analysers, etc.

Total weight of waste by type and disposal method (mt)

GRI 306-3, 306-4, 306-5, SASB EM-MM-150a.8

Indicator	Total (mt)	Including					
		Polar Division	Kola MMC	GRK Bystrinskoye ¹	Medvezhy Ruchey		
Waste-related activity	Waste generation	2022	166.3	13.9	7.3	85.1	59.1
		2021	156.4	13.7	7.5	85.5	49.0
		2020	145.2	14.8	8.1	87.5	34.8
		2019	36.4	15.6	7.9	–	12.4
		2018	30.7	15.7	8.3	–	6.6
	Waste input from third parties	2022	2.0	0.3	0.0	0.0	1.6
		2021	1.6	0.3	0.0	0.0	1.2
		2020	1.0	0.1	0.0	0.0	0.5
		2019	0.6	0.6	0.0	–	0.06
		2018	3.1	3.0	0.0	–	0.03
	In-house waste recovery	2022	30.0	8.1	4.0	4.4	13.4
		2021	23.7	6.1	4.0	3.9	9.7
		2020	34.3	10.5	6.1	12.1	5.2
		2019	22.8	14.3	4.2	–	4.2
		2018	21.6	15.8	2.5	–	3.4
	In-house waste treatment	2022	0.0004	0.0	0.0003	0.0	0.0
		2021	0.0001	0.0	0.0	0.0	0.0
		2020	0.004	0.0	0.002	0.0	0.0
		2019	0.003	0.0	0.001	–	0.0
		2018	0.006	0.0	0.006	–	0.0
Waste transfer to third parties (for recovery or treatment)	2022	3.1	1.8	0.02	0.002	1.3	
	2021	5.76	5.39	0.04	0.003	0.2	
	2020	3.48	3.23	0.04	0.003	0.2	
	2019	0.50	0.24	0.014	–	0.2	
	2018	1.52	0.03	0.01	–	1.5	

¹ In 2020, Bystrinsky GOK was included in the reporting perimeter after it reached its design capacity in the reporting period. Its significant waste figures are driven by the first stage of the deposit development, which involves large volumes of waste generation, mainly overburden, to support further operations.

Indicator	Total (mt)	Including			
		Polar Division	Kola MMC	GRK Bystrinskoye ¹	Medvezhy Ruchey
Waste transfer to third parties (for disposal)	2022	0.7	0.2	0.0	0.01
	2021	0.6	0.2	0.0	0.01
	2020	0.2	0.1	0.001	0.01
	2019	0.6	0.1	–	0.01
	2018	1.6	0.1	–	1.5
Waste landfilling at in-house waste disposal sites	2022 ¹	0.74	0.72	0.01	0.0
	2021	127.5	6.0	77.3	40.4
	2020	111.2	2.3	76.33	29.9
	2019	6.0	3.2	–	8.0
	2018	11.0	3.7	–	0.0

Waste management in 2022 by hazard class and waste type (kt)

GRI 306-3, 306-4, 306-5, SASB EM-MM-150a.4, EM-MM-150a.5, EM-MM-150a.6, EM-MM-150a.7, EM-MM-150a.8

Indicator	Hazard class I	Hazard class II	Hazard class III	Hazard class IV	Hazard class V	Total	Including hazard classes I–IV waste (% of total)
Generation	0.02	0.04	5.7	1,529.4	164,742.7	166,277.8	0.9
Waste generation after processing	0.0	0.0	1.6	1.2	0.0	2.8	100
Waste input from third parties	0.0	0.0	0.9	127.6	1,841.4	1,969.9	6.5
In-house waste recovery, including	0.0	0.0	1.9	0.2	29,964.7	29,966.7	0.0
• direct recycling	0.0	0.0	0.0	0.0	17,812.7	17,812.7	0.0
• other recovery activities	0.0	0.0	1.9	0.1	12,152.0	12,154.0	0.02
In-house waste treatment	0.0	0.02	0.3	0.1	0.0	0.4	91.8
Waste transfer to third parties (for processing)	0.0	0.0	0.1	1.4	9.3	10.8	14.0
Waste transfer to third parties (for recovery)	0.0	0.0	3.3	18.8	3,078.1	3,100.1	0.7
Waste transfer to third parties (for treatment)	0.003	0.001	1.0	0.8	0.3	2.2	85.4
Waste transfer to third parties (for disposal)	0.0	0.0	0.0	311.9	391.5	703.4	44.3
Transfer to local municipal solid waste operator	0.0	0.0	0.0	15.3	1.3	16.6	92.1
Waste disposal at in-house waste disposal sites	0.0	0.0	0.0	477.3	263.0	740.3	64.5
Waste handed over for economic utilisation (recovered at intragroup facilities or by contractors)	0.0	0.0	5.2	19.0	33,042.7	33,066.9	0.1
Waste handled (treated or disposed at intragroup facilities or by contractors)	0.003	0.021	1.4	806.8	665.5	1,473.8	54.8

¹ In 2022, the calculation methodology was changed in line with GRI 306-5, with this indicator including landfilling only since 2022.

List of protected species identified in the Company’s impact area

GRI 304-4

List of protected species identified in Norilsk and Energy Divisions’ area of operation based on observations during the warm season (9 species in total)

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Krasnoyarsk Territory (status)	Red Data Book of the Yamal-Nenets Autonomous Area (status)
Animal				
Whooper swan (Cygnus cygnus)	LC	No	5, a sparse species with groupings varying degrees of vulnerability and knowledge	No
White-tailed eagle (Haliaeetus albicilla)	LC	5, Least Concern	5, a rare widespread species	5, a sparse species with recovering populations.
Peregrine falcon (Falco peregrinus)	LC	3, vulnerable	3, a rare, widespread, easily vulnerable species	3, a rare vulnerable species
Gyr Falcon (Falco rusticolus)	LC	2, endangered	2, a rare, declining, vulnerable species	1, a rare endangered species with sharply declining numbers
Golden plover (Pluvialis apricaria)	LC	No ¹	Not listed	No
Black-throated loon (Gavia arctica)	LC	No ²	Not listed ³	No
Bean goose (Anser fabalis fabalis)	LC	2, endangered	2, a rare, declining subspecies	No
Bean goose (Anser fabalis middendorffii)	LC	2, vulnerable	2, a vulnerable declining subspecies	No
Plants				
Northern spikemoss (Seleginella selaginoides (L.) P. Beauv. ex Schrank & Mart.	No	No	2, a vulnerable declining species	No

¹ Only the subspecies *Pluvialis apricaria apricaria* (Linnaeus, 1758) inhabiting the European part of the Russian Federation, is included in the Red Data Book of the Russian Federation.

² Individual populations of the Central European population (Central Federal District, Novgorod, Pskov, Leningrad and Vologda regions in the Northwestern Federal District) and the population from the south of the Far East (Amur and Sakhalin regions, Khabarovsk and Primorye territories) are listed in the Red Data Book of the Russian Federation.

³ Only the Sayan population, which inhabits the south of the Krasnoyarsk Territory, is listed in the Red Data Book of the Krasnoyarsk Territory.

List of rare and protected species identified in the area of Kola Division facilities (4 species in total)

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Krasnoyarsk Territory (status)
Plants			
Heath spotted-orchid (Dactylorhiza maculata)	LC	No	Biosurveillance
Fragrant orchid (Gymnadenia conopsea)	LC	No	3
Animals			
Whooper swan (Cygnus cygnus)	LC	No	3, rare, near threatened
Golden eagle (Aquila chrysaetos)	LC	3, vulnerable	3, rare, near threatened

List of rare and protected species identified in the area of Trans-Baikal Division facilities (12 species in total)

Species	Red List of the International Union for Conservation of Nature (IUCN) (status)	Red Data Book of the Russian Federation (status)	Red Data Book of the Krasnoyarsk Territory (status)
Animals			
Falcated duck (Anas falcata)	NT	2, endangered	1
Greater spotted eagle (Aquila clanga)	VU	2, endangered	1
Demoiselle crane (Anthropoides virgo)	LC	2, vulnerable	1, CITES, Appendix II
Eurasian curlew (Numenius arquata)	EN	2, vulnerable	3
Yellow-breasted bunting (Emberiza aureola)	CR	2, critically endangered	2
Hen harrier (Circus syaneus)	No	No	2
Chinese bush warbler (Bradypterus taczanovskius)	No	No	4
Plants			
Slipper orchard (Cypripedium macranthos)	LC	3	3
Bugbane (Cimicifuga dahurica)	No	No	3
Dwarf daylily (Hemerocallis minor)	No	No	2
Lilium pumilum	No	No	2
Siberian rowan (Sorbus sibirica)	No	No	3

List of rare and protected species identified in the area as part of marine surveys in the NSR and at the port of Murmansk (13 species in total)

Species	Red Data Book of the Krasnoyarsk Territory	Red Data Book of the Murmansk Region	Red Data Book of the Russian Federation	Red List of the International Union for Conservation of Nature (IUCN)
Murmansk port				
Lesser black-backed gull (Larus fuscus)	No	No	5	LC
NSR (Dudinka–Murmansk)				
Birds				
Northern gannet (Sula bassana)	No	3	-	LC
Great cormorant (Phalacrocorax carbo)	No	3	-	LC
European shag (Phalacrocorax aristotelis)	No	3	3	LC
Barnacle goose (Branta leucopsis)	No	3	-	LC
Common eider (Somateria mollissima)	No	5	No	NT
Peregrine falcon (Falco peregrinus)	3	2	2	LC
Great skua (Catharacta skua)	No	3	-	LC
Common murre (Uria aalge)	No	-	3	LC
Horned lark (Eremophila alpestris)	No	3	-	LC
Mammals				
Harbour porpoise (Phocoena phocoena)	No	No	4	LC
Common minke whale (Balaenoptera acutorostrata)	No	No	No	LC
Large whale sp. humpback whale (Megaptera novaeangliae) or fin whale (Balaenoptera physalus)	No	No	1 (2) ¹	LC/VU

0 – probably extinct;
 1 – endangered;
 2 – decreasing number;
 3 – rare;
 4 – uncertain status;
 5 – rehabilitated and rehabilitating;
 6 – bio surveillance: species needing constant monitoring of their status.

¹ 1 – humpback whale (Megaptera novaeangliae) and 2 – northern fin whale (Balaenoptera physalus physalus).

Social performance

Benefits for employees of Polar Division

GRI 401-2

Benefits	Full-time work		Temporary work ²		Seasonal work		Part-time work
	full-time work	part-time work	full-time work	part-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+	+	+	+	+ ¹	+ ¹	- ³
All kinds of financial aid	+	+	+	+	+	+	+
Health resort treatment and vacations	+	+	+	+	-	-	-
Vouchers for children's wellness recreation tours	+	+	+	+	-	-	-
Pension plans	+	+	+	+	-	-	-
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	+	+ ⁴	+ ⁴	+ ⁴

¹ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from benefits; however, in practice, travel expenses are not reimbursed since no vacation is granted to such employees.

² Work under a fixed-term employment contract.

³ According to the local regulations such categories of employees are excluded from the reimbursement of expenses associated with relocation.

⁴ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from the reimbursement of expenses associated with relocation, it is practically possible. No severance pay is provided by mutual agreement.

Benefits for employees of Kola MMC

Benefits	Full-time work		Temporary work ¹		Seasonal work ²		Part-time work
	full-time work	part-time work	full-time work	part-time work	full-time work	part-time work	
Reimbursement of vacation travel expenses (incl. return fare)	+	+	+	+	–	–	–
All kinds of financial aid	+	+	+	+	–	–	– ³
Health resort treatment and vacations	+	+	+	+	–	–	– ³
Vouchers for children's wellness recreation tours	+	+	+	+	–	–	– ³
Pension plans	+	+	+	+	–	–	–
Termination benefits (apart from those prescribed by the applicable laws)	+	+	+	+	–	–	–

¹ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from benefits; however, in practice, travel expenses are not reimbursed since no vacation is granted to such employees.

² According to the local regulations such categories of employees are excluded from the reimbursement of expenses associated with relocation.

³ According to the collective bargaining agreement and local regulations, such categories of employees are not excluded from the reimbursement of expenses associated with relocation, it is practically possible. No severance pay is provided by mutual agreement.

Headcount by type of employment, gender and region (employees)

GRI 2-7, 2-8

Indicator	2022		
	Total	Male	Female
Total ¹ headcount in Russia as at the latest reporting date	83,103	–	–
Contractors whose work is controlled by the Group, as at the latest reporting date	907	–	–
Employees as at the latest reporting date, including:	82,196	57,930	24,266
• in the Norilsk Industrial District	55,470	–	–
• in the Krasnoyarsk Territory (except for NID)	3,455	–	–
• in the Kola Peninsula Industrial District (Murmansk Region)	12,404	–	–
• in Moscow and other regions of Russia	8,006	–	–
• in the Trans-Baikal Territory	2,861	–	–
Employees working under fixed-term contracts (temporary and seasonal jobs) as at the latest reporting date, including:	4,497	2,755	1,742
• in the Norilsk Industrial District	2,709	–	–
• in the Krasnoyarsk Territory (except for NID)	116	–	–
• in the Kola Peninsula Industrial District (Murmansk Region)	180	–	–
• in Moscow and other regions of Russia	1,353	–	–
• in the Trans-Baikal Territory	139	–	–
Employees working under unlimited contracts (permanent jobs) as at the latest reporting date, including:	77,699	55,184	22,515
• in the Norilsk Industrial District	52,761	–	–
• in the Krasnoyarsk Territory (except for NID)	3,339	–	–
• in the Kola Peninsula Industrial District (Murmansk Region)	12,224	–	–
• in Moscow and other regions of Russia	6,653	–	–
• in the Trans-Baikal Territory	2,722	–	–
Full-time employees as at the latest reporting date, including:	81,404	57,405	23,999
• in the Norilsk Industrial District	54,932	–	–
• in the Krasnoyarsk Territory (except for NID)	3,422	–	–
• in the Kola Peninsula Industrial District (Murmansk Region)	12,359	–	–
• in Moscow and other regions of Russia	7,843	–	–
• in the Trans-Baikal Territory	2,848	–	–
Part-time employees as at the latest reporting date, including:	88	27	61
• in the Norilsk Industrial District	3	–	–
• in the Krasnoyarsk Territory (except for NID)	7	–	–
• in the Kola Peninsula Industrial District (Murmansk Region)	16	–	–
• in Moscow and other regions of Russia	58	–	–
• in the Trans-Baikal Territory	4	–	–

¹ The Company has no significant seasonal fluctuations in the number of contractors. The year-on-year decline in the number of contractors in 2022 mainly results from the hiring of additional FTEs.

New and terminated employments (by gender, age and region of operations) in 2022 (employees)

GRI 401-1

Indicator	2022 год
New hires, including:	20,726
• male	14,926
• female	5,800
• 29 y. o. and below	7,099
• 30 through 44 y. o.	9,485
• 45 y. o. and above	4,142
• in the Norilsk Industrial District	14,693
• in the Kola Peninsula Industrial District (Murmansk Region)	1,846
• in the Krasnoyarsk Territory (except for NID)	964
• in Moscow and other regions of Russia	2,656
• in the Trans-Baikal Territory	567
• Terminated employments, including:	14,281
• male	10,366
• female	3,915
• 29 y. o. and below	4,032
• 30 through 44 y. o.	5,546
• 45 y. o. and above	4,703
• in the Norilsk Industrial District	10,416
• in the Kola Peninsula Industrial District (Murmansk Region)	1,345
• in the Krasnoyarsk Territory (except for NID)	795
• in Moscow and other regions of Russia	1,308
• in the Trans-Baikal Territory	417

Employee outflow ratio by region in 2022 (%)

Indicator	2022 год
Kola Peninsula Industrial District (Murmansk Region)	10.8
Krasnoyarsk Territory (excluding NID)	23.0
Moscow and other regions of Russia	16.3
Norilsk Industrial District (NID)	18.8
Trans-Baikal Territory	14.6

Employee inflow ratio by region in 2022 (%)

Indicator	2022 год
Kola Peninsula Industrial District (Murmansk Region)	14.9
Krasnoyarsk Territory (excluding NID)	27.9
Moscow and other regions of Russia	32.8
Norilsk Industrial District (NID)	26.5
Trans-Baikal Territory	19.8

Employee outflow ratio by gender and age in 2022 (%)

Indicator	2022 год
Employee outflow, total	17.4
Employee outflow, male	17.9
Employee outflow, female	16.1
Employee outflow, 29 y. o. and below	32.3
Employee outflow, 30 through 44 y. o.	13.1
Employee outflow, 45 y. o. and above	17.1

Employee inflow ratio by gender and age in 2022 (%)

Indicator	2022 год
Employee inflow, total	25.2
Employee inflow, male	25.8
Employee inflow, female	23.9
Employee inflow, 29 y. o. and below	63.2
Employee inflow, 30 through 44 y. o.	25.3
Employee inflow, 45 y. o. and above	16.6

Number of employees on maternity and/or childcare leave and those back from maternity and/or childcare leave in 2022

GRI 401-3

Indicator	2022 год
Employees on maternity and/or childcare leave as at the year-end, including:	1,526
male	69
female	1,457
Employees back from maternity and/or childcare leave over the year, including:	592
male	39
female	553

Assessment of employees in Russia in 2022 (% of average headcount)

GRI 404-3

Indicator	Blue-collar employees	White-collar employees	Managers	Group total
Competency assessment				
Share of employees covered by competency assessment	2.6	31.9	69.9	19.4
Share of male employees covered by competency assessment	3.0	39.6	71.4	19.3
Share of female employees covered by competency assessment	1.2	25.2	65.3	19.7
KPI-based assessment				
Share of employees covered by KPI-based assessment	0.04	60.1	59.5	22.1
Share of male employees covered by KPI-based assessment	0.02	56.0	54.3	16.6
Share of female employees covered by KPI-based assessment	0.1	63.7	75.4	35.9

Key occupational injury and occupational disease rates by region and gender in 2022

GRI 403-9, 403-10

Indicator	Across Norilsk Nickel Group	Kola Peninsula Industrial District	Norilsk Industrial District	Krasnoyarsk Territory (excluding NID)	Trans-Baikal Territory	Moscow and other regions
Fatal workplace injuries, including:	4	2	2	0	0	0
• Men	3	2	1	0	0	0
• Women	1	0	1	0	0	0
FIFR	0.034	0.12	0.03	0	0	0
Lost time workplace injuries, including:	66	17	43	3	2	1
• Men	56	15	35	3	2	1
• Women	10	2	8	0	0	0
LTIFR	0.57	0.92	0.56	0.48	0.41	0.09
Severe occupational injury rate	0.11	0.17	0.13	0.00	0.00	0.00
Total recorded workplace injuries in accordance with the Russian labour laws (minor + severe + fatal), including:	70	19	45	3	2	1
• Men	59	17	36	3	2	1
• Women	11	2	9	0	0	0

Indicator	Across Norilsk Nickel Group	Kola Peninsula Industrial District	Norilsk Industrial District	Krasnoyarsk Territory (excluding NID)	Trans-Baikal Territory	Moscow and other regions
Severe injuries, including:	13	3	10	0	0	0
• Men	11	3	8	0	0	0
• Women	2	0	2	0	0	0
Occupational diseases, including:	174	52	121	1	0	0
• Men	156	34	121	1	0	0
• Women	18	18	0	0	0	0
Occupational disease rate	1.49	3.0	1.57	0.16	0	0
Lost day rate	20.75	38.09	18.24	35.85	14.78	2.46
Absentee rate ¹	3.57	4.64	3.68	3.55	1.62	1.30
Injury rate ²	0.60	1.10	0.58	0.48	0.41	0.09
Hours worked, million	116.5	17.3	77.1	6.2	4.9	10.9
Total recorded workplace injuries among contractors' employees engaged at the Group's sites, in accordance with the Russian labour laws	46	4	39	0	3	0
• Men	43	3	37	0	3	0
• Women	3	1	2	0	0	0
Including fatalities:	4	2	2	0	0	0
• Men	4	2	2	0	0	0
• Women	0	0	0	0	0	0

Employees and contractors covered by the corporate Health and Safety Management System (HSMS)

GRI 403-8

Indicator	HSMS coverage	including HSMS that underwent an internal audit	including HSMS that underwent an external audit or another independent review
Headcount of the Group's business units covered by HSMS	79,907	77,857	30,885
Share of employees of the Group's business units covered by HSMS in the Group's total headcount, %	100	97	39
Headcount of contractors working at the Group's sites and covered by HSMS	12,782	9,886	1,182
Share of employees of contractors covered by HSMS in the total headcount of contractors	100	77	9

¹ Number of hours worked and absentee rate for Moscow and other regions exclude Zapolyarye Health Resort.

² Per million hours worked.

Fines and non-financial sanctions related to environmental and social impacts in 2022

GRI 2-27

Indicator	Total number of non-compliances with laws and/or regulations during the reporting period	Number of non-compliances with laws and/or regulations during the reporting period: cases resulting in fines	Number of non-compliances with laws and/or regulations during the reporting period: cases resulting in non-financial sanctions	Total number of fines for non-compliance with laws and/or regulations paid during the reporting period	including fines for non-compliance with laws and/or regulations that occurred during the reporting period	including fines for non-compliance with laws and/or regulations that occurred in previous reporting periods	Total amount of fines paid during the reporting period, RUB '000	including fines imposed in the current reporting period, RUB '000	including fines imposed in previous reporting periods, RUB '000
Total fines and non-financial sanctions	605	292	310	315	272	43	32,023.2	26,973.2	5,050.0
Environmental laws and regulations	84	40	41	58	38	20	5,106.5	4,036.5	1,070.0
Anti-competitive behaviour and breach of antitrust laws	0	0	0	0	0	0	0.0	0.0	0.0
Non-compliance with labour laws	13	3	10	3	3	0	90.0	90.0	0.0
Non-compliance with health and safety laws	27	18	9	18	17	1	1,500.0	1,370.0	130.0
Non-compliance with consumer protection laws, including with respect to product information and labelling	0	0	0	0	0	0	0.0	0.0	0.0
Non-compliance with marketing (advertising) regulations	0	0	0	0	0	0	0.0	0.0	0.0
Non-compliance with regulations on the impact of products and services on health and safety	0	0	0	0	0	0	0.0	0.0	0.0
Failure to timely comply with the improvement notices issued by regulatory authorities	41	23	18	25	22	3	7,440.1	6,960.1	480.0
Non-compliance with fire safety requirements	23	4	19	8	4	4	1,020.0	460.0	560.0
Breach of sanitary and epidemiological laws unrelated to product requirements	20	14	6	15	14	1	285.0	275.0	10.0
Breach of capital construction laws	58	25	33	26	22	4	4,205.0	3,565.0	640.0
Breach of industrial safety laws	179	65	114	62	56	6	10,840.0	9,030.0	1,810.0
Breach of transportation security laws	49	25	24	25	25	0	331.3	331.3	0.0
Other grounds	111	75	36	75	71	4	1,205.4	855.4	350.0

Nornickel’s support for initiatives, standards, and participation in associations focused on sustainable development and corporate social responsibility

GRI 2-28

International

UN initiatives	<ul style="list-style-type: none"> • UN Global Compact • Sustainable Development Goals of the UN 2030 Agenda
Associations, charters, alliances, and initiatives	<ul style="list-style-type: none"> • International Platinum Group Metals Association • Nickel Institute • Together for Sustainability (TFS) initiative • Responsible Sourcing Blockchain Network (RSBN) • European Battery Alliance (EBA)

Russian

UN initiatives	<ul style="list-style-type: none"> • National Global Compact Network
Associations and charters	<ul style="list-style-type: none"> • National Association of International Information Security • Security Charter for Critical Industrial Facilities • Social Charter of the Russian Business • Anti-Corruption Charter of the Russian Business • Environmental Charter of the Krasnoyarsk Territory
Rating agencies, ESG agencies and indices	<ul style="list-style-type: none"> • RSPP Responsibility and Transparency index and Sustainable Development Vector index

Certification of Corporate Integrated Management System (CIMS)

Company	Compliance of the management system with international standards	External audits in 2022	Certification body	Audit results	Certification scope
MMC Norilsk Nickel	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018	Second surveillance audit (November 2022)	Bureau Veritas Certification (BVC)	The Company showed successful implementation, maintenance, and constant improvement of the Corporate Integrated Management System, confirmed compliance with ISO 14001:2015 (sixth certification period), ISO 45001:2018 (first certification period)	Production, project management, storage, delivery, including by sea, and sales (nickel, copper, cobalt, precious metals, sulphur, selenium, tellurium)
Kola MMC	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018	Recertification CIMS audit (April 2022)	Bureau Veritas Certification (BVC)	The audit showed that the stated scope of certification is consistent with the operations carried out by Kola MMC. Kola MMC's commitment to maintaining the performance of and upgrading the CIMS to improve its operation was confirmed	Kola MMC Ore mining and concentration, production of nickel, cobalt and their compounds, precious metal concentrates, sulphuric acid
Gipronickel Institute	ISO 9001:2015	Surveillance audits were completed at the Head Office of the Institute (St Petersburg) and the Norilsk branch of the Institute (Norilsk)	Societe Generale de Surveillance (SGS)	Gipronickel Institute was certified as compliant with ISO 9001:2015	R&D, design, engineering surveys, engineering and environmental activities, project management in mining, concentration and smelting, and relevant inspection methods; development of standards for non-ferrous metal industry products and their inspection methods; development of reference standards for the composition of non-ferrous metal industry products
Norilsk Nickel Harjavalta	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018	Surveillance audit Recertification audit	Bureau Veritas Certification (BVC)	Norilsk Nickel Harjavalta maintains certification to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018	Manufacturing of nickel and cobalt products

Awards and accolades

Responsible production

- Nornickel's Polar Transport Division won Aleksei Gastev contest for the largest lean manufacturing project in Russia and the CIS.
- Norilsk Nickel Harjavalta Oy was recognised as a responsible cobalt supplier by the Responsible Minerals Initiative.

Social

- The Nickelisation platform won silver in the Open Dialogue category of the EMBRAS 2022 Award and the WOW!HR Award in the Digital Solutions category.
- The COVID-19 rehabilitation treatment programme developed by the Zapolyarye Health Resort won the Top 100 Russian Goods national competition in the Service for the Public category.
- Nornickel won the First National Corporate Sports Award in the category Best Corporate Sports Development Programme in Hard-to-reach Territories (for a company with a headcount of more than 5,000 employees).
- Nornickel was ranked No. 1 in the Polar Index and was among the leaders in AK&M's social performance rating.
- Nornickel was ranked among Top 20 employers according to the survey of students on the engineering and business degree programmes, and was recognised the best metals and mining company by independent rating companies Future Today and Changallenge.
- Nornickel was listed among Russia's most attractive employers based on a survey conducted by the Russian Public Opinion Research Centre (VCIOM) and Anews.
- HeadHunter ranked Nornickel No. 1 in the Best Russian Employer category among metals and mining companies and 12th among all employers in the Russian Federation.
- Nornickel won RSPP's 2021 Leaders of Russian Business: Dynamics and Responsibility contest in the Contribution to Sustainable Development of Territories.

Environmental

- Nornickel made it to the Top 10 of the Environmental Transparency Rating of Metals and Mining Companies following an annual survey conducted by the World Wildlife Fund (WWF).
- The Federal Service for Supervision of Natural Resources awarded a commendation to Nornickel's teams that organised the arrival of doctors and transportation of injured red-listed predators – two polar bears.
- Nornickel was honoured in the Sustainable Cities and Communities category. Nornickel was awarded a prize in the Responsible Consumption and Production category for the development and implementation of its Environmental and Climate Change Strategy. Nornickel's project of baseline biodiversity research and defining the areas of the Company's environmental impact was recognised as the best practice in the Partnerships for Sustainable Development category.

Innovations

- Nornickel was ranked among Top 50 blockchain companies by Forbes for the second year in a row.
- A project to create a digital twin of Kola MMC's Monchegorsk site won the 6th All-Russian competition Team Leaders 2021/22 in the category Information Modelling of Existing Industrial Facilities.
- A system for autonomous and remote control of self-propelled diesel-fuelled equipment at Skalisty Mine won the Underground Mining Digitalisation category in the Mining Industry 4.0 contest at Mining World Russia. The system also won the Digital Project of the Year category at the 3rd Russian Summit and CDO/CDTO 2022 Awards, and was recognised the best in the Metallurgy and Continuous Production nomination at the Global CIO Awards.
- The Buildings and Structures Monitoring System project won a silver award in the MineDigital competition. The system also won the Best Digital Industrial Safety Solution category at the ComNews Awards 2022.

Sustainability reporting awards¹

- Moscow Exchange's Annual Report Competition – nominee (gold winner) in the Best CSR and Sustainability Report category.
- RAEX Annual Report Competition – Nominee (2nd place) in the Best Sustainability Report category, Laureate (1st place) in the Best Sustainability Report Design category.
- Visionaries. Change Management award – 1st place in the Best Sustainability Report in Line with Non-Financial Reporting Standards category, the Best Corporate Governance Disclosure.
- LACP 2021 Spotlight Awards – silver award in the Best Sustainability Report category.

¹ Awards received in 2022 by Nornickel's Sustainability Report 2021 (unless otherwise stated).

List of abbreviations

AA1000 SES	AccountAbility 1000 Stakeholders Engagement Standard	GRI	Global Reporting Initiative
AA1000AP	Accountability Principles	Group	Nornickel Group
AI Use cases	Artificial Intelligence	GWP	Global warming potential
AML / CFT / prevention of WMD proliferation	Anti-money laundering / counter-terrorism financing / prevention of proliferation of weapons of mass destruction	HO	Head Office
BVC	Bureau Veritas Certification	HPP	Hydropower plant
CAHRA	Conflict Affected and High Risk Area	CHP	Combined heat and power plant
CIMS	Corporate Integrated Management System	ICE	Internal combustion engine
CIS	Commonwealth of Independent States	ICMM	International Council on Mining and Metal
CMS AS	Control. Management. Security Automated System	IFRS	International Financial Reporting Standards
CO ₂ equivalent	Carbon dioxide equivalent	ILO	International Labour Organisation
COP27	27th Conference of the Parties	IPCC	Intergovernmental Panel on Climate Change
COSO ERM	The Committee of Sponsoring Organisations of the Treadway Commission Enterprise Risk Management	IRMA	Initiative for Responsible Mining Assurance
CTL	Corporate Trust Line	ISMS	Information Security Management System
Cu	Copper	ISO	International Organisation for Standardisation
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation	IT	Information technologies
EIA	Environmental Impact Assessment	IUCN	International Union for Conservation of Nature
EMERCOM	Ministry of the Russian Federation for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters	JDDS	Join Due Diligence Standard
ERP	Enterprise Resource Planning	JSC	Joint-stock company
ESG	Environmental, Social and Governance	Kola MMC	Kola Mining and Metallurgical Company
FIFR	Fatal-Injury Frequency Rate	KPI	Key performance indicators
FOCL	Fibre optic communication lines	Li-ion	Lithium-ion
FPIC	Free, Prior and Informed Consent	LLC	Limited liability company
FZ	Federal law	LTIFR	Lost Time Injury Frequency Rate
GDP	Gross domestic product	Ni	Nickel
GHG Protocol	Greenhouse Gas Protocol	NID	Norilsk Industrial District
GISTM	Global Industry Standard on Tailings Management	NMP	Nadezhda Metallurgical Plant
GJ	Gigajoule	NPO	Non-profit organisation
GOK	Mining and processing plant	NSR	Northern Sea Route
GOST	State standard	NTEC	Norilsk-Taimyr Energy Company
GRC	Governance, Risk and Compliance	OECD	Organisation for Economic Cooperation and Development
		OHS	Occupational health and safety

OJSC	Open joint-stock company
OPEX	Operational expenditure
PD	Polar Division
Pd	Palladium
PGM	Platinum group metals
PJSC	Public joint-stock company
PPE	Personal protective equipment
Pt	Platinum
R&D	Research and development
RMI	Responsible Mining Index
RSBN	Responsible Sourcing Blockchain Network
RSPP	Russian Union of Industrialists and Entrepreneurs
SAP	System Analysis and Programme Development
SASB	Sustainability Accounting Standards Board
SDGs	UN Sustainable Development Goals
SO2	Sulphur oxide
SRM	Supplier relationship management
SSP	Shared Socio-Economic Pathways
TCFD	Task Force on Climate-related Financial Disclosures
TJ	Terajoule
TPP	Thermal power plant
UN	United Nations
UNCTAD	The United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNGP	United Nations Guiding Principles on Business and Human Rights
UNIDO	United Nations Industrial Development Organisation
USA	United States of America
VAT	Value added tax
VCIOM	Russian Public Opinion Research Centre
VHI	Voluntary health insurance
VPSHR	Voluntary Principles on Security and Human Rights
WRI	World Resources Institute

Glossary

Business unit of the Company's Head Office:

department, division or any other unit within the organisational structure of the Company's Head Office approved by the President of MMC Norilsk Nickel and/or Senior Vice President for HR, Social Policy and Public Relations.

Certification: confirming compliance of qualitative characteristics with quality standard requirements.

Charitable activities: the Company's voluntary transfer of property, including cash, free works and services, and other support, to legal entities or individuals free of charge or on preferential terms.

Collective Bargaining Agreement: legal instrument governing social and labour relationships within a company or a sole trader business and signed by the representatives of employees and the employer.

Compliance: conducting business in compliance with the requirements of government authorities, applicable laws, regulations, guidelines and standards, including corporate policies and procedures, and ethical business practices.

Corporate culture: combination of standards, values and beliefs that determine the way a company addresses the matters of internal integration and external adaptation, guide and motivate daily behaviour of employees, while also transforming under its influence.

Corporate social responsibility (CSR): corporate behaviour philosophy and concept applied by the business community, companies and company representatives to

their activities aimed at meeting stakeholder expectations and ensuring sustainable development.

Environmental protection and resource efficiency: corporate programmes aimed at minimising the Company's environmental impact.

Global Reporting Initiative (GRI): independent organisation developing sustainability reporting guidelines and standards.

Health and safety: occupational health and safety protection system embracing legal, social, economic, organisational, technical, sanitary, hygienic, healthcare, rehabilitation and other activities.

HR management policy: end-to-end integrated HR management system including all stages of employee-employer interaction, from recruitment to retirement and post-retirement support.

HR policy: set of standards, rules, regulations, concepts and goals determining the Company's HR management practices (personnel planning and record keeping, recruitment, adaptation, training and development, remuneration and incentivisation, performance assessment, social security, etc.) in line with its development strategy.

Human rights due diligence: set of measures that includes assessing impacts and risks in the value chain and conducting business responsibly in order to prevent and mitigate human rights abuses and hold businesses accountable for such abuses in which the businesses may be implicated through their own operations or relationships.

Incentivisation: tools and methods of boosting staff performance and productivity, motivating an employee or a group of employees to achieve corporate goals.

Local communities: population with Russian citizenship.

Mediation: method of alternative dispute resolution based on finding a mutually acceptable solution through the mediation of an impartial third party (independent expert).

Mission: statement of the Company's goals and objectives that distinguish it from its peers.

Norilsk Industrial District: a territory of municipalities that includes the city of Norilsk, the Taimyrsky Dolgano-Nenetsky Municipal District, and the Turukhansky District.

Nornickel (Norilsk Nickel) Group: for the purpose of the 2022 Sustainability Report, MMC Norilsk Nickel and the totality of operations forming Nornickel Group. Unless otherwise specified or required by the context, the terms "Company", "Group", "Nornickel" or "the Group companies" shall mean Nornickel Group.

Occupational disease: health disorder caused by a systematic and lasting exposure to workplace factors or a combination of production-specific working conditions.

Payroll budget: total payroll and social payments.

Personnel development: set of initiatives aimed at employee recruitment, adaptation, retention, and fully unlocking their professional and creative potential.

Risk: negative factor that might result from current processes or future events and have a potential impact on the Company's ability to achieve its goals.

Safe working conditions: working conditions where occupational exposure to harmful and/or hazardous production factors is prevented or controlled within the set limits.

Senior executives: President, Vice Presidents, heads of departments in case of the Head Office, and general directors and their deputies in case of entities located in the Norilsk Industrial District and on the Kola Peninsula.

Significant regions of operation – the regions of the Russian Federation where the Company's core production is concentrated and where its key assets by headcount (with the headcount of 1,000 people and above) are located: the Norilsk Industrial District, Krasnoyarsk Territory (except for the NID), Kola Peninsula Industrial District (Murmansk Region), Trans-Baikal Territory, Moscow, and other Russian regions.

Social package: set of benefits, compensations, additional payments, statutory and additional services provided to employees by the employer on top of their salary.

Social partnership: framework of relationships among employees (their representatives), employers (their representatives), and federal and local

government authorities aimed at reconciling interests of employees and employers on matters pertaining to the regulation of labour relations and other directly associated matters.

Social programmes: voluntary corporate initiatives pertaining to employee development and motivation, creating favourable working conditions, promoting corporate culture and charity, and supporting local communities. These initiatives are implemented on a regular basis in line with the Company's business strategy, and focused on satisfying balanced requests of various stakeholders. From the management perspective, a social programme is a set of initiatives carefully planned in terms of resources, workforce and timeframes, and efficiently addressing the Company's internal or external social objectives.

Soil thawing: process whereby soil receives heat in a quantity sufficient for its natural negative temperature to increase to 0 °C and also for its disseminated ice to turn to liquid.

Southern Cluster: Nornickel's promising project to develop reserves in the northern part of the Norilsk-1 Deposit.

Stakeholder engagement: the Company's activities aimed at identifying stakeholders' expectations and concerns and their engagement in the decision-making process.

Stakeholders: individuals and legal entities or their groups having certain expectations about the Company or affected by its operations, influencing its managerial decisions while being themselves

influenced by such decisions. Stakeholders include the Company's shareholders, investors, employees, suppliers, contractors, consumers, trade unions and other public organisations, federal and local authorities, mass media, residents of areas where the Company operates, and others.

Standard: regulation containing a set of requirements for activities and their products.

Sulphur Programme: Nornickel's largest and most important environmental initiative, providing for a phased reduction of sulphur dioxide emissions in the Norilsk Industrial District and on the Kola Peninsula, as well as the establishment of green production.

Sustainability Report (non-financial report): accessible, accurate and balanced description of the main aspects of the Company's activities and achievements pertaining to its values, goals and sustainable development policy, and addressing the matters of most importance for the key stakeholders. This is a way of publicly informing the shareholders, employees, partners and other stakeholders of the Company's progress towards its goals and objectives set out in its mission statement and strategic development plans with respect to financial and environmental stability, and social security.

Sustainable development: concept developed by the UN that acknowledges the role of business in ensuring sustainable development of the society; a concept of global community development taking into account interests of both present and future generations.

System Analysis and Programme Development Governance, Risk and Compliance (SAP GRC): a SAP-based information system combining three main components – corporate governance, risk management and compliance.

Tailing dump: facility encompassing dedicated structures and equipment designed to store radioactive, toxic or other tailings resulting from the concentration process.

Top management: President, Senior Vice Presidents, Vice Presidents, members of the Management Board and heads of departments of MMC Norilsk Nickel;

directors of branches of MMC Norilsk Nickel and their deputies; sole executive bodies (directors, general directors) of the Group companies and their deputies.

Young talents: graduates of universities and colleges whose post-graduate experience does not exceed three years.

Stakeholder dialogue minutes

Nornickel has been historically engaged in dialogues with stakeholders while drafting sustainability reports. On 15 December 2022, the Company held a foresight dialogue themed “Who needs sustainable development?”¹.

Stakeholder foresight dialogue minutes:

Date and time: 15 December 2022, 10:00–12:00 am

Format: online conference

Programme:

Item 1. Report: “Nornickel’s contribution to preserving ecosystem biodiversity across its footprint. Safety culture transformation”

Item 2. Report: “Nornickel’s social strategy: goals, targets, and business priorities”

Item 3. Report: “Nornickel’s progress in addressing climate change: relevance for the stakeholders”

Item 4. Report: “Results of surveys to identify material topics for Nornickel’s 2022 Sustainability Report”

Item 5. Report: “Assessment of material topics disclosure in Nornickel’s 2021 Sustainability Report”

¹ For more details, please see the press release on the Company’s official website: <https://www.nornickel.ru/news-and-media/press-releases-and-news/v-nornikele-rasskazali-o-prioritetakh-dlya-ustoychivogo-razvitiya/type=news>. For more details on stakeholder proposals, please see the [Definition of Material Topics](#) and [Stakeholder Recommendations](#) sections.

ITEM 1. Report: “Nornickel’s contribution to preserving ecosystem biodiversity across its footprint. Safety culture transformation”

SPEAKERS:

Stanislav Seleznev

Vice President for Ecology and Industrial Safety at MMC Norilsk Nickel

Stanislav Seleznev spoke about a positive shift in the Company’s and employees’ mindset towards environmental and industrial safety.

In 2022, a number of projects were implemented in the field of preserving biodiversity, including the Big Scientific Expedition conducted in collaboration with the Russian Academy of Sciences. Such large-scale expeditions focused on biodiversity assessment had never been conducted in modern Russia before. Nornickel began to implement an agreement with the Russian Federal Agency for Fishery and has already released a substantial amount of rare and valuable fish species into water bodies. Among the unplanned activities, Stanislav Seleznev highlighted the initiative to save polar bears, which was successful. He also emphasised that Nornickel will continue to support specially protected natural areas. Stanislav Seleznev reiterated the Company’s intention to continue research in the field of biodiversity in the coming years and called on other companies to join in.

In his report, he touched upon the problem of atmospheric pollution resulting from the Company’s activities. Between 2015 and 2021, Nornickel made extensive progress as part of its Sulphur Programme and achieved a 90% reduction in sulphur dioxide emissions in its Kola Division. Two more stages of the Sulphur Programme are yet to be implemented. The first stage of them, which focuses on the sulphur dioxide recovery, has been underway at Nadezhda Metallurgical Plant for several years now. Nornickel is making every effort to launch the sulphuric acid production leveraging sulphur dioxide recovery at Nadezhda Metallurgical Plant before the end of 2023 and expects to see the first results as early as 2024. The second stage of the programme (to be implemented at Copper Plant) will be postponed due to the lack of specific technological equipment caused by the external economic and political headwinds.

Nornickel has revamped its approach and mindset towards injury prevention as part of its industrial safety management. As a

result, the ratio of accidents to fatalities changed in 2022, with the overall number of accidents almost doubling and the number of fatalities going down by more than two times. Stanislav Seleznev spoke about the start of a project to transform the Company’s safety culture. In 2022, Nornickel launched a project to train corporate coaches, who will then train the Company’s workers and engineering staff to identify and handle risks and will also help build interaction between workers and managers. Nornickel plans to continue developing the institute of corporate coaches and the safety culture, including through the use of initiatives leveraging technology.

Following Mr Seleznev’s report, additional questions were discussed about the impact of the conducted environmental research on the transformation of the Company’s environmental protection initiatives across its operations, the achievement of national sustainable development goals, and the implementation of the National Technology Initiative.

ITEM 2. Report: “Nornickel’s social strategy: goals, targets, and business priorities”

SPEAKERS:

Larisa Zelkova,

Senior Vice President – HR, Social Policy and Public Relations at MMC Norilsk Nickel

Larisa Zelkova talked about Nornickel’s new approach in the sphere of corporate social responsibly, reflected in the Company’s Sustainable Social Development Strategy. This approach covers the Company’s various projects and activities in areas that are socially significant and have public importance. Larisa Zelkova provided an overview of the most ambitious and impactful programmes that are part of

Nornickel’s wider Sustainable Social Development Strategy, such as the Norilsk renovation programme, corporate healthcare development, a special programme to provide infrastructure investment and support to indigenous peoples of the North, and a programme (named In Good Company) aimed

at developing talents and creating opportunities for employee professional and personal development.

Following Ms Zelkova’s report, additional questions were discussed on the Company’s approach to evaluating the effectiveness of social investments, the sustainability of the achieved results, the tasks set in this area, and their achievement.

ITEM 3. Report: “Nornickel’s progress in addressing climate change: relevance for the stakeholders”

SPEAKERS:

Vladimir Zhukov,

Vice President for Investor Relations and Sustainable Development at MMC Norilsk Nickel

Vladimir Zhukov highlighted the significance of the climate change topic for Nornickel and discussed the Company’s intention to follow a climate change adaptation strategy with a focus on managing physical risks. In his report, he presented global climate trends such as the transition to green energy sources, electrification of transportation, and the inevitable increase in physical risks caused by climate change.

Vladimir Zhukov shared insights into the Company’s approach to managing climate risks and provided an overview of Nornickel’s key tools for adapting to

the changing climate. In 2022, Nornickel partnered with the Obukhov Institute of Atmospheric Physics of the Russian Academy of Science to develop climate change scenarios and with experts from the Institute of Economic Forecasting of the Russian Academy of Sciences to develop long-term social and economic forecasts for the global economy. For the past two years, Nornickel has been developing monitoring systems for its buildings and structures built on permafrost, as part of its efforts to adapt to physical risks. The Company plans to equip about 1,500 facilities located in the Norilsk Industrial District with various

sensors that will transmit real-time data about any unfavourable changes in the foundations.

Following Mr Zhukov’s report, additional questions were discussed about the Company’s initiatives aimed at achieving its climate change goals and tools for assessing climate risks.

ITEM 4. Report: “Results of surveys to identify material topics for Nornickel’s 2022 Sustainability Report”

SPEAKERS:

Svetlana Ivchenko,

Head of the Sustainable Development Department of MMC Norilsk Nickel

Svetlana Ivchenko talked about the Company’s process for preparing non-financial reporting. Her report covered the reporting standards used, industry-specific standards for the metals and mining sector, as well as significant changes in the GRI standards.

Svetlana Ivchenko also discussed the changes in the process for identifying material topics, emphasising that topics are still selected based on their importance

to stakeholders and that the Company’s Sustainability Report provides a detailed and structured disclosure of these topics. Based on the results of the 2022 survey, the number of environmental topics identified as material increased, while the number of material topics related to governance decreased.

In conclusion, Svetlana Ivchenko thanked all stakeholders for their engagement with the Company, participation in surveys, and contribution to enhancing sustainable development practices at Nornickel.

Following Ms Ivchenko’s report, an additional question was discussed about the Company’s plans for implementing new non-financial reporting standards of the IFRS Foundation and the International Sustainability Standards Board (ISSB).

ITEM 5. Report: “Assessment of material topics disclosure in Nornickel’s 2021 Sustainability Report”

The participants were asked to rate the quality of the material topics disclosure in the Company’s 2021 Sustainability Report on a ten-point scale.

The participants then cast their votes.

Stakeholder recommendations

Recommendations	Company response
From external stakeholders	
Provide more detailed information on the Company’s decarbonisation plans. Disclose specific measures and/or technologies for achieving climate goals.	Done. Disclosed in the Climate Change and Energy Efficiency section and the climate report.
Provide more detailed information about the risks, particularly those that were not managed (and therefore neither prevented nor mitigated) during the reporting period.	Partially done. Disclosed in the relevant sections.
Disclose information about the planned scope of environmental protection initiatives to be implemented in 2023–2025, taking into account the current economic environment.	Done. Disclosed in the Environmental section.
Provide more detailed information about the best practices in waste management across Nornickel Group.	Partially done. Disclosed in the Tailings and Waste section.
Provide more information on the Company’s divisions.	Partially done. Disclosed in the Strategic Vision section.
Disclose findings of the human rights assessment.	Done. Disclosed in the Human Rights section and the Human Rights Report.
Hold public hearings on the draft Report.	To be done in the next reports
Provide more detailed information about the management’s contribution to health and safety.	To be done in the next reports
Conduct a quantitative and qualitative assessment of social investments in terms of their actual impact on stakeholders.	To be done in the next reports
Prepare an abridged version of the Report.	To be done in the next reports
Conduct independent assurance of the most significant sustainability KPIs.	To be done in the next reports
From internal stakeholders	
Provide more information about the opportunities created by the Company in its regions of operation.	Done. Disclosed in the Development of Local Communities section.
Ensure that sustainability metrics are aligned with the financial impact and published simultaneously with it.	To be done in the next reports
Anonymous	
Disclose information about the Company’s activities aimed at supporting education in the regions of its operation.	Partially done. Disclosed in the Development of Local Communities section.
Disclose more information about the Company’s programmes for young employees.	Done. Disclosed in the HR Management and Social Partnership section.
Provide more detailed information about the Company’s activities aimed at supporting small and medium-sized businesses in the regions of its operation.	Partially done. Disclosed in the Development of Local Communities section.
Provide more detailed information about IT projects.	Done. Disclosed in the Research and Development, Digital Technologies section.

Opinion of the RSPP Council on Non-Financial Reporting



At the request of MMC Norilsk Nickel (the “Company, “Group”, “Nornickel”), the Council on Non-Financial Reporting, ESG Indices and Sustainability Ratings of the Russian Union of Industrialists and Entrepreneurs (RSPP) (the “Council”) reviewed Nornickel Group’s 2022 Sustainability Report (the “Report”).

The Company requested the RSPP to arrange for the public assurance of the Report, with the Council providing an opinion on the materiality and completeness of the Report’s information about the Company’s operations from the perspective of the Social Charter of the Russian Business. The Charter sets out key principles of responsible business conduct aligned with those of the UN Global Compact, as well as domestic and international CSR and sustainability standards and guidelines.

The public assurance process took place from 7 to 26 April 2023 based on the Report review and assessment by the Council, which issued this Opinion in accordance with its approved Procedure for Public Assurance of Corporate Non-Financial Reports. The Council members possess all the required competencies in corporate responsibility, sustainable development and non-financial reporting, comply with the ethical requirements for independence and impartiality, and provide their personal expert opinion rather than the opinion of organisations they represent.

The Report was assessed based on the below-listed criteria of information materiality and completeness.

Information is considered to be material if it reflects the company’s efforts to implement the principles of responsible business conduct set out in the Social Charter of the Russian Business (see www.rspp.ru).

Completeness implies that the Company provides a comprehensive overview of its operations, including the underlying values and strategic benchmarks, governance systems and structures, stakeholder relationship framework, accomplishments, key results, and performance indicators.

The procedure for the public assurance of the Report factors in the Company’s application of international reporting

frameworks; this Opinion does not, however, purport to assess the Report’s compliance with such international frameworks.

The Company is responsible for the information and statements provided in the Report. The accuracy of the Report’s information is beyond the scope of the public assurance procedure.

This Opinion has been prepared for MMC Norilsk Nickel. The Company may use it for both corporate and stakeholder communication purposes by publishing the original version without any changes.

CONCLUSIONS

Based on the review of the Report and the information publicly available on the Company’s official website, assessment by the Council, and a collective discussion of the results of the Report’s independent assessment, the Council confirms as follows:

Nornickel Group’s 2022 Sustainability Report covers the key areas of responsible business conduct in accordance with the principles set out in the Social Charter of the Russian Business, and provides sufficient information about the Company’s operations in relation thereto.

The recommendations made by the Council following the public assurance of Nornickel Group’s 2021 Report were addressed in the 2022 Report, with disclosures including information on ESG matters considered by the Board of Directors. The Company provided a more detailed description of its contribution to 2030 national development goals and national projects, while also presenting data on its efforts to restore and preserve biodiversity, social impact in the regions of operation and effects of external social programmes.

The Company’s 2022 Report contains relevant information relating to the below-listed aspects of responsible business conduct:

Economic freedom and responsibility: The Report presents information on the Company’s assets, production chain, key financial indicators, and measures introduced to minimise risks related to the geopolitical situation in 2022. There is an outlook on consumption of the Company’s

metals taking into account long-term global market trends supporting such outlook and climate change. The Company disclosed strategic priorities through 2030, key objectives and steps taken to achieve them in the reporting period, including programmes to upgrade production and energy infrastructure. Initiatives to ensure technological independence became a new and high-priority focus of Nornickel’s digital development strategy. Nornickel participated in the Russian Government’s experiment to launch a system for remote control over industrial safety. The Report features information on the OHS management system and its second surveillance audit conducted in the reporting year at Nornickel’s divisions. The audit confirmed the system’s conformance to the ISO 45001:2018 international standard. Nornickel also presents its corporate governance model and sustainability management system, including the related regulatory framework and responsibilities of units across their lines of operation. The Company shows its commitment to the UN Global Compact principles and discloses the key items of the ESG agenda reviewed by the Board of Directors and its committees in the reporting year. The Report contains a detailed map of risks, including those linked to sustainable development, their assessment and mitigation efforts. It also describes the Company’s contribution towards the UN Sustainable Development Goals (SDGs) and national projects in health and healthcare, environmental protection, housing and urban environment, labour productivity and employment, research, digital economy and growth of SMEs, with relevant corporate projects and programmes serving to illustrate such contribution. The Report describes the Company’s anti-corruption and compliance system, including a grievance mechanism, as well as additional procedures on pre-trial dispute resolution based on dialogue and mediation.

Business partnerships: The Report presents a stakeholder map, engagement mechanisms and key 2022 highlights while also listing corporate documents outlining the main principles, obligations and standards of stakeholder engagement. **Investors.** The Company keeps working to expand the pool of retail investors, among other things by holding webinars on the platforms of major retail brokers. **Consumers.** The Report covers the main focus areas of customer relations, including

continuous monitoring of how the Company fulfils relevant contractual obligations. The Company presented the results of customer satisfaction survey in the reporting year, which were in line with the target. The Report’s another topic is fostering cooperation with **government authorities** at all levels. Key highlights in this area include agreements with Rosprirodnadzor on preserving the environment and ensuring environmental safety, as well as cooperation agreements with local authorities in the Company’s regions of operation. The reporting year saw Nornickel implement initiatives as part of the Norilsk renovation project. The Company shared information on its membership in various commissions, expert groups and task forces established by governmental bodies in association with the business community, thus supporting socially important projects. The Report also contains information on activities of business associations and sustainability and corporate responsibility initiatives that Nornickel supports.

Human rights: The Report has a section dedicated to human rights, and the Company’s principles and management approaches in this domain formalised in the Human Rights Policy and other by-laws. To demonstrate how it protects social and labour rights of its employees, the Company described relevant development and social support programmes, measures to ensure decent working conditions, and social partnerships. There is also information on protecting the rights of vulnerable groups and the disabled, who can take advantage of specially arranged employment opportunities. Nornickel discloses how it respects the rights of indigenous peoples, especially their rights to land, resources, culture, spiritual traditions and history, as well as social rights related to improvement of living standards. The Company adopted the Indigenous Peoples’ Rights Policy, which defines Nornickel’s key commitments in this aspect. Nornickel states a zero tolerance approach to any violations of human rights across the supply chain. Nornickel built a five-stage target model for the human rights due diligence and took steps to implement it. As stated by the Company, relevant information is included in a standalone 2022 Human Rights Report. The Report contains details on the grievance procedure and updates to relevant mechanisms following discussions with stakeholders.

Environmental protection and climate change agenda: The Company shares with stakeholders its progress against the Environmental and Climate Change Strategy and activities related to key environmental aspects. In particular, Nornickel defines 2031 strategic goals, shows changes in key indicators of environmental impact, and describes innovations adopted to reduce the Company’s footprint. Detailed information is available on the progress of the Sulphur Programme, including assessment of its social and economic effects. Nornickel presents its climate change policy and governance framework, approaches to managing relevant risks and assessment of carbon footprint based on three scenarios, while also articulating corporate goals and commitments to improve controls in climate risk management. The Report overviews the core elements of the roadmap to comply with the TCFD recommendations, and measures to reduce GHG and pollutant emissions, including the start of developing a new management tool – an internal carbon price. Disclosures also cover principles and risks in managing water resources, measures to monitor waste generation and processing, including tailings management, along with initiatives to ensure continuous power supply of production facilities in adverse climate conditions and improve energy efficiency. The Company’s environmental management framework is also presented in the Report. The reporting year saw yet another surveillance audit, which confirmed compliance of Nornickel’s corporate integrated environmental management system with ISO 14001:2015. Nornickel gives details on its comprehensive approach to developing energy infrastructure, modernisation plan through 2030, and the most essential projects to improve equipment reliability, boost energy efficiency, and increase production output. Energy generation and consumption indicators are also covered in the Report. The Company highlights its consistent efforts to provide the facilities with more economical and green energy sources. In particular, the total share of consumption of from renewable energy sources reached 51% in 2022. The Company analysed possible options for the development of in-house power generation facilities up to 2050 based on low-carbon technologies. As regards biodiversity, the Report specifies relevant goals, management approaches and impact as part of the value chain and facility life cycle. In the reporting year, the Company

and experts from the Siberian Branch of the Russian Academy of Sciences organised the Big Scientific Expedition, a large-scale study into biodiversity in the regions of the Company’s operation. Another step in this area was drafting a corporate standard on conserving and monitoring biodiversity in ecosystems. The Report dwells on Nornickel’s cooperation with nature reserves to develop research and technology and support their social, volunteering and environmental awareness programmes. Environmental protection is also fostered through volunteering, which brings together the Company’s employees, local communities and government authorities.

Contribution to the development of local communities: The Report highlights the Company’s contribution to social, economic and environmental development and collaboration with local governments in the regions where it operates. A dedicated section contains information on key projects, spending on social initiatives and infrastructure, charity and sponsorship along with tax and non-tax payments to budgets of all levels, while also outlining the Company’s employment policy across its key regions of operation. Nornickel discloses its efforts to integrate local businesses into its production chain, and presents projects to develop infrastructure across the regions of operation as part of public-private partnerships and agreements with local governments to create an accessible and comfortable urban environment and improve core types of transportation. The Report also provides a list of documents governing the Company’s external social policy in the regions of operation, information on key 2022 programmes to help local communities (the World of New Opportunities charitable programme, Plant of Goodness corporate volunteering programme, and sports and fitness support initiatives) and examples of themed projects and contests along with feedback from participants. The Company presents focus areas of the Norilsk Development Agency, which carries out its activities in cooperation with local authorities, representatives of local communities, and Nornickel, and five work streams of the Monchegorsk Development Agency. Initiatives to promote tourism and attract visitors to the regions of Nornickel’s presence, statistics for projects with the Russian Arctic residency status, and results of interactions with indigenous minorities are also available. The Report also states

that the Company completed the Free, Prior and Informed Consent (FPIC) process in the Russian Arctic with respect to the Tukhard relocation and development programme.

Final provisions

The information contained herein generally describes the Group’s strategy, responsible business practices and results in sustainable development and corporate social responsibility as well as the supporting governance systems. The Report discloses in detail the results of the Company’s efforts to help achieve the UN SDGs by 2030 and targets set out in Russia’s national projects, as well as describes the Company’s climate risk management and actions to minimise its environmental footprint. An impressive range of social, economic and environmental performance indicators is available to assess in full the Company’s contribution to solving local challenges and ways of managing sustainability risks. When making a list of material topics, the Company took into account feedback from stakeholders.

The Report has been prepared in compliance with the GRI Standards (2021). Among others, the Report relies on the following documents: the UN Global Compact, SASB Metals & Mining Sustainability Accounting Standard (2021), UNCTAD Guidance on core indicators for entity reporting on contribution towards

implementation of the UN Sustainable Development Goals, recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), RSPP Reference Performance Indicators, AccountAbility Standards AA1000SES (2015) and AA1000AP (2018).

The 2022 Report is the Company’s nineteenth non-financial report, which demonstrates its determination to consistently develop reporting processes and enhance transparency. The Company uses various forms of independent assessment and confirmation of disclosed information (professional audit and public assurance). This reflects the Company’s commitment to maintaining the high quality of disclosures.

RECOMMENDATIONS

While acknowledging the Report’s strengths, the Council calls attention to some aspects of disclosures’ materiality and completeness, which should be addressed in the future reporting cycles.

The Council notes that the recommendations made following the review of the previous reports remain valid and good for use going forward.

The Report highlights Nornickel’s contribution to the Labour Productivity national project, but the indicator itself is

not included in disclosures. However, this indicator is important as it is used, among other things, in an independent assessment of companies’ performance based on the review of their public reports.

The Company and the Siberian Branch of the Russian Academy of Sciences organised the Big Scientific Expedition, a unique large-scale environmental study to assess biodiversity, with identified negative effects and problems included in the Report. Taking into account the relevance of this research, we recommend that future reports disclose decisions made and environmental initiatives held at Nornickel’s sites on the basis of the expedition’s results.

The Report describes some key strategic goals, including those related to the environment, which is a positive trend in Nornickel’s disclosures. This approach should be applied more consistently and extensively in all priority sustainability areas when presenting progress against the strategy in the next reports by comparing planned and actual results.

Even though the Report presents in detail the Company’s contribution to the development of local communities, it is advisable to add the following information: social effects and approaches to their evaluation, estimates regarding the sustainability of results in long-term projects, and assessments of changes in the

living standards of local communities after solving certain social problems by means of these projects.

The Company gives details on its approach to building a responsible supply chain and increasing the efficiency and transparency of procurement. The next reporting cycles should feature specific examples of how the Company monitors compliance with its requirements on the part of suppliers and contractors and measures taken to ensure their reliability.

The Report shows the Company’s considerable efforts invested in selecting material topics for the Report and presents a table illustrating reporting boundaries for these material topics. Given considerable differences in defining the boundaries for topics and assets, we believe it is reasonable for future reports to clarify in detail approaches to defining these boundaries, principles of selecting thresholds and the established ways of differentiation.

While presenting Nornickel’s positions in international ESG ratings, reports should also provide more detailed disclosures on the Company’s Russian ESG ratings and positions in indices, including those compiled by RSPP, ratings as regards disclosing information about contributions towards the UN SDGs, and other widely recognised mechanisms of assessing the Company’s responsibility and sustainability.

The Report contains a lot of valuable information. Going forward, it would be a good practice to add its summary containing key messages and highlights with references to the report’s respective sections for more details, in order to deliver information in an easily digestible way and improve navigation in reports.

The RSPP Council on Non-Financial Reporting, ESG Indices and Sustainability Ratings hereby takes a positive view of this Report, supports the Company’s commitment to responsible business practices, notes consistency in developing the reporting process, and confirms that Nornickel Group’s 2022 Sustainability Report has passed the public assurance procedure.

Independent assurance report¹

GRI 2-5

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Independent Audit Firm’s Limited Assurance Report on selected GRI indicators and selected TCFD disclosures in the Sustainability Report of PJSC “Mining and Metallurgical Company “Norilsk Nickel” for 2022

To the Shareholders of PJSC “Mining and Metallurgical Company “Norilsk Nickel”

Introduction

We were engaged by the Management of PJSC “Mining and Metallurgical Company “Norilsk Nickel” (hereinafter – “the Management”) to report on GRI indicators¹ and TCFD disclosures² (as explained below) in the Sustainability Report of PJSC “Mining and Metallurgical Company “Norilsk Nickel” (“the Group”) for 2022 (hereinafter – “the Report”) in the form of a limited assurance conclusion on whether the Management’s Statement that the GRI indicators and TCFD disclosures are prepared in accordance with the applicable criteria (presented in the section “Applicable criteria” of this report) and are free from misstatement is, in all material respects, fairly stated.

Our conclusion applies to the following indicators and information:

- the information disclosed in the Report in accordance with the recommendations of TCFD in the Appendix to the Report “Disclosures in accordance with the TCFD guidelines” and marked “Assured” in the column “Assured by the auditor” (hereinafter - “selected TCFD disclosures”)
- GRI indicators included in the Report in the Appendix to the Report “GRI Content Index” and marked “Assured” in the column “Assured by the auditor” (hereinafter - “selected GRI indicators”).

Our conclusion does not extend to any other indicators or information included or disclosed in the Report.

Management’s Responsibilities

Management is responsible for the preparation and presentation of the Report that is free from material misstatement in accordance with the applicable criteria, and for the information contained therein.

This responsibility includes designing, implementing and maintaining internal control system relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. It also includes: determining the Group’s objectives in respect of sustainable development performance and reporting, including the identification of key stakeholders groups and their material issues; selecting applicable requirements of the Standards used to prepare the Report; preventing and detecting fraud; identifying and ensuring that the Group complies with the laws and regulations applicable to its activities; selecting and applying appropriate policies; making judgments and estimates that are reasonable in the circumstances; maintaining adequate records in relation to the information included in the Report; ensuring that staff involved in the preparation of the Report is properly trained; information systems are properly updated and that any changes in the reporting system encompass all key business units.

¹ Indicators prepared in accordance with Global Reporting Initiative (GRI) Sustainability Reporting Standards.

² Information disclosed in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD).

Engaging entity: PJSC “Mining and Metallurgical Company “Norilsk Nickel”
Registration number in the Unified State Register of Legal Entities: No. 102840000298

Audit firm JSC “Kept”
Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

PJSC “Mining and Metallurgical Company “Norilsk Nickel”

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Our Responsibilities

Our responsibility is to perform procedures to obtain evidence in respect of the selected GRI indicators and selected TCFD disclosures in the Report prepared by Management and to report thereon in the form of a limited assurance conclusion regarding Management’s Statement in respect of the selected GRI indicators and selected TCFD disclosures in the Report in accordance with applicable criteria based on the evidence obtained.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

ISAE 3000 requires that we plan and perform our procedures to obtain a limited level of assurance about whether the Management’s Statement that the selected GRI indicators and selected TCFD disclosures have been prepared in accordance with the applicable criteria (presented in the “Applicable Criteria” section of this report) and are free from misstatement, is fairly stated in all material respects.

Our Independence and Quality Management

We have complied with the independence and ethical requirements established by the Russian *Rules on Independence of Auditors and Audit Firms* and the Russian *Code of Professional Ethics for Auditors* and by the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants, which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply the *International Standard on Quality Management 1*, which requires our organization to develop, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures Performed

The procedures selected, and our determination of the nature, timing and extent of these procedures is a matter of our professional judgment, including the assessment of risk of material misstatement during the preparation of the Report, whether due to fraud or error, our understanding of the Group’s activities, as well as other engagement circumstances.

In making these risk assessments, we considered internal control system relevant to the Management’s preparation of the Report in order to design procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Group’s internal control.

Our engagement also included: assessing the appropriateness of the information included in the Report regarding selected GRI indicators and selected TCFD disclosures, and the suitability of the criteria used by Management in preparation of the selected GRI indicators and selected TCFD disclosures in the Report in the circumstances of the engagement; evaluating the appropriateness of the methods, policies and procedures, used in the preparation of the selected GRI indicators and selected TCFD disclosures in the Report, and the reasonableness of estimates made by Management.

The procedures we developed based on the performed risk assessment are a combination of inspections, confirmations, recalculations, analytical procedures and inquiries.

Our procedures included, but were not limited to, the following:

- inspection of the processes used by PJSC “Mining and Metallurgical Company “Norilsk Nickel” to identify topics and issues material to the Group’s key stakeholder groups, with the purpose of understanding such processes in the Group, as well as analysis of information from open sources on topics and issues material to key stakeholder groups of other organizations in the industry, with the purpose of determining the level of completeness of disclosure of such topics and issues in the Report;

¹ The auditor of the Sustainability Report was approved by the General Meeting of Shareholders as recommended by the Board of Directors.

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- interviews with Management representatives and officers at the head office regarding the sustainable development strategy and policies regulating material issues in areas of importance for the Group, stage of implementation of such policies, and procedures for collecting information on sustainable development;
- interviews with employees of the head office responsible for providing the information for the Report;
- conducting procedures at the level of the following companies of the Group and a division:
 - Head office (PJSC "Mining and Metallurgical Company "Norilsk Nickel");
 - Polar division (PJSC "Mining and Metallurgical Company "Norilsk Nickel")
 - Medvezhy Ruchey LLC
 - JSC Kola MMC
 - GRK Bystrinskoye LLC
 - JSC NTEC

which were selected based on risk analysis using qualitative and quantitative criteria;

- comparing the information presented in the Report regarding the selected GRI indicators and selected TCFD disclosures with data from other sources to determine its completeness, accuracy and consistency;
- assessing the completeness of qualitative and quantitative information on sustainable development against the criteria used;
- reading and analyzing information on sustainable development included in the Report to determine whether it is in line with our understanding and knowledge of the Group's sustainable development activity;
- recalculation of quantitative data and inspection of underlying documentation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Applicable Criteria

The applicable criteria comprise relevant requirements and recommendations on the methodology for preparing the Report, as well as necessary reference information contained in the following documents:

- Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)³;
- Global Reporting Initiative Sustainability Reporting Standards (GRI)⁴

Management's Statement

Management states that the selected GRI indicators and selected TCFD disclosures in the Report are prepared in accordance with the criteria used (presented in the section "Applicable criteria" of this assurance report) and are free from misstatement.

Inherent Limitations

Greenhouse Gas quantification is subject to inherent uncertainty because of the incomplete scientific knowledge used to determine emission factors of different gases.

³ <https://www.fsb-tcfid.org/recommendations/>

⁴ <https://www.globalreporting.org/standards>

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Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed, nothing has come to our attention that causes us to believe that Management's Statement that the selected GRI indicators and selected TCFD disclosures in the Report are prepared in accordance with the applicable criteria (presented in the section " Applicable Criteria" of this report) and are free from misstatement, is not, in all material respects, fairly stated.




Velichko N.N.

Director, JSC "Kept"

Moscow, Russia

23 May 2023

Disclaimer

The information contained herein relies on the data available to MMC Norilsk Nickel as at the date of this Sustainability Report. After this Sustainability Report was prepared, the Company's operations as well as forecasts and overview of the current situation presented in the Sustainability Report may have been affected by external or other factors, including the escalation of the geopolitical conflict in Ukraine, sanctions imposed by the United States, the European Union, the United Kingdom and other nations against the Russian Federation, Russian individuals and legal entities, Russian Federation's response to sanctions, economic and other measures introduced to maintain the economic and financial stability of the Russian Federation, the COVID-19 pandemic and other factors beyond the Company's control. In particular, the United States, the European Union, the United Kingdom, and other nations have imposed export controls against the Russian Federation that restrict, among other things, supply of industrial equipment to the Russian Federation. These export controls may have a negative impact on the manufacturing capabilities of MMC Norilsk Nickel, should it be unable to purchase and deliver equipment to the Russian Federation.

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youtube.com/user/NornikOfficial →

Norilsk through the eyes of its residents

www.norilskfilm.com →

Corporate website

<https://www.nornickel.com/> →