

# Social

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# Stakeholder engagement

GRI 2-29

Building mutually beneficial long-term relationships with stakeholders is at the core of our efforts to achieve the Company's goals and maintain nimble and robust risk management.

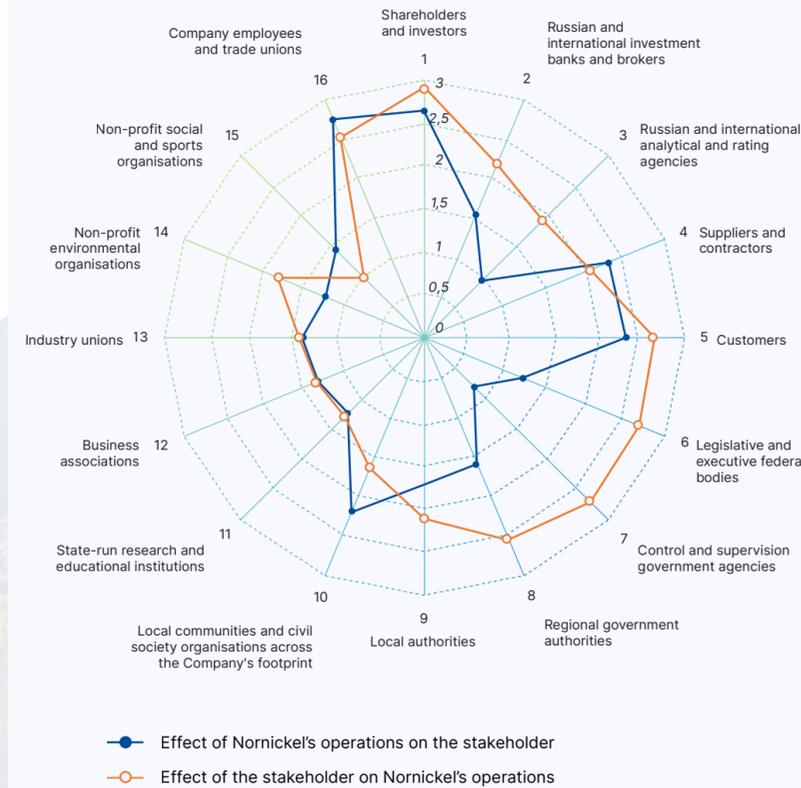
Nornickel's cooperation with government bodies, local authorities, non-profit organisations and local communities is guided by strict compliance with Russian laws and regional and municipal regulations, mutual respect of interests, and social responsibility.

The key principles, duties, initiatives and procedures related to stakeholder engagement are outlined in the Company's by-laws<sup>1</sup>. We maintain dialogue with stakeholders in line with international standards and accountability principles<sup>2</sup>.

In 2022, Nornickel reaffirmed its commitment to transparency by providing stakeholders with regular updates on the Company's operational and financial performance, its financial position, social programmes for employees and local residents, and events and progress on the ESG agenda. The Company took steps to collect feedback on stakeholder satisfaction with the quality and flow of the Company's information and the compliance with the principles set out in its Information Policy Regulations.

## Stakeholder map<sup>3</sup>

GRI 2-29



## Shareholders, investors, brokers (1-2)

### Interests

- Capitalisation and liquidity growth
- Distribution of earnings
- The Company's sustainable development
- Maintaining investment grade credit ratings, improving ESG ratings

### Interaction mechanisms

- General Meeting of Shareholders
- One-on-one communication, phone calls and emails (meetings, conference calls)
- Website presentations and press releases
- Site visits
- Conferences and forums

### 2022 highlights

- Over 100 investor calls and meetings held

➔ For more details, please see the Corporate Governance section

## Analytical and rating agencies (3)

### Interests

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

### Interaction mechanisms

- Meetings, conference calls
- Website presentations and press releases
- Phone calls and emails

### 2022 highlights

- Participation in Sustainalytics, EcoVadis, and MSCI ESG ratings

➔ For more details, please see the Sustainability Management section

<sup>1</sup> MMC Norilsk Nickel's Stakeholder Engagement Policy, Kola MMC's Stakeholder Engagement Procedure, MMC Norilsk Nickel's Business Ethics Code and other by-laws are available on [the Company's official website](#).

<sup>2</sup> AA1000AP (AA1000 Accountability Principles), AA1000SES (AA1000 Stakeholder Engagement Standard).

<sup>3</sup> Put together based on surveys of the Company's managers and employees.

## Suppliers and contractors (4)

### Interests

- Streamlining procurement as regards timelines and engagement procedures
- Accessibility of procurement procedures
- Participation in the Company's projects

### Interaction mechanisms

- Meetings, conferences, in-person and online negotiations
- Long-term agreements (contracts)
- Supplier assessment and surveying
- Interaction through the Shipment Notice and SAP SRM portals

### 2022 highlights

- Comprehensive risk-oriented screening completed with respect to suppliers of mineral resources
- The Group's companies and branches connected to SAP SRM, over 10,000 suppliers registered in the system

➔ For more details, please see the Supply Chain Responsibility section.

## Customers (5)

### Interests

- Product quality
- Packaging and labelling
- Information support of transactions
- Delivery terms
- Sustainable growth of sales markets and registration of products in these markets
- The Company's ESG activities

### Interaction mechanisms

- Official meetings, conferences, exhibitions
- Annual customer satisfaction surveys
- Working with customers (processing customer complaints and grievances and responding to them, analysing consumption trends and perspectives)
- Working with regulators and commodity exchanges

### 2022 highlights

- The customer satisfaction score came in at 2.85, which is fully in line with Nornickel's target

➔ For more details, please see the Customer Satisfaction subsection

## Federal authorities, control and supervision agencies (6-7)

### Interests

- Implementation of socially important projects
- Compliance and regulatory improvements
- Discussion of draft regulations
- Business climate improvement
- Environmental protection
- Support for domestic producers

### Interaction mechanisms

- Participation in working and expert groups, commissions, and committees
- Public events and conferences

### 2022 highlights

- A cooperation agreement signed by Nornickel and Rospirodnadzor to preserve the environment and ensure environmental safety

➔ For more details, please see the Tax Strategy and Development of Local Communities sections

## Representatives of regional authorities (8-10)

### Interests

- Stable tax payments
- Environmental protection
- Contribution to social stability, including creation of new jobs
- SME support
- Training of highly skilled professionals

### Interaction mechanisms

- Working and expert groups, commissions, committees and councils
- One-on-one negotiations, working meetings
- Cooperation agreements
- Implementation of investment agreements
- Forums, conferences, fairs, and round table discussions

### 2022 highlights

- Initiatives implemented as part of the Norilsk renovation project (opening of a fire station, overhaul of the Integrated Social Service Centre)

➔ For more details, please see the Development of Local Communities section

## Non-profit organisations (11-15)

### Interests

- Environmental protection
- Promoting innovations and educational programmes
- Developing sports in regions
- Discussing draft regulations
- Drafting social and economic development plans and investment programmes
- Improving business climate

### Interaction mechanisms

- Working and expert groups, commissions, committees and councils
- Joint R&D and business projects
- Open dialogues, working meetings
- Forums, conferences, fairs, and round table discussions
- Participation in dedicated public events and expert organisations to discuss key issues

### 2022 highlights

- Big Scientific Expedition held
- Nornickel took part in the COP27 climate change conference
- Events held as part of the World of New Opportunities programme (30,000 participants)

➔ For more details, please see the Environmental management and Development of Local Communities sections

## Employees and trade unions (16)

### Interests

- Social benefits and guarantees
- Decent salaries
- Favourable and safe working conditions
- Company's stability as an employer

### Interaction mechanisms

- Joint commissions, committees and working groups; discussions with trade unions and labour councils
- Offices for operational, social and labour matters
- Targeted polls, research focusing on engagement measurements and efficiency of social programmes
- Corporate media, booklets, information screens and boards, online portal

### 2022 highlights

- Nornickel Live, a Q&A session; spring corporate dialogues
- New corporate portal implemented; the Nika chatbot actively used

➔ For more details, please see the HR Management and Social Partnership and Social Policy sections

GRI 2-26

## Dialogue with investors



Over **100**  
investor meeting  
and calls in 2022

Nornickel maintains active dialogue with a wide range of Russian and international investors and equity analysts via conference calls and meetings, investment conferences and site visits. In addition, we hold annual Investor Day attended by the Company's senior management to discuss our strategic development.

In 2022, Nornickel continued to operate in conformity with the high international standards on disclosure. The Company

uses different channels to reach out to stakeholders such as press releases, presentations, annual and sustainability reports, corporate action notices, as well as interactive tools. Nornickel publishes its reports in the Russian and English languages. Investor information is available in the Investors section on the Company's website.

In 2022, the Company held over 100 meetings and calls with investors.

## Dialogue with local communities



Continuous work of regional  
development centres

Nornickel contributes to better lives for the local communities affected by the Company's operations across its footprint. Nornickel takes account of their interests, opinions and preferences, as well as their history, culture, traditions, way of life and historic heritage. To make this possible, the Company organises various activities, themed studies and surveys, focus group sessions and open dialogue events.

The Norilsk Development Agency, the Monchegorsk Development Agency and the Second School

Centre for community initiatives of the Pechengsky District (territorial development institutions established with Nornickel's support) contribute to creating conditions for improving quality of life, developing social environment and ensuring human capital growth in the regions where the Company operates.

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

## Dialogue with employees



Up to **63%**  
growth in employee  
engagement

Continuous open communication with employees is the backbone of efficient governance. The Company has been developing a social partnership framework regulating labour relations and has in place offices for social and labour relations, a response centre and task forces at divisions.

For more details, please see [the HR Management and Social Partnership section](#).

To increase employee awareness, improve trust between workers and leadership and raise employee engagement, Nornickel carried out the following activities in 2022:

- the Company expanded and improved its communication channels (30,000 employees used the new corporate portal, over 60,000 people used NIKA chatbot);

- the Company's Vice-Presidents held Norilsk Live, a Q&A session, which gained over 15,000 views;
- Nornickel carried out 50 corporate dialogue sessions, during which almost 5,000 questions were asked;
- the Company ran eight information campaigns, with a total audience of more than 250,000 people.

The efforts to improve employee communication have contributed to higher engagement — the engagement index increased by 7 p.p. from 56% to 63% from 2021.

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

The Company has the Corporate Trust Line in place enabling its employees to report any violations of law and standards of conduct and ethics.

## Dialogue with business partners



Satisfaction level:  
**2.85**  
(out of 3.0)

### Customers

In 2022, the Company supplied its products to 34 countries. Nornickel runs a global network of representative and sales offices in Russia, China, the USA, and Switzerland. The Company's primary focus is on direct sales.

To build effective trust-based relationships with customers and raise customer satisfaction level, the Company carries out surveys and monitors compliance with contractual terms on an ongoing basis. In 2022, the customer satisfaction level stood at 2.9 points out of 3.

### Suppliers

All suppliers are checked for compliance with certain requirements, including those related to the ESG-agenda. To control compliance and select the best suppliers, Nornickel has rolled out a special due diligence management system across all its divisions. To ensure efficiency and transparency of its procurement activities, Nornickel uses SAP SRM, an automated system for supplier relationship management.

## Environmental protection dialogue



**2**  
important agreements  
with Rosprirodnadzor

The Company is actively involved in key law-making initiatives related to environmental protection, natural resource use, including subsoil use, as well as economy of natural resource use.

In the reporting year, Nornickel held the 9th Ecological Forum themed "Ecology and Production. Challenges, Trends and Technologies", participated in the Industrial Ecology conference and organised public dialogue meetings.

In 2022, Nornickel and Rosprirodnadzor signed two agreements to preserve the environment and ensure environmental safety. They establish a framework for the exchange

of information, joint implementation of environmental activities, and the provision of advice by Rosprirodnadzor on Nornickel's high-potential investment projects, a first-of-its-kind cooperation initiative in Russia to provide a business with expert opinion and expert evaluation of environmental plans.

Environmental protection is also fostered through volunteering, which brings together the Company's employees, local communities and government authorities. One of the Company's major projects is the Let's Do It annual environmental marathon encouraging people to clean up their local areas and plant trees.



## Public and media relations



Ranked **1**  
in terms of mentions  
in the media

The key channels used to relay information to the stakeholders and the public are the Company's official website [www.nornickel.com](http://www.nornickel.com), on which updates for stakeholders and general public are published, video and audio conferences, briefings, conference calls, and stakeholder meetings and dialogues. Nornickel regularly expresses its position – its senior management provides commentary to media outlets and it publishes press releases.

The Company has an efficient media communications system. In 2022, Nornickel was the top Russian metals and mining company in terms of mentioning in the media. The significant share of its publications covers social policy (14–15%). ESG matters have also gained greater focus over the last two years – the number of times they were mentioned increased from 2% in 2020 to 10% in 2022. Other most covered topics include environment, digitalisation, production development.

## Dialogue with authorities and non-profit organisations



Represented in **25**  
committees, commissions, expert  
and working groups

The Company takes part in parliamentary sessions and round table discussion organised by the Federation Council and State Duma of the Federal Assembly of the Russian Federation, Government of the Russian Federation, Civic Chamber of the Russian Federation, Russian Union of Industrialists and Entrepreneurs, Chamber of Commerce and Industry of the Russian Federation, Association of Managers (an interregional public organisation), etc.

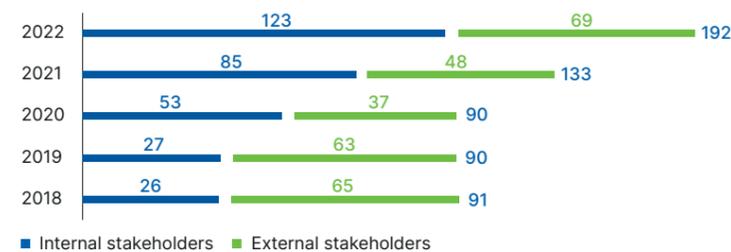
The Company's experts engage in debates on draft regulations organised by community councils of the federal executive bodies, anti-corruption due diligence, and regulatory impact assessments. All of that helps maintain a constructive dialogue with the government, cut administrative red tape and improve business climate in our country. Our representatives are also part of various working groups created by federal executive authorities to help implement the regulatory guillotine mechanism.

## Dialogue in public non-financial reporting

**192**  
stakeholders surveyed

Each year, Nornickel engages in dialogues with stakeholders while drafting sustainability reports and conducts surveys to define the material topics. In 2022, surveys covered 192 people, up by 44.4% from 2021.

Number of stakeholders surveyed as part of the efforts to define priority topics for the Sustainability Report in 2018–2022<sup>1</sup> (people)



<sup>1</sup> External stakeholders are representatives of regional and local authorities, communities, and non-profit organisations, while internal stakeholders refer to managers and employees of various levels from the Head Office, Polar Division, and Kola MMC.

# Respect for human rights

GRI 2-23

SASB EM-MM-210a.3

## Approach to respect for human rights

Recognition, respect and observance of human rights is a basic principle that underlies Nornickel's operations and is embedded in its corporate values, Human Rights Policy, and other Company's by-laws<sup>1</sup>.

The Company does not tolerate any forms of discrimination and does not use forced or child labour, giving every employee an equal opportunity to exercise their labour rights regardless of gender, race, nationality,

origin, financial, social, and occupational status, age, domicile, religion, political beliefs, and other circumstances not related to professional qualities. No operations are run in, and no raw materials are procured from, areas involved in military conflicts.

Nornickel adheres to internationally recognised human rights norms and practices, including the core UN declarations, ILO conventions, industry

initiatives and practical recommendations. Russia ratified most core ILO conventions. Nornickel is required by law to abide by requirements established therein. Human rights are addressed in the Company's key by-laws.

The responsibility for human rights protection lays with the Company's senior management. The Board of Directors and its Committees consider key matters such as health and safety at their meetings<sup>2</sup>.



<sup>1</sup> Nornickel's by-laws are available on [the Company's official website](http://the Company's official website).

<sup>2</sup> The distribution of responsibilities is shown on slide 10 of the publicly available [presentation](#) titled 'Protecting and respecting human rights at Nornickel'.

External human rights regulations and standards applied by Nornickel

Generally accepted international declarations and guidelines

- UN Universal Declaration of Human Rights
- International Labour Organisation's declarations on fundamental rights and principles at work
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights

Russian legislation

- Constitution of the Russian Federation
- Labour Code of the Russian Federation
- Federal Law No. 181-FZ On the Occupational Health and Safety in the Russian Federation dated 17 July 1999, Federal Law No. 82-FZ On the Minimum Wage dated 19 June 2000, Federal Law No. 82-FZ On Safeguarding the Rights of Indigenous Minorities of the Russian Federation dated 30 April 1999, and other federal laws

Practical recommendations



Guide for Integrating Human Rights into Business Management (UN Global Compact)



Global Reporting Initiative, uniform reporting standards and recommendations



Voluntary Principles on Security and Human Rights (VPSHR)

International and Russian initiatives



UN Global Compact



Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy



UN Guiding Principles on Business and Human Rights (UNGPR)



Social Charter of the Russian Business

Industry-specific initiatives



IRMA Standard for Responsible Mining (2018)



ICMM Mining Principles



Responsible Minerals Initiative (RMI)



# Protecting human rights at Nornickel. Regulations, approaches and key results

1 Business Ethics Code

2 Human Rights Policy

3 Equal Opportunities Programme

4 Working Conditions Policy

5 Occupational Health and Safety Policy

6 Personal Data Processing Policy

7 Freedom of Association Policy

8 Policy Regarding Support for Small and Medium Enterprises

9 Community Engagement Policy

10 Environmental Policy

11 Environmental Impact Assessment Policy

12 MMC Norilsk Nickel's Position Statement on Biodiversity

13 Renewable Energy Sources Policy

14 Indigenous Peoples' Rights Policy

15 Responsible Sourcing Policy

16 Supplier Code of Conduct

## Right to life, freedom, and privacy, personal immunity, freedom of movement

Nornickel's by-laws

1 2 5 6

Approaches and key achievements in 2022

- In 2022, no cases of forced labour were registered;
- The Company does not restrict its employees' freedom of movement; it provides relocation assistance to employees in difficulty and allocates transportation subsidies to workers living beyond the Arctic Circle;
- The Company protects the personal data of its employees and protects them from arbitrary detention.

➔ For more details, please see the [Social Policy](#), [Occupational Health and Safety](#), and [Corporate Security](#) sections

## Right to safety, including occupational health and safety

Nornickel's by-laws

1 2 3 5

Approaches and key achievements in 2022

- Nornickel confirms its zero tolerance approach to work-related fatalities; in 2022, the Company recorded the lowest ever number of work-related fatalities;
- In 2022, health and safety expenses amounted to RUB 20.6 bn, or RUB 270,000 per employee.

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

## Right to protection from discrimination

Nornickel's by-laws

1 2 3

Approaches and key achievements in 2022

- The Company does not tolerate discrimination on any grounds;

- In 2022, Nornickel had no reported cases of racial, gender, religious, political, social or other discrimination.

➔ For more details, please see the [HR Management and Social Partnership](#) section

## Right to freedom of association and collective bargaining

Nornickel's by-laws

1 2 3 7

Approaches and key achievements in 2022

- The Company maintains a well-developed social partnership framework, with collective agreements covering 94.4% of the workforce. The Group companies are parties to a total of 23 collective bargaining agreements.
- As at the end of 2022, 7.4% of the Company's employees were members of trade unions, while 77% were represented by social and labour councils.

➔ For more details, please see the [HR Management and Social Partnership](#) section

## Right to work, fair and adequate remuneration, favourable working conditions, and social security

Nornickel's by-laws

1 2 3 4

Approaches and key achievements in 2022

- The average salary paid to Nornickel's employees is well above Russia's average, standing at RUB 182,500 per month in 2022;
- The Company offers its employees a wide range of benefits and social assistance programmes (in 2022, the compensation package across the Group came in at RUB 194,700 per month, with the social assistance package accounting for 6% of this amount);
- Nornickel put in place an updated version of the Made with Care employee comfort programme (in 2022, 171 facilities underwent repairs, with RUB 3.2 bn allocated to improve social and working conditions);
- The Company takes steps to secure jobs for vulnerable population groups and people with disabilities.

➔ For more details, please see the [HR Management and Social Partnership](#) section

## A requirement for counterparties to respect human rights as part of the supply chain responsibility commitments

Nornickel's by-laws

1 2 15 16

Approaches and key achievements in 2022

- The Company introduced a Supply Chain Due Diligence Management System to identify and mitigate a variety of risks, including the risk of violating human rights and freedoms;
- The Company underlines its commitment to a zero tolerance approach to any violations of human rights across the supply chain.

➔ For more details, please see the [Respect for human rights and Supply Chain Responsibility](#) sections

## Right to education

Nornickel's by-laws

1 2 3 9

Approaches and key achievements in 2022

- The Company ensures equitable access to education for all categories of its employees by offering them a wide range of training programmes;
- In 2022, the average annual number of training hours per employee (based on average headcount) was 85, with the Company spending an average of RUB 21,113 per employee.
- The Company offers educational opportunities in the regions of operation as part of its World of New Opportunities programme;
- The Company provides targeted support to educational institutions across its geographies (cooperation with 30 institutions).

➔ For more details, please see the [HR Management and Social Partnership](#) section

## Protection of family, maternity and childhood

Nornickel's by-laws

1 2 9

Approaches and key achievements in 2022

- The Company respects and protects the rights of mothers and pregnant women;
- The Company provides all the necessary conditions for an employee to return to work from a maternity and/or childcare leave (in 2022, 592 employees returned to work after such leaves);

- The Company's social programmes in the fields of housing, healthcare and culture aim to support and provide leisure opportunities for families.

➔ For more details, please see the [Social Policy](#) section

## Right to a reasonable work schedule and paid leave

Nornickel's by-laws

1 2 4

Approaches and key achievements in 2022

- The Company complies with internal labour regulations, which are approved in consultation with the trade union organisation to establish the working hours of employees;
- Employees are entitled to paid job-protected annual basic and additional leaves;

➔ For more details, please see the [HR Management and Social Partnership](#) section.

## Right to shelter, right to own property

Nornickel's by-laws

1 2 9 14

Approaches and key achievements in 2022

- The Company does not implement or plan to implement any business projects related to alienation of land and forced relocation;
- In 2022, the Company continued running the Our Home / My Home and Your Home housing programmes (since the start of the programmes, 5,842 apartments have been provided to the Company's employees).

➔ For more details, please see the [Social Policy](#) section

## Right to a healthy environment

Nornickel's by-laws

1 2 10 11 12 13

Approaches and key achievements in 2022

- The Company continuously works to reduce its environmental footprint and implements a comprehensive environmental policy;

- As a result of Nornickel's Sulphur Programme, SO<sub>2</sub> emissions in Kola Division have gone down by 90% since 2015. The Company is now actively implementing the Programme in Norilsk Division;
- In 2022, the Company completed the first stage of implementing the air quality monitoring and forecasting system in Norilsk and Monchegorsk.

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

## Rights of local and indigenous communities

Nornickel's by-laws

1 2 8 9 14

Approaches and key achievements in 2022

- The Company has a wide range of programmes to improve the living standards of local communities (for example, the World of New Opportunities programme with 30,000 participants and the Plant of Goodness project with 3,500 volunteers and 370 events);
- The Company respects the rights of indigenous peoples and seeks to improve their living standards. As part of interactions with the indigenous minorities, Nornickel abides by a number of agreements. In 2022, the Company allocated RUB 412 mln to finance assistance projects.

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

## Human rights due diligence

To identify and assess any risks associated with direct or indirect human rights violations as a result of the Company's business operations and to take steps to prevent and/or minimise such risks, Nornickel applies the human rights due

diligence procedure based on the UN Guiding Principles on Business and Human Rights (UNGPR).

In 2022, the Company created a target model for this procedure to be implemented in five stages. Engagement with stakeholders and training are integrated into all stages.

### Nornickel's human rights due diligence target model



As at the end of 2022, the following activities were implemented:

- Stage I activities were implemented in full: Commitment to human rights;
- Stage II activities were implemented to a significant extent: Identification and assessment of human rights risks and impacts;

- Activities of the following stages were implemented in part: Human rights risks and impact management, Monitoring and control, Information transparency.

The due diligence system rollout is scheduled to be completed in late 2024.

### Human rights impact assessments

In 2022, Nornickel held a preliminary human rights impact assessment. An outline assessment of business and human rights risks in the Company's main jurisdictions was undertaken at the head office and division levels and involved interviews with employees and reviews of by-laws conducted by an independent expert organisation.

Stage	Activities
1. Policy assessment	<ul style="list-style-type: none"> <li>• a comprehensive review of the architecture of Nornickel's policies and documents in sustainable development;</li> <li>• preliminary risk assessment;</li> <li>• analysis of legal and political landscapes in terms of human rights in key markets and operating environments;</li> <li>• analysis of deficiencies and opportunities for improvement by way of revising the documents to integrate human rights as an element of Nornickel's corporate culture;</li> </ul>
2. Risk assessment	<ul style="list-style-type: none"> <li>• an in-depth analysis of the risks and impacts prioritised at stage I (analysis of specific human rights risk areas and relevant prevention and control measures);</li> <li>• development of updates to the human rights risk identification and assessment methodology, a human rights due diligence procedure as adapted to Nornickel's needs, regulations and guidelines for future consideration within the Company and with stakeholders;</li> </ul>
3. Impact assessment at the level of production units	<ul style="list-style-type: none"> <li>• risk assessment and analysis at the division and production unit levels, preparation of a final report and presentation;</li> <li>• development of recommendations on managing risks related to human rights;</li> <li>• detailed discussion with stakeholders of all prioritised human rights risks and impacts from the Company.</li> </ul>

It was concluded that the Company as a whole and broken down by divisions and production units had low human rights impact on its key stakeholders and low exposure to business and human rights risks in Russia. This report highlights some of the most important human rights initiatives and their outcomes in 2022.

- For more details on the progress of the human rights due diligence system and human rights impact assessment, please see [Nornickel's 2022 Human Rights Report](#).

### Procedure to report human rights violations

Nornickel's Corporate Trust Line is the first port of call for reporting human rights violations. In addition, the Company conducts regular personnel surveys and local community sentiment research. The Company guarantees anonymity and confidentiality for whistle-blowers and respondents. All

employees are kept thoroughly informed of this service through information displays and stands, payslips, corporate calendars and brochures. A brief description of the Corporate Trust Line is available on the Company's website.

In 2022, we held discussions with stakeholders on options for updating the corporate grievance mechanism. As a result, we received

recommendations on how to optimise the mechanism. As at the end of 2022, the Company revised the relevant regulations and improved the grievance mechanism.

- For more details, please see [the Corporate Trust Line and Grievance Mechanism subsections](#).

### Human rights training

In 2022, the Company proceeded with its previously established plans to deliver basic training on human rights to the employees of the relevant units of the Head Office and companies/units of its divisions.

Some of the topics addressed include the importance of respect for and protection of human rights in the modern world, human rights in the metals and mining industry, the risk assessment system, challenges and commitments of the Company in the area of human rights, priorities to promote respect for human rights in the Company's corporate culture, basic knowledge of and skills for human rights risk assessment, etc. Nornickel also organised a standalone seminar for HR teams and relevant training for the Corporate Security employees to ensure compliance with the Voluntary Principles on Security and Human Rights (VPSHR).

The Company's human rights programmes were attended by more than 150 employees of the Group. The average duration of a training session was 1.5 hours.

### Women in Mining Russia

Nornickel is a key partner of Women in Mining Russia (WIM Russia), a non-profit organisation that aims to promote professional development of women, raise awareness about engineering jobs, and develop a platform for professional communications. The organisation was named the Best Gender Equality Project at the Woman Who Matters award.

2022 was the second time WIM Russia held its Talented Woman in the Extractive Industry award ceremony in Moscow. The award received 388 entries, which is 64% more than in 2021. It brought together women from 40 Russian and CIS companies, with 20 coming out winners. Nornickel's employees received four out of ten nominations:

- Ambassador of the Year: Alexandra Nikolaeva (Dudar), manager, Management System Development Group, Darya Ermakova, chief expert, Sustainable Development Department (Kola MMC);
- Personal Achievement of the Year: Maria Korovina, dispatcher, Concentrator (Nornickel's Kola MMC), Zukhra Meshalkina, advisor to technical director (GRK Bystrinskoye);

- Breakthrough of the Year: Nadezhda Platonova, HSE director (GRK Bystrinskoye);
- Social Project of the Year: Anfisa Nikiforova, head of relations with indigenous minorities of the North, Nornickel's Polar Division.

15 women earned a Jury's Choice award. There were also Nornickel's employees among them:

- Larisa Bogdanova, grade 4 control console operator, GRK Bystrinskoye (Golden Idea of the Year);
- Olga Bondareva, head of procurement, Nornickel's Polar Division (Personal Achievement of the Year);
- Darya Shmakova, chief expert, gas treatment and recycling engineering support laboratory, Nornickel's Polar Division (Leader of the Future);
- Adelia Davlyatshina, grade 2 process engineer, Norilsk-Taimyr Energy Company (Personal Achievement of the Year);
- Maria Kalashnikova, head of hydrometallurgy laboratory, Gipronickel Institute (Inspiring Leader);
- Elena Pastushenko, expert in electrolysis of water solutions, Kola MMC (Golden Idea of the Year).

# Occupational health and safety

## Human capital

GRI 403-1

At Nornickel, we give priority to the life and health of employees over operational performance both when making management decisions and throughout the entire production. Nornickel's

Occupational Health and Safety Policy outlines the Company's commitment to creating a safe and healthy environment and fostering sustainable employee motivation for safe workplace behaviour.

### Main occupational health and safety goals:

01

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

02

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

03

**Safe working conditions and mitigation of mining and processing risks**



## Health and safety management

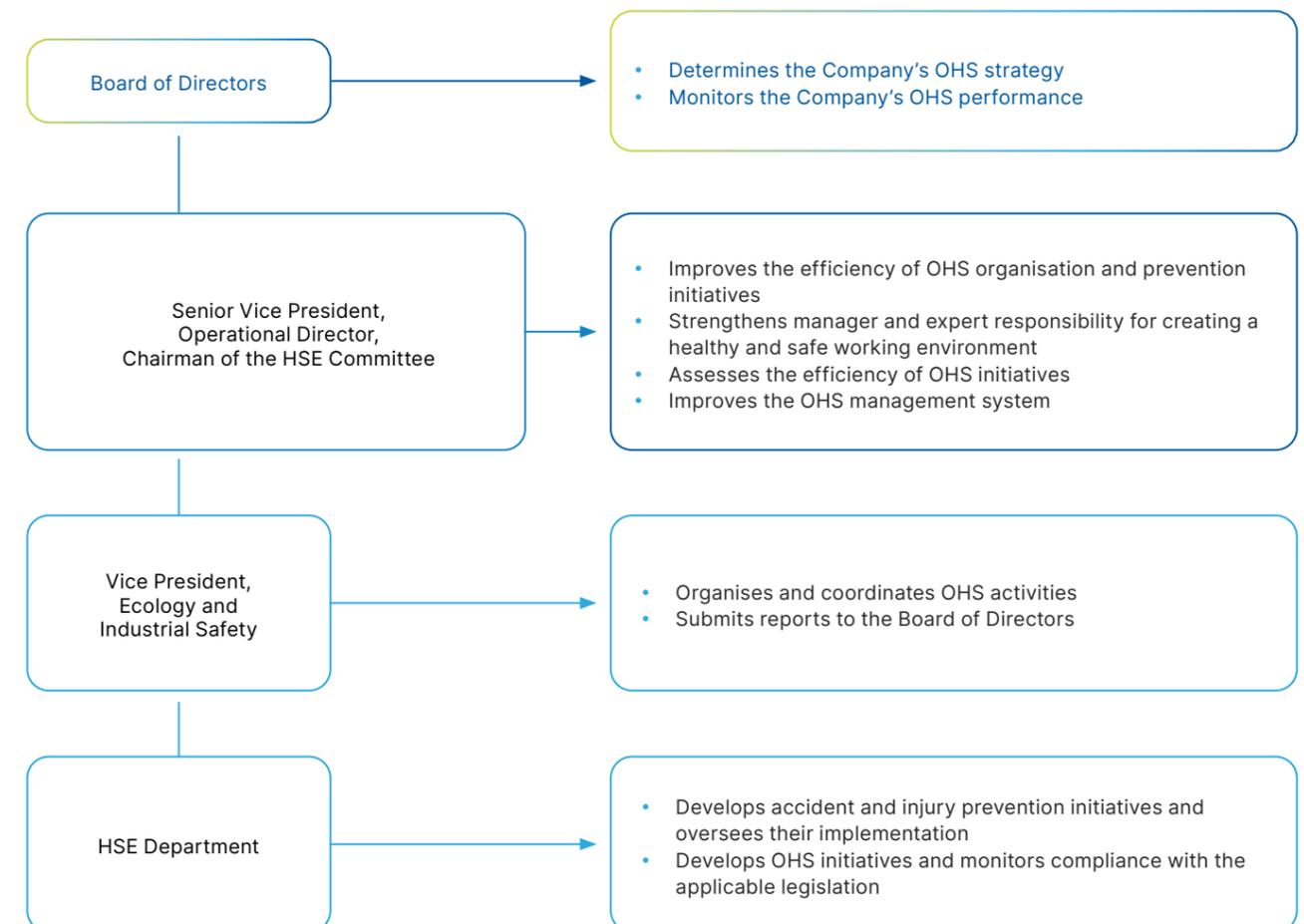
Occupational health and safety (OHS) at Nornickel covers all the Company's employees. It is governed by the Russian laws, international regulations and standards, and internal policies and regulations.

### OHS regulations:



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

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



In 2022, the second surveillance audit was conducted at Nornickel's divisions. The audit results confirm that the Company's existing health and safety

management system conforms to ISO 45001:2018 Occupational Health and Safety Management System international standard.

### Occupational health and safety certification

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

Following the audits, Bureau Veritas Certification, the certification body, described the OHS management system as mature and well-established and found that the corporate systems of Nornickel's audited companies met the requirements of the standard.

### Contractor safety management

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

2022 saw the revision of the standard regulating occupational health and safety at all stages of working with contractors. As a result, the Company was able to improve the level of control and occupational safety for contractors operating at Nornickel's facilities.

In the domestic market, Nornickel procures production and technical supplies under Master Agreements. As part of centralised procurement, a standalone agreement is signed with each contractor stating that the contractor recognises and commits to generally accepted principles in human rights (which include health and safety) and labour relations, as stipulated by international regulations and in particular the UN Global Compact.

In 2022, the Company revised the general terms regarding health and safety that are included in agreements with contractors. The current amendments focus on avoiding fatalities and non-compliance with the cardinal occupational safety rules and encourage contractors to be proactive on health and safety. This approach is better aligned with the Company's goals.

All works carried out by contractors in highly hazardous conditions are governed by the respective corporate standard. Work permits, operations certificates and work execution plans (process sheets, guidelines, etc.) must contain safety requirements

to be met when organising and performing work. The Company checks compliance with these requirements during each shift.

Prior to commencement of work, contractors' staff receive pre-job and ad hoc health and safety briefing, including security measures set forth in work execution plans.

On the sites of its facilities, the Group holds regular joint inspections of compliance with safety requirements at work, and OHS council (committee) meetings involving contractor representatives. In case of failure to comply with OHS requirements, contractors are fined.

## Workplace injuries

SASB EM-MM-320a.1

In 2022, we updated the procedure for collecting information on OHS incidents. These efforts helped improve transparency and quality of incident classification. The revised incident reporting procedure resulted in faster response times while the optimised incident classification opened up more opportunities for further data analysis. Root cause detection and investigation also had a major overhaul, which contributed to more effective incident prevention.

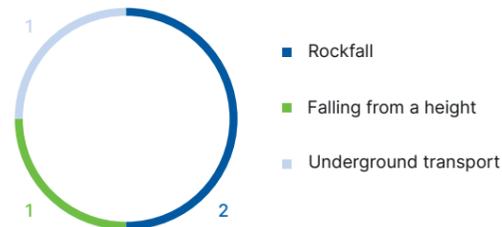


### Key workplace injury indicators

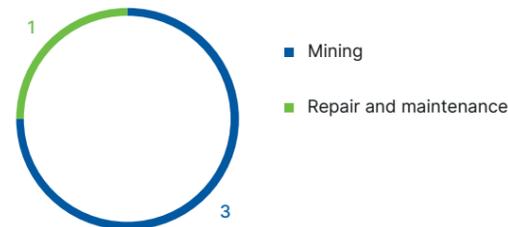
GRI 403-9, 403-10

Indicator	2018	2019	2020	2021	2022	Change in 2022 y-o-y, %
FIFR	0.05	0.08	0.08	0.10	0.03	-66
LTIFR	0.23	0.32	0.20	0.38	0.57	+49
Total workplace injuries as per Russian labour laws	32	44	31	53	70	+32
Fatal workplace injuries	6	9	9	11	4	-64
Minor injuries	1,043	1,000	788	314	187	-40
Occupational diseases	318	290	235	213	174	-18

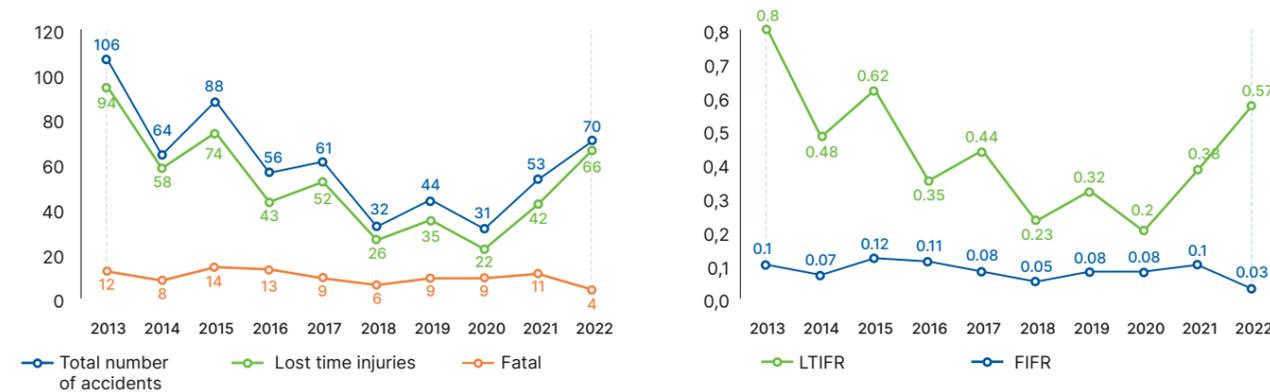
Number of fatalities by accident type in 2022



Number of fatalities by work type in 2022



Accidents and work-related injuries since 2013



In 2022, the Group had 66 lost time injuries, with lost time injury frequency rate (LTIFR) standing at 0.57. The most frequent reason for injuries was falling from heights. Nornickel's indicators in this area are in line with the average for the global mining industry.

In 2022, we recorded the lowest number of work-related fatalities. The Group reported four fatalities – this is seven cases fewer than in 2021. Two deaths were caused by rock falling in Kola and Norilsk Divisions, one man died as a result of falling from height, and one drift miner died in a mine accident when driving an electric locomotive.

All circumstances of the fatal accidents were thoroughly investigated and reported on to the Board of Directors.

Based on the results of investigations into the accidents involving rock falling in Kola and Norilsk Divisions, the Company developed and implemented technical measures to mechanise underground workings development, purchased a drilling rig for tunnelling (air core drilling) and mechanical posts for temporary supports and took a number of organisational measures to fulfil the requirements of mine surveyors.

To address the causes of falling from heights on work sites, a panel of workers was tasked to carry out an inspection to check the technical condition of overhead cranes, emergency evacuation routes and the available safety equipment. In 2022, the Company commenced the upgrade of overhead cranes to enable safe emergency evacuation of crane operators. These efforts will continue into 2023.

Following the investigation into the accident with a drift miner who was driving an electric locomotive in Kaula-Kotselvaara mine (part of Severny Mine), Nornickel arranged transportation of workers to workplaces, introduced control over unauthorised driving of electric locomotives and revised the mine railway infrastructure programme.

Nornickel expresses its deepest condolences to the families and friends of the victims and reiterates its commitment to making zero workplace fatalities a key strategic priority. The Company will continue with implementing its programmes to prevent workplace accidents.

## OHS system development and mitigation of key risks

GRI 403-1, 403-2

As part of our strategic goal to reduce the occupational injury rate, the Company seeks to continuously improve the elements of its occupational health and safety framework. The changes cover all Operating Unit businesses and all production stages – from mining ore to making metals.

In 2022, we revised our cardinal safety rules, OHS incentive programme and employee awareness raising initiatives. From 2023, employees will be paid incentive compensation for identifying risks at their workplaces.

In the reporting year, Norilsk Concentrator (owned by Medvezhy Ruchey LLC) launched a safety culture transformation project underpinned by a risk-based approach.

As part of the project, it carried out:

- an audit of its safety culture and relevant processes;
- a strategic session to define key systematic measures;
- training at pilot workshops;
- work to improve its risk identification and assessment system.

The project helped identify 462 risks, out of which 101 were addressed, with 222 risks identified and reported by mining workers. The project will continue into 2023.

Anyone who identifies a life- and health-threatening risk must report it to the relevant senior manager to address it. If it is impossible to minimise the risk and continue to work safely, the exposed worker has the right to refuse to work if their

health and safety is at risk. The procedure for refusing to work is established by the standard "OHS Management System. Hazard Identification, Assessment and Management of Occupational Health and Safety Risks at PJSC MMC Norilsk Nickel". An employee who refuses to work is required to fill in a checklist and hand it over to their direct supervisor or, if the latter is temporarily unavailable, the relevant senior manager. To confirm acceptance, the supervisor or manager (as the case may be) must fill in, sign and return the tear-off part of the checklist to the worker and give him/her a new checklist. The refusal to work under life- and health-threatening conditions may not constitute grounds for imposing any sanctions on the worker.

In 2022, we continued our work to improve the Control, Management and Security Automated System (CMS AS) and integrate it into broader IT architecture:

- more than five new algorithms implemented to enable notification of responsible persons via corporate email;
- integration between related systems (SAP ERP, SAP BW) and NIKA chatbot completed;
- The unified indicator framework for the corporate sustainability reporting, which is part of the Corporate Data Storage (CDS), successfully embedded to enable online annual report generation using the unified indicator framework for the corporate sustainability reporting with respect to the Group's injuries data.



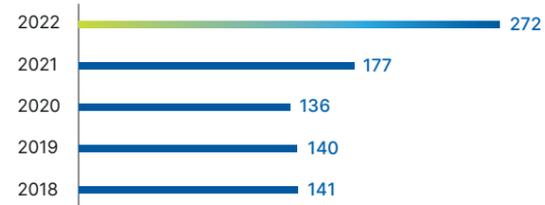
## OHS control and prevention

To avoid workplace injuries, Nornickel regularly implements control and prevention activities.

Health and safety expenses (RUB bn)



Health and safety expenses per employee (RUB '000)



In 2022, health and safety expenses increased by 70% y-o-y to RUB 21.6 bn. The increase is due to the development and implementation of additional measures to improve labour conditions, growing headcount and higher costs of personal protective equipment (PPE).

### Provision of Personal Protective Equipment

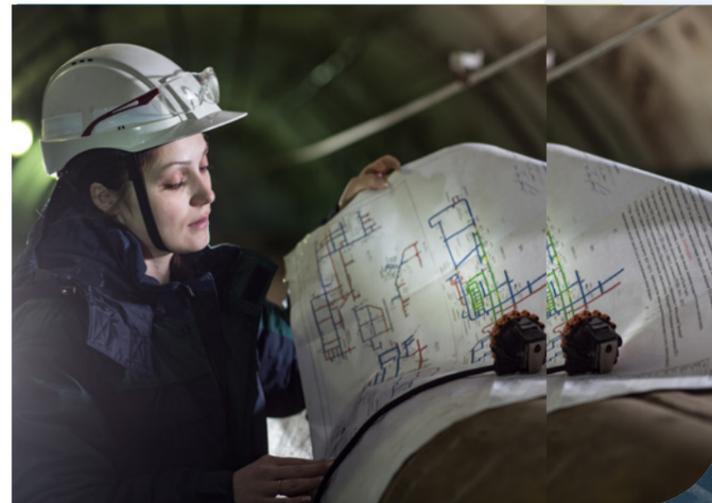
GRI 403-3

Due to the nature of its business, building an efficient operational health and safety system at Nornickel comes with the need to implement a range of organisational safety measures along with providing PPE to its employees exposed to hazardous and harmful workplace factors. Workplaces exposed to hazardous and harmful factors include underground work, operation

and maintenance of mining equipment and heavy self-propelled vehicles, extreme climate, etc.

In 2022, the Company purchased personal protective equipment worth more than

RUB **4.6** bn



### Special assessment of working conditions

In 2022, a special assessment of working conditions covered more than 10,000 workplaces and over 15,000 employees, which amounted to approximately RUB 20.5 mln in expenses for the Group's operations.

A special assessment of working conditions helps identify hazardous production factors. Whenever these are identified, the Company furnishes employees with free personal protective equipment (PPE), including respiratory protection (respirators, gas masks), hearing protection (earmuffs, earplugs), eye protection

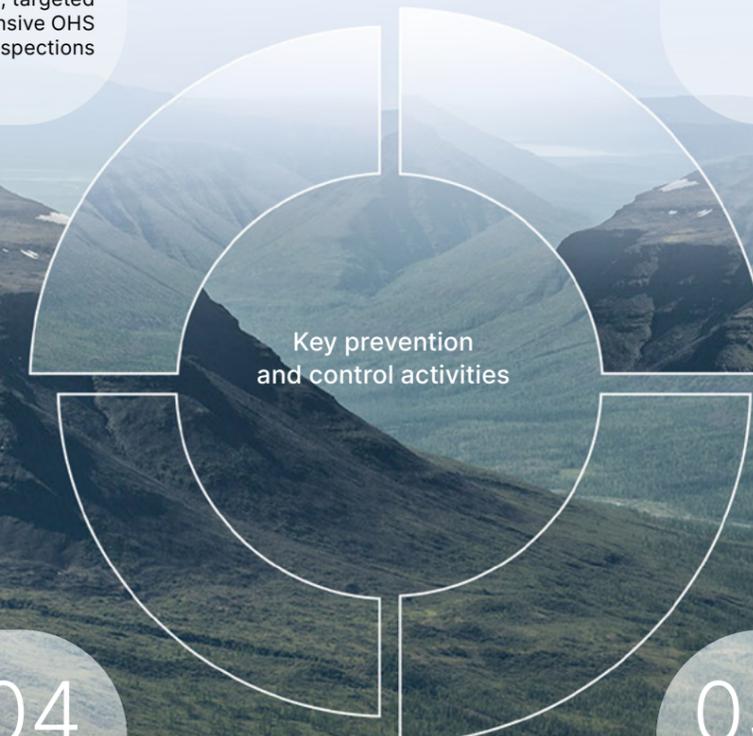
(glasses/goggles with UV filters, visors), skin protection (gloves, protective and regenerative creams, protective outerwear).

01

OHS monitoring system at each facility, including multi-phase production site control and ad hoc, targeted and comprehensive OHS inspections

02

Internal OHS management audits



04

Second-party OHS management audits (cross-company audits of the Group companies involving the OHS heads and experts from other Group companies)

03

Compliance and certification audits as part of ISO 45001:2018 management system

Health and safety competitions

Indicator	2018	2019	2020	2021	2022
<b>Audits conducted:</b>					
• by health and safety committees, '000	>30.9	>29.8	>48.5	>50.3	>47.7
• Target audits conducted by managers, senior specialists and committees of the Group's facilities and business units, '000	9.7	9.6	10.6	11.1	11.4
• Ad hoc audits, '000	15.7	15.5	27.0	23.0	21.9
• Number of comprehensive audits of health and safety and relevant management systems	149	126	164	182	174
Coupons removed from the books of employees violating health and safety requirements, '000	2.2	1.8	1.1	1.1	0.6
Employees subject to disciplinary action for the violation of health and safety requirements, '000	6.8	6.3	5	3.3	2.1
Employees with reduced bonus payments, '000	>13.0	>11.9	>10.0	>8.0	>6.5
• Total, RUB mln	>70.0	>69.0	>59.0	>66.0	>61.5
Employees incentivised for health and safety involvement and lower workplace injury rate as per the audit results, '000	>6.4	>6.5	>5.0	>5.0	>4.0
• Total, RUB mln	>52	>57	>59	>69	>58

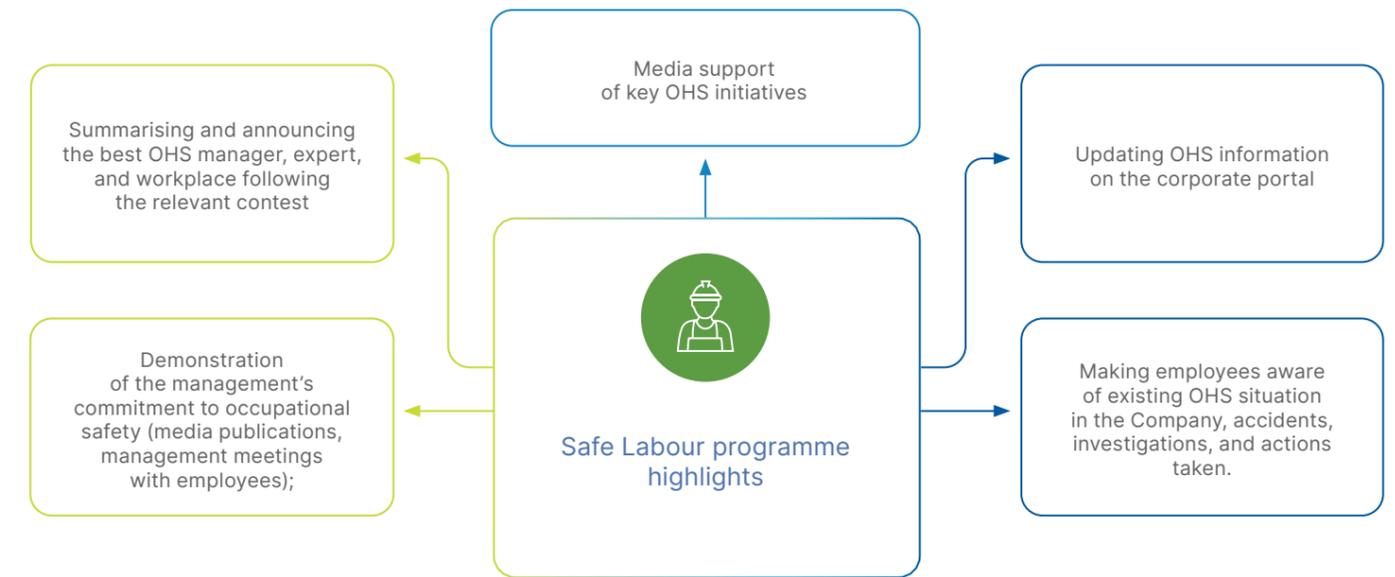
In 2022, as has become custom at Nornickel, we held individual and team OHS competitions. Team competitions were held across seven groups of Nornickel's production facilities.

Results of individual competitions were announced with the following awards granted:

- Best Health and Safety Head;
- Best Health and Safety Line Manager;
- Best Health and Safety Specialist;

- Best Health and Safety Compliant Worker.

The Company also runs an ongoing Safe Work communication programme.



Engagement of employees in safety management

GRI 2-26, 403-4

To increase the efficiency of our efforts and promote safety culture, we encourage our employees to get involved in operational health and safety management. Most of the Group companies have in place joint health and safety committees (councils) made up of the management, employees and trade union representatives. The Group companies that have joint committees with trade union bodies employ over 77,000 people (around 97% of the Group's average headcount).

The Head Office does not have a joint committee as there is no trade union in place, but representatives of the Norilsk trade union take part in HSE Committee meetings. Norilsk Nickel Corporate University (an educational institution not involved in production) does not have committees. Contractors are invited to joint committee meetings that deal with matters related to contractor employees.

Authorised representatives of trade unions and staff in occupational health and safety were elected to participate in preventive activities across the Group's production units. In the reporting year, 712 representatives of trade unions and staff in occupational health and safety participated in preventive activities. In 2022, they took part in over 11,500 audits and submitted almost 2,600 health and safety improvement proposals.

Health and safety topics covered in formal agreements with trade unions

SASB EM-MM-310a.1

A majority of production companies of the Group have collective bargaining agreements signed with employee

representatives (including trade union organisations). The agreements contain occupational health and safety provisions

They cover more than  
**77,000**  
employees of the Group  
(approximately 94.4% of the Group's average headcount).

## OHS training

GRI 403-5, SASB EM-MM-320a.1

In 2022, OHS pre-certification briefing, basic training and certification covered more than

**52,000**

employees of the Group

RUB **203** mln

The Group's OHS training expenses amounted to over

To improve occupational safety, we implement OHS upskilling initiatives. These include regular briefings on and training courses in occupational health for its employees. We introduced dedicated software modules for specific mining jobs in order to provide health and safety briefings.

In 2022, Nornickel launched a project to create a workplace safety culture coaching system. The project is rolled out at 18 companies employing 42 safety culture coaches. There are two training programmes currently on offer: Dynamic Risk Assessment for mining workers and Behaviour-Based Safety Audit for line managers. The coaches

deliver in-person interactive workshops, which are followed by on-the-job training within the real work environment such as a mine or shop. In 2022, more than 5,000 employees completed the Dynamic Risk Assessment programme, which was held 717 times, and 238 employees completed the Behaviour-Based Safety Audit programme, which was held 33 times.

## Prevention of occupational diseases

GRI 403-3

In 2022, the Group's costs related to medical examinations amounted to

RUB **471** mln

In 2022, the Group's costs related to maintenance of medical aid posts amounted to

RUB **276** mln

Health of its employees is a priority at Nornickel. The Company implements regular measures to prevent occupational diseases.

Regular health monitoring of personnel is key to preventing occupational diseases. Employees undergo compulsory pre-employment, regular and ad hoc medical examinations and check-ups. Those who are involved in hazardous production are subject to additional examinations held at least once in five years by occupational pathology centres or other organisations authorised to conduct pre-employment

and regular check-ups. These serve to assess occupational health fitness and determine if the disease is job-related.

The Company provides employees working in hazardous conditions with foods, milk, and other equivalent food products for therapeutic purposes in compliance with the applicable laws and corporate policies.

In addition, medical aid posts are in place to perform pre-shift and pre-trip check-ups and provide medical assistance to employees upon request.



## Corporate Healthcare project

GRI 403-6

By 2025, Nornickel plans to provide its employees and their families with an easy and quick access to quality healthcare in line with the latest standards.

In 2022, the Company completed the first stage of the programme to upgrade its healthcare facilities and medical examination rooms for pre-trip and pre-shift check-ups. The first refurbished facilities with state-of-the-art equipment, medications, and expendables opened

in Nornickel's Polar Division. Primary care is provided by the Workshop Healthcare Service. General Practitioners (GPs) at Polar Division's medical aid posts are responsible for helping those with urgent medical problems and delivering preventive health care

to the Company's employees. The service has started work to conduct staff health monitoring linked to job duties and analyse occupational disease factors and ways of mitigating them. The Company plans to open similar facilities at its other divisions in 2023.

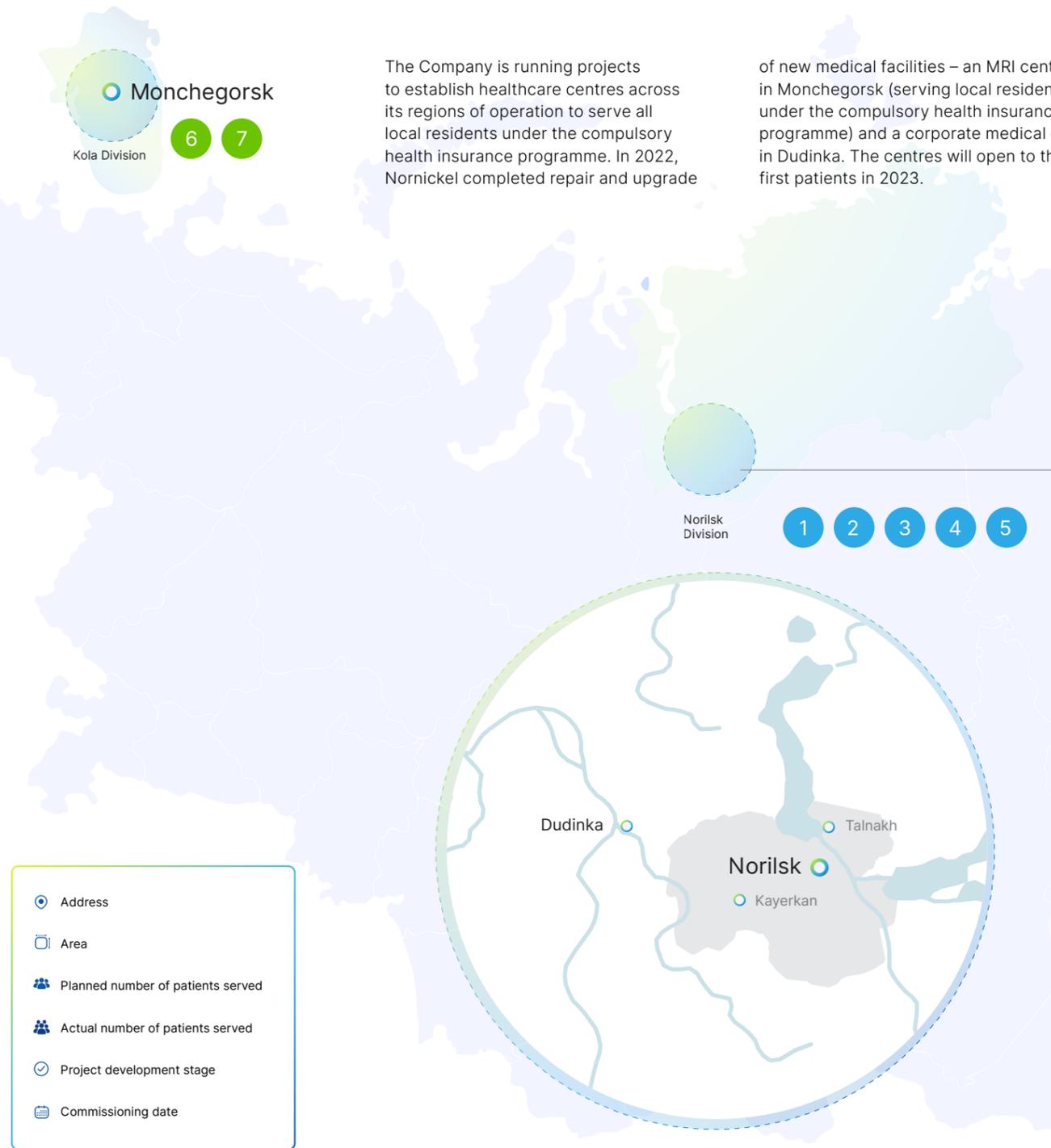


## Nornickel’s corporate healthcare infrastructure

To provide our employees and their families with specialist medical services and highly qualified professionals, we are implementing a project to develop corporate healthcare across the Company’s footprint.

The Company is running projects to establish healthcare centres across its regions of operation to serve all local residents under the compulsory health insurance programme. In 2022, Nornickel completed repair and upgrade

of new medical facilities – an MRI centre in Monchegorsk (serving local residents under the compulsory health insurance programme) and a corporate medical centre in Dudinka. The centres will open to their first patients in 2023.



- Address
- Area
- Planned number of patients served
- Actual number of patients served
- Project development stage
- Commissioning date

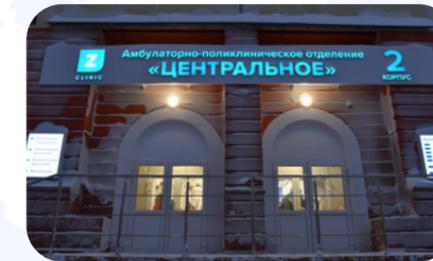
## Norilsk Division

In 2021, the Company opened its first corporate healthcare centre under the Z-Clinic brand in Norilsk, which has the most advanced equipment and highly professional medical staff. It provides medical help based on voluntary

healthcare insurance (VHI) programme. Today, the centre offers a choice of 246 healthcare services in 12 primary care areas. Over the first year of its operation, it has delivered approximately 70,000 medical services. The waiting times

for many specialists vary from seven days to one month, which confirms the high level of demand for healthcare services in the region.

### Operating healthcare centre at Norilsk Division



- 16 December 2021
- 8/3 Sevastopolskaya Street
- 200 people per day
- 746.3 sq m
- 240 people per day (two-month advance appointment)

### Healthcare centres at Norilsk Division – plans

In 2022, we continued to expand our network by including new centres to increase healthcare capacities in the region without replacing existing ones. The Company is getting ready to open two more corporate healthcare centres – in Norilsk’s Talnakh District and Monchegorsk. It also keeps on track its programme to develop small-scale healthcare departments in remote locations.

- |   |   |   |   |   |
|---|---|---|---|---|
| <ul style="list-style-type: none"> <li> 2023</li> <li> Tender announcement</li> </ul> | <ul style="list-style-type: none"> <li> 16 Kravtza Street</li> <li> 1,863.3 sq m</li> </ul> | <ul style="list-style-type: none"> <li> 2023</li> <li> Terms of reference fine-tuned</li> </ul> | <ul style="list-style-type: none"> <li> 2025</li> <li> Terms of reference fine-tuned</li> </ul> | <ul style="list-style-type: none"> <li> 1 Korotkaya Street</li> <li> 400 sq m</li> <li> 17 Moskovskaya st</li> <li> 4,071 sq m</li> </ul> |
| <b>2 Talnakh</b>  |   | <b>4 Dudinka</b>  |   |   |
| <b>3 Kayerkan</b>   |   | <b>5 Central</b>  |   |   |

## Kola Division

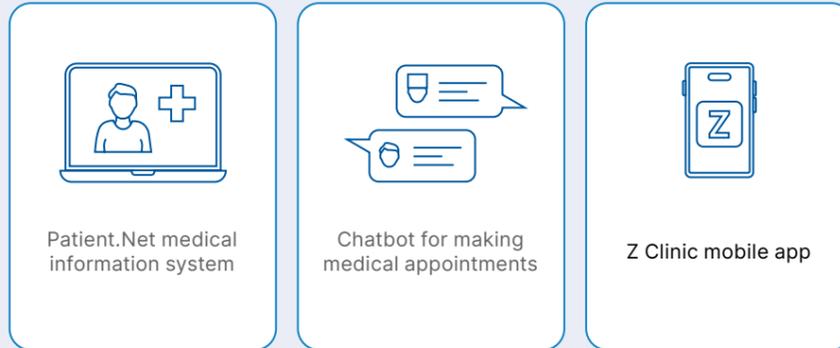
### Healthcare centres at Kola Division – plans

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li> Q2 2023</li> <li> 220 sq m</li> <li> 8a Kirova Street, Monchegorsk (premises of the Kolsky Health and Spa Centre)</li> <li> The module and advanced MRI equipment (manufactured by Siemens) delivered, licensing is underway</li> <li> The centre will be included in the government guarantee programme</li> <li> Project cost – RUB 211 mln</li> </ul> | <ul style="list-style-type: none"> <li> 2024</li> <li> 1,500–2,000 sq m</li> <li> 8a Kirova Street, Monchegorsk (premises of the Kolsky Health and Spa Centre)</li> <li> FEED</li> </ul> |
| <b>6 MRI module</b>  | <b>7 Preventive Center KCZ</b>   |

## Digital Medicine

Nornickel has an ecosystem of Digital Medicine services. Employees can use a mobile app for viewing their medical records, booking a medical appointment and finding all the necessary information about healthcare centres. The most popular services were added to the Nika corporate assistant and integrated into Nornickel's superapp. The medical information system has been launched in 2022 in Norilsk and in 2021 in Zapolyarye Health Resort.

### Mobile app and chatbot information system



Nornickel has also been active in promoting healthy lifestyle programmes. It is planning to launch several services to provide access to employees from all regions to relevant expert advice on healthy lifestyle and disease prevention.

## Emergency preparedness

At Nornickel, we take a holistic approach to occupational health and safety, placing a strong emphasis on ensuring reliability of equipment and technological processes, preventing emergencies and addressing their impact on the environment and local communities.

To avoid occupational accidents, Nornickel implements risk-based occupational health and safety management.

For more details, please see [the Internal Control and Risk Management section](#).

In 2020, after the CHP-3 fuel spill, as part of the efforts to mitigate permafrost thawing risks and to prevent such emergencies

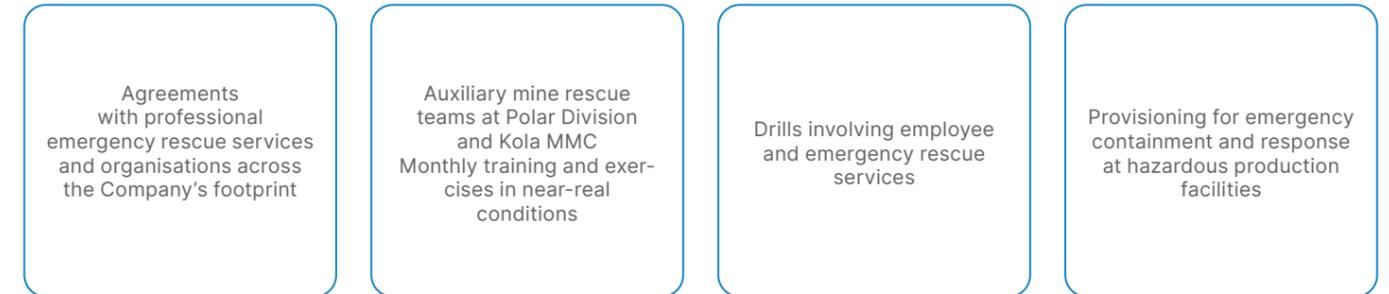
in the future, NTEC launched the Buildings and Structures Monitoring System project designed to develop and deploy a comprehensive automated monitoring system for foundations and foundation soils in the Norilsk Industrial District. Capabilities under the first stage of the Projects have been successfully put into operation, with the automated monitoring systems covering 165 facilities (over 1,200 sensors deployed) and feeding data to the centralised IT platform. The Project's objective is to ensure comprehensive automated monitoring for the safe operation of the Company's assets, including for assessing the progress of permafrost thawing in the context of global climate change.

For more details, please see [the Climate change and energy efficiency section](#).

Nornickel's facilities remain prepared for any emergencies, including emergency containment and response. This is vital as the Company operates more than 300 hazardous production facilities that rely on hazardous substances in their operational processes. Preparedness for emergencies is in line with Federal Law No. 116-FZ On Industrial Safety of Hazardous Production Facilities dated 21 July 1997.

## Emergency preparedness system at hazardous production facilities

### Emergency containment and response plans at hazardous production facilities (hazard classes 1, 2, 3)



### The Group companies put in place surveillance, warning, communication and support systems in case of emergency

The underlying document for emergency containment and response plans is the Regulations on Containment and Elimination of Accident Consequences at Hazardous Production Facilities approved

by Resolution No. 1437 of the Russian Government dated 15 September 2020. They are approved by heads (deputy heads) of production units that operate such facilities, and heads (deputy heads

responsible for approving action plans) of professional emergency rescue services and units engaged for emergency containment and response.

To ensure readiness for containment and elimination of accident consequences at hazardous production facilities, Polar Division signed contracts with a professional emergency rescue unit for mine rescue services and the maintenance of auxiliary rescue teams' equipment. Auxiliary mine rescue teams were set up at Polar Division and Kola MMC hazardous production facilities (hazard classes 1 and 2) engaged in underground mining operations. Polar Division, Medvezhy Ruchey, Norilsk Production Support Complex, GRK Bystrinskoe, and Kola MMC hazardous facilities put in place surveillance, warning, communication, and support systems to rely on in case of emergencies. Mines are equipped with radio and positioning

The plans are reviewed and approved in a timely manner, their effective periods being:

For underground mining facilities	6 months
For open-pit mining facilities	1 year
For hazard classes 1, 2 and 3 facilities <sup>1</sup>	5 years

systems for employees, and telemetry system for underground machinery to track their locations. Hazard class 1 and 2 facilities operate local warning systems.

At the Group's hazardous production facilities, drills are held regularly and the personnel is trained to deal with accidents, incidents, and emergencies.

<sup>1</sup> Excluding facilities specified in the first two lines of this table.

# HR management and social partnership

## Nornickel's contribution to the Labour Productivity national project

### Relevant UN SDGs



### Related federal projects

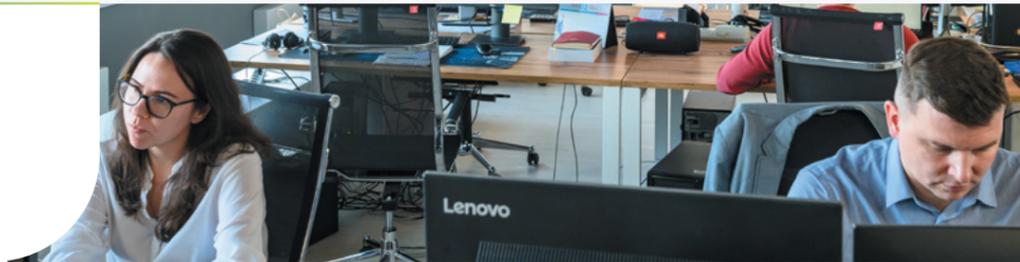
- Stimulating employment and improving labour market efficiency as a way to increase labour productivity

### Key initiatives and focus areas

- Staff training and development
- Promotion of collective bargaining agreements and social partnership
- Development of corporate communities
- For more details, please see [the Development of Corporate Communities subsection](#)

- Programme to improve social and working conditions at production sites
- For more details, please see [the Social Policy section](#)
- Relocation assistance for new employees
- For more details, please see [the Social Policy section](#)

## HR management



The expertise and motivation of the Company's employees are key to its successful development. With this in mind, Nornickel seeks to create an attractive employee value proposition to help its people fully develop their potential and boost the shared sense of engagement towards achieving the Company's goals.

The Company's strategic goal is to ensure its leadership as an employer among metals and mining companies, which is set out in the Human Capital Development Programme.

### Key HR management priorities:

- building a professional and balanced team;
- staff training and development;
- improving productivity and efficiency;
- creating a talent pool;
- enhancing our incentive system;
- implementing our social policy.

With a view to making HR decisions and assessing management effectiveness, the Company leverages digital tools to monitor HR metrics on a regular basis, including staff costs, productivity levels,

impacts of its social and adaptation programmes, and employee engagement survey results.

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

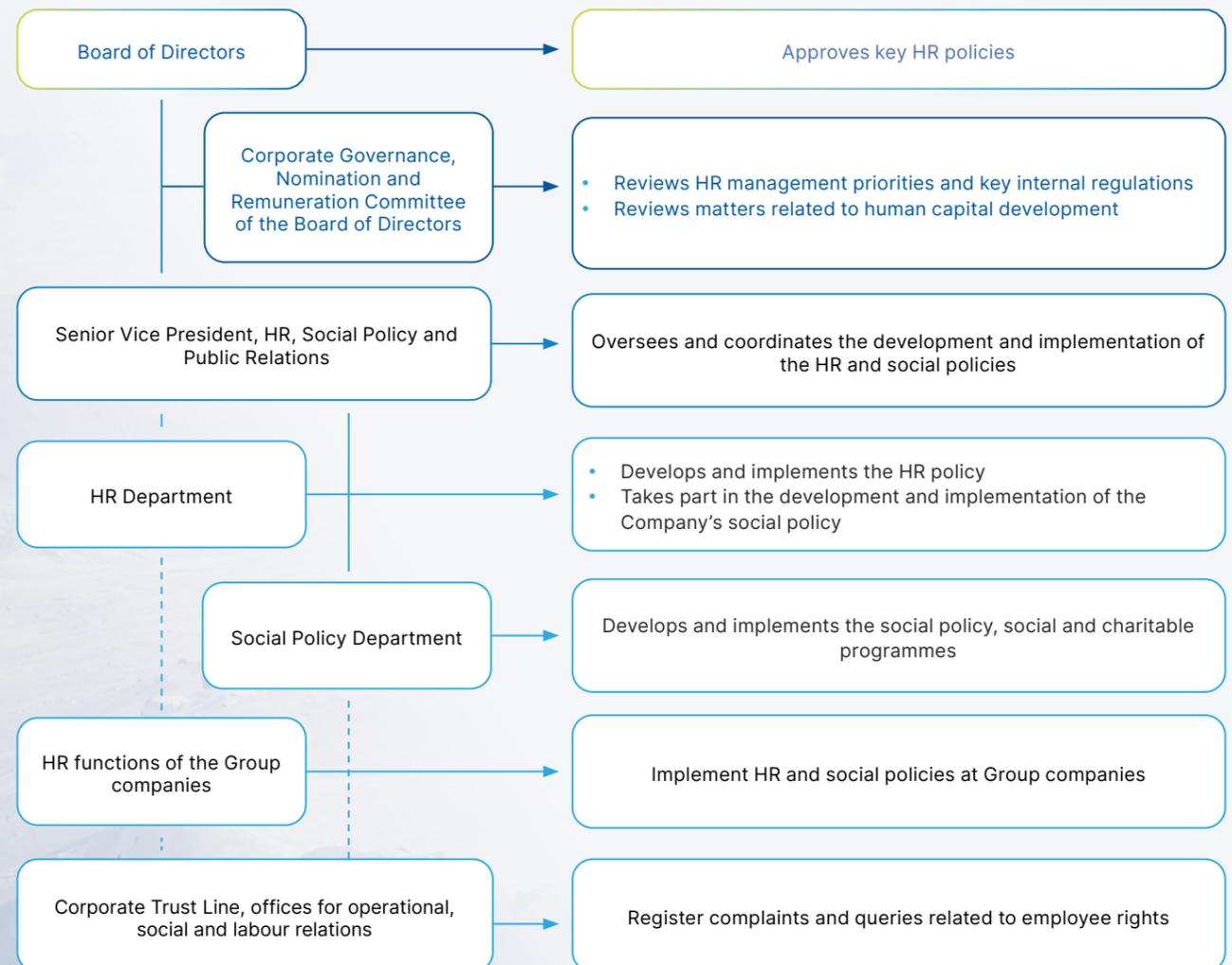
### Nornickel's key HR management regulations<sup>1</sup>

- Principles and provisions of the international law, standards of the International Labour Organisation, national laws of the countries of operation;
- Constitution and the Labour Code of the Russian Federation;
- Equal Opportunities Programme;
- Freedom of Association Policy;
- Working Conditions Policy;
- Personal Data Processing Policy;
- Talent Pool Regulation;
- Procedure for Assessing Employee Performance at Nornickel's Head Office.

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

### Key HR management responsibilities

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



## Staff composition

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

In 2022, the Group's average headcount was 78,374 employees, of which 99% were employed at its Russian companies. A 6.5% y-o-y growth in the average headcount in 2022 was driven by the investment programme,

organisational and technical changes, an expanded scope of works and services, and personnel recruitment.

The headcount of the Group's<sup>1</sup> Russian operations as at the year-end stood at 82,200 employees, with most of them working full time (>99%) and on permanent

contracts (>95%). As at the end of 2022, there were 907 employees working under civil contracts.

### Locally hired employees

GRI 202-2

The share of locally hired executives was 98.7% across the Group's Russian companies in 2022.

The share of locally hired<sup>2</sup> employees was 99.7% across the Group's companies as at the end of 2022.

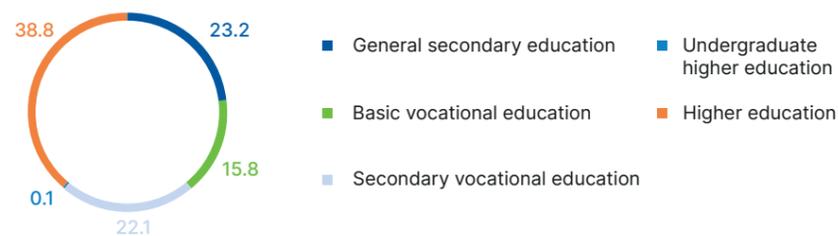
#### Group personnel structure by territory in 2022<sup>3</sup> (%)



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

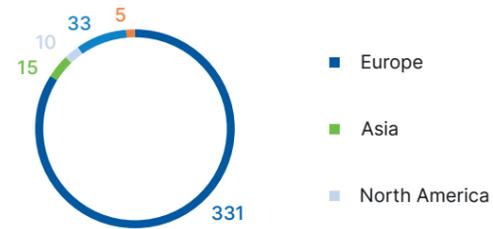
Nornickel takes the responsibility for its impact on the labour markets in the regions where it operates. In hiring personnel, we assess all candidates based on their work experience, qualifications, and education.

#### Personnel structure by education in 2022 (%)



More than one third of our employees (39%) have higher education qualifications. Most of them are executives. 23% of employees have secondary education qualifications, 22% – secondary vocational education qualifications, and 16% – basic vocational education qualifications. The share of employees with undergraduate higher education is below 1%.

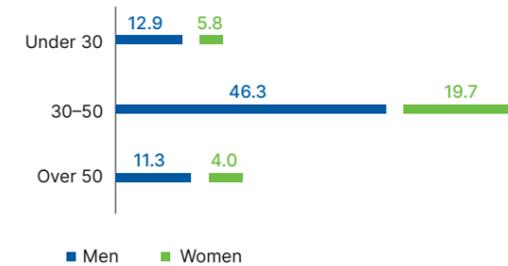
#### Headcount of the Group's foreign operations in 2022 (people)



In 2022, Nornickel's foreign operations employed 331 people in Europe, 33 people in Africa (South Africa), and 30 people in other regions of the world.

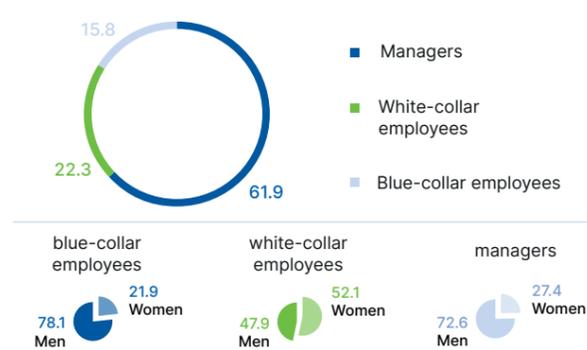
#### Personnel structure by gender and age in 2022<sup>1</sup> (%)

GRI 405-1



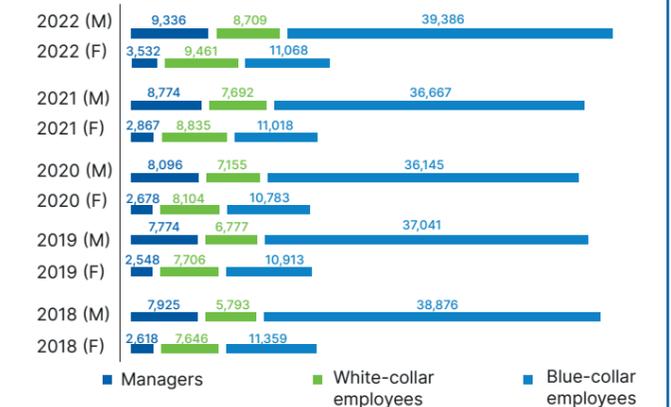
The majority of employees are men aged 30 to 50 (46.3%), whereas women below 30 years old represent the smallest part of the workforce (4.0%). Such breakdown is typical for mining companies.

#### Personnel structure by gender and categories in 2022 (%)

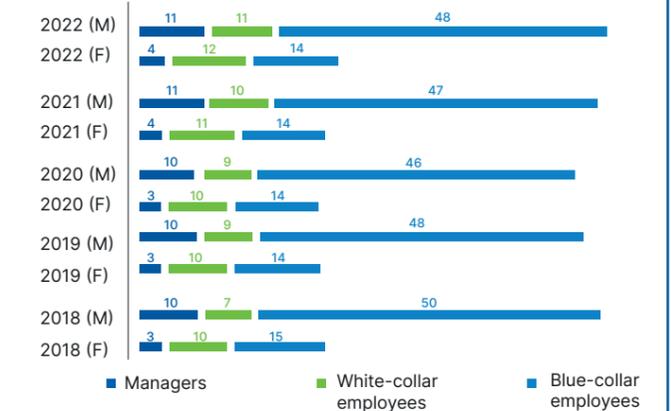


#### Personnel structure by gender and category in 2018-2022 (people)

GRI 405-1



#### Personnel structure by gender and category in 2018-2022 (%)



<sup>1</sup> Including salaried employees and external part-timers.

<sup>2</sup> Locally hired employees refer to the workers who are residents of the country where the relevant Group company is incorporated.

<sup>3</sup> Structure of salaried staff as at 31 December 2022 (including Norilsk Nickel Harjavalta).

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

**Personnel structure by category in 2018–2022 (%)**

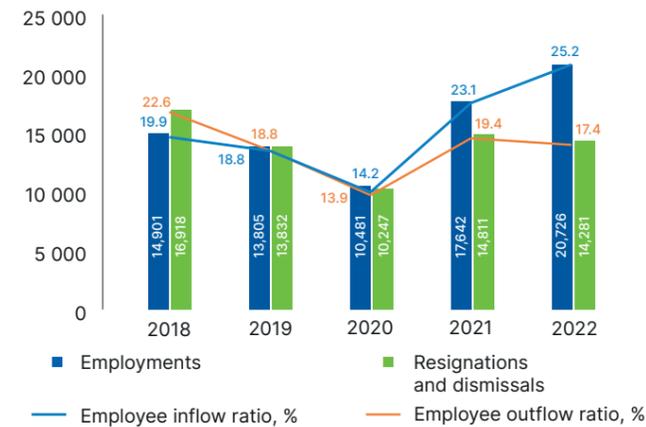
GRI 405-1



Blue-collar employees account for the largest part of the workforce (62–68%) due to the nature of the Group's operations. The share of men in the overall headcount in 2018–2022 remained stable at 70–71% due to the harsh working conditions in the climate of the Far North. Female workers prevail in the category of white-collar employees (53–57% in the reviewed historical period).

**Key personnel turnover indicators<sup>1</sup>**

GRI 401-1

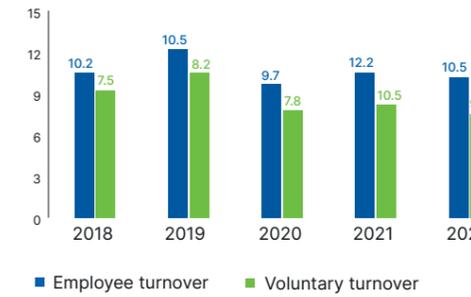


In 2022, the number of new hires increased as a result of additional recruitment for shift-camp, permanent and temporary jobs and due to staff transfers within the Group.

To hire out-of-town employees, the Company opened recruitment centres in Orsk, Ufa and Yekaterinburg in 2022.

**Employee turnover (%)**

GRI 401-1



Employee turnover<sup>1</sup> as at the end of 2022 came in at 10.5%. Voluntary turnover<sup>2</sup> in 2018–2020 was stable at 7–8%; in 2021, the indicator hit 10.5%, the peak value of the reviewed period, while in 2022 it went down to 9.2%.

**Strong employer brand**

**In 2022, we retained leadership in key rankings of the best employers:**

- 6th place (out of 82) in the Best Employer Ranking for November 2022 (RBC. Market research);
- 8th place in the Best Employers among Their Target Audience category in Future Today's ranking, which takes into account the opinions of Russian university students;
- 12th place among the largest companies in the national employer rating by HeadHunter out of more than 1,000 participants (103 finalists classified as major companies), including by category: 1st place in a survey of job applicants from the Industrial Production, Trading and Production Companies sector, 25th place in the Most Advanced Business Processes subcategory, 32nd place in the Choice of Candidates subcategory;
- Best Employer according to the Best Company Award, a ranking compiled by Changellenge based on a survey of students and graduates from the leading universities: 18th place in the Technical Professions nomination, 44th place in the Business Professions nomination, and the 56/57th place in the IT Professions nomination;
- gold prize by Forbes in its best employers rating (Top 50 out of 104 participating companies), platinum prizes in the Employees and Society category and the Corporate Governance category;
- Best in Russia – Companies and Persons of the Year, a list of Russia's most attractive employers based on a survey conducted by the Russian Public Opinion Research Centre (VCIOM) and Anews.

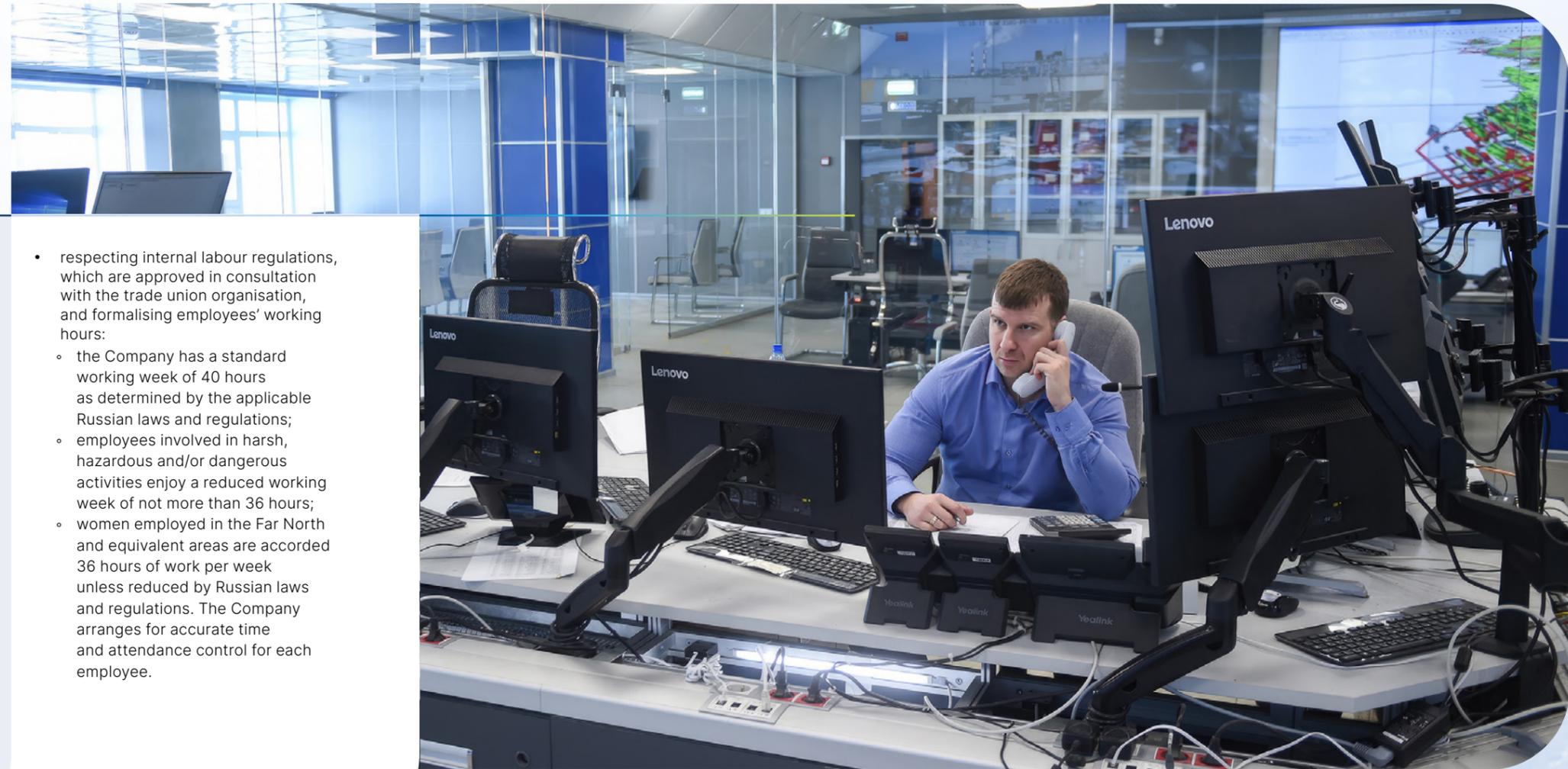
<sup>1</sup> Russian companies of the Group. Employee inflow ratio: the ratio of new employments to total headcount at the end of the period. Employee outflow ratio: the ratio of all separations to total employments at the end of the period.

<sup>1</sup> The ratio of resignations, dismissals for breach of labour discipline, and negotiated terminations, to the average headcount for the year.  
<sup>2</sup> The ratio of all resignations to the average headcount for the year.

## Commitment to employee rights

Nornickel respects employee rights and fully takes them into account in its operations, including by:

- giving its employees equal opportunities to unlock their professional potential, assessing their performance in an impartial and fair manner, employing and promoting people based solely on their professional abilities, knowledge, and skills;
- implementing programmes for the development and social support of its employees, and upholding their rights in respect of social security, education, family welfare, shelter, freedom of artistic expression, and participation in cultural life;
- employing people with disabilities and providing them with the necessary working conditions, including work and rest schedule, annual and additional paid leaves, and financial assistance (according to the employment quotas that vary depending on the region and company size, the share of employees with disabilities starts from 2% of the average headcount, excluding employees involved in harsh, hazardous and/or dangerous work);
- prohibiting women's exposure to harsh, hazardous and/or dangerous working conditions in the mining industry, and showing zero tolerance towards child labour and the involvement of minors below 18 years old in hazardous and/or dangerous work.
- respecting internal labour regulations, which are approved in consultation with the trade union organisation, and formalising employees' working hours:
  - the Company has a standard working week of 40 hours as determined by the applicable Russian laws and regulations;
  - employees involved in harsh, hazardous and/or dangerous activities enjoy a reduced working week of not more than 36 hours;
  - women employed in the Far North and equivalent areas are accorded 36 hours of work per week unless reduced by Russian laws and regulations. The Company arranges for accurate time and attendance control for each employee.



**104.9** thsd

queries from the Company's employees (93%), former employees (6%), and other employee categories (1%).

The Company seeks to maintain an ongoing dialogue with employees and to offer everyone an opportunity to be heard. In 2022, in addition to the Corporate Trust Line and an improved complaint review framework, the Group continued to run

offices for operating, social and labour relations. The number of such offices increased by 8% y-o-y. They are primarily tasked with response to employee queries, control of their processing, prompt resolution of conflicts and prevention

of employee right violations, and regular monitoring of social climate within teams. This enables the Company to address any arising issues in a timely manner.

The offices received

> **52,000**

queries with a focus on social and working matters (86%), legal matters (12%) and other topics (2%).

In 2022, the Group's companies operating in the Norilsk Industrial District ran

**27** offices

**48.6** thsd

employees attended over 2,000 staff meetings

## Social partnership framework

GRI 2-26

In order to develop interregional social partnerships, in 2019 Interregional Cross-Industry Association of Employers “Union of Copper and Nickel Producers and Their Supporting Industries” and the Trade Union of MMC Norilsk Nickel Employees signed an interregional cross-industry agreement for copper and nickel producers and their supporting industries for 2019–2022. In 2021, the agreement was amended and extended until 2025. This document regulates social and labour relations between employers and their employees, and sets out common approaches

to employee remuneration, compensation and benefits, work and rest schedule, health and safety, dismissals and other matters.

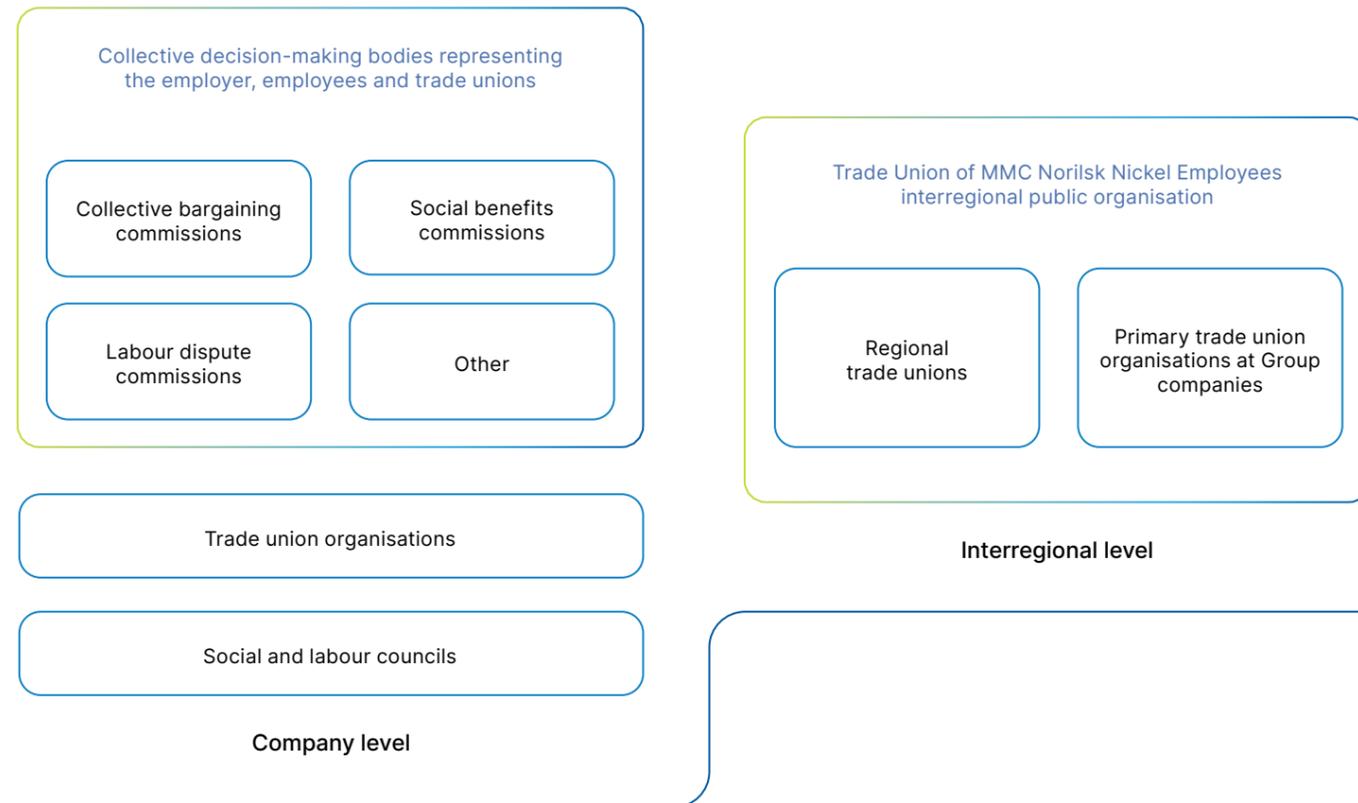
As at the end of 2022, the agreement applied to 21 Group companies, covering 89.7% of the Group’s employees.

The Company has a system of social partnership in place at its sites to align the interests of employees and employers in terms of the regulation of social and labour relations. The Company fully complies with the Labour Code

of the Russian Federation, collective bargaining agreements, the interregional cross-industry agreement for copper and nickel producers and their supporting industries for 2022–2025, and joint resolutions. We also follow the Freedom of Association Policy approved by the Board of Directors.

Thus, the interests of the Group’s employees are represented on a local, regional and interregional level.

### Mechanisms for the representation of employee interests



In 2021–2022, the trade unions and social and labour councils made regular contributions to the activities of commissions set up by the employer to inspect the sanitary condition of dietary and general food service providers and to assess the quality of food served at the Group’s facilities in the Norilsk Industrial District.

GRI 2-30

The Group companies are parties to 23 collective bargaining agreements covering 94.4% of the Group’s headcount. As at the end of 2022, 7.4% of the Group’s employees were members of trade unions, while 77% were represented by social and labour councils.

GRI 402-1

As per the Labour Code of the Russian Federation, Nornickel notifies employees regarding significant changes in the Company’s activities:

- the minimum notice period is at least two months prior to the start of such changes; or

SASB EM-MM-310a.2

The absence of strikes and lockouts involving the Company’s personnel in 2022 testifies to the effectiveness of Nornickel’s employee interactions and its social policy at large

As a way to improve understanding of the Company’s plans or accomplishments and inform workers about resolutions adopted by the Group’s management on social and labour matters, in 2022 trade unionists were invited to take part in an awareness-raising campaign launched by the employer to highlight changes in the corporate approach to bonus payments to employees for their

production-related achievements and contributions to the identification and assessment of health and safety risks. The Company believes that such meetings give an opportunity to maintain a constructive dialogue with the representatives of its workforce and receive timely feedback on ongoing corporate changes.



## Incentives and rewards

To motivate our employees to enhance their productivity and deliver business growth as well as to retain our highly qualified specialists, Nornickel runs a comprehensive employee incentive programme with both financial and non-financial rewards.

The use of financial rewards is governed by the Company's remuneration policy.



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

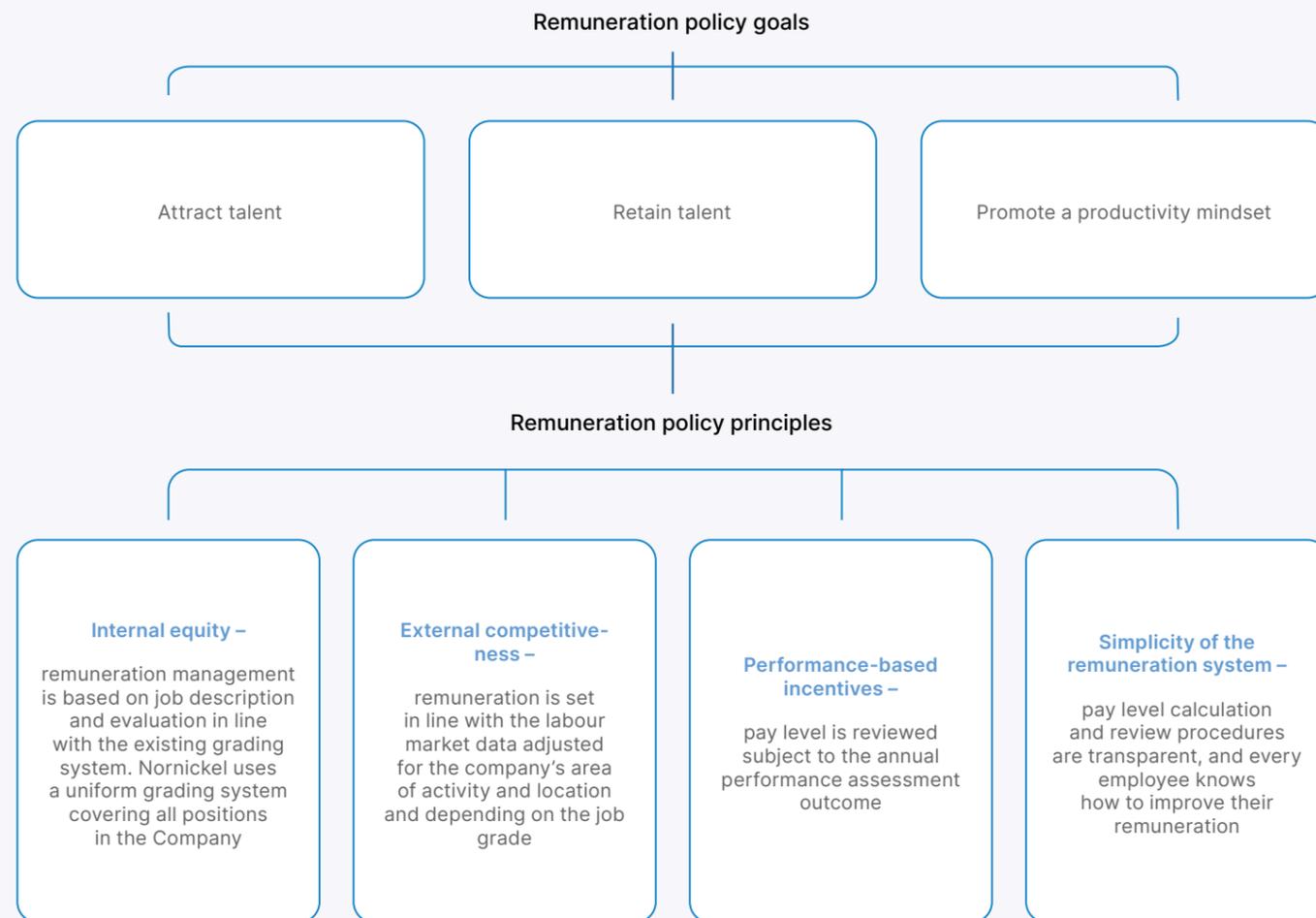
Nornickel uses a grading system designed to ensure a fair, transparent, and unbiased remuneration framework within the Company. Grading relies on the point factor method of job evaluation that takes into account knowledge and skills, the complexity of tasks, and the level of responsibility.

In 2022, we continued our efforts to improve the bonus system for PMO staff. The updated incentive system is based on progress against key project indicators designed to motivate and retain key talent until the project is completed.

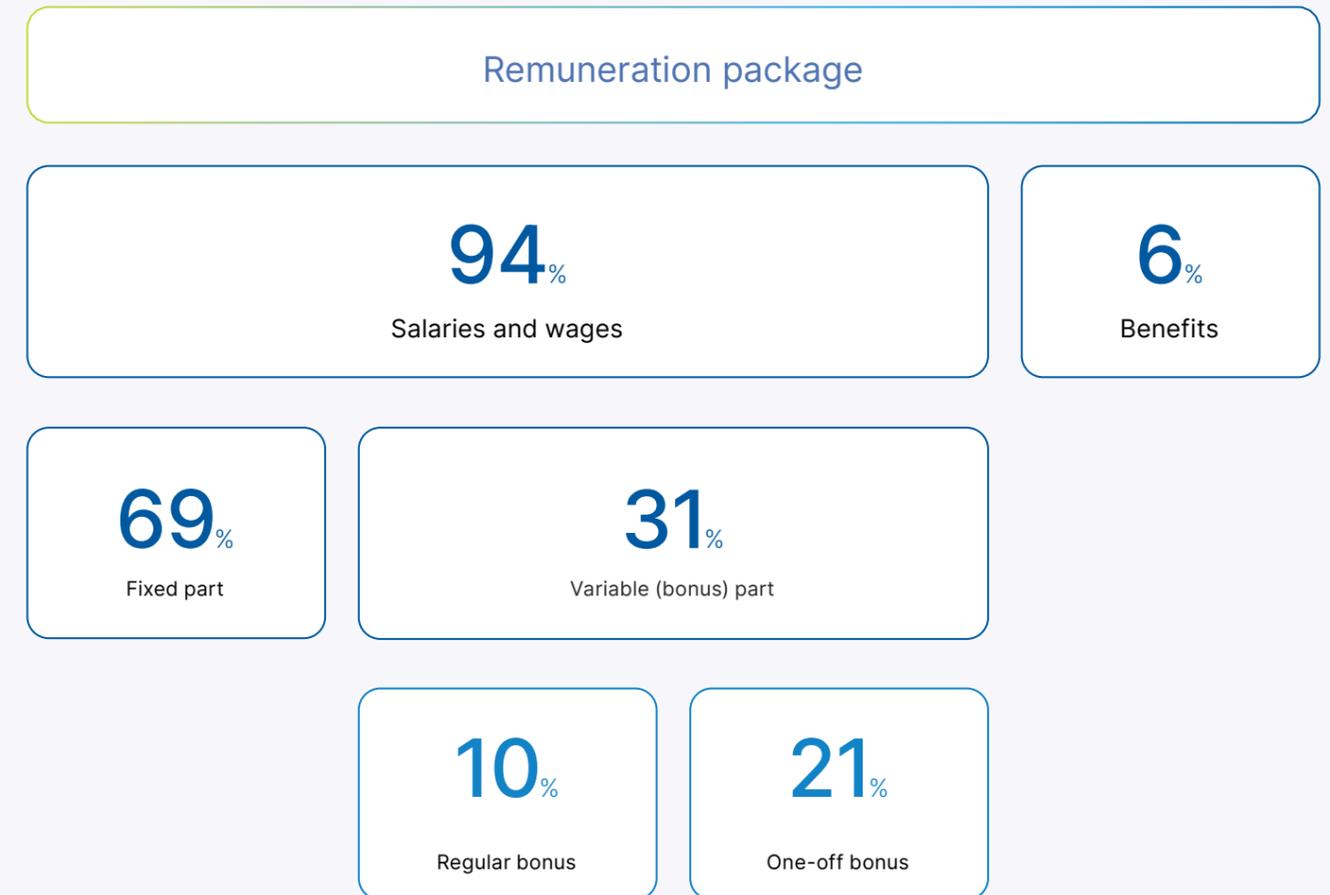
In the reporting year, the Company changed its approach to the calculation of full-year performance-based bonuses paid to the executives, white-collar and blue-collar employees beyond the perimeter of the performance management system.

In line with the updated approach, bonus payments were increased and payment criteria were adjusted, with the final bonus amount now depending on supervisor evaluation.

Changes made to the bonus payment system in 2021–2022 enhanced transparency of the accrual process for employees.



### Remuneration package across the Group's Russian operations in 2022 (%)



Key compensation indicators in 2022, by region<sup>1</sup>

GRI 202-1

Region	Remuneration package, RUB '000	Average monthly salary, RUB '000	Share of regional payroll in total pay-roll, %	Minimum monthly compensation to statutory minimum monthly wage	Statutory minimum wage, RUB
<b>Group average</b>	<b>194.7</b>	<b>182.5</b>	<b>100.0</b>	–	–
Norilsk Industrial District (NID)	198.7	185.6	67.9	1.0	39,725
Kola Peninsula Industrial District (Murmansk Region)	139.7	128.3	10.9	1.0	35,142
Krasnoyarsk Territory (excluding NID)	103.5	98.5	2.6	1.0	24,446
Trans-Baikal Territory	179.6	170.4	3.4	1.62	22,919
Moscow	310.7	298.8	15.2	2.47	23,508

In 2022, a company-wide average monthly salary was 150.4% higher than the average nominal monthly salary accrued to the employees of organisations that

are not small businesses across Russia. In particular, it was 64.2% and 137.5% higher than salaries at metal ore mining companies and metals companies, respectively<sup>2</sup>.

Corporate culture development

To project a positive image of the Company in the market, streamline business processes, boost motivation and engagement, and speed up onboarding for new hires, Nornickel seeks to develop its corporate culture with a focus on improving efficiency and accountability.

Training for management teams in corporate culture

In 2022, we continued to offer training for management teams, with two management development programmes sparking particular interest – Engagement

Workshops (12 workshops, more than 40 training sessions) and Corporate Culture Workshop (48 workshops at 36 sites). These workshops improved engagement and involvement of management teams in the corporate culture development programmes.

<sup>1</sup> The definition of significant regions of operation is provided in the glossary. This table discloses information only for Nornickel Group's key production and administrative BUs with at least 500 employees.

<sup>2</sup> Source: [Federal State Statistics Service](#).

Engagement

Nornickel runs a series of annual activities for managing personnel engagement, which comprises three stages:

- conducting a survey named "Let Everyone Be Heard. What Do You Think?";
- analysing the results of the survey;
- developing and implementing solutions based on the survey results.

The survey offers the senior management a unique opportunity to receive feedback from their employees, identify key issues and define areas for improvement at each production site. In 2022, 50,500 employees took part in the research (including surveying and focus groups), a 6% increase y-o-y. Its results are subject to review, with corrective actions planned and implemented at all governance levels – from facilities to the Group as a whole.

The engagement index increased by 7 p.p. from 56% in 2021 to 63% in 2022, reflecting concomitant benchmark growth (by 7 p.p. to 56% for the Russian metals industry). In the space of four years, the employee engagement index rose by 19 p.p. from 44% to 63%, ensuring transition to the neutral risk zone. This is the case for 50% of the companies participating in surveys across Russia.

Progressive engagement growth was recorded against the majority of applicable factors.



Factor	Employee engagement	Initiatives to increase engagement
Credibility and accessibility of the senior management	up 22 p.p. in four years (from 31% to 53%)	<ul style="list-style-type: none"> <li>• Nornickel Live stream and Challenges video call with vice presidents</li> <li>• Corporate Dialogues</li> <li>• Forums, corporate training programmes</li> <li>• Leadership by example, words underpinned by actions</li> </ul>
Career opportunities	up 18 p.p. in four years (from 32% to 50%)	<ul style="list-style-type: none"> <li>• Availability of information on job vacancies</li> <li>• Programmes of appointments from the internal talent pool</li> <li>• Active awareness raising about internal promotions</li> <li>• Training and development programmes</li> </ul>
Rewards and recognition	up 18 p.p. in four years (from 35% to 53%)	<ul style="list-style-type: none"> <li>• Progressive higher than average salary growth</li> <li>• Redressing imbalances in the remuneration system</li> <li>• Application of grades</li> <li>• Awareness-raising campaigns on salaries, bonuses and social benefits</li> </ul>

To boost employee engagement, the Company responds to employee queries and takes management decisions seeking to ensure salary indexation, expand the scope of social programmes, provide employees with workplace amenities and voluntary health insurance, and deliver on the Norilsk and Monchegorsk renovation programmes, environmental programmes, and equipment upgrade programmes.

In 2022, Nornickel developed new approaches suggesting the integration of business objectives into the annual cycle of engagement management: discussion of business goals, assessment of the need for closer engagement with target groups, performance analysis of programmes designed to support key business goals, monitoring of progress in supporting business goals, etc. In addition to that, the Company changed its initiative planning

and implementation approach in 2022. Before 2021 and throughout this year, communication initiatives outnumbered measures focusing on process and system changes.

Nornickel completed a correlation analysis to match engagement levels with such variables as injury rates (the correlation ratio came in at -0.5) and absenteeism (the correlation ratio came in at -0.5). The findings confirm the hypothesis that the above factors are related to each other: according to Chaddock scale, the correlation is highly negative, which means that continuous efforts to improve employee engagement are still of critical importance.

**Employee awards**

To foster engagement through non-financial incentives and recognise employee achievements, the Company has put in place the Award Policy closely linked to Nornickel's values and strategic priorities. The Company rewards employees for their outstanding professional achievements and contribution, innovations that drive growth and add value, efforts going beyond formal agreements with the Company, and business improvement initiatives.

Corporate incentive decisions are reserved to the remit of the Company's President. In addition to corporate incentives, there are internal incentives awarded to employees on behalf of the enterprises where they work.

The Company awards those employees who showed prodigious operating and management achievements and made a significant contribution to production growth.

**Compliance with the Business Ethics Code**

To ensure that employees understand and accept the principles and fundamentals of the updated Business Ethics Code (approved by the Board of Directors in 2020), the Company continues to offer its employees training programmes explaining the Code (a training module on the Code was integrated into the Our Values programme, Nornickel Live, and Corporate Dialogues). By the end of 2022, the programmes covered 80% of the Company's total headcount.

**Nickelisation**

Nickelisation, a non-financial incentive and acknowledgement platform, is designed to build a closely knit team and promote the Company's corporate culture by fostering its values, popularising the roles of mentors and internal coaches, and developing a feedback culture. The Company continued developing the project in 2022.

In the reporting year, Gipronickel Institute joined the platform. In 2023, we are planning to roll it out across the remaining Russian business units of the Company.

In the reporting year, employees earned over 245,000 nickels (in-game currency) and purchased over 2,000 gifts with them.

They also said thank you to their co-workers 140,000 times and tagged them with value badges 43,000 times.

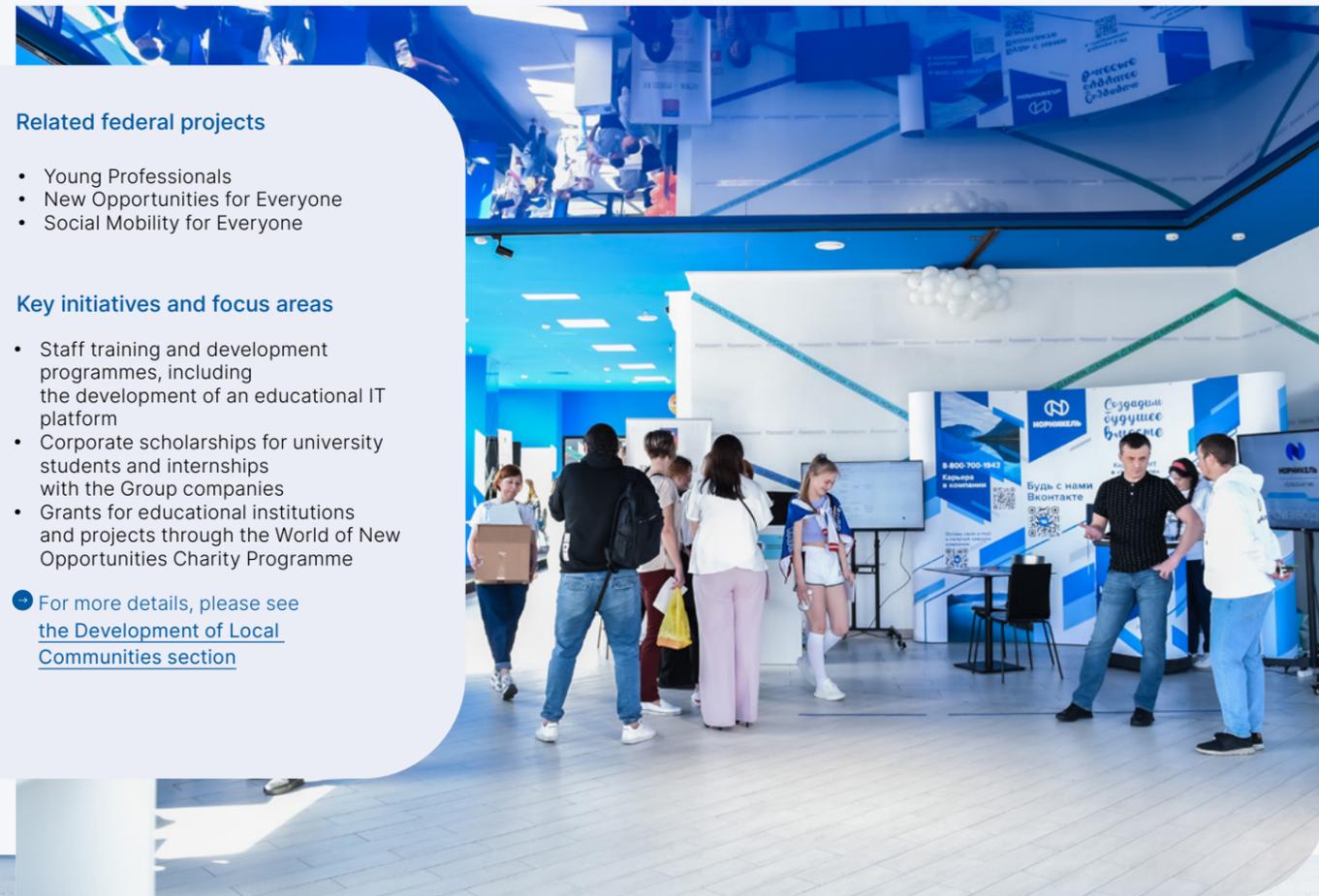
The platform won an international corporate communications award at InterComm 2021, an award for achievements in human capital management at Crystal Pyramid 2021, and a prize at IT HR Awards. In spring 2022, the 7th edition of WOW!HR Award named Nickelisation the best platform in the Digital Solutions category (the competitors in this category included Gazprom Neft with its career portal, VK with its virtual assistant, DIXY with its distant learning app Academy, Softline with its Telegram-based educational chatbot, and IVI with its proposed 360-degree assessment tool).



## Personnel training and development

Nornickel's contribution to the Education national project

Relevant UN SDGs



### Related federal projects

- Young Professionals
- New Opportunities for Everyone
- Social Mobility for Everyone

### Key initiatives and focus areas

- Staff training and development programmes, including the development of an educational IT platform
- Corporate scholarships for university students and internships with the Group companies
- Grants for educational institutions and projects through the World of New Opportunities Charity Programme

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



To deliver on the Company's goals and objectives, enhance production efficiency, and improve staff motivation, we pay special attention to the upskilling of our labour force, and the development of new professional and management expertise, competencies, knowledge and communication skills.

The employee training strategy, plans and programmes are developed in an ongoing cooperation with internal stakeholders and are regularly updated subject to their needs and Nornickel's strategic priorities. Thanks to this cooperation, the Company's development programmes are inclusive and work well

to achieve its business targets. Our training programmes cover all functional areas and all employee categories.

## Key personnel training indicators

GRI 404-1

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



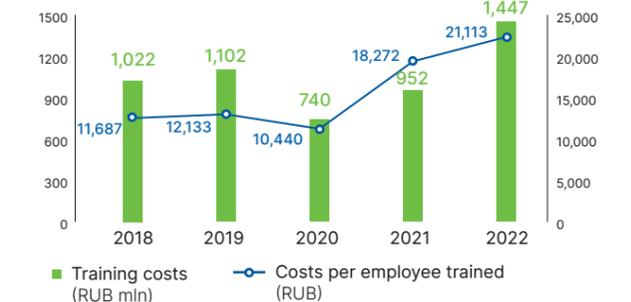
Average annual training hours per employee (based on average headcount)



Total training and the number of trained employees



Training costs



In 2022, we held 216,000 training man-sessions (including training, retraining and skill improvement), up 87% y-o-y. The average number of training hours per employee (based on average headcount) is 85, per male employee – 95, per female employee – 62. The main driver behind the increase in the number of training

man-sessions is a surge in remote training due to the growing popularity and further advancement of Nornickel Academy. In 2022, the number of Nornickel Academy's registered users exceeded 81,000, with 62% of them being active users<sup>1</sup>. There was also a marked increase in in-person training due to the lifting of COVID-19

restrictions and return of certain employees to in-person learning. Since 2020, the number of the Company's employees who completed training programmes has been steadily growing, which led to the rise in expenses on educational initiatives.

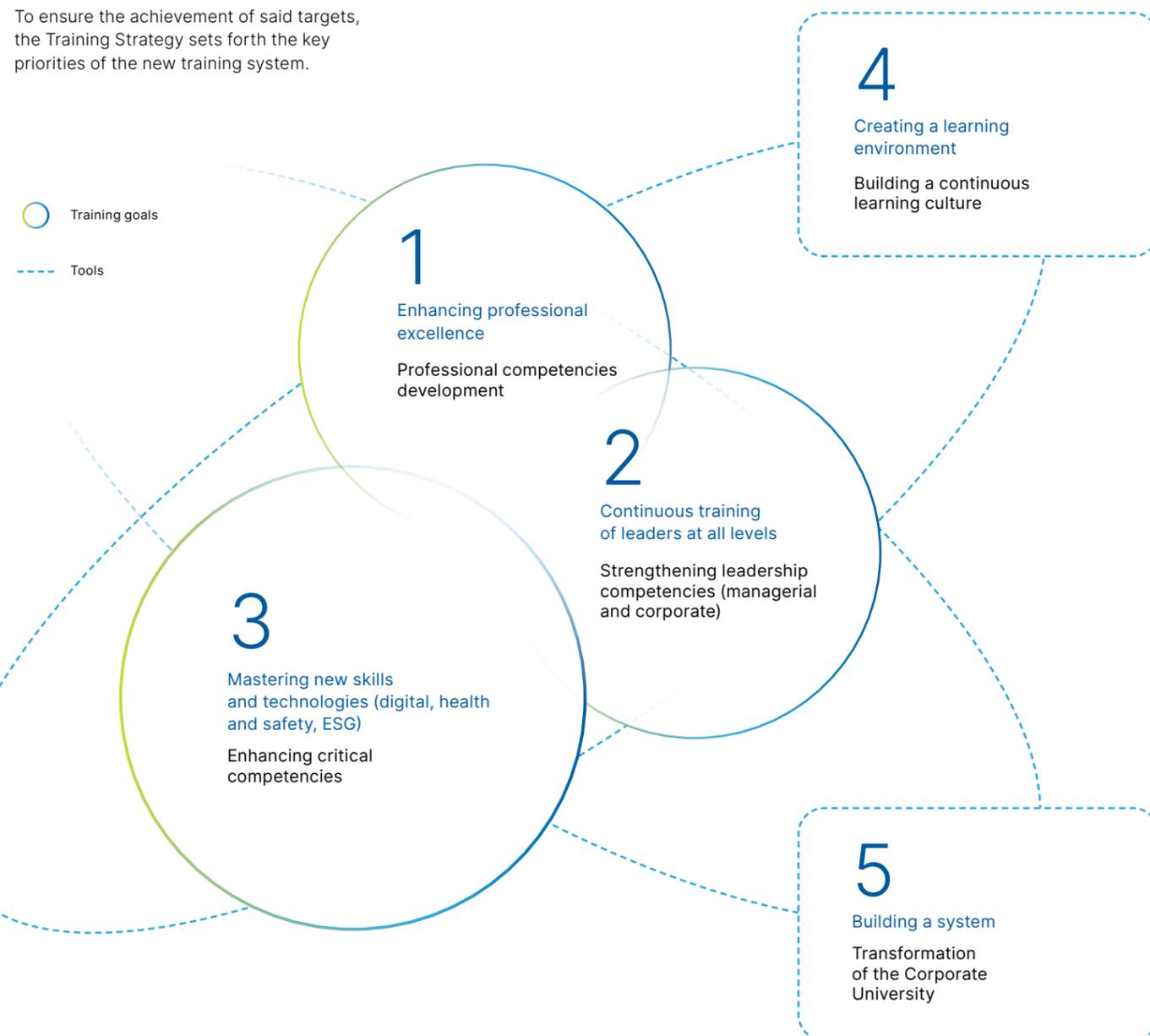
<sup>1</sup> Users authorised in the system.

## Training opportunities for all employees

GRI 404-2

One of Nornickel’s priorities in 2022 was to build an accelerated training ecosystem to help our staff achieve the Company’s business goals. The ecosystem became the centrepiece of Nornickel’s Training Strategy for 2022–2025:

To ensure the achievement of said targets, the Training Strategy sets forth the key priorities of the new training system.



### Key elements of the ecosystem

- manager: a role model for employees (mentor, coach, career and development sponsor)
- flexible learning environment: digital and in-person learning environments for an informed choice
- continuous learning culture: learning as a fundamental principle and a tool for achieving the desired results, development as a driver of personal fulfilment and career growth

### Key objectives of the ecosystem

- build a continuous learning culture
- improve management quality
- enhance professional excellence
- develop critical competencies (including digital, OHS, ESG)

The ecosystem-based approach enshrined in the Strategy offers significant benefits for all stakeholders: the manager gets profoundly engaged professionals who can deliver strong results by leveraging their knowledge and effective interaction skills, while employees can fulfil their professional and career ambitions and unlock their potential. The Company is building

a new generation of leaders who can move our business forward and address global challenges such as sustainable development, social and economic justice, and cultural transformation.

The underlying principles of the ecosystem are relevance, accessibility and innovation, with employees expected to pursue

lifelong personalised training. This model requires new organisational capabilities, including transition to digital platforms and networks of educational opportunities, and new regulatory approaches focusing on the engagement of all stakeholders.

In 2022, the number of Nornickel Academy’s registered users exceeded

> **81,000**

## Nornickel's continuous learning

### Groups

### Area

### Examples

Schoolchildren	University students
<p>Career guidance for schoolchildren</p>	<p>Career guidance and leadership programmes, internship (including field internship) programmes, national and international business case championships</p>
<ol style="list-style-type: none"> <li>The Company provides all first graders within Nornickel's footprint with a book titled "The Tale of How Metals Forged Cities". This book is the ultimate ABC of metals and mining, which captures children's attention with a vivid and eye-catching imagery, illustrates Nornickel's operations and explains to kids in a simple way what their parents do for a living. QR integration enables an illustrative and interactive presentation. Each year more than 5,000 schoolchildren receive this book as a gift from the Company.</li> <li>To complement the book, the Company also created a cartoon series titled "Professor Nichrome's Lessons".</li> <li>The initiatives for schoolchildren include the Arctic Wave festival of R&amp;D discoveries, IMAKE engineering marathon, and School Break: Starts with You educational project. Each year more than 8,000 schoolchildren take part in these initiatives.</li> </ol>	<ol style="list-style-type: none"> <li>The Company closely cooperate with 30 higher educational institutions across Russia.</li> <li>The Company's internship programme enjoys strong demand, with over 1,500 students applying for enrolment. Top Moscow-based students were invited to take part in paid internships at the Company's Moscow office.</li> <li>In 2022, the Company sponsored CUP Tech 2022 and Metal CUP, nationwide case competitions among students of technical universities.</li> <li>The Conquerors of the North programme (the Company's maiden course to help young engineers develop skills necessary to work in production) registered 2,724 applications from students of Russia's leading engineering universities, with 978 students taking part in the programme and 236 participants recommended for internship and further employment at Nornickel.</li> <li>In 2022, the Company staged over 10 events for the Your Move nationwide student project. These events were attended by Nornickel's experts and external speakers. At the final stage of the project, Nornickel's stand hosted more than 15 master classes and quizzes. Over 1,500 participants visited the Company's stand.</li> <li>Nornickel joined the list of general partners supporting the I am Professional competition. Jointly with Saint Petersburg Mining University, the Company sponsored the Mining section of the competition.</li> </ol>

University students	Managers at all levels	Middle management
<p><b>Top 100 managers</b></p> <p>Management development programmes</p>	<p><b>Managers at all levels</b></p> <p>Programmes to enhance corporate and management competencies</p>	<p><b>Middle management</b></p> <p>Online training</p>
<p>In 2022, Nornickel launched a module-based Energy of Changes corporate development programme. The programme has a mixed format.</p> <p>Its modules are as follows:</p> <ol style="list-style-type: none"> <li>Energy of Changes (change management);</li> <li>Leadership Energy (heedfulness of the leader);</li> <li>Team Energy (teamwork);</li> <li>Energy of Results (responsibility for achieved results);</li> <li>Energy of Well-Being.</li> </ol> <p>The training was completed by 105 managers. The programme has three focus areas: the right mindset, development of new skills, and efficient communication methods.</p>	<p>In 2022, the Company continued running its 360-Degree Management programme with a focus on enhancing corporate and management competencies.</p> <p>Participants of the programme selected their topics on their own, taking into account the review results and targets set out in their individual development plans. Training covered seven topics:</p> <ul style="list-style-type: none"> <li>managerial decision-making;</li> <li>ambitious management;</li> <li>leadership that makes a difference;</li> <li>expertise in management communications;</li> <li>change management;</li> <li>resource management;</li> <li>team management.</li> </ul> <p>The distinctive features of the programme are its relatively short duration and a focus on practical skills. The programme includes interactive training sessions, business games, and solving of real-life business and management cases.</p> <p>A total of 250 managers from 17 branches, subsidiaries and the Head Office completed the training.</p>	<p>In 2022, the Company continued to run the Pursuing Efficiency programme in an online format. The programme traditionally includes both theoretical and project-based activities.</p> <p>Five modules:</p> <ul style="list-style-type: none"> <li>Result-oriented Management ("Manage!");</li> <li>Productivity ("Improve!");</li> <li>Effective Communications ("Negotiate!");</li> <li>Financial Management ("Analyse!");</li> <li>Team Management ("Interact!").</li> </ul> <p>Further additions to the programme included master classes on critically important topics such as ESG, Safety Culture and Risk Management.</p> <p>The training was completed by 113 employees from 22 branches and entities of the Company, including 106 managers and 7 young professionals.</p> <p>A particular feature of the programme is the transformation of middle managers' online behaviour: they develop the habit of acquiring knowledge in a digital environment and interacting with each other. For many participants, this transformation has meant a dramatic change in their attitude – from passive online listeners to active doers.</p>

Nornickel's continuous learning

Groups

Area

Examples

Employees

Talent pool

Planning the professional and career growth of the Company's employees, building a talent pool for managerial positions, training and promoting pool members

In 2022, the Company continued to grow and train a pool of junior and mid-level managers at 11 sites of Norilsk and Kola divisions.

All along, Nornickel was running pilot projects to update its approaches to forging talent pools for the mining facilities of Polar Division and Kola MMC. The projects focused on the selection of employees with strong development and career growth aspirations, and widening the range of self-promotion opportunities for the staff.

We also kept expanding a pool of top managers. In 2022, HR committees held 143 meetings on key functional areas and Top 100 managers, including 35 meetings convened at the level of the Head Office and attended by Vice Presidents. The key focus was on hedging against the shortage of top managers, and building a talent pool not only for the Group's top management positions, but also for the management roles of individual facilities and entities. Over 30% of the pool members are ready for promotion right now or will be ready for it within one year.

In 2023, the Company plans to build and roll out a uniform talent management cycle.

Blue-collar employees

Creating hi-tech learning spaces to improve practical skills

- Blue-collar employees receive ongoing training (including training, retraining and skill improvement): in 2022, the Company held 81,000 training man-sessions, up 62% y-o-y. The average annual number of training hours per employee (based on average headcount) came in at 84.
- The Company has put in place all the necessary infrastructure for training and developing blue-collar employees, including:
  - teaching blocks equipped with training simulators and laboratories; an underground training base designed to improve employees' practical skills through the use of VR technologies and dedicated videos;
  - Process Factory, a training simulation facility offering employees an opportunity to learn more about the efficient management of production flows by using the Lean Production tool;
  - comfortable modern classrooms and a cutting-edge conference hall for corporate events.
- The Company plans to further upgrade its training infrastructure:
  - The construction of a new innovative training centre in Talnakh is slated for completion in 2026. The centre will feature a fleet of simulators to develop hands-on skills.
  - Training equipment used for imparting safety practices and techniques with staff working at height and in confined enclosed spaces has been manufactured and is ready to be put on stream in 2023.

Development of digital skills

Development of digital skills and improvement of digital literacy remain among the key priorities of our training programmes. That is why the Company continues to run Digital Nornickel, an educational programme focusing on digitalisation and seeking to offer all employees an opportunity to learn the technology and skills required to work in the modern world of digital production and live in a digital environment. As at the end of 2022, 65,500 employees completed the training course.

The Company is looking beyond just providing the existing staff with training opportunities and is trying to expand its target audience outreach. In September 2022, we launched Tsifronikel.Junior, a quest offering our employees' children aged 8 to 12 to learn more about Nornickel's advanced digital capabilities by tackling various challenges and accomplishing

different missions. Simple assignments help children understand how digitalisation has burst into our everyday activities and become an indispensable tool on our journey towards progress and development.

The Nornickel Academy platform offers educational courses helping employees to upgrade their professional skills in all relevant areas, while also giving them access to the Reading Room with free books on personal growth and materials on the latest educational trends and practical performance improvement tools.

In addition to providing in-person and digital training opportunities, the Company supports designated events (Library Night, Each Day Is a Knowledge Day, New Life Starting on Monday), organises public lectures and master classes (Tribune, workshops for schoolchildren)

and maintains ongoing communication (L&D Digest, posts in social media, mass media publications) as a way to support its continuous learning concept.

In 2022, Nornickel unveiled a multi-platform competency management system, which helped fully automate relevant processes and enabled all participants to work in a shared information environment. The project covers 22 companies of the Group.

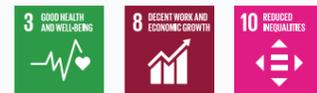
To guarantee the transparency of online testing, the Company launched a dedicated system that automatically records violations during exams by analysing the behaviour of those taking the test based on the webcam, desktop and mic data. With this new system, employees can take tests from pretty much anywhere (including their home and office), whereas earlier they had to sit tests in their classrooms.

# Social policy

## Nornickel's contribution to Russian national projects

### Demography national project

Relevant UN SDGs



#### Related federal projects

- Financial support for families upon the birth of children
- Older generation
- Promotion of public health
- Sports as a way of life

#### Key initiatives and focus areas

- Co-Funded Pension Plan, a corporate private pension programme
- Nornickel's Veterans programme, which focuses on supporting unemployed pensioners
- Sporting and mass public events programme

- Creation of jobs across our footprint

• For more details, please see [the HR Management and Social Partnership section](#)

### Healthcare national project

Relevant UN SDGs



#### Related federal projects

- Development of the primary health care system
- Creation of a network of national medical research centres and introduction of innovative medical technologies

#### Key initiatives and focus areas

- Compensating employees and their families for health resort and vacation expenses
- Providing employees and their families with voluntary health insurance
- Conducting occupational health and safety training sessions (for more details, please see the Occupational Health and Safety section)
- Providing employees with personal protective equipment
- Corporate Healthcare project

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

GRI 403-6

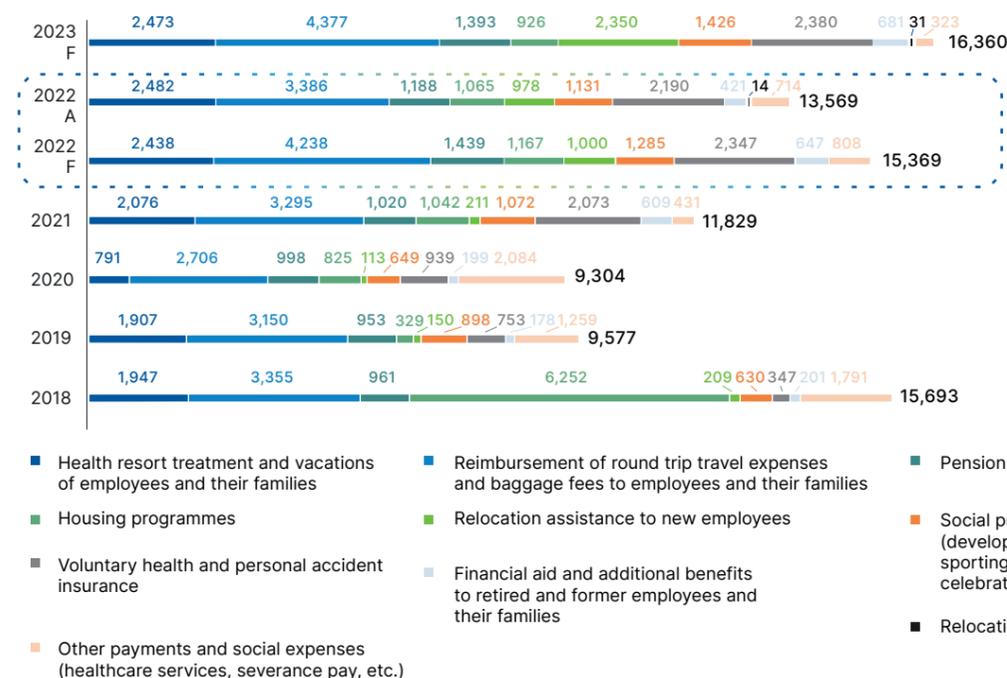
To attract and retain skilled employees and improve their loyalty and engagement, Nornickel regularly offers its employees across all of its locations a wide range of benefits and social care support.

#### The social package includes the following benefits and compensations:

- health resort treatment and vacation to employees and their families at subsidised prices;
- annual payment of return travel to and from a place of vacation for employees in the Far North and equivalent areas, and their families, including associated baggage fees;
- relocation allowances (lump sum payment for resettlement, reimbursement of travel expenses and baggage fees, monthly rental (sub-rental) payment / compensation for dormitory fees);
- VHI for employees and their families;
- one-off financial aid to employees experiencing certain major life events or hardships;
- additional employee pensions and other types of social benefits under the existing collective bargaining agreements and internal regulations;
- redundancy payments.

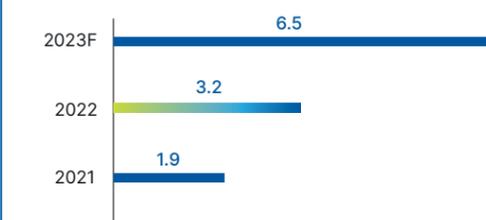


Social expenses and benefits (RUB mln)

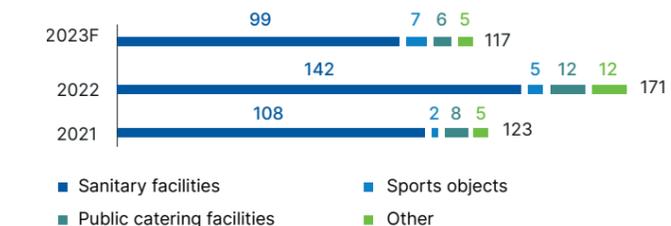


In 2022, social expenses and benefits totalled  
**RUB 13.6 bn**  
up 15% y-o-y. Travel and baggage (25%) and health resort treatment and vacations (18%) accounted for the largest share in total expenses.

Costs of the programme to improve social and working conditions (RUB bn)



Social facilities overhauled in 2022



Health improvement programmes

GRI 403-6

Given the harsh climate of the Far North and the nature of operations at the Group's facilities, Nornickel pays close attention to improving the health

of its employees. In line with its obligations under the collective bargaining agreement,

the Company implements rehabilitation and health resort treatment programmes for employees and their family members.

Participants

Key health improvement programmes

	Number of participants			
	2020	2021	2022	2023 F
<b>Zapolyarye Health Resort (Sochi)</b>	<b>10,779</b>	<b>16,592</b>	<b>17,852</b>	<b>17,060</b>
Rosa Springs Health Resort (7 days) + Zapolyarye Health Resort (14 days)	2,241	3,650	3,650	3,650
<b>Kolsky Health and Spa Centre (Monchegorsk)</b>	<b>1,038</b>	<b>1,564</b>	<b>2,004</b>	<b>1,693</b>
<b>Vacations in third-party health resorts</b>	<b>1,240</b>	<b>1,988</b>	<b>4,190</b>	<b>2,902</b>
• Russia and Belokurikha health resorts (Altai Territory)	696	837	895	873
• Primorie Holiday Centre, Golubaya Dal' Health Resort (Gelendzhik)	500	800	1,626	1,026
• Malaya Bukhta Health Resolt (Anapa)	0	0	700	0
• Viktoriya, Tsentrosoyuz-Kislovodsk, Sechenov health resorts (the Caucasian Mineral Waters)	0	0	380	665
• Rosa Springs Health Resort (18 days)	0	324	0	0
• Rosa Springs Health Resort + Imeretinsky Resort	0	0	559	0
• other non-corporate health resorts	44	27	30	338
<b>Vacations for children (Anapa)</b>	<b>0</b>	<b>1,330</b>	<b>1,527</b>	<b>1,575</b>
<b>International vacation programme (Bulgaria)</b>	<b>0</b>	<b>3,041</b>	<b>14</b>	<b>1,120</b>
<b>Total participants</b>	<b>13,057</b>	<b>24,515</b>	<b>25,587</b>	<b>24,350</b>

Programme to improve social and working conditions at production sites

Given the industry specifics and the geography of the Company's operations, it is of vital importance to ensure comfortable and safe working conditions contributing to the health of employees, reduction of occupational diseases and injury rate, higher employee productivity and engagement.

The Group companies operate more than 3,300 sanitary, amenity, sports and fitness, catering, healthcare, and recreational facilities with a total area of over 360,000 m<sup>2</sup>.

In 2022, a programme to improve social and working conditions at production sites launched back in 2003 to ensure a decent working environment, was reorganised into the Made with Care employee comfort programme. The programme focuses on improving working conditions and creating

a comfortable environment for each employee through a consistent dialogue and care.

The programme saw repairs of social facilities using modern materials and technologies in line with a group-wide standards handbook. In addition to the facilities themselves, repairs included entrances, corridors and staircases.

2003-2022 results of the programme

Achievements in 2022

2023 targets

- 709 social facilities overhauled
- 449 relocatable buildings purchased
- Total costs exceeded RUB 13.4 bn

- 9 Nornickel's branches and Russian business units located in the Norilsk Industrial District and on the Kola Peninsula participated in the Programme
- Comprehensive overhauls of 171 social facilities, including those of social importance, were completed. The total area of renovated premises amounted to 27,854 m<sup>2</sup>
- A total of 8,786 employees benefitted from improvements to their social and working conditions, with RUB 3.2 bn spent to finance the project

- In 2023, the programme's expenses will stand at RUB 6.5 bn
- The Company plans to renovate 117 social facilities

In 2022, 25,600 people took part in health improvement programmes, up 4% y-o-y. The most popular destination was the Zapolyarye Health Resort (Sochi). Children of the Company's employees spent their summer holidays in a health resort and recreation camp on the Black Sea.

In addition to health resort treatment, the Company promotes a healthy lifestyle by facilitating regular fitness sessions of its employees and holding annual corporate sports festivals and competitions.

→ For more details, please see the [Sporting and mass public events programme section](#).



### Voluntary health insurance

BVHI is an essential part of social support; all of the Company's employees are covered by insurance policies. In addition, Nornickel provides employees with an opportunity to insure a close relative at corporate rates.

Under VHI policies, the Company's employees have a wide range of medical services available to them. Employees living in the Far North can use VHI policies to access healthcare services not only where they live but in all the areas that the policy covers. All insurance programmes offer the same set of services

for various personnel categories; the only difference is the level of healthcare centres and the region of coverage.

In addition, the Company's employees have an opportunity to have specialised genome sequencing tests (which help identify and assess potential risks of developing a serious health condition) and get a geneticist consultation.



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

Indicator	2019	2020	2021	2022	2023
	A	A	A	F	F
<b>Total participants</b>	<b>12,304</b>	<b>11,519</b>	<b>10,776</b>	<b>12,593</b>	<b>10,941</b>
Norilsk Industrial District	9,972	9,288	8,737	10,483	8,361
Kola Peninsula Industrial District (Murmansk Re-gion)	2,313	2,215	2,013	2,062	2,015
Moscow and other regions of Russia	19	16	26	48	30

### Co-Funded Pension Plan 2022 highlights

Indicator	2022
<b>Total Company costs (RUB mln)</b>	<b>681.9</b>
<b>Participant's contribution</b>	
Average contribution per participant (% of wages)	3.7
Average monthly contribution per participant (RUB '000)	6.2
<b>Company's contribution under the Parity Plan</b>	
Average contribution per participant (% of wages)	3.7
Average monthly contribution per participant (RUB '000)	6.1

### Co-Funded Pension Plan Programme

GRI 201-3

To support employees after they retire, Nornickel has in place the Co-Funded Pension Plan, a corporate private pension programme. As at the end of 2022, it covered 10,400 employees across 23 Group companies, with almost 4,500 retirees already receiving pensions.

In 2022, an average participant contribution amounted to 3.7% of the employee's salary, or the Company's monthly average of RUB

**6,133**

The programme provides for two pension plans: Parity and Corporate. Under the Parity Plan, pension savings are co-funded by the employee and the Company on a parity (equal) basis. The Corporate Plan is designed for highly skilled employees and/or employees

with highly sought-after occupations; within this plan, Nornickel finances private pension plans for such employees.

### Programmes supporting former employees and their families

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

- the Company's Veterans programme supporting unemployed pensioners who permanently reside in Norilsk. The main eligibility criterion is the employee's length of service at the Company;

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

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

## Housing programmes

To ensure comfortable living conditions for employees and foster long-term engagement, the Company has been implementing housing programmes (Our Home / My Home and Your Home) for over 10 years now. Under these programmes, participants get the opportunity to acquire ready-for-living apartments located in close proximity to each other on special terms in Moscow and Tver regions, Krasnodar Territory and Yaroslavl.

The programmes' participants are qualified proactive employees of 24 business units and branches of Nornickel Group

located in Norilsk, the Taimyrsky Dolgano-Nenetsky Municipal District, Krasnoyarsk, and Murmansk Region.

The housing programmes use a co-financing mechanism: the Company pays up to a half of the apartment cost (but in any case no more than RUB 3 mln), with the rest paid by the employee within a certain period of employment with Nornickel Group (from five to ten years). The main benefit for employees is that the cost of housing remains unchanged for as long as they participate in the programme.

The only difference between the housing programmes is the way ownership is transferred:

- Our Home / My Home – property titles are registered at the end of the employee's participation in the programme, but the employee may move in immediately after receiving the apartment'
- Your Home – property titles are registered from the start of the employee's participation in the programme, but is burdened with a lien to be held until the employee fully pays up the entire cost of the apartment to the seller.

Since the start of the programmes, **5,842** apartments have been provided to the Company's employees.

Total investments in housing programmes (the purchase of apartments and infrastructure development) exceed **RUB 28** bn

Since the inception of the programme, **1.3** thsd employees of the Company have benefited from subsidised loans

In addition to Our Home / My Home and Your Home housing programmes, there is a Corporate Social Subsidised Loan Programme aimed at providing interest-free

loans to the Company's employees to make a down payment and reimbursing a certain share of interest on their

mortgage loan. Employees of 25 entities and branches of Nornickel Group take part in the programme.

## Support to new employees

With **1,470** employees joining the relocation support programme in 2022, it now has a total of 3,224 participants

The Company supports new employees, including young specialists, workers, engineering staff, and managers relocating to Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District from other regions by reimbursing their relocation expenses, baggage fees, and living costs for the first three years. On top of that, the Company also pays a one-time relocation allowance to support employees at the new place of work.

To ensure faster onboarding and support for new employees, special onboarding events are carried out; in 2022, an automated system for employee onboarding was rolled out across 26 Group companies. The system helps everyone involved go through the onboarding process comfortably and efficiently.

To help people immerse themselves in the new working, social and cultural environment, the First Arctic leadership programme offers onboarding and teambuilding events enabling them to get to know each other, the Company, and the city.

## Relocation programme

In early 2022, the Company launched the Employee Relocation programme to support an employee when moving to another region due to a change in job duties, either with their current employer or a different employer within the Group. In addition

to reimbursing travel expenses, baggage fees, living costs, and providing a one-time relocation allowance and additional leave for an employee to settle in, the programme provides for a relocation benefit (up to 40% of salary). The maximum amount of the relocation benefit depends on the target location (settlement).

Relocation is an opportunity for an employee to grow and develop both personally and professionally. For Nornickel, the programme addresses the problem of filling vacancies in a certain region in the absence of duly qualified candidates in the local labour market and within the company.

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

GRI 404-2

The social support programme for employees facing redundancies was developed following the decision to shut down the smelting facility in Nickel in November 2019. The programme includes comfortable relocation to other sites, retraining, and pension plans. Later, it was also extended to employees of the metallurgical shop in Monchegorsk.

In 2019–2022, a total of 995 people at Kola MMC were enrolled in the programme (63% signed employment contracts with the Company and had the same level of pay during the first year, while 37% decided to leave the Company and were dismissed with additional payments); 353 people attended training, retraining and upskilling programmes. In 2020–2022, the Company spent more than RUB 1.6 bn on social programmes for smelting shop employees.

### Development of corporate communities

Corporate communities of active experts from the Group companies contribute to greater involvement of employees in the Company's strategic agenda, encourage employees to participate in corporate and social activities in the Group companies and regions of operation and facilitate partnerships with local community representatives aimed at boosting social development of local communities and improving the well-being of local residents.

### Those Who Care corporate programme

The Those Who Care change management programme implemented in the Kola and Norilsk divisions targets proactive and engaged employees who aspire to develop and implement projects on boosting the Company's efficiency, even beyond their functional duties.

The project seeks to create a professional and diverse community of like-minded people capable of jointly addressing a wide range of tasks through their skills and knowledge. The website created as part of the project, komunevseravno.ru, serves as a universal platform allowing any manager to indicate an issue to be tackled. After examining it, community members can build a team of specialists and undertake a project.

For the project to be successfully implemented, teams can ask the business customer to provide them with managerial, administrative and financial resources. The implementation of the corporate programme is of great importance for absolutely all stakeholders.

<sup>1</sup> The leadership programme seeks to attract high-potential graduates of industry-oriented educational organisations and the best young specialists to work in Norilsk/Monchegorsk/Zapolyarny, retain young talent, replenish the talent pool with qualified managers and develop a succession pool (duration – 2.5 years)

The Those Who Care programme results

**726** employees

from Monchegorsk, Murmansk, Norilsk, and the Pechengsky District applied for the programme

RUB **1.3** 1.3 bn —

the economic impact of the proposed solutions.

**10**% of active

programme participants changed their careers in the Company

**31** managers

became business customers

**33** project

solutions were accepted for implementation

**33** out of 56

business tasks were selected as projects

**35** project

teams were formed as a result of the selection process

In 2022, the programme won the Employer Brand Award & Summit and was awarded for Human Resource Management in the People Investor: Companies Investing in People category.

LamaLocation project

In 2021, representatives of the Storm regional sports organisation, who have been participants of the Plant of Goodness project for more than three years, were invited to an eco-summit as volunteers. At the Krasnoyarsk Pillars National Park, they drew everyone's attention to the use of solar panels. Having consulted technical specialists, Storm representatives concluded that volunteering activities (clearing litter from Taimyr's water bodies) increase the carbon footprint due to the use of gasoline and diesel electric generators during trips to remote areas, maintenance, repairs and systematic supply of fuel for continuous operation. Together with partners, volunteers decided to set up the LamaLocation project to investigate the possibilities of using alternative energy sources in the Taimyr during the summer season. The project was supported by the Company in 2021 as part of the World of New Opportunities' Socially Responsible Initiatives Competition; the active phase of the project took place in 2022.

Students of the Polar State University were involved in the project. With support from the partners, they obtained diver certificates and successfully completed PADI training, which enabled them to assist the volunteer group in installing solar power stations at Lama Lake. The partners donated a wind turbine generator and several solar panels to add to the project's efficiency.

The project proves that using the location's green resources helps minimise the carbon footprint. The environmental impact can be mitigated through a sustainable and wise outdoor recreation and use of the project's facilities.

In 2022, the project became a destination for locals, tourists, athletes, scientists, and visitors from other Russian cities:

- more than 600 employees of Norilsknickelremont were guests and participants of the project, where they learned about green energy in the Arctic;
- a clean-up day on Lake Dolgoye with over 200 participants yielded three trucks of various rubbish removed;

- Master of Sports and Russian champion in various extreme water sports, Alexey Vasiliev held a five-day master class in standup paddleboarding with regular and big boards for guests, partners, students, and others;
- Plant of Goodness' participants and volunteer divers had the opportunity to use the project's infrastructure for their volunteering functions.

The project aims to save not only nature but also people's lives. In 2022, a small vessel sank near the LamaLocation base during a violent storm. Thanks to the infrastructure created by the project, victims received all the necessary help and support.

The project's infrastructure, combined with the knowledge and experience gained, laid the ground for a new initiative. LamaLocation 01 will be the first volunteer fire-fighting outpost in the Arctic. A fire-fighting boat will operate on Lama Lake, and certified fire-fighters will volunteer round the clock during the fire season in summer. The project is supported by the Company and is planned for implementation in 2023.

In Good Company, a corporate youth programme

The programme seeks to bring together young Nornickel employees under 35 years old to promote their professional and creative growth and unlock their potential. An additional objective of the programme is to identify gifted students and young professionals outside the Company and involve them in Nornickel's operations, ensuring their quick and efficient adaptation in the Company.

The In Good Company programme was established with the needs of young employees in mind. These needs were identified through an analysis of employees' expectations, which included recognition, self-fulfilment, and experience. Additionally, the programme takes into consideration the needs of the Company, such as increased involvement, the development of talent and skills, and other individual development.

The programme offers versatility by allowing each participant to choose projects from four different tracks.

In addition to tracks, the programme includes open communication workshops where participants will learn how to create and promote their expert brand from scratch, become a confident public speaker, expand one's professional and social contacts and (if need be) represent the company at conferences, meetings and online public events.

The programme is expected to be implemented in cycles as part of official corporate events and beyond. Participants will also be able to kick start and deliver their own projects and earn points that can be later exchanged for merchandise or one-on-one advice from Nornickel's top managers.

As part of the programme, the Company developed a proprietary secure online app – a social network in which users are free to choose any number of tracks and activities and can find new friends and interests, as well as interact with each other regardless of position, profession or location. All young employees received an invitation and instructions on how to sign up. During the first few months of the pilot, the mobile platform attracted over 4,495 new users.

The programme was launched in late 2022 in a hybrid format – an online talk show and two face-to-face meetings in Norilsk and Monchegorsk.

It is expected to encourage young employees to take greater interest in the Company's practical agenda, develop new communication channels and horizontal connections, lay the foundation for self-fulfilment and expand the range of opportunities for them.



Professional Practice track

Promoting out-of-the-box thinking. Building a team of like-minded people in a themed community. Participants are innovators and facilitators aiming to boost the Company's efficiency and their own professional progress.

Growth track

Providing our young employees with an opportunity to achieve career and life success. Participants are active, engaged and loyal young employees ready to develop and learn new things.

Social Practice track

Involving young employees in territory development projects and retaining them in the regions where the Company operates through the creation of a social corporate community. Participants are employees who are ready to address regional problems and are looking for new opportunities and approaches to do so.

Creativity track

Fostering the development of young people's creative, intellectual and sports skills. Involving people in the joint development and implementation of corporate events. Participants are smart and creative people or anyone who wants to know more about the Company and the region.

### Plant of Goodness

The Plant of Goodness corporate volunteering programme is available in all regions where Nornickel operates. The programme covers a wide range

of volunteer and charitable projects, which help build a corporate culture, bring together employees around shared values, and strengthen teamwork and communication between business units.

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

### Sporting and mass public events programme

Promoting corporate sports and healthy lifestyle among the Company's employees contributes to an improved quality of life, higher motivation and involvement, faster adaptation to new working conditions, effective team- and community building.

Nornickel has a separate corporate sports mechanism in place. There are officers responsible for sports development appointed at each of its Group companies in every region where it operates. The Company has an annual activities plan, including a schedule of training sessions, competitions, round tables and press conferences featuring distinguished athletes. There is also a Sports Promotion Council comprised of representatives of Nornickel's branches and entities, which approves the plan and addresses relevant issues. Information on the Company's mass sports events is published on the corporate portal and social networks.

Corporate sporting events run on a permanent basis and cover such regions as the Trans-Baikal Territory (Chita), Krasnoyarsk Territory (Norilsk,

Krasnoyarsk), Murmansk Region (Murmansk, Monchegorsk, Zapolyarny, Nickel), the cities of Saratov, Moscow, and Sochi. The Company cooperates with many sports federations (including the International University Sports Federation, Russian Futsal Association, Russian Ice Hockey Federation, etc.) to support sports in the regions where it operates by organising workshops, coach training sessions, procurement of equipment and implementing other initiatives.

The most prominent events of the sporting and public events calendar are corporate contests geared towards employees and local residents. In 2022, the following events were held:

- the 61st Nornickel Spartakiad comprising 14 sports in the Spartakiad proper and six sports in the Spartakiad for retired athletes. A total of 4,024 people took part in the 2022 Spartakiad;
- corporate competitions in alpine skiing and snowboarding, ice hockey, futsal, basketball, volleyball, etc., as well as "Dad, Mum and I – a Sporty Family" family competition;

- Zabeg.Nornickel in the Norilsk and Kola divisions (jointly with the Hero Race autonomous non-profit organisation), which gave a fresh impetus to the event and attracted more participants;
- various tournaments in the following leagues: Champions League of Business, Labour Reserves, Night Hockey League, Homo Ambulans, Zabeg.RF, etc.;
- training sessions in various sports.

Our sporting and fitness events drew a total of **24,000** participants in the reporting year

In 2022, all our corporate competitions were streamed online

Garnering over **60,000** views



# Corporate volunteering

Volunteering is a significant part of employees' social well-being and a tool for developing human capital. It is linked to human resources management aimed at promoting employee involvement in social issues, fostering corporate horizontal ties, charity and volunteering, communication and emotional skills, offering each and every employee opportunities to fulfil their personal potential, and helping build partnerships between employees.

### Plant of Goodness



The Plant of Goodness corporate volunteering programme is implemented in all cities where Nornickel operates. The programme brings together the Company's expertise and its vast track record of social and environmental initiatives.

Each year, more than 3,500 Company employees, representatives of non-profit organisations and passionate citizens take part in the project with a variety of volunteer events, including educational programmes, environmental marathons, eco-shifts, a charity fair, and a personal donation programme. Nornickel's volunteers

attend international and Russian forums and expert platforms as participants, speakers, moderators, and experts.

After being volunteers for some time, our employees often come up with their own initiatives. The skills and expertise they obtain doing this kind of work help them not just in everyday life, but also in their extra-professional skills and career pursuits.

### 2022 saw part of the Plant of Goodness project

> **3,500**  
corporate volunteers

> **40**  
partners involved

> **370**  
events implemented



## Icebreaker educational programme



Icebreaker is a comprehensive training project to develop the skills of leaders of the Plant of Goodness volunteering association. It allows volunteers to improve corporate communication and social design and offers a deeper and wider understanding of initiatives' creation in small towns.

The programme aims at developing the extra-professional skills of the Company's employees to address

social issues and making the leaders of the volunteer movement better learn the region's context and objectives. In 2022, there were 20 events in Moscow, Zapolyarny, Monchegorsk, Norilsk, Chita and at Bystrinsky GOK.

It was a unique opportunity for employees to be the architects of the programme so it could meet their most pressing needs: through questionnaires and regular surveys, they collected and analysed feedback

from volunteers interested in improving the programme. Being in Touch was a key message of 2022 highlighted during all Icebreaker events.

In 2022, a Map of Useful Actions information platform was launched, where programme participants can find like-minded people from their region and jointly implement a project for the benefit of society and the city.

## The Arctic in Your Hands regional ecological shifts



The eco-shifts are aimed at building partnerships, increasing motivation, learning more about the Company and environment, socialising, sharing experience and working for the benefit of specially protected natural areas (national parks and reserves):

- the Lapland Nature Reserve (Murmansk Region) – installing benches, landscaping in the tourist reception area;
- the Pasvik Nature Reserve (Murmansk Region) – creating recreation areas along the Glukhaya Plotina new nature

trail, laying 80 metres of nature trails, installing a viewing bench and a viewing pier;

- the Putoransky Nature Reserve – improving the nature trails at the isthmuses of Kapchuk Lake and Lama Lake (installing directional signs, marking a safe route, anchoring a cable to dangerous rocky areas);
- the Krasnoyarsk Pillars National Park (Krasnoyarsk Territory) – creating a meteorological site, installing a weather visualiser, improving the Zhivoy Klyuchik spring;

- the Daurisky Nature Reserve (Trans-Baikal Territory) – implementing a project "Plants of the Daurisky Nature Reserve" to introduce tourists to nature and raise environmental awareness;
- the Darovoye estate (Moscow Region) – planting fruit trees to recreate historical gardens;
- other projects across the Company's footprint.

Over 300 volunteers from the Murmansk Region, Norilsk, Chita, Saratov and Moscow attended the 2022 eco-shifts.

## Let's Do It! Environmental marathon



Having started out as just a series of clean-up days, the marathon has come to include environmental awareness initiatives in addition to litter picking, landscaping, and urban improvement.

The marathon is held annually from May to September and features prizes for both accomplishing general environmental tasks and coming up with complex individual projects.

The initiative is implemented in four stages, namely a communication stage, a project stage, a nature reserve stage and a partnership stage.

Results achieved:

- since the project's inception, there have been 576 volunteer teams (including 184 teams in 2022);
- the marathon has seen more than 6,000 employees (including 1,200 in 2022);
- 932 environmental projects have been implemented (including 200 in 2022);
- more than 40 partners join the project every year.

In 2022, an educational interactive lesson called "Seven Wonders of the Arctic" was developed to foster greater awareness of the Arctic nature and the issues of its conservation.

The lesson can serve as a universal educational tool for the Company's corporate volunteers to use it in educational institutions in person or online. It can be easily adapted for different age groups as there are different tasks and lesson plans for primary and middle school students.

## Partner projects



In 2022, Nornickel's volunteers took part in the following events:

- the Siberian Perspective eco-summit is an expert platform for discussions on strategy and synergy in implementing environmental volunteering projects and partner events. It brings together more than 50 international experts and over 70 most active corporate volunteers from Nornickel and other companies;
- the #WeAreTogether 2022 International Forum was devoted to working in partnership for the sake of achieving common goals and outcomes when addressing most challenging social

and public problems; Nornickel's volunteer team set up a corporate stand where any visitor to the forum could learn about the Arctic and also discover mechanisms for building corporate culture, bringing together employees around shared values, and strengthening teamwork and inter-city relations through real-life cases of activists from cities where the Company operates. The forum also offered a venue for a session titled "Volunteering – Competencies of the Future", which was organised with the assistance of Nornickel and its partners;

- the Garden of Memory international campaign seeks to commemorating everyone who died during the Great Patriotic War. Every year, more than 100 corporate volunteers take part in the campaign;
- the all-Russian "Save a Forest" campaign is the world's largest reforestation project. Nornickel's volunteers are reforesting the Kola Peninsula by planting over 2,000 pine seedlings each year.

# Development of local communities

## Key regions of operation<sup>1</sup>

### Krasnoyarsk Territory



Area<sup>1</sup>  
**2,366.8** sq km<sup>2</sup>  
13.9% of Russia's territory

Population  
**2,846** thsd  
people

#### Mineral resources

- Oil, gas, coal, platinum and PGMs, copper, nickel, cobalt, lead, zinc, bauxite, gold, silver, iron

#### Industry

- Non-ferrous metallurgy
- Mining
- Solid fuel-based power and hydropower generation

#### Nornickel's performance in the Krasnoyarsk Territory:

- Taxes and other payments: **RUB 89.8 bn<sup>2</sup>**
- Headcount: **55,8 thsd employees<sup>3</sup>**
- Average monthly salary: **RUB 179,8 thsd**
- Employee-related social expenses: **RUB 4.3 bn**

## Key areas of cooperation with the Krasnoyarsk Territory

#### Economic

- Implementation of major investment projects in the Krasnoyarsk Territory
- Heat and power supply to the communities and companies in Norilsk, Dudinka and Igarka
- Participation in the Northern Supply Hau programme in the Arctic
- Development of a tourist cluster
- Promotion of commercial activity of indigenous communities of the North – creating conditions and infrastructure for the traditional use of natural resources
- Development of transport and the telecommunication infrastructure

#### Social

- Implementation of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020–2024
- Assistance in containing the spread of COVID-19
- Support for vocational and supplementary education
- Implementation of the World of New Opportunities charitable programme, the World of Taimyr and the Students of Taimyr initiatives, and the Plant of Goodness corporate volunteering programme; supporting and promoting local and regional public initiatives

#### Environmental

- Implementation of major investment projects in the Krasnoyarsk Territory
- Heat and power supply to the communities and companies in Norilsk, Dudinka and Igarka
- Participation in the Northern Supply Hau programme in the Arctic
- Development of a tourist cluster
- Promotion of commercial activity of indigenous communities of the North – creating conditions and infrastructure for the traditional use of natural resources
- Development of transport and the telecommunication infrastructure

## Key projects in the Krasnoyarsk Territory

- |  |   |  |   |  |
|--|---|--|---|--|
| ● Social and economic partnership  | ● Transport   | ● Quality of life  | ● Sports  | ● Ecology  |
| <ol style="list-style-type: none"> <li>1. Projects implemented under the Cooperation Agreement with the Krasnoyarsk Territory</li> <li>2. Projects implemented under the Agreement on Air Passenger Transportation</li> <li>3. Projects implemented by the Norilsk Development Agency</li> <li>4. Convention of Social Entrepreneurs from the North</li> </ol> | <ol style="list-style-type: none"> <li>5. Reconstruction of bridges in the Norilsk Industrial District</li> </ol> | <ol style="list-style-type: none"> <li>6. Comprehensive plan of social and economic development of the city of Norilsk</li> <li>7. Our Home / My Home and Your Home employee housing programmes</li> <li>8. We Are the City! social technologies forum</li> <li>9. Agreement on cooperation aimed at providing support to the indigenous peoples of the North</li> </ol> | <ol style="list-style-type: none"> <li>10. Federation of Northern Multisport Races</li> </ol> | <ol style="list-style-type: none"> <li>11. Increase of the Taimyr HPP Cascade capacities</li> <li>12. Sulphur Programme (SO<sub>2</sub> capture at the Company's existing and planned facilities)</li> <li>13. Programme to build local treatment facilities</li> <li>14. Zero Negative Environmental Impact campaign</li> <li>15. Land rehabilitation programme</li> <li>16. Release of the juveniles of valuable fish species into water bodies</li> </ol> |

<sup>1</sup> Source of population data: preliminary estimate of the permanent population as at 1 January 2023 by the Federal State Statistics Service of Russia.

<sup>1</sup> [Krasnoyarsk Territory Today](#).

<sup>2</sup> Including those paid to the consolidated budget of the Krasnoyarsk Territory and the budget of Norilsk.

<sup>3</sup> Krasnoyarsk Territory and Norilsk Industrial District.

## Murmansk Region

Area<sup>1</sup>  
**144.9** sq km<sup>2</sup>

Population  
**657,950** people

### Mineral resources

- Apatite, nickel, iron, copper, cobalt, palladium, platinum and PGMs, peat.

### Industry

- Mining
- Metallurgy
- Fishing

### Nornickel's performance in the Murmansk Region

- Taxes and other payments: **RUB 13.8 bn**
- Headcount: **12,1 thsd employees**
- Average monthly salary: **RUB 128,3 thsd**
- Employee-related social expenses: **RUB 989.8 mln**

## Key areas of cooperation with the Murmansk Region

### Economic

- Implementation of investment projects and development of production capacities
- Social and economic development of municipalities that are home to Kola MMC's operational activities
- Development of the transport infrastructure in the Arctic
- Development of a new tourism-driven economy along with the catering and hotel sector

### Social

- Assistance in containing the spread of COVID-19
- Implementation of the World of New Opportunities charitable programme and the Plant of Goodness corporate volunteering programme; supporting and promoting regional public initiatives
- Development of social entrepreneurship

### Environmental

- Cooperation on environmental protection, preservation of the Kola Peninsula's natural ecosystems and landscapes
- Organisation and backing of environmental campaigns

## Key projects in the Murmansk Region

### ● Social and economic partnership

1. Projects implemented under the Cooperation Agreement with the Murmansk Region Government
2. Convention of Social Entrepreneurs from the North (Monchegorsk, Zapolyarny)

### ● Quality of life

3. Projects implemented by the Monchegorsk Development Agency (Monchegorsk)
4. Second School Centre for Community Initiatives of the Pechengsky District
5. Social and Economic Development Programme for the Pechengsky Municipal District of the Murmansk Region for 2021–2025 (Pechengsky Municipal District)
6. We Are the City! social technologies forum (organiser) (Zapolyarny)
7. Programme of supporting the Murmansk Region in social infrastructure development in 2020–2024 (the Murmansk Region)
8. Cooperation agreement with the Kola Sámi Association of the Murmansk Region (the Murmansk Region)

### ● Ecology

9. Zero Negative Environmental Impact campaign (the Murmansk Region)
10. Release of the juveniles of valuable fish species into water bodies

Pechenga Municipal District

4 5

Zapolyarny

2 6

Lapland Nature Reserve  
Pasvik Nature Reserve

Murmansk

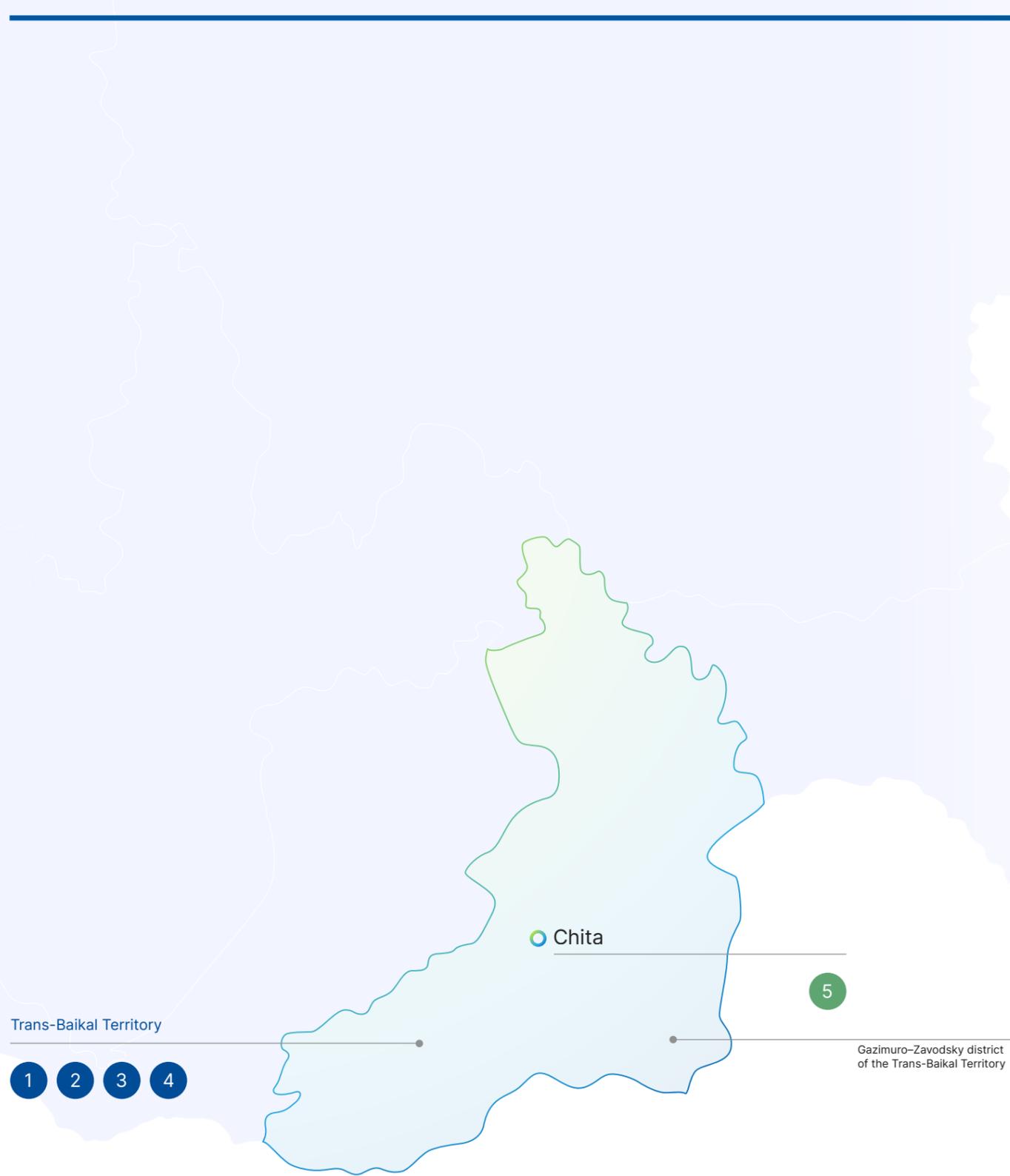
Monchegorsk

2 3

Murmansk Region

1 7 8 9 10

<sup>1</sup> [General information](#) about the Murmansk Region.



## Trans-Baikal Territory

Area<sup>1</sup>  
**431.5** sq km<sup>2</sup>

Population  
**992,202** people

### Mineral resources

- Copper, uranium, molybdenum, titanium, gold, tungsten, iron, zinc, silver, lead, coal

### Industry

- Mining
- Production and distribution of electricity, gas and water
- Non-ferrous metallurgy
- Machinery and equipment manufacturing
- Food production

### Nornickel's performance in the Trans-Baikal Territory

- Taxes and other payments: **RUB 2 bn**
- Headcount: **2,8 thsd employees**
- Average monthly salary: **RUB 170,4 thsd**
- Employee-related social expenses: **RUB 94.8 mln**

## Key areas of cooperation with the Trans-Baikal Territory

### Economic

- Bystrinskoye Deposit development
- Social infrastructure development

### Social

- Assistance in containing the spread of COVID-19
- Training of mining industry employees
- Improvement of urban areas
- World of New Opportunities charitable programme

### Environmental

- Cooperation on environmental protection, preservation of natural ecosystems and landscapes
- Release of the juveniles of valuable fish species into water bodies
- Organisation and backing of environmental campaigns

## Key projects in the Trans-Baikal Territory

### ● Social and economic partnership

1. Projects implemented under the Cooperation Agreement with the Trans-Baikal Territory
2. Projects implemented under the Agreement on SME Support in the Trans-Baikal Territory
3. Projects implemented as part of the Programme of Social and Economic Development of the Trans-Baikal Territory in 2017–2026
4. Projects implemented under the Agreement to Support and Develop the Volunteer Movement in the Trans-Baikal Territory

### ● Education

5. First technological cluster for kids in the Trans-Baikal Territory (Chita)

<sup>1</sup> [General information](#) about the Trans-Baikal Territory.

## Other Russian regions

### Moscow

Moscow Region

- Russian Ice Hockey Federation (partner)
- Russian Futsal Association (general partner)
- CSKA professional basketball club (general sponsor)
- All Russian Federation of DanceSport and Acrobatic Rock'n'Roll (partner)
- Night Hockey League (general partner)
- World Legends Hockey League (partner)
- Russian Curling Federation
- Multimedia Art Museum (patronage assistance)
- Golden Mask theatre festival (partner)

### Sochi

- Zapolyarye Health Resort
- Rosa Khutor Ski Resort (sponsor)
- Sochi Autodrom
- Corporate sports competitions



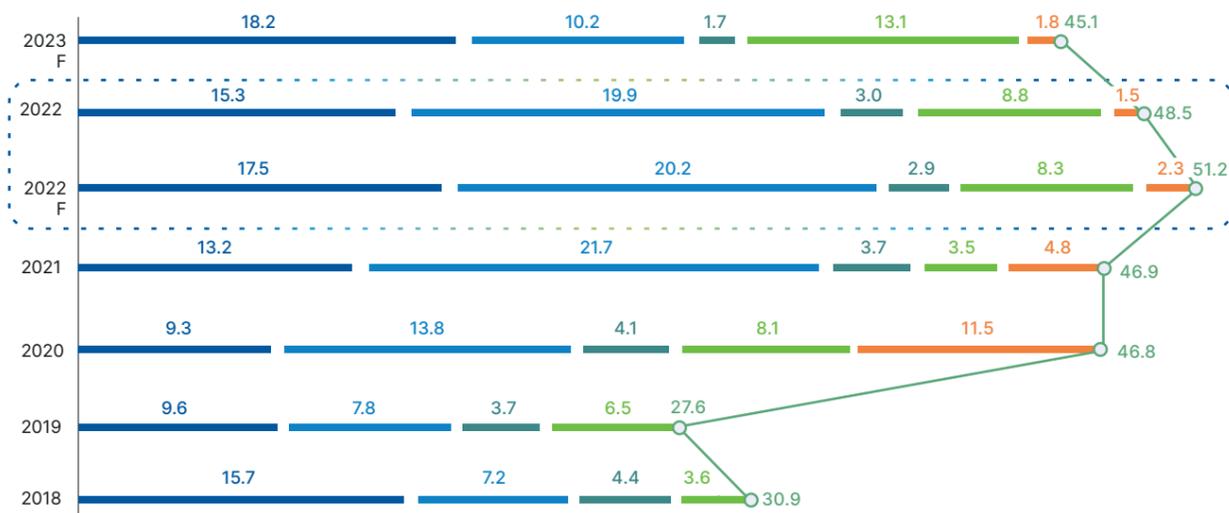
## The Company's contribution to the development of local communities

The Group's key areas of operation in Russia include the cities of Norilsk, Dudinka and Monchegorsk, the Pechengsky District of the Murmansk Region, and the Gazimuro-Zavodsky District of the Trans-Baikal Territory. We make a sizeable contribution

to the social and economic development of our regions of operation by implementing a wide range of social and infrastructure projects.

We are one of the leaders among Russian metals and mining companies both in terms of absolute social expenses and their share in revenue.

**Nornickel's social infrastructure, social, charity and sponsorship expenses (RUB bn)**



**RUB 48.5 bn**  
spent on social programmes, charity, and social infrastructure

<sup>1</sup> Charity expenses exclude other social expenses, and accrued social liabilities in the amount of RUB 2.3 bn in 2022 and RUB 49.7 bn in 2021. Starting from 2021, the indicator includes the expenses of the Group's foreign companies.  
<sup>2</sup> Investments in socially important infrastructure projects are expenses in the amount of RUB 7.8 bn in 2022A (actual) and RUB 10.9 bn in 2023B (budgeted) related to the GRI 203-1 disclosure standard.  
<sup>3</sup> COVID-19 expenses include amounts allocated by the Group to prevent and combat the spread of the coronavirus infection.

### Key focus areas for the development of local communities

#### Contribution to economic development

- Budget payments
- Employment of local population
- Cooperation development
- Development of social infrastructure as part of the Group operations (power, transport, food retail)

#### Infrastructure development

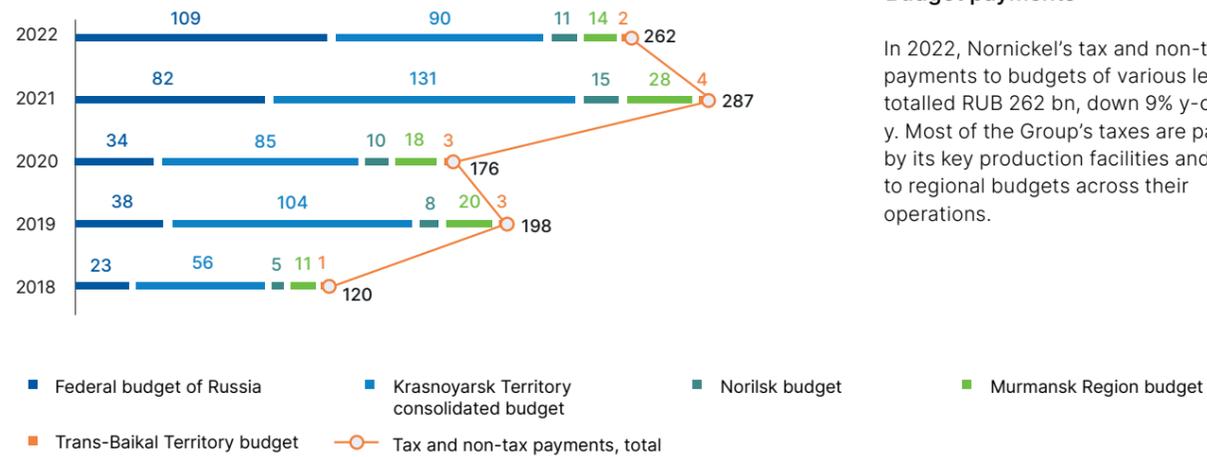
- Bridge and road reconstruction
- Land improvement
- Housing construction
- Construction and reconstruction of healthcare, sports, cultural, entertainment and research facilities
- Provision of access to high-speed internet connection in Norilsk
- Improvement of efficiency of utility services (Smart City initiative)

#### Improving the living standards for local communities

- Regular charitable programmes
- Promotion of sports and culture
- Corporate volunteering
- Vocational training sponsorship
- Activities of territorial development agencies

## Contribution to economic development:

Tax and non-tax payments to local, regional and federal budgets<sup>1</sup> (RUB bn)



### Budget payments

In 2022, Nornickel's tax and non-tax payments to budgets of various levels totalled RUB 262 bn, down 9% y-o-y. Most of the Group's taxes are paid by its key production facilities and go to regional budgets across their operations.

## Employment of local population

GRI 203-2

Nornickel pursues an active employment policy across its key regions of operation. The Company and Norilsk Employment Centre signed an agreement aimed at retraining those out of work for the most needed blue-collar jobs.

We build partnerships with educational organisations, supporting engineering training and boosting interest in blue-collar jobs and occupations in the metals and mining industry. One example is GRK

Bystrinskoye's cooperation with educational institutions in order to build its talent pipeline, with agreements on practical training of students signed with the Tomsk State University, Trans-Baikal Mining College, Chita Technical College of Sectoral Technologies and Business, Trans-Baikal State University, Irkutsk National Research Technical University, and Siberian Federal University. In 2022, about 100 students were enrolled in Bystrinsky GOK's internship programmes.

Nornickel also provides financial support to Norilsk's institutions of secondary and higher vocational education by buying books and specialised equipment for students, contributing to the maintenance works, and thus improving the quality of training. The Company actively focuses on the training of specialists for the most in-demand jobs.

## Unemployment in key communities<sup>1</sup> (%)

Region of operation	2018	2019	2020	2021	2022
Norilsk	0.7	0.6	1.4	0.3	0.2
Taymyrsky Dolgano-Nenetsky Municipal District	0.9	0.8	1.2	0.7	0.5
Krasnoyarsk Territory	0.8	0.8	3.5	0.8	0.8
Monchegorsk	2.2	2.2	2.2	1.7	1.2
Zapolyarny	2.1	2.0	1.9	1.6	0.8
Nickel	2.5	3.3	3.0	2.2	1.4
Murmansk Region	1.5	1.7	2.7	1.4	0.8

The Company's regions of operation have consistently low levels of unemployment that saw a y-o-y decline in 2022. The unemployment rate across Russia came

in at 3.9% in 2022, way above the level registered in the Company's regions of operation<sup>2</sup>.

## Supporting local suppliers

GRI 203-2

### Nornickel's contribution to the Small and Medium-Sized Businesses and Support for Individual Entrepreneurs national project

Relevant UN SDGs



#### Related federal projects

- Promotion of entrepreneurship;
- Expansion of SMEs' access to financial resources.

#### Key initiatives and focus areas

- Integration of local businesses into the Group's production chain;
- Programme to promote the social and economic development of Taimyr;
- World of New Opportunities charitable programme.

In accordance with the terms of its social and economic cooperation agreements, Nornickel develops mutually beneficial relationships with local businesses in the regions where it operates. The Company actively interacts with local suppliers and contractors, uses domestic technologies to support economic

and industrial development in the regions of its operation, and plans to keep doing so going forward.

The integration of local businesses into the Group's production through long-term contracts results in synergies based on cooperation, which contributes

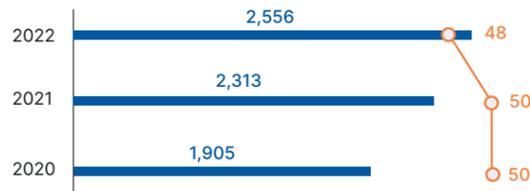
to the economic development of the regions, support for small and medium-sized enterprises in the Krasnoyarsk Territory, Murmansk Region, and Trans-Baikal Territory, and the achievement of SDG 8 "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all".

<sup>1</sup> Tax and non-tax payments include all taxes paid, net of VAT, as well as insurance payments and customs duties.

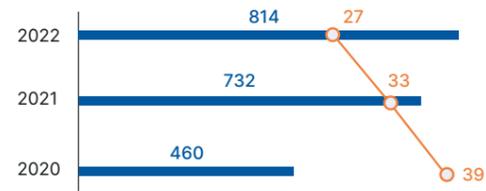
<sup>1</sup> As at the end of the reporting year.

<sup>2</sup> Source: [Federal State Statistics Service](#).

**Procurement tenders held by Polar Division (Krasnoyarsk Territory)**



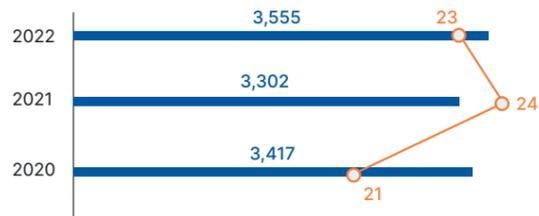
**Procurement tenders held by Kola MMC (Murmansk Region)**



■ Procurement tenders for goods and services held by the Company

○ Locally awarded procurements as a share of tenders held by the Company (%)

**Procurement tenders held by GRK Bystrinskoye (Trans-Baikal Territory)**



■ Procurement tenders for goods and services held by the Company

○ Locally awarded procurements as a share of tenders held by the Company (%)

The number of procurement tenders for goods and services held by the Company in the Krasnoyarsk Territory and the Murmansk Region was up 10.5% y-o-y to 2,556 tenders and up 11.2% y-o-y to 814 tenders respectively. Local businesses won almost 50% of the Nornickel's tenders in the Krasnoyarsk Territory, and 27% of those in the Murmansk Region. The Company's procurement expenses in 2022 were up 71.6% y-o-y to RUB 58 bn, which was due to both geopolitical challenges and the implementation of large-scale capital construction projects.

**The Group's spending on local procurements (RUB bn)**

Indicator	2020			2021			2022		
	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory	Krasnoyarsk Territory	Murmansk Region	Trans-Baikal Territory
on local procurements, RUB bn, including:	22.3	1.6	0.7	29.0	3.3	1.5	51.5	5.0	1.5
• services	18.6	0.2	0.6	23.4	3.0	1.3	38.7	4.8	1.1
• materials	3.0	1.4	0.1	4.8	0.3	0.2	11.9	2.0	0.4
• food supplies	0.7	–	–	0.8	–	–	0.9	–	–

**Developing local social infrastructure**

GRI 203-1

**Nornickel's contribution to the Housing and Urban Environment national project**

Relevant UN SDGs



**Related federal projects**

- Mortgage lending
- Housing
- Creating a comfortable urban environment

**Key initiatives and focus areas**

- Our Home / My Home and Your Home housing programmes
- For more details, please see [the Social Policy section](#)
- Projects to develop infrastructure across the regions of operation
- Measures to improve reliability of the fibre optic communication line in Norilsk
- Projects to upgrade power and heat generation, electrical grids and heat networks
- For more details, please see [the Climate Change and Energy Efficiency section](#).

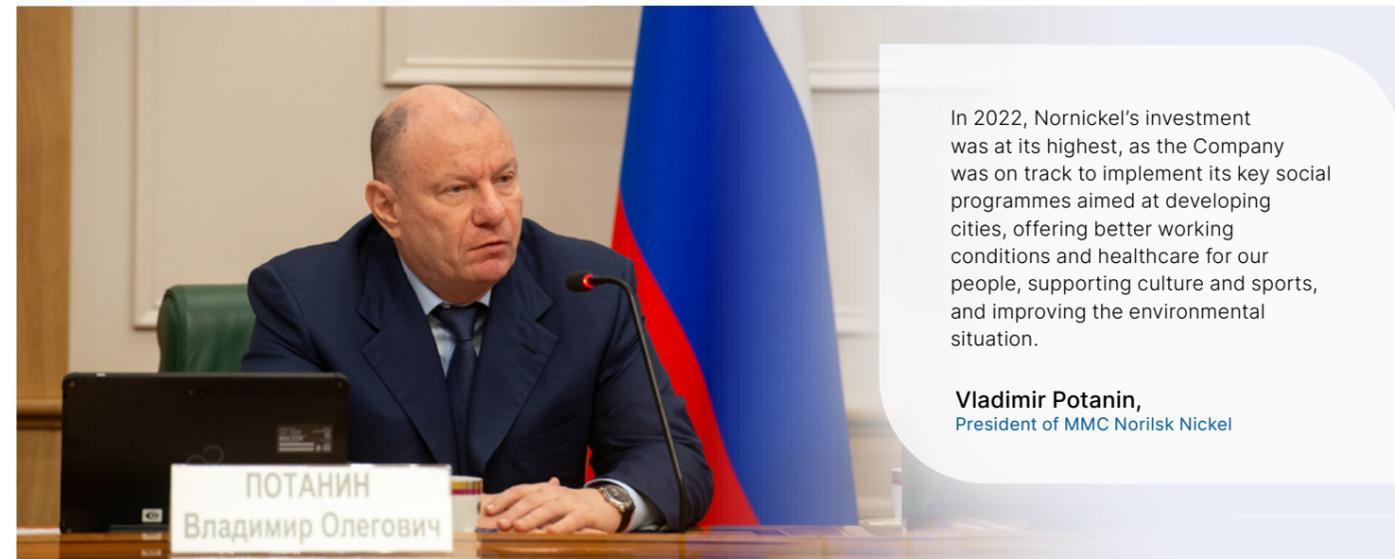


Joint efforts of the business and stakeholders make it possible to create a comfortable living environment. Companies become proactively involved in developing single-industry

towns, helping them leverage their promising growth drivers and become attractive destinations both socially and business-wise.

Creating and developing an accessible and comfortable urban environment for people working and living in the regions where we operate is one of the Company's

priorities that we seek to achieve through social programmes addressing current and future challenges.



In 2022, Nornickel's investment was at its highest, as the Company was on track to implement its key social programmes aimed at developing cities, offering better working conditions and healthcare for our people, supporting culture and sports, and improving the environmental situation.

**Vladimir Potanin,**  
President of MMC Norilsk Nickel

## Krasnoyarsk Territory



### Norilsk and Taymyrsky Dolgano-Nenetsky Municipal District

In 2022, the Company continued implementing a four-party Agreement on Cooperation for Comprehensive Social and Economic Development of Norilsk for the period through 2024 and further through 2035<sup>1</sup>.

Agreement on Cooperation for Comprehensive Social and Economic Development of Norilsk for the period through 2024 and further through 2035 (dated 20 February 2021)

renovation of Norilsk's housing

assistance to residents of Norilsk and Dudinka relocating to regions with better climate and socioeconomic conditions

upgrade of utilities, initiatives to rehabilitate the engineering and utilities infrastructure

land improvement initiatives in the municipal district of Norilsk

development of local social infrastructure

safety enforcement in the municipal district of Norilsk

Total financing for the comprehensive social and economic development of Norilsk for the period through 2035 amounts to

~ RUB **120** bn

RUB **81.3** bn provided by Nornickel

RUB **23.9** bn allocated by the federal budget

RUB **14.7** bn provided by the regional budget

As part of the Agreement, the Russian Government approved a Comprehensive Plan of Social and Economic Development of Norilsk<sup>2</sup>, with the following measured implemented in 2022:

- construction (reconstruction) of residential buildings in the Central

District of Norilsk (RUB 66.6 mln allocated by the Company);

- provision of social payments for the purchase of housing to the residents of Norilsk relocating from Russia's Far North region (RUB 830 mln allocated by the Company);

- thermal stabilisation of soils under apartment buildings and social facilities (RUB 153.8 mln allocated by the Company);
- demolition of three dilapidated residential buildings in multiple occupation (RUB 60 mln allocated by the Company).

## Activities under the Comprehensive Plan of Social and Economic Development of Norilsk in 2022

Project	Progress in 2022
Construction of two multi-storey residential buildings located in 50th October Anniversary St. in Norilsk	The Company's contractor commenced construction
Integrated territory development in the Oganer municipal area of Norilsk (construction of multi-storey residential buildings, a school for up to 1,100 children and a kindergarten)	The contractor commenced survey and design work for the project facilities
Construction of four mid-rise residential buildings in the Central District of Norilsk at 29 Laureatov St., 31 Laureatov St., 23 Pavlova St., and 7/10 Kirova St.	The contractors commenced survey and design work
Construction of a polyclinic for 1 thsd visits per shift	Engineering surveys at the future construction site were completed; architectural and structural designing is underway
Construction of a water intake on the Norilskaya River	The buildings and structures of the existing water intake were inspected, and engineering and environmental surveys performed. Comprehensive engineering surveys were completed with the main technical solutions developed.
Overhaul of Norilsk's existing utilities infrastructure	The drafting of design and engineering documents for the overhaul of three city sewers was completed, with the sewer section in Mira St. being the first priority. The overhaul of this section comes as the first stage of a major project implemented by the Norilsk Administration for the creation of a pedestrian shopping area in Mira St. ("Model area").
Construction of a prefabricated fire station in the Oganer municipal area of Norilsk	The construction was completed and the fire station building commissioned; the Company's investment in the project totalled RUB 306 mln
Overhaul of the Integrated Social Service Centre	The overhaul was completed

### Integrated Social Service Centre

The newly overhauled Integrated Social Service Centre features:

- Norilsk Integrated Social Service Centre;
- Victoria Rehabilitation Centre for Disabled Children, Children and Adolescents with Special Needs;
- Norilsk Family and Children Social Support Centre.

In addition, since the launch of the Comprehensive Plan of Social and Economic Development of Norilsk, the Company has financed the design, survey, overhaul and refitting of social infrastructure institutions (schools and the Norilsk Industrial Technology and Service College), maintenance

of the Norilsk Residential Housing Renovation Fund and research support for permafrost monitoring of soil, buildings and structures. The Company's total investment in these projects exceeded RUB 1.3 bn.

The integrated facility may now serve more than 6,000 Norilsk residents, offering urgent social care, rehabilitation, courses for family carers (a joint project of the Krasnoyarsk Territory Ministry of Social Policy and a major local pharmacy network Gubernskie Pharmacies), psychological assistance, rental of rehabilitation equipment (walkers, wheelchairs and multifunctional beds), etc.

In addition to the Comprehensive Plan activities, the Company finances other socially important initiatives implemented at the request of Norilsk Mayor and identified in a survey of Norilsk residents conducted by the Norilsk Development Agency and the Norilsk Administration.

<sup>1</sup> For more details about the Agreement, please see [the official website](#) of the city of Norilsk.

<sup>2</sup> [Order of the Russian Government No. 3528-r dated 10 December 2021.](#)

**Additional activities to support Norilsk’s development**

Initiatives	Investment in 2022 (RUB bn)
Reconstruction of the Polar State University	1.9
Creation of the Arctic Museum of Modern Art	10.4
Construction of a multidisciplinary innovative children’s education centre in the Central District of Norilsk (up to 1,100 students)	2.6
Construction of a new swimming pool in the Central District of Norilsk (Khantayskaya St.)	0.1
Construction of a 2,500-seat Ice Arena in the Central District of Norilsk	0.5

In 2022, the statements of work for the design and engineering surveys to implement these initiatives were drafted, with the design work now underway for all the facilities. The Company’s total costs to finance these projects amounted to RUB 15.5 mln.

In addition, the Company financed further initiatives aimed at the social and economic development of the city and implemented at the request of the Norilsk Administration, including:

- survey and design work for the construction of residential buildings replacing demolished soviet-era buildings of Stalinist style;
- repairs of dilapidated roofs and porches of two schools;
- repairs of the roof of the Norilsk Industrial Engineering and Service College;
- upgrade of the heat and water supply and sewage utilities for the construction of a new polyclinic;
- research support for permafrost monitoring of soils and structures for 57 buildings;
- maintenance of the Norilsk Residential Housing Renovation Fund.

The total financing provided by the Company as per the case-by-case requests of the Norilsk Administration amounted to RUB 623 mln.

In 2022, the Krasnoyarsk Territory Government, the Norilsk Administration and Nornickel entered into a memorandum of intent to upgrade healthcare facilities

in Norilsk. As part of the initiatives included in the memorandum, the Company allocated RUB 300 mln for the repairs and purchase of equipment for healthcare facilities in line with the approved updated priority list.

Nornickel’s Polar Division implemented a number of projects aimed at sustainable social development of Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District, in particular:

- supply of medical goods and special medical equipment to healthcare facilities of Norilsk and Dudinka; in 2022, additional funds were allocated to provide healthcare facilities with privately owned vehicles for home visit appointments;
- development of the Norilsk Production Association for Passenger Transport with a view to maintaining and expanding the existing regular passenger bus services in Norilsk;
- distribution of food certificates to low-income households as per the request of the city Mayor;
- purchase of equipment (appliances) and furniture for the kitchen of the Norilsk Orphanage;
- repairing and fitting out the residential premises at the disposal of the Fedorovsky Polar State University;
- repairing and fitting out the canteen of the Polytechnic College of the Fedorovsky Polar State University;
- developing the material, technical and academic potential of Norilsk’s educational institutions;

- improvement of the yard at 10 Leninsky Prospekt, which has an architectural heritage status;
- upgrading the hockey ice rink of the Arktika Sports and Recreation Centre and providing hockey teams with hockey uniforms and gear;
- building schoolchildren work teams, supporting their activities in the summer of 2022 and proceeding with preparations for the summer of 2023;
- repairing, upgrading and/or constructing the utilities infrastructure in Norilsk as part of the municipal Programme to Upgrade the Utilities Infrastructure and Improve Energy Efficiency;
- design work for the upgrade of the dilapidated main sewer along Ozernaya St. in the Oganer municipal area of Norilsk in order to ensure it can properly serve all the facilities planned for construction;
- projects and programmes implemented jointly with non-profit, public and religious organisations of Norilsk, and as part of the Secure City initiative;
- projects and programmes run in partnership with the Dudinka Administration, regional and federal public institutions operating in Taimyr, and non-profit organisations, as well support for the development of Tazovsky and Turukhansky districts, including:
  - construction of a prefabricated building in Dudinka for emergency rescue services, and the purchase

- of equipment and other inventory for the Dudinka Arctic Search and Rescue Unit;
- preparing and carrying out activities to arrange summer employment opportunities for the youth in the Taimyrsky Dolgano-Nenetsky Municipal District;

- organising and preparing for the international curling tournament in Dudinka;
- organising and preparing for the festivities to mark the 85th anniversary of the Taimyr Museum of Local History and the 85th anniversary of the Dudinka port;

- repairing the obelisk commemorating the 50th anniversary of Soviet power and the monument to Vladimir Lenin located on Dudinka’s Embankment Square;
- purchase of sports gear and technical equipment for the Nosok Secondary Boarding School.



**Krasnoyarsk**

In 2022, the Company supported the following projects in Krasnoyarsk aimed at promoting culture, arts and a healthy lifestyle locally:

- a contest for professional architects and design companies to develop a concept for the renovation of the Krasnoyarsk State Opera and Ballet Theatre and the development of the adjacent territory. Nornickel acted as a financial partner of the contest, with its representatives sitting on the jury;

- purchasing new musical instruments for the Krasnoyarsk Academic Symphony Orchestra of Krasnoyarsk Regional Philharmonic. The Company allocated RUB 210 mln for this purpose in 2021–2022, making it possible to fully renew the set of musical instruments used by the region’s main orchestra;
- building the Yudinskaya Valley eco-park in Krasnoyarsk, a new recreational area in the vicinity of the Krasnoyarsk Region’s

- administrative centre, in the depth of a natural forest. The creation of the eco-park is being financed entirely through the Company’s charitable donations;
- development of a strategic master plan of the Krasnoyarsk metropolitan area until 2035. The master plan covers the territory of Krasnoyarsk, its suburbs and satellite towns.

**Murmansk Region**



In 2022, the Company continued implementing the cooperation agreement between the Government of the Murmansk Region and Nornickel to foster the development of the Murmansk Region and enhance its attractiveness for tourists and investors. Public-private and municipal-private partnership projects were chosen as the key instruments to implement the cooperation agreement.

As part of the agreement, in 2020–2022 Nornickel supports healthcare, culture, education and sports projects, as well as measures to improve the urban environment in Monchegorsk, Zapolyarny and Nickel.

To improve the well-being of residents and ensure its sustainable development, Nornickel participated in developing

the Programme for Social and Economic Development of the Pechengsky Municipal District for 2021–2025. It envisages 50 initiatives across four main focus areas: new economy, social sector, housing and infrastructure upgrades, and comfortable urban environment.

**Initiatives implemented in 2022 as part of the Pechengsky Municipal District Social and Economic Development Programme (with support of the Second School Centre for Community Initiatives)**

Initiatives	Financing (RUB mln)
Signing of the agreement to develop design and cost estimate documents for the reconstruction of a water intake in Nickel	15
Establishment of the Tourist Information Centre in the Pechengsky Municipal District	2
Development of a programme to implement the Nickel master plan in terms of residential quarters renovation	7
Development of a programme to upgrade and enhance the healthcare system in the Pechengsky Municipal District	15

Nornickel Group actively participates in the life of local communities across the municipalities of its operation in the Murmansk Region by implementing social, cultural, housing, and other development projects. In 2022, we completed the following initiatives:

- implementation of public space improvement projects in Monchegorsk (RUB 144.5 mln);
- drafting of design and estimate documents for the construction of healthcare facilities in the Murmansk Region (RUB 70 million);
- renovation of sports facilities in Monchegorsk (RUB 35 mln);
- implementation of social projects in the municipalities of the Pechengsky District (RUB 15 mln).

**Trans-Baikal Territory**



GRK Bystrinskoye strongly supports the development of the Trans-Baikal Territory by implementing social programmes and projects that contribute to the sustainable growth of the region of its operation.

In 2022, we continued implementing the Social and Economic Cooperation Agreement between the Trans-Baikal Territory Government and Nornickel.

Initiatives implemented as part of the Social and Economic Cooperation Agreement in 2022:

- implementation of priority culture, education, and utilities projects and initiatives in the Gazimuro-Zavodsky District;
- the 9th Trans-Baikal International Film Festival, Russian Boxing Championship, and Oleg Lundstrem Jazz Festival

- commemorating the 100th anniversary of the arrival of jazz in Russia (financed jointly with the Trans-Baikal Territory Government);
- drafting of research-based design documents for the restoration of the Church of the Assumption of the Blessed Virgin Mary in the village

- of Kalinino, Nerchinsky District, which was declared a federal cultural site in 2022;
- promoting children's and youth sports to support athletes in achieving new levels of sports excellence:
  - financing the Rugby Federation of the Trans-Baikal Territory;

- holding ice hockey tournaments, purchasing equipment and protective gear; procuring flooring for the gym of the BayRus Martial Arts Club;
- repairs at the Molokovka summer recreation camp;
- building of new multi-purpose sports grounds at the Trans-Baikal Teachers College, Trade and Culinary School, and the Chita Centre for Children without Parental Care;
- share-based financing of the Young Geologist club activities aimed at promoting the profession of geologist among children and teenagers.

**Interaction with indigenous minorities**

GRI 203-1, 411-1, SASB EM-MM-210a.3, EM-MM-210b.1

**Key results for 2022**

- No violations of the indigenous minorities' rights were recorded
- The Company's first-ever Free, Prior, and Informed Consent (FPIC) process for representatives of indigenous minorities in the settlement of Tukhard was launched
- The programme, aimed primarily at supporting and developing traditional livelihoods, enhancing housing, social and medical infrastructure in the settlements as well as promoting education, science and culture, was underway

RUB **412** mln  
allocated by the Company on projects to support the indigenous northern minorities in 2022

Nornickel respects the rights of indigenous peoples which derive from their political, economic and social structures and from their cultures, spiritual traditions, histories and philosophies, especially their rights to their lands, territories and resources. The Company directs its efforts towards strengthening and developing neighbourly relations with indigenous minorities in the regions of operation:

- in the Taimyrsky Dolgano-Nenetsky Municipal District, the Company interacts with representatives of all the indigenous minorities, including Nenets, Dolgans, Nganasans,

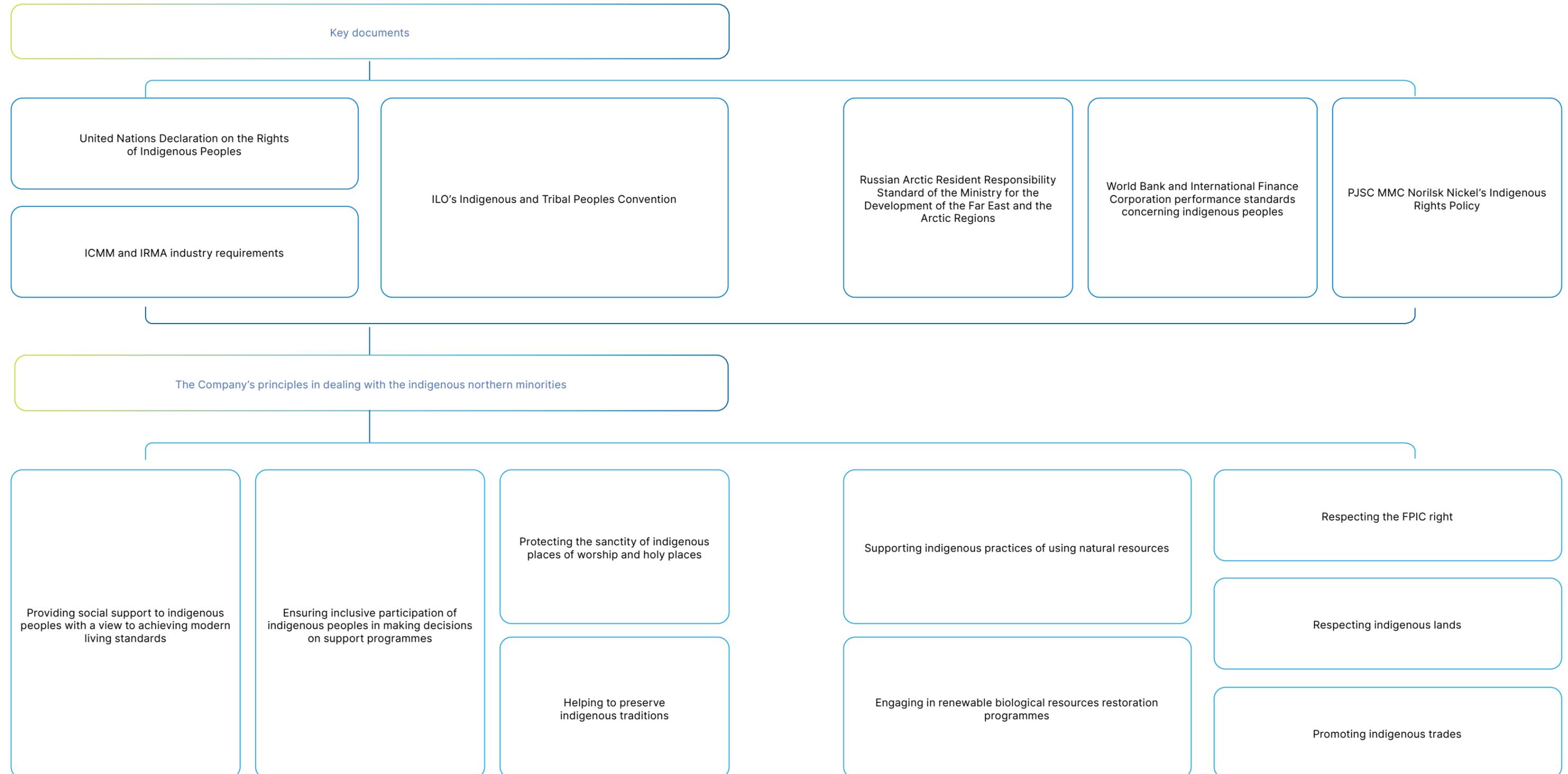
Enets and Evenks, and manages the relationship with their associations of Taimyr;

- on the Kola Peninsula, Nornickel works together with the Kola Sámi Association.

The Company has adopted the Indigenous Peoples' Rights Policy that defines Nornickel's key commitments in this aspect. The policy is based on principles and rules of international law, the Constitution, federal laws and international treaties of the Russian Federation.

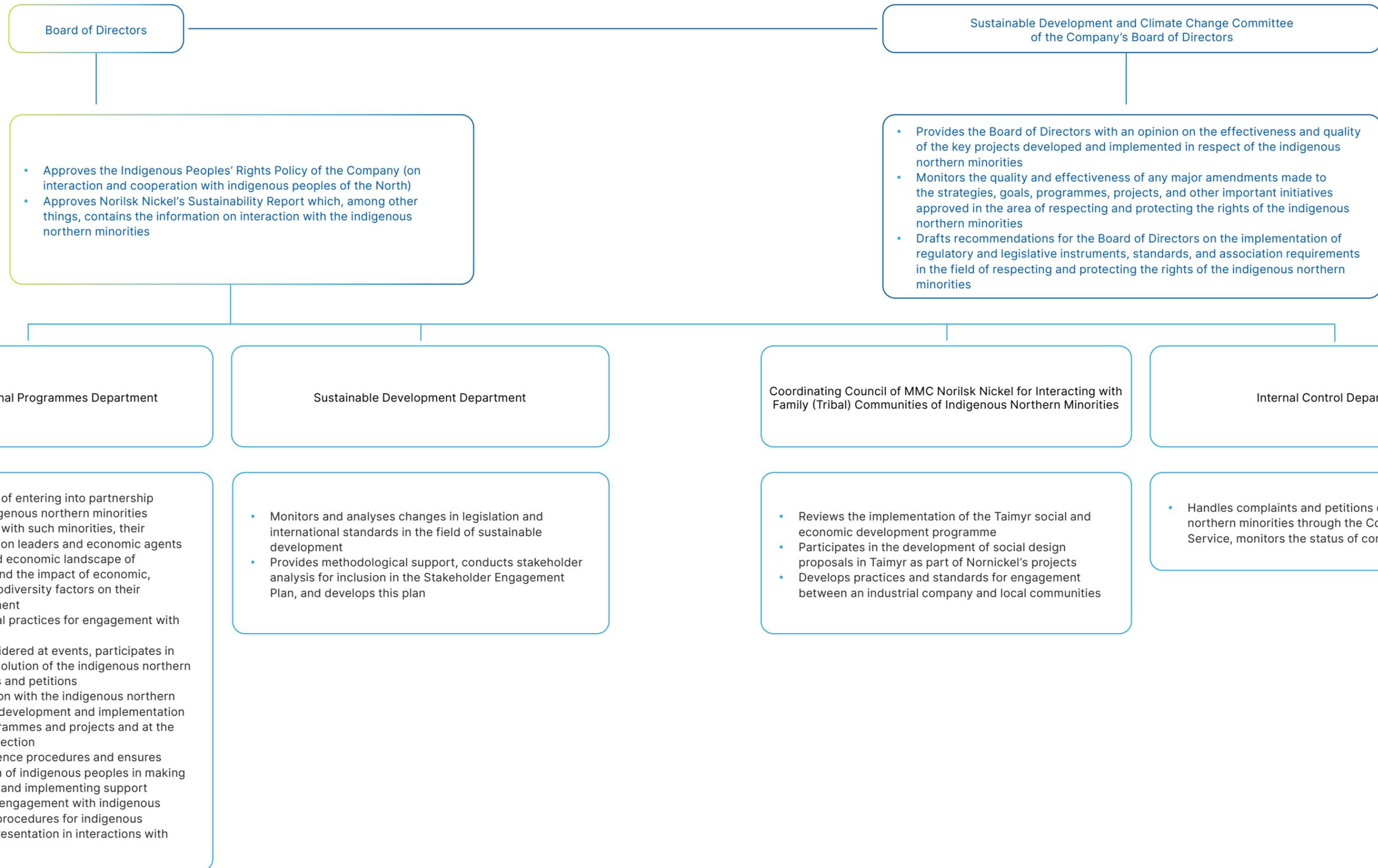


Key principles, standards and regulations



Responsibilities in interacting with indigenous northern minorities

(GRI 2-9, 2-12, 2-13)



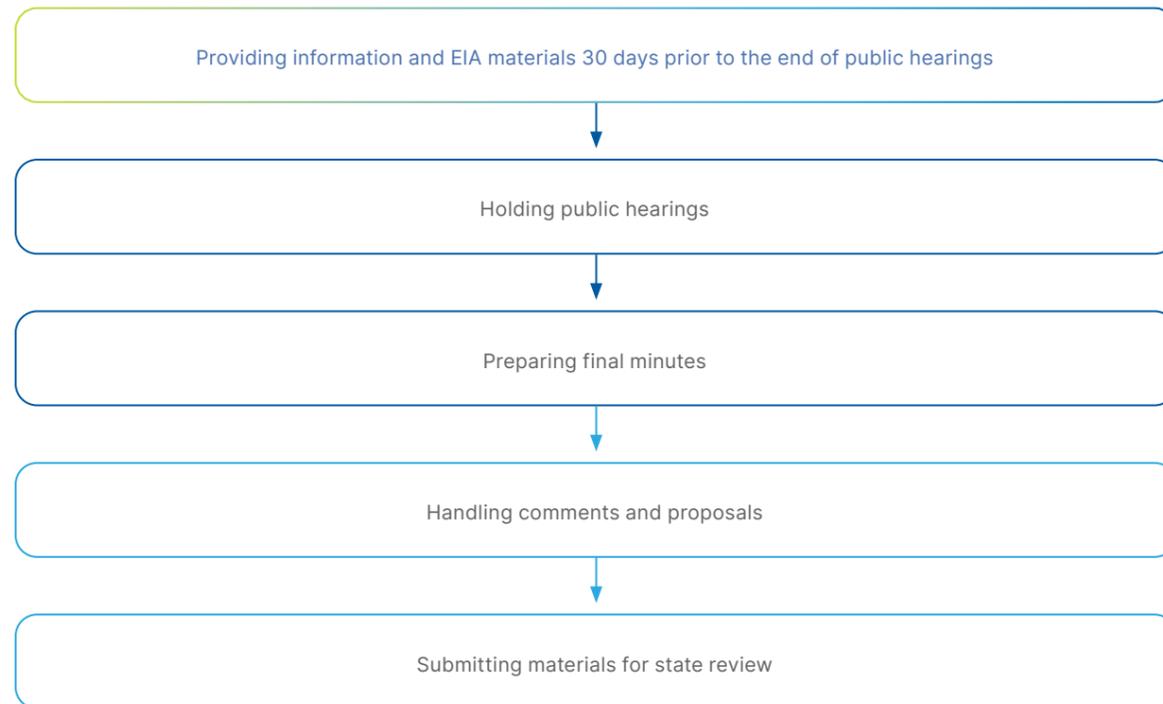
**Public discussions of projects with representatives of indigenous northern minorities**

According to the international and Russian laws, making decisions to proceed with projected activities requires identifying and taking into account the opinions

of stakeholders (including indigenous northern minorities whose interests can be potentially affected). To this end, environmental impact assessment (EIA)<sup>1</sup> is conducted to help prevent or mitigate environmental impact and associated social, economic and other implications.

EIA materials, including incoming comments and proposals, are added to the documents submitted for a state environmental review, which is a mandatory procedure in Russia to receive an official approval before a project is launched.

**Procedure for public discussions**



<sup>1</sup> Order of the Ministry of Natural Resources No. 999 dated 1 December 2020 On Approving Requirements for Materials Used in Environmental Impact Assessment

**Activities of the Coordinating Council of MMC Norilsk Nickel for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities**

GRI 2-26

In order to effectively interact with indigenous minorities of Taimyr, facilitate constructive dialogue based on the parties' mutual respect, and offer targeted assistance to indigenous peoples, the Company has established and supports the Coordinating Council for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities. The minorities, now consisting of 53 communities, have traditional livelihoods on the Taimyr Peninsula.

The Council secures the Company's interaction with the communities, also with a focus on the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020–2024. Designed with the communities' active and direct involvement, the Programme covers social, economic, cultural and linguistic impacts on indigenous minorities and factors in needs

and requests, values and views, national traditions and culture of indigenous minorities of Taimyr. The Programme comprises more than 40 initiatives related to such focus areas of support for indigenous northern minorities as building homes and social facilities in Taimyr settlements, bringing affordable healthcare, developing education, culture, sports and tourism. The funding of the Programme totals RUB 2 bn.

The Company's new format of direct and constructive dialogue with the communities of indigenous northern minorities has significantly contributed to expanding the scope of interaction and facilitated its steady development. This includes improving the infrastructure of settlements as well as enhancing the economy of the communities by launching new production operations, based on traditional practices of using natural resources.

Such operations help process agricultural products, deliver higher added value and preserve historical traditions and cultural heritage.

Thus, in 2022, we additionally allocated more than RUB 100 mln for community development. As requested by the family (tribal) communities of Taimyr, in the summer of 2022, Nornickel purchased quad bikes, motor boats, Orionboat boats and an inflatable raft and handed them over to users. A family (tribal) community in Volochanka were provided with equipment for woodworking. We launched a large project to promote online education in eleven schools in Taimyr and are finalising both the design and cost estimate documents and the contractor selection process for constructing three rural community centres.

**Free, Prior and Informed Consent process**

Fine-tuning the formats of interaction with indigenous northern minorities, Nornickel was the first company to launch the Free, Prior and Informed Consent (FPIC) process in the Russian Arctic with respect to the Tukhard relocation and development programme. In order to improve the housing conditions in Tukhard, the Company proposed considering the construction of a new settlement and the residents' relocation thereto. Although the FPIC process is not

directly integrated into the national laws of the Russian Federation, Nornickel came up with a solution to address the relocation issue in accordance with the international standards set out in the UN Declaration on the Rights of Indigenous Peoples. Tukhard residents agreed to join the FPIC process subject to certain conditions. These involved decision making on the relocation, choosing the site for their new settlement and determining its social infrastructure, selecting the best architectural designs

as part of an architectural competition, as well as participating in all stages of the relocation programme through the elected Council of Representatives of the settlement residents.

The Company plans to roll out this practice and obtain the FPIC of representatives of indigenous northern minorities living in the Lovozero District of the Murmansk Region as regards the development of the Kolmozerskoye lithium deposit.

**Key projects in support of indigenous northern minorities in 2022**

All the initiatives run by Nornickel in the interests of indigenous minorities are joint activities which will be effective only if implemented through constant liaison and interaction with both indigenous minority communities and families based on a shared understanding and regular discussions, as well as inclusive participation. In 2022, the Company invested RUB 196 mln in the Programme for Promoting Social and Economic Development of the Taymursky Dolgano-Nenetsky Municipal District in 2020–2024 and completed the following initiatives:

- purchasing five flats in Dudinka for orphaned indigenous children;
- constructing eight residential buildings in Volochanka and Ust-Avam;
- purchasing prefabricated buildings for first aid and obstetric facilities in Volochanka, Ust-Avam and Ust-Port (the construction to be completed in 2023);
- drafting design and estimate documents for a community centre in Nosok (the construction to commence in 2023);
- providing financial assistance to rent land plots from settlement administrations and providing these free of charge to those wishing to improve their housing conditions;
- delivering agricultural products (northern species of fish, reindeer meat) by air from settlements to retail chains in Norilsk;
- promoting online education in Taymyr and creating a single news channel in a messenger to broadcast news

- and videos;
- adding Volochanka, Ust-Avam, and Khantayskoye Ozero settlements to an ecotourism development project, establishing an ethnic visitor centre in Ust-Avam and teaching a hospitality course to several communities;
- introducing a Nganasan language nest in Novaya, a village of the Khatanga rural settlement; arranging the release of several linguistic and literature textbooks, in particular, the publication of 400 sets of the Treasuring up the Lessons from Ancestors book; designing educational routes on the history, culture and traditions of indigenous northern minorities;
- involving representatives of indigenous northern minorities in the congress, forums and festivals under the International Decade of Indigenous Languages.

The Company is not only consistent in honouring its commitments to the indigenous minorities of Taymyr. Our efforts go beyond the five-year programme and extend to ongoing support focused on the following initiatives:

- strengthening the infrastructure of indigenous northern minorities' communities, and preparing them for the autumn-winter hunting and fishing season;
- making helicopter flights to transport passengers and cargoes to Taymyr settlements;

- promoting the Reindeer Herder's Day and the Fisherman's Day, the most socially important holidays of indigenous minorities, to preserve their national traditions and culture;
- carrying out design and survey at the Taymyr Interregional Hospital (as requested by the Taymursky Dolgano-Nenetsky Municipal District authorities);
- procuring computers and laptops for supplementary education based on online learning technologies for children from low-income families;
- partially repairing the gym in a sports centre in Dudinka and replacing ventilation systems in the Arctic leisure and cinema complex.

In 2022, Nornickel continued implementation of the Students of Taymyr programme launched by the Company in 2020. The programme focuses on organising studies at the Fedorovsky Polar State University for representatives of indigenous minorities living in the Taymursky Dolgano-Nenetsky Municipal District. There are currently 40 indigenous students studying at the university under this targeted programme. The Company covers the costs for tuition, accommodation in Norilsk while studying, and travel to and from the place of studies, and also pays a scholarship of RUB 20,000 (on a monthly basis to those studying on-campus and only during examination periods, requiring full-time presence in Norilsk, to those studying in a mixed mode).).



**World of Taymyr project competition**

In 2021–2022, Nornickel hosted the World of Taymyr, a dedicated project competition seeking to support socially important projects

and promote sustainable development of territories historically inhabited by indigenous minorities of the peninsula. A special feature of the competition is the grant funding system which welcomes

only the indigenous minorities of Taymyr and non-profit organisations implementing projects in the interests of indigenous peoples.

Nomination	Purpose	Grant amount, RUB mln	Applications funded in 2021–2022	Requested funding in 2021–2022, RUB mln
Taymyr's Ideas	Preserving and reviving the cultural heritage and languages of indigenous minorities of Taymyr; developing new methods and techniques in engaging with children; providing career guidance to teenagers and young adults; preserving and developing national sports; nurturing environmental awareness	2 max	17	15.6
Taymyr Development	Creating public spaces and social infrastructure facilities, enabling online learning, developing and promoting alternative energy sources and fuels	6.5 max	6	18.3
Taymyr's Opportunities	Supporting and developing traditional livelihoods; creating, selling and promoting own local products, fostering domestic tourism, creating (seasonal and permanent) jobs for representatives of indigenous minorities of Taymyr	6.5 max	3	9.2
Taymyr Promotion	Exchanging successful experiences among the indigenous minorities of Taymyr and those living in the Russian Arctic; improving skills and enhancing professional competencies of teachers	2.5 max	2	3.0
<b>Total</b>			<b>28</b>	<b>46.1</b>

The winners embarked on the projects in June 2021 and delivered them by November 2022. The funding totalled RUB 46.1 mln covering 28 social projects. The success of the first project competition in 2021–2022 proves the initiative to be relevant and sought after.

For more details, please see [the World of New Opportunities charitable programme section.](#)

**Interaction with indigenous minorities in the Murmansk Region**

Nornickel held prior task force consultations with representatives of indigenous minorities in Lovozero and Krasnoshchelye of the Murmansk Region to enable two-way communication between the Company and indigenous minorities, to inform representatives of local communities about the upcoming project on development of the Kolmozerskoye lithium deposit in the Murmansk Region and further processing of lithium feedstock. The communication involved the Sámi, Nenets and Komi as well as representatives of reindeer herding farms and independent experts in the rights of indigenous minorities.

The parties discussed the main approaches to ethnographic and sociological research, as Nornickel confirmed its intention to promptly collect and verify all possible information about entities, nature and scale of traditional livelihoods, sacred sites and burials, to identify the pool of persons potentially affected by the project and to make detailed maps of the territory. The research will involve leading research institutions and cooperation with indigenous minorities.

The Company's planned approach to dealing with the indigenous northern minorities will help protect the rights and prioritise the interests of indigenous minorities in the region. There is a lot of work

ahead of us on discussing the project details and reaching an agreement with the Sámi and the Nenets and Komi reindeer herders, who could potentially be affected by the project. The Company finds it important to factor in and minimise any and all potential adverse consequences of the project for the indigenous peoples of the region. Nornickel has extensive experience in supporting reindeer herding in Taimyr, and this knowledge and competencies will be also relevant in the Murmansk Region when implementing the lithium deposit development project.

At the moment, we are shaping up a system for interacting with indigenous northern minorities in the Murmansk Region at the sites of the Kola Division and Kola MMC. In particular, we have signed

the Cooperation Agreement between the Kola Sámi Association of the Murmansk Region and PJSC MMC Norilsk Nickel. In 2022, according to the above agreement, the Company supported the Sámi people in developing their culture and preserving their traditional lifestyle relying on the best practice that proved effective on the Taimyr Peninsula. Nornickel, in particular, provided funding to prepare a single Sámi alphabet, publish pre-school Sámi language textbooks and arrange an open-air Sámi museum in Murmansk. The [World of New Opportunities](#) programme is also vital in supporting indigenous northern minorities. The programme focuses on implementing public projects and initiatives as well as fostering social competencies of local communities.

GRI 203-1, 203-2



## Transport accessibility in remote locations

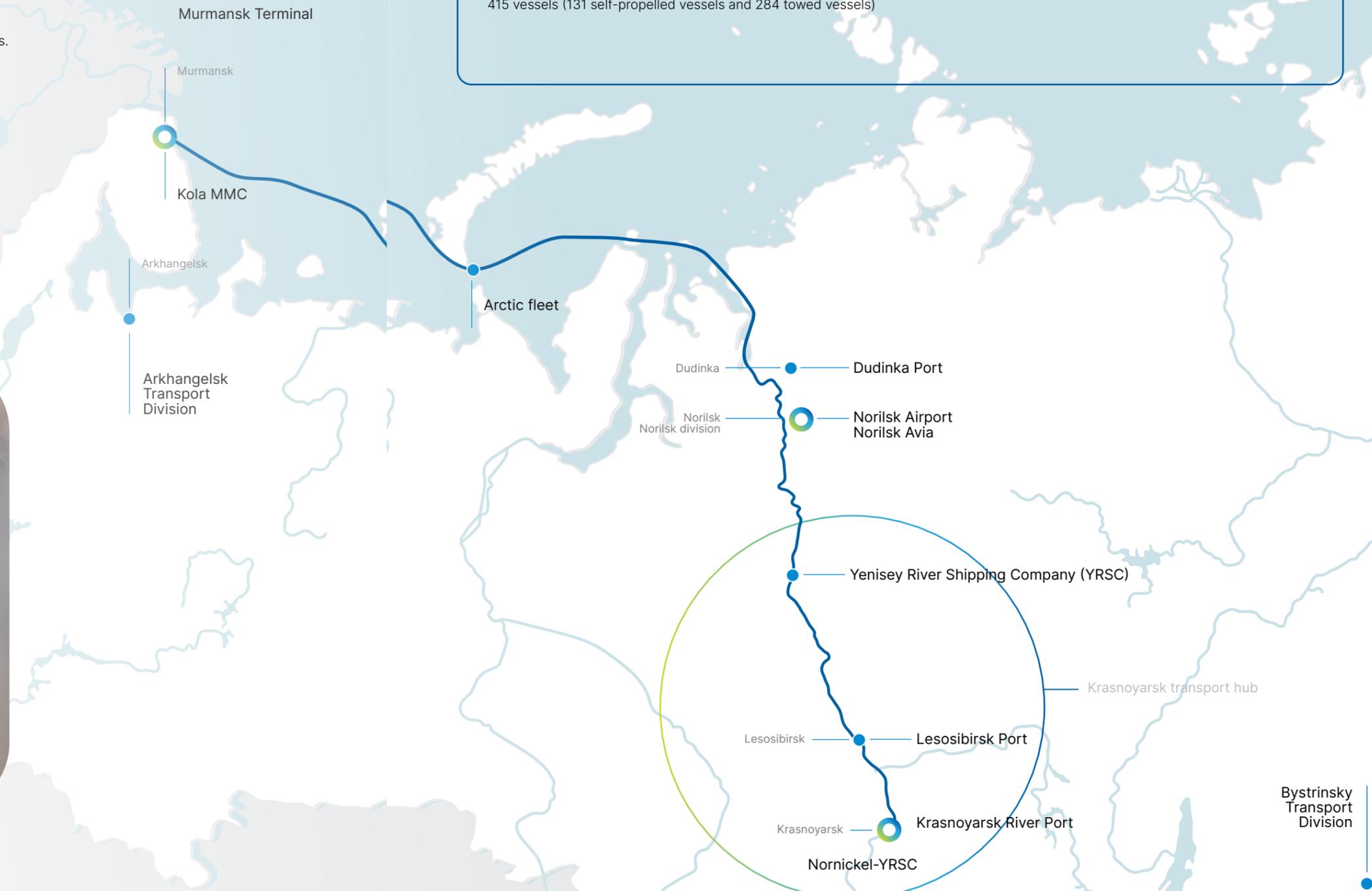
### Our transportation and logistics assets:

**Arc7 Arctic fleet** (5 dry cargo vessels and 1 tanker), 2 port ice-breakers (Dudinka and Avraami Zavenyagin)

**River fleet** of 633 vessels (200 self-propelled vessels and 433 towed vessels), including the active core fleet of 415 vessels (131 self-propelled vessels and 284 towed vessels)

**Traction and rolling stock:** 117 container flatcars, 2 switch locomotives, 1 switch locotractor

**Port infrastructure for transshipment** of cargo of all types (including dry bulk and heavy lift) from any means of transport, including a site for processing explosives (one of a kind for the Yenisey river)



Bystrinsky Transport Division

**Nornickel's contribution to the Comprehensive Plan for Upgrading and Expanding Core Infrastructure national project**

Relevant UN SDGs



**Related federal projects**

- Russia's seaports;
- Northern Sea Route;
- Railway transport and transit transportation;
- Regional airports and routes;
- Internal water routes.

**Key initiatives and focus areas**

- Provision of year-round freight shipping services between seaports as well as transportation and handling of cargoes in the Arctic region;
- Operation and maintenance of railway infrastructure, with transport accessibility ensured in remote locations;
- Development of passenger transportation in the local regions of operation.

With our reliable state-of-the-art transport infrastructure, we are capable of meeting any freight logistics challenges and ensure continuity and sustainability of operations and well-being of local communities.

Our dry cargo fleet provides year-round freight shipping services between the Dudinka, Murmansk and Arkhangelsk sea ports while also covering other

destinations and delivering socially important cargoes for the Norilsk Industrial District. In 2022, dry cargo transported by the Company's fleet amounted to 1.9 mt, up 19% y-o-y.

The Yenisey tanker is used to bring in petroleum products to Taimyr and to take gas condensate, a by-product of gas extraction at the Pelyatkinskoye Field

developed by Nornickel, out for exporting. This way we help reduce pollution from these by-products and improve the local environment.

In addition to sea shipments made by our own fleet of ARC-7 ice-class vessels, the Company involves a fleet of ARC-4/5 ice-class vessels to ship additional volumes of cargo as required for large



investment projects (investment cargoes) in Taimyr. From November to May, ARC-4/5 ice-class sea vessels in the Yenisey, the Yenisey Bay and the Kara need to involve three icebreakers to lay the route (with a period of involvement of at least 5–7 years). For ARC-7 ice-class vessels, it is strategically sufficient to regularly involve one icebreaker for laying the route and maintaining ice channels in the Yenisey and the Yenisey Bay. This allows for keeping up the commercial speed of vessels.

In order to make sure that the Company's strategic needs for ice-breaking services are covered, Nornickel signed a long-term charter contract for a Project 22220 serial nuclear icebreaker, with the engine shaft power of 60 MW, in 2022. (The contract is effective until 2041 and may be extended until 2051.) The Company has positive experience of involving icebreakers of this type based on a short-term contract in 2022.

After the end of lifetime and scheduled decommissioning of other icebreakers involved by the Company (until 2027–2029), the contracted Project 22220

icebreaker will be a guarantee of stable icebreaking support for the Company's vessels and reliable transportation of the Company's cargo.

MMC Norilsk Nickel's divisions and Group companies handle cargo in the ports of Dudinka, Murmansk, Lesosibirsk and Krasnoyarsk.

Dudinka Port (Polar Transport Division) is the world's only port flooded every year during spring high water and accessible by both sea and river vessels.

The port is the main cargo gate of Taimyr, which has no alternative available. In 2022, Polar Transport Division's cargo traffic exceeded the average for the recent years by more than 25% (3.5 mt). Given the large investment projects underway in the Norilsk Industrial District, the cargo traffic is expected to continue growing, which will require an expansion of Dudinka Port. The Company has allocated over RUB 6 bn for the port facilities upgrade and ramp-up over the past four years.

YRSC takes an active part in providing municipal districts of the Krasnoyarsk Territory with socially important cargoes. During the short period of spring floods, it delivers fuels and lubricants, food and other goods to locations with limited transport accessibility on the Podkamennaya Tunguska and Nizhnyaya Tunguska rivers and in other areas, including Dikson, Russia's northernmost settlement. Also, YRSC operates its own search and rescue fleet and takes part in emergency response missions on internal water routes of the Yenisey Basin.

Murmansk Transport Division is responsible for local shipments in the lower reaches of Yenisey, to the north of Dudinka Port. Dudinka Port receives agricultural products and delivers socially important cargoes for local residents, including indigenous peoples of the North, ships cargoes for the EMERCOM and transports residents of remote coastal areas.

**Aviation**

In March 2022, we closed the sale of 100% shares of NordStar Airlines, previously a subsidiary of MMC Norilsk Nickel, to the airline's management pursuant to the Company's decision to focus on the core business. With a view to maintaining reliable and uninterrupted air travel to and from the Norilsk Industrial District, key conditions of the transaction included ensuring seamless air travel to and from Norilsk, completing 100% of the flight programme, and following the terms of the agreement on the base air carrier of Norilsk Airport.

**Railway transportation**

Bystrinsky Transport Division is responsible for the entire cargo traffic of concentrates produced by the concentrator as well as the maintenance of the 227 km Naryn (Borzya) – Gazimursky Zavod railway line (Trans-Baikal Territory). In May 2022, the line saw a record high transportation volume of more than 300,000 t. Following the Company's decision, the division became part of Trans-Baikal Division. The Company plans to ramp up the transportation volume and complete the construction of a railway line connecting to the tracks of the Borzya railway station, which will reduce the train dispatch time.



## Improving the well-being of local communities

### Nornickel's contribution to Russia's national projects

#### Tourism and Hospitality Industry national project

##### Related federal projects

- Tourist infrastructure development
- More affordable tourist products

##### Key initiatives and focus areas

- Covering round-trip travel to a holiday destination for employees in the Far North and equivalent areas, and their families, including associated baggage fees
- Projects of the Norilsk Development Agency, the Monchegorsk Development Agency and the Second School Centre to promote tourism and recreation initiatives
- For more details, please see [the Social Policy section](#)

#### Culture national project

##### Related federal projects

- Cultural environment
- Creative individuals

##### Key initiatives and focus areas

- Construction and reconstruction of cultural and entertainment facilities
- Support and development of social and cultural projects
- Contributing to preservation of national traditions and culture of indigenous northern minorities
- World of Taimyr grant competition
- Support of professional sports

The Company's activities in improving the well-being of local communities focus on developing human potential, meeting physical, social and spiritual needs of people in the regions of operation, and creating comfortable living conditions. We conduct surveys of local communities, study feedback and, when running activities in the regions of operation, take into account interests,

views and preferences of local residents, as well as their history, culture, traditions, lifestyle and heritage.

In 2022, Nornickel's key programmes aimed at improving the well-being of local communities included:

- World of New Opportunities charitable programme;

- Plant of Goodness corporate volunteering programme;

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

- programmes to support sports and fitness.

• For more details, please see [the Sports sponsorship and the Sporting and mass public events programme sections](#)

#### World of New Opportunities charitable programme

GRI 203-1, 203-2

In order to create a favourable climate for sustainable development across the regions of its operation, the Company runs the World of New Opportunities charitable programme, with a focus on supporting and promoting public

initiatives, developing social partnerships, new social technologies and soft skills among local communities.

In 2022, Nornickel ran online, offline and phygital activities as part of the programme using a World of New

Opportunities application, online platforms and other tools. The online space allows you to promptly inform participants about events, take part in interactive events (quizzes, surveys), and facilitate communication in the community.

In 2022, approximately 40,000 people from the Company's regions of operation took part in the World of New Opportunities events. The Company allocated RUB 382.6 mln for the World of New Opportunities programme.

#### Key dimensions of the World of New Opportunities programme in 2022:

Dimension	Goal	Programmes and projects
DEVELOP!	Support of public initiatives and development of local territories through building partnerships	<ul style="list-style-type: none"> <li>• We Are the City! social technologies forum</li> <li>• Socially Responsible Initiatives competition</li> <li>• World of Taimyr project competition</li> <li>• Travel grant competition</li> <li>• We Are the City social engineering workshop</li> <li>• We Are the City! picnic</li> <li>• Mobile E-education digital learning platform in the Murmansk Region</li> <li>• School Break educational project</li> </ul>
INVENT!	Fostering of R&D creativity and the spirit of invention	<ul style="list-style-type: none"> <li>• IMAKE engineering marathon</li> <li>• IN'HUB international forum of innovators</li> </ul>
ACT!	Development and growth of service-based economy	<ul style="list-style-type: none"> <li>• Accelerator for regional entrepreneurs and investment session</li> </ul>
CREATE!	Advanced development of regions	Projects of regional development institutions: <ul style="list-style-type: none"> <li>• Norilsk Development Agency</li> <li>• "Second School" Centre for Community Initiatives of the Pechengsky District</li> <li>• Monchegorsk Development Agency</li> </ul>

**DEVELOP!**

The projects and activities are implemented using an ecosystem of interdependent components: education – expert community – support for initiatives. A systemic approach to dealing with the local community brings about steadfast results such as advancing competencies, promoting new social technologies, supporting public initiatives, as well as rolling the experience out through national and regional expert platforms. Experts and the Company’s employees witness positive results of the created ecosystem.

**We Are the City! social technologies forum**

The city event brings together stakeholders to discuss mechanisms of addressing social issues in the regions of operation, analyse trends and best practices in charity and volunteer initiatives, and showcase successful solutions to social issues.

The key theme at the 8th Forum in 2022 was Sustainable cities amid turbulence. The Forum events (including talk shows, the Norilsk on the World Map futuristic hackathon, etc.) brought together experts and other participants, who discussed development prospects, trends and tendencies both for the regions and the Company, analysed professional and personal strategies and new technologies, presented projects of territory development (promoting unmanned technologies, navigation solutions and pit stops in transport logistics in Taimyr; constructing waste processing plants, etc.) and exchanged experience.

The forum was attended by more than 500 active citizens.

**Socially Responsible Initiatives competition**

To support public initiatives in the sustainable development of local communities, the Company stages the annual Socially Responsible Initiatives competition.

Since the project’s inception, the competition registered 2,885 applications, out of which 749 were selected for funding, with a total of RUB 822.5 mln allocated by the Company.

In 2022, Nornickel announced its support to 106 public benefit initiatives from Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District (Krasnoyarsk Territory), from Monchegorsk and the Pechengsky District (Murmansk Region), and from Chita and the Gazimuro-Zavodsky District (Trans-Baikal Territory). The pool of grants totalled RUB 154 mln. The projects will be implemented in 2023–2024.

The winners’ initiatives cover various facets of community life in the regions, such as opening an interactive children’s climbing wall, creating a state-of-the-art centre for environmental education and tourism, holding a robotics competition for children, running a career guidance club and helping navigate a professional journey, collecting and recycling waste and garbage in the tundra.

**We Are the City! social engineering workshop**

The workshop welcomes participants for a three-day training course to take them all the way through from generating an idea to implementing a project. The main impetus of the event is to demonstrate that every single person can make a difference for the quality of environment and the quality of life.

In 2022, the programme first included a Sustainable Development Goals and Local Community module to bring the 2030 Agenda home to the attendees. The experts drew the participants’ attention to three key components of sustainable development, i. e. environmental, social and governance aspects.

We Are the City! social engineering workshop:

- in Khatanga attracted 46 people from Khatanga and neighbouring settlements, more than 200 residents joined the campaign, and, most importantly, a team of change leaders came into being;
- in Monchegorsk, attracted 25 people, more than 300 residents joined the campaign.

**World of Taimyr project competition**

In 2020, the Company piloted the World of Taimyr project competition designed with a two-year cycle and aimed at supporting local initiatives and promoting sustainable development of northern territories historically inhabited by indigenous minorities of Taimyr.

The nominations cover various aspects of life such as developing traditional livelihoods, fostering online education, preserving and reviving languages and cultural heritage, identifying and supporting gifted children, etc.

The competition registered 84 applications, out of which 28 were selected for funding, with a total of RUB 46.1 mln in funding. The grants ended up going to six projects by family (tribal) communities, two projects by non-profit organisations, and 20 projects by municipal and public institutions.

The selected outstanding projects, unique in terms of the content and impact on the target group, include School of Drone Racing N 72, Legends of the Avam Tundra. Ust-Avam. Volochanka, Mission: Clean Shores, etc.

In December 2022, Nornickel announced another launch of the World of Taimyr project competition, with projects to be implemented in 2023–2024.

**We Are the City! picnic**

The main idea of We Are the City! picnic is to offer city residents a platform for communicating and bonding, promoting a healthy lifestyle, presenting social projects and initiatives to foster responsible consumption, and proposing environmental solutions in Norilsk, Monchegorsk, Zapolyarny and Chita.

In 2022, the project attracted more than 15,000 residents and included various activities such as sports grounds, creative workshops, flashmobs, etc. 415 people participated in the Walk to Do Good challenge, 4.5 t of recyclable

materials were collected and handed over for processing, and 396 km of a marathon were covered by project participants in Chita.

**Travel grant competition**

The competition focuses on bringing in new social technologies and practices to the regions of the Company’s operation, implementing public initiatives, rolling out successful experience, enhancing professional competencies, strengthening social partnerships and interregional ties.

As an outcome of the competition, 81 people from Norilsk, Taimyr and the Murmansk Region received grants for a total of RUB 9.4 mln.

Teachers, schoolchildren, athletes, public figures and entrepreneurs had the opportunity to complete internships and advanced training courses in Moscow, St. Petersburg, Krasnoyarsk, Novosibirsk, Sochi, Penza, and Khanty-Mansiysk.

**School Break educational project**

The School Break educational project aims to facilitate communication among children, their parents, and teachers in a joint effort to improve the education process. In 2022, the project attracted 2,142 people from 13 localities and included the following initiatives:

- a series of offline educational modules for teachers and schoolchildren in remote areas (Potapovo, Ust-Port, Khatanga and Dudinka);
- interaction with graduates and young professionals to provide information and career guidance. The initiatives helped make school a fully-fledged element of the School-University-Business educational cluster;
- School Break.Urban marathon focused on introducing schoolchildren to practices of social design and change of the urban environment. During 88 days, 27 school teams were developing project ideas, visiting non-profit organisations, and communicating with corporate volunteers and the Company’s employees. The best marathon teams had an opportunity to take part in the summer academy;

- School Break.Urban Academy (summer course): during 10 days, 50 schoolchildren were gaining knowledge and experience in urbanism, social design and event production for local communities. The participants organised a My Thoughts Also Have a Face art festival for the residents of the city with the support of the City Children’s Library. The event attracted more than 200 residents of Monchegorsk, who had a choice of more than 10 creative sites to visit;
- field internship for 25 active and motivated teachers. The participants visited educational institutions, analysed the best educational practices in the regions in order to integrate new experience into their activities and develop method-based cases. The School Break educational project received recognition at the Graduate Award competition in The Best Programme for Working with Schoolchildren nomination and was included in the collection of best practices following an open competition run by the UN.

**Mobile E-education learning platform in the Murmansk Region**

In 2022, the Company extended support to 15 educational institutions in Monchegorsk and the Pechengsky District to join a project to deploy Mobile e-education, a digital educational platform aimed at in-depth study of selected subjects and preparation for exams and academic competitions. Based on the agreements with Administrations of Monchegorsk and the Pechengsky District, RUB 35.5 mln were allocated to purchase office equipment and supplies (computer classes), as well as licences for children and teachers. As noted by teachers, the digital platform makes a positive influence by increasing the schoolchildren’s interest in education due to the new method, facilitating the learning process through home assignments checked automatically, and assisting in the preparation for lessons and personalisation.



**INVENT!**

**IMAKE engineering marathon**

The key idea of the IMAKE marathon is to foster and promote engineering developments and projects, unlock research and creative potential in children and adolescents, as well as shape up a community of aspiring engineers and scientists. The project helps build a system to engage children in the process of research and invention, stimulating their interest and motivation to develop in this area.

In 2022, the marathon participants presented their scientific and engineering inventions at various meetings and online events. During the reporting period, the IMAKE CAMP shift in Vladivostok, the IMAKE engineering marathon (immersion courses and seminars in the cities of the Company's operation, consultations, online protection of inventions and prototypes), IMAKE. Mayevka sessions (family invention), invention forums and festivals were held. The participants proposed such projects

as A Device for Remelting Plastics, A Jacket with an Electric Power Generator, Equipment for Balancing Dry and Moist Air Airing, etc.

More than 3,500 schoolchildren from the regions of the Company's operations took part in the project activities.

**IN'HUB: international forum of innovators**

The international forum of innovators IN'HUB is a series of events for inventors and innovators (employees of industrial companies, students and postgraduates, schoolchildren and teenagers) which provides an opportunity for intersectoral interaction of inventors, industrial companies and investors for the joint development of future technologies.

The event was organised by the Ministry of Industry and Trade of the Russian Federation, the Government of the Novosibirsk Region and MMC Norilsk Nickel in collaboration with international and Russian partners such as International Federation of Inventors' Associations (IFIA), the Centre for International Industrial

Cooperation of UNIDO in the Russian Federation, Goroditsky & Partners, an intellectual property law company, etc.

In 2022, the IN'HUB project included the following initiatives:

- The inventive projects competition allows experienced and novice inventors with breakthrough ideas to present an innovative project to potential investors, get recommendations and advice from an expert jury, take part in a world-class exhibition, and receive recognition and support. In 2022, the winners were such projects as Interval Train Traffic Control System, Hybrid 5D Printer Stereotech, BIO Industrial Air Cooling System, etc.;
- The international forum of innovators IN'HUB 2022 was a three-day international exhibition. The agenda included the final round of the Inventive Projects Competition with an international jury, presentation of the finalists' projects, a business and discussion programme, and master classes, public lectures and activities popularising invention. Among the forum participants there were individual

inventors and industrial companies, national and regional innovation associations, representatives of small, medium and large businesses, venture funds, and international public organisations.

Applications for the inventive projects competition can be submitted at [www.inhubforum.com](http://www.inhubforum.com), the portal which also renders assistance to inventors in patenting matters and provides access to educational programmes (webinars, lectures). In 2022, the IN'HUB marketplace was launched, with a virtual catalogue of projects by the finalists of the inventive projects competition. This service provides an opportunity for quick contact and organisation of business meetings with authors of innovations. In 2022, the competition registered 1,300 applications, of which 490 underwent a formal review, and 204 were presented at the Forum and posted on the marketplace. At the IN'HUB international forum, 30 foreign inventors from Switzerland, Austria, Israel, Egypt, Iran, Indonesia, Kazakhstan and Belarus presented their projects. Russian inventions and developments were presented by residents of 42 regions of the Russian Federation.

**Arctic Wave festival of R&D discoveries and inventions**

The Arctic Wave festival, organised by Nornickel in cooperation with the Administrations of Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District, Monchegorsk and the Murmansk Region, aims to cultivate interest in science and technology among the youth, supporting creative engineering ideas and innovative thinking in schoolchildren, and demonstrating the latest domestic and global scientific achievements.

It was first held in 2015 in Norilsk and Monchegorsk and after several years reappeared in 2022 in a new format. The Festival covered five cities of the Company's operation, starting in Norilsk, then moving to Dudinka, visiting Nickel and Zapolyarny and ending in Monchegorsk. In total, the event lasted 20 days.

In 2022, the Festival brought together more than 4,000 people at various educational events such as shows, quests, lectures and engineering workshops, with eminent scientists and modern researchers as speakers. Schoolchildren and students were offered to:

- take a course at the Educational Hub (more than 1,000 schoolchildren and students from Norilsk and Monchegorsk acquired new knowledge and skills);
- visit Arctic Explorers quests, immersive scientific and educational events dedicated to the history of great Arctic discoverers and basic instructions on how to prepare for an Arctic expedition, developing the skills necessary for a scientist (more than 1,200 schoolchildren of 8–14 years of age gained the Arctic Explorer skills; the programme was held 40 times during the Festival);
- participate in a special programme for future engineers (more than 50 junior IMAKE legionnaires whose age did not let them go to the IMAKE Science Camp in Vladivostok had an opportunity to take an express course in invention in the IMAKE Laboratory in Norilsk and Monchegorsk);
- attend an evening lecture hall (with short popular science lectures and talks, scientists' recommendations on mitigating COVID-19 consequences, and discussions about the latest technologies);
- see an interactive scientific show (chemical and physical experiments), a large-scale opening and closing ceremony of the festival (exhibition of unique technical inventions, lectures, a multimedia and laser show).

Preserving the environment in the Arctic and reflecting on the Great Arctic Dream (conquer, explore, master) were the main themes of the festival. Dedicated videos told the audience about the explorers developing this unusual territory, about the challenging present of the Arctic and an amazing future that can be created by scientists and innovators who are working on new solutions for the region.

**ACT!**

The ACT! initiatives and projects focus on developing the service economy, improving the business climate, and creating opportunities for the development of small and medium-sized businesses, including social entrepreneurship (social investments in small and medium-sized businesses to address local social problems).

Since 2014, Nornickel has funded 34 business projects for a total of over RUB 110.1 mln, helping create more than 156 new jobs. Over 32 business projects were launched by the graduates of the Social Entrepreneurship course and the intensive Business Projects Accelerator programme on their own. There are social entrepreneurship clubs up and running on a permanent basis in Norilsk and Monchegorsk.

**Business Projects Accelerator**

The Business Projects Accelerator is an acceleration programme for small businesses organised by Nornickel in partnership with the Centre for Regional Development and Business Technologies of the Russian Union of Industrialists and Entrepreneurs in the regions where Nornickel operates. The programme aims to boost entrepreneurial initiative and accelerate the development of small businesses and projects seeking to address social and environmental issues.

Participation in the accelerator enables small businesses and NGOs to scale up financially, boost performance in terms of achieving better qualitative and quantitative results, engage the most motivated employees in the development of new products, and use available resources more effectively, while also entering new markets, and improving the perception of their organisation.



The accelerator programme commenced in November 2021 with a kick-off workshop featuring training sessions in market analysis and product development, marketing and product promotion, business economics and finances, personal effectiveness of an entrepreneur, effective team building, and specifics of small-sized businesses in extreme northern conditions. Its curriculum includes a series of thematic workshops that will be held throughout its course (for example, training on drafting a presentation for the demo day and investment session).

Individual work of the participants implies the consolidation and application of the acquired knowledge and skills, as well as recommendations from mentors based on the results of the first month of the accelerator programme. As part of next active tracking the participants can use their newly gained experience to adjust their business project.

**Participant feedback**

My project is about offering travellers comfortable accommodation on the unique Putorana Plateau, which is not a mass tourism destination. To do this, I plan to purchase temporary accommodation units, in particular, summer glamping tents or yurts. These are quick-to-set-up structures that can be dismantled

In April 2022, the annual investment session was held, featuring the final presentation of business projects by the programme participants. It brought together entrepreneurs and invited experts from Norilsk and the Murmansk Region. During the investment session, eight business projects were presented, claiming funding from Nornickel, and seven projects received support in the form of two-year interest-free loans for some RUB 17.4 mln.

The funds provided by the Company will be used towards business development in Norilsk, including the Shandy Candy eco-showroom, the purchase of training cars for the Autocourses No. 1 driving school, and the construction of the She-Bear Putorana Glamping site. Other initiatives that won the Company's support are well-known city projects, including the Coffee Friends coffee shop and the DANCE PLACE choreography school. In Zapolyarny, the winning projects were a to-be-built

for the winter. I plan to offer Norilsk residents, city guests, travellers, bloggers and tourists individual tours costing around RUB 200,000, as well as weekend getaway programmes.

SteamOK family bath and health house, and a new location of the northernmost barbershop.

Over the course of the Business Projects Accelerator training, the participants' projects showed solid growth, with the number of their clients, revenue and profit up 1.2x, 1.3x and 1.4x, respectively, and the aggregate profit of all participating projects up by RUB 2 mln in absolute terms. Their planned KPI targets were also achieved.

A total of 74 entrepreneurs were enrolled in the Business Projects Accelerator sessions, with 35 participants from Norilsk, Dudinka, Monchegorsk, Zapolyarny and Nickel successfully completing the programme. For the first time in 2022, the accelerator welcomed startup project leaders and representatives of the non-profit sector among its participants.

**Leonid Kaushan,**  
She-Bear Putorana Glamping project owner

Thanks to our participation in the accelerator programme, we realised that we needed to act to get our products into retail chains, moving forward from the preliminary supply agreements that

we already had. Further on, we expect to see our sales grow at a rate of 500 kg per month, and will use the loan we hope to receive from the Company to purchase packaging equipment.

**Sergey Serbin,**  
Coffee Friends project owner

After completion of the accelerator programme, we launched two additional groups for children, with revenue and profit going up by 29%. Now we need funds to repair one more dance hall. Our school

offers a comprehensive choreography programme, which includes eurhythmics, dancing games, physical training, and floor gymnastics.

**Lilia Yakupova,**  
DANCE PLACE choreography school project owner

**CREATE!**

The CREATE! dimension focuses on creating infrastructure for advanced development of the service economy, improving the quality of life in the regions where the Company operates, and helping local businesses sell their products and services to external markets. These initiatives are implemented by territorial development institutions, including the Norilsk Development Agency, the Second School Centre for Community Initiatives in the Pechengsky District, and the Monchegorsk Development Agency.

**Norilsk Development Agency**

Since 2017, the Norilsk Development Agency, established by the Norilsk Municipality, Nornickel and Vladimir Potanin Foundation, has been promoting favourable conditions for sustainable social and economic development of Norilsk, creating a favourable investment climate, and implementing economic diversification and urban transformation projects.

The Norilsk Development Agency carries out its activities in cooperation with representatives of local communities and Nornickel as the city's largest organisation, with a focus on:

- promoting investment and developing the business environment;
- fostering tourism;
- developing the urban environment;
- implementing social, cultural and educational projects.

In 2022, a total of 42 face-to-face meetings were held across all focus areas and were attended by 4,200 participants, including community and business representatives, the Company's employees and experts. Over the past five years, more than 160 projects improving the well-being of Norilsk residents have been implemented by the Norilsk Development Agency or with its involvement.

Focus area	Projects
Promoting investment	<ul style="list-style-type: none"> <li>• Development of a Sustainable Waste Management Concept (including the use of circular production technologies at the Eco-Industrial Park)</li> <li>• Creation of an industrial park with a building materials production cluster</li> <li>• Support for investment projects in the service economy</li> </ul>
Development of the business environment	<ul style="list-style-type: none"> <li>• Training sessions and master classes</li> </ul>
Fostering tourism	<ul style="list-style-type: none"> <li>• Development of the Arctic tourist and recreation cluster</li> <li>• Development of the OI-Gul ski lodge tourist and recreation area</li> <li>• The Taimyr Hospitality project implementation</li> <li>• Holding sports events: the Norilsk leg of the X-WATERS Open Water Swimming World Championship held on the Putorana Plateau; the Norilsk Trail run</li> <li>• Participation in Russian and international tourism exhibitions</li> </ul>
Developing the urban environment	<ul style="list-style-type: none"> <li>• International competition to create an architectural and space planning concept for Norilsk renovation until 2035;</li> <li>• Project to create an architectural and space planning concept for the development and improvement of public spaces along the Lake Dolgoye embankment;</li> <li>• City-wide major cleanup of Lake Dolgoye;</li> <li>• Improvement of public lighting and development of a new, modern-look design for public transport in Norilsk;</li> <li>• Benchmarking of available roofing materials designed for various types of roofs.</li> </ul>
Implementing social, cultural, and educational projects	<ul style="list-style-type: none"> <li>• Big Argish festival 2022;</li> <li>• Academy of Creative Industries project;</li> <li>• School of Urban Moderation training course;</li> <li>• Transformation of the Fedorovsky Polar State University;</li> <li>• Concept of the Dolgikh Lyceum.</li> </ul>

**Promoting investment**

As at the end of 2022, the Norilsk Development Agency was supporting 64 investment projects, 22 of which

have the Russian Arctic residency status. The supported projects include the construction of an Arctic data processing centre, the launch of a children's

entertainment centre, the opening of a bakery, the production of rubber coatings, and more.

Statistics for projects with the Russian Arctic residency status in 2022

Indicator	Value
Total investment, RUB bn	2.3
Expected tax payments (over 10 years), RUB bn	7.6
Expected new jobs	502
New jobs actually created by 2022	52
Subsidies to compensate employee social benefits paid by employers with the Russian Arctic residency status <sup>1</sup> , RUB mln	2

Economy Projects in Cities, with participants discussing the creation of an Industrial Park featuring a building materials production cluster and an eco-industrial park in the Norilsk Industrial District. This is an example of investor coordination taking into account the priority development areas in Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District.

incentives, opportunities, and conditions for doing business, inspire Norilsk residents to unlock their potential, shape the local management culture and business climate, and create an SME support platform powered by information technologies.

**Fostering tourism**

Efforts in this area are focused on promoting tourism and increasing the tourist flow in Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District.

The following events to support entrepreneurial activity in Norilsk were held in 2022:

- public discussions held on the development of small and medium-sized businesses, attended by 675 people in person (including 52 representatives of the Company);
- training sessions and master classes held for 257 Norilsk entrepreneurs.

**Development of the business environment**

The development of small and medium-sized businesses helps strengthen social and economic well-being in Norilsk, provide

<sup>1</sup> Subsidies are provided to four entrepreneurs (with a total of 22 jobs).

Projects to promote tourism in 2022

Goal	Projects and initiatives in 2022
Creation and development of tourist infrastructure	<ul style="list-style-type: none"> <li>• Development of the Arctic tourist and recreation cluster (bringing together more than 80 entrepreneurs and the tourist community of more than 300 people, including NGO representatives and experts). The tourist flow in 2022 exceeded 12,000 people (up from 2,900 people in 2019)</li> <li>• Development of the Ol-Gul ski lodge tourist and recreational area (a small circle of skiing and walking trails was built)</li> <li>• Creation and approval of the Concept to develop the Schmidt Mountain tourist and recreation area. The construction of the longest tourist staircase in Russia (5.6 km) is planned with three covered viewing platforms and educational integrations</li> </ul>
Facilitating the emergence of new forms of tourism and the local tourist offering	<ul style="list-style-type: none"> <li>• Registration of two new tour operators, creation of three ethnographic villages, development of 19 new tourist routes, registration of 70 self-employed entrepreneurs engaged in tourism projects</li> <li>• Participation of eight Norilsk and Taimyr producers in the Arctic Souvenir country-wide competition to support Arctic trades and souvenir artisans</li> <li>• Participation of nine Norilsk facilities in the Open Industry country-wide industrial tourism accelerator, with plans to launch 16 package tours including industrial site visits</li> </ul>
Assistance in improving the quality of tourism and hospitality services	<ul style="list-style-type: none"> <li>• 36 events held; 180 guides and instructors trained and certified, and eleven tourist routes certified as part of the Taimyr Hospitality project</li> <li>• Training professionals from the tourism industry in various areas. RUB 800,000 spent from the regional budget to provide training to the cluster members, with 28 guides and instructors trained</li> </ul>
Promotion of tourist attractions and products, including digital promotion	<ul style="list-style-type: none"> <li>• The Norilsk leg of the X-WATERS Open Water Swimming World Championship held on the Putorana Plateau, with 27 swimmers from across the country taking part, and a record set for the most massive cold water swim in Russia</li> <li>• The Norilsk Trail run, the first off-road trail-running event in the history of Taimyr, which brought together some 40 participants</li> <li>• The MITT-2022 international travel exhibition, featuring seven tour operators from the Arctic cluster, sightseeing tour agencies and local product manufacturers among participants. The cluster's stand was awarded the grand prix as the most creative stand and drew more than 9,000 visitors as part of the exhibition's three-days programme</li> <li>• The Travel Ventures video project exploring the regional travel potential (19 episodes released in 2022)</li> <li>• Promotion of the region as a travel destination as part of the Route of the Year All-Russia Tourist Awards, the Bering Strait International Festival (Anadyr, Chukotka), the 2nd Russian Travel! Forum (Moscow), and others</li> </ul>

During the reporting year, public discussions on tourism development issues were held, as well as other face-to-face events involving the city residents, that were attended by a total of 791 participants, including 212 representatives of the Company.

**Developing the urban environment**

In 2022, the Norilsk Development Agency, jointly with the Norilsk Administration, representatives of Nornickel, and the CENTRE Lab international urban laboratory, held an open international competition to create

an architectural and space planning concept for Norilsk renovation until 2035 that drew 27 bids from across 13 countries.

Three consortia made of Russian and foreign architectural organisations, including the Higher School of Economics, State



Research and Design Institute for Urban Development of the City of Moscow, and Krasnoyarskgrazhdanproyekt Territorial Institute of Urban Planning were shortlisted for the final round. Each finalist proposed solutions for making the city a better place to live, study and work in, improving the efficiency of public use of the city's spaces, as well as landscaping, and enhancing transport and engineering infrastructure. The final stage of the competition resulted in Nornickel obtaining as much as three architectural concepts at once.

In addition, the following initiatives were completed in 2022 with a view to creating comfortable open urban spaces:

- a project to create an architectural and space planning concept for the development and improvement of public spaces along the Lake Dolgoye embankment;
- the first city-wide major cleanup of Lake Dolgoye, which brought together representatives of the city administration, Nornickel, sports communities, entrepreneurs, and active citizens (a total of more than 130 people);
- improvement of public lighting and development of a new, modern-look design for public transport in Norilsk;
- benchmarking of available roofing materials designed for various types of roofs, with the materials transferred for further use as part of repairs in municipal projects.

In 2022, public discussions were held on the development of urban infrastructure (including co-design) in Norilsk, in which 729 people participated in person (including 189 representatives of the Company).

### Implementing social, cultural, and educational projects

In 2022, the Norilsk Development Agency, with the support of Nornickel and the administrations of Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District, organised Big Argish, the main ethnic festival of the Taimyr Peninsula. In the reporting year, it focused both on the nomadic and village lifestyle of the local indigenous peoples. Participants of several research expeditions, as well as representatives of the Nganasan, Evenk, Dolgan, Enets, and Nenets communities themselves, shared their experiences of village life on the vast expanse of the Taimyr tundra, as part of events in Norilsk and Dudinka. More than 10,500 guests had the opportunity to immerse themselves in the culture and way of life of the Taimyr ethnic groups, and explore their philosophy. The festival featured ten chums, two reindeer sled caravans, and a creative space with a large programme, including lectures, master classes, and performances.

As part of the School of Urban Moderation training course developed and held in 2022 for media representatives and public opinion leaders, seventeen Norilsk residents interested in learning the technology of urban moderation were trained to skilfully initiate and lead an urban dialogue. A three-month training programme offered them an opportunity to moderate meetings, workshops, discussions, and other activities (including five city-wide activities) under the online guidance of the course author.

In the field of education, 2022 saw the continued transformation of the Fedorovsky Polar State University. The architectural and space planning solutions for the new campus were developed, and a series of training events were held

for the university managers and staff (22 people). Additionally, the concept for the Dolgikh Lyceum was developed and approved, with a range of training activities organised for the project team members.

Overall, the social and cultural events held in 2022 as part of the CREATE! dimension were attended by 1,783 people in person.

### Second School Centre

Following the shutdown of smelting operations in the town of Nickel, the Company partnered with members of the local community and Russia's Monotowns Development Fund to identify the key priorities of a strategy to support continued social and economic development in the Pechengsky District. They include creating new businesses based on ready-made business models, opening a universal industrial park, developing the service economy and tourism, and transforming the social and cultural environment.

The Second School Centre for Community Initiatives in the Pechengsky District was set up to integrate the efforts toward the implementation and support of the Programme for Social and Economic Development of the Pechengsky Municipal District for 2021–2025 and the Conceptual Framework for the Social and Economic Development of the Pechengsky District. The centre is located within a public space.

In addition to supporting the social and cultural transformation, the centre acts as an integrator for the development of economic diversification projects focused on business development, urban environment, tourism, as well as increasing the social activity of the population and shaping a new image of Nickel and the entire region.

## Second School Centre's projects in 2022

Focus area	Key projects and outcomes in 2022
Tourism	<ul style="list-style-type: none"> <li>• Gastro Industry Fest festival featuring industrial technology and gastronomic shows, technology workshops, works of art, and music (the event was attended by 2,229 guests, 15 restaurateurs, and 12 industry participants)</li> <li>• Creation of a tourist information centre (premises to accommodate the centre were renovated, and an online travel catalogue of the Pechengsky Municipal District was developed)</li> <li>• Spire 555 eco-industrial route (a new eco-industrial travel route was created and improved, now featuring two viewing platforms, one resting point, one camping site, and two works of arts)</li> </ul>
Promoting investment	<ul style="list-style-type: none"> <li>• Creation of a Recreation and Extreme Sports Park in Nickel (a research of the market and target audience was conducted, topographical surveying completed, and the business case developed)</li> <li>• Drafting a development strategy for the Pechenga Polytechnic College (terms of reference for the project strategy development were drafted)</li> </ul>
Business	<ul style="list-style-type: none"> <li>• Business Residence project (fairs, entrepreneur meetings with experts and master classes were held, and the Women of the North club set up)</li> <li>• Business Goes to School project (workshops on developing leadership and communication skills were held for high school students, teachers were trained to use modern technological devices in education, and an online training course on starting an IT career was held in the Pechengsky District)</li> <li>• Competition for interest-free funding of business projects (a total of RUB 212 mln was allocated in 2020–2022 to support local business projects, with 60 local residents employed as part of these projects, including BROD bakery and confectionery, the Atlas multifunctional complex, and others. In 2023, the opening of the Polaria hotel and an eco campsite in the Pechengsky District is planned)</li> </ul>
Culture and education	<ul style="list-style-type: none"> <li>• Nickel2Art project (works of art were designed and installed, with exhibitions of paintings and works of art held)</li> <li>• Nickel-Tourism-2025 project (a professional retraining programme "Arctic destinations management and Arctic tourism product development" was run)</li> <li>• Camp World Tree volunteer camp project (work was carried out to clean up the Kolosyoki riverbed, improve the area around the pedestrian bridge, etc., with a total of 208 tonnes of waste collected and prepared for removal)</li> <li>• Northern Hospitality Volunteers project (theoretical and practical sessions were held for teenagers from the Pechengsky District, and 20 volunteers participated in the Northern Wind and Gastro Industry)</li> </ul>
Urban environment	<ul style="list-style-type: none"> <li>• Demolition of Dilapidated Buildings in Nickel project (demolition of buildings that had been in a dilapidated condition for 20 years were completed in 2022)</li> <li>• Festival Square project (utilities connections were built, and installations, stands and the stage mounted; the works are planned to be completed in 2023)</li> <li>• Development of a programme to implement the Nickel master plan in terms of residential quarters renovation (inspections of residential buildings were carried out, the strength of structures assessed, and the prospective population study for the town of Nickel developed)</li> <li>• Oktyabr Community Centre reconstruction in Zapolyarny (specifications, the land plot layout and architectural and technical solutions were developed, with engineering surveys and inspections completed)</li> <li>• Reconstruction of the water supply network and sewage treatment facilities in Nickel (development of design and estimate documents for the water intake commenced)</li> <li>• Development of a design project for a pedestrian shopping area in Nickel (two design projects were developed and submitted for voting to be included in the Creating a Comfortable Urban Environment government programme for 2023. Almost 3,000 people took part in the voting).</li> </ul>

**Monchegorsk Development Agency**

Monchegorsk Development Agency is a single centre for Monchegorsk development founded by Nornickel and the Monchegorsk Administration. Its mission is to create conditions

conducive to the growth of Monchegorsk's economy, with the aim of reducing its dependence on Nornickel as the city's largest enterprise, improving the quality of life for local residents, and creating a comfortable urban environment.

Since 2021, the Agency has been focusing its activities on five key areas: tourism, urban environment, social and cultural development, business and investment, and branding.

**Tourism**

**Imandra Tourist and Recreation Cluster**

At the initiative of the Monchegorsk Development Agency, the Imandra Tourist and Recreation Cluster is being created to unlock the local tourism potential, boost the profile of Monchegorsk and its surroundings, increase the tourist flow, take the local tourism industry to a new level, and improve the quality of life in the region.

As at the end of 2022:

- the master plan for the Imandra Tourist and Recreation Cluster was developed and approved;
- four meetings with the tourism community representatives were held, drawing 65 permanent participants;
- 50 cooperation agreements were signed (including those with regard to collaboration in holding the Imandra Fest events, their marketing support and other activities);
- communication channels were established, including the Imandra Cluster Telegram channel and regular quarterly offline meetings.

**Imandra Fest**

Imandra Fest is a large-scale festival organised by the Monchegorsk Development Agency, which lasts for a full year. It features multiples events held in Monchegorsk and its surroundings that combine environmental activities, sports, and recreation. In 2022, the Agency and its partners organised and held a total of nine events, including the X-WATERS Imandra international open water swimming series, the Imandra Viking Fest (an international family festival of Nordic culture in the format of a Viking hiking camp), the Mystery of 1,000 Lakes quest (an automotive team quest), the Moncha Night Trail (a night run under the northern lights in the rugged terrain of the Kola Peninsula), the Garazhane festival (centred around the culture of the garage owner community and combining it with urban activities), and more.

**Marketing Monchegorsk as a tourist destination**

Marketing communication channels were set up to effectively reach out to tourists, including the Visit.Imandra website and social media groups (VK, Telegram, etc.). Their total audience amounted to 2.7 million people.

**Tour Operator School**

In 2022, the Tour Operator School offered eight training modules and 33 theoretical classes on the basics of tour operator activities. The training was free of charge, with guides, tour operators, activists, and entrepreneurs from Monchegorsk and the Murmansk Region learning to create and promote popular tourism products. At the end of the training, the students created ten presentations showcasing local travel and tour products. The product cards were posted on the region's tourism website ([visit-imbandra.ru](http://visit-imbandra.ru)). A total of 49 people applied for the training programme, with four tour products making it to the final stage, and three new jobs created in the Monchegorsk District.

**Urban environment**

**City Dweller School in Monchegorsk**

The City Dweller School helps residents learn how to implement their ideas for creating and improving public and courtyard spaces in Monchegorsk. The school experts also share insights into trends and successful case studies related to urban improvement and the development of small towns in Russia. Furthermore, residents are trained to leverage government and grant programmes that will be helpful in implementing urban projects.

In 2022, the school held 15 lectures on various aspects of urban development.

Following the completion of the 2022 training course, the school partners selected two initiatives proposed by the course participants and provided financing for their implementation.

**Improvement of the Revolution Square in Monchegorsk**

In 2022, a concept for the improvement of the Revolution Square in Monchegorsk was developed.

A set of drawings (master plan, transportation scheme, surfacing layout, landscaping and lighting plans, etc.) and graphic visuals were prepared in line with the proposed design solutions, and a transportation model was developed for the movement of vehicles and pedestrians based on the chosen layout option (circular traffic movement).

**Social and cultural development**

**Management strategy for the development of School No. 5 in Monchegorsk**

The project aims to create a modern learning environment in Monchegorsk, leveraging the existing schools and addressing the expected decline in the number of students. The management strategy for the School No. 5 development can be used as a model strategy to develop other schools in Monchegorsk, helping improve public satisfaction with the quality of education and overall well-being in the city, while also contributing to the effectiveness of utilising school buildings.

**ArtArctica residence**

The project seeks to create a favourable public environment to attract and bring together creative individuals and drive the creative industry development in Monchegorsk.

In 2022, six master classes were held by the ArtArctica residents for the Monchegorsk locals, and a mobile app was developed, featuring the Murmansk Region's first ever augmented reality park (ArtArctica AR Park) with six unique works of arts highlighting the local natural and cultural heritage.

The project helps foster a greater sense of community and ownership by involving residents in the creation of local attraction points.

**Monchegorsk creative cluster development concept**

The project seeks to advance the creative industries in Monchegorsk by promoting the production and provision of goods and services with high added value derived from intellectual property items.

In 2022, a community of potential cluster residents was formed, the Creative Cluster Telegram channel was joined by more than 300 members, and applications for the cluster residency were submitted by entrepreneurs from Moscow, Yaroslavl, St Petersburg, the Krasnodar Territory and the Republic of Altai as well as from the Baltic states.

## Social and cultural development

### Drafting a development strategy for the Monchegorsk Polytechnic College

The college's strategy and management team development is focused on ensuring the training of highly qualified professionals for the key sectors driving economic growth in the Monchegorsk Municipal District and the Murmansk Region in line with their forecast technology-driven growth and demand for skilled professionals.

The management team is tasked with developing new basic principles and requirements for leading the college in a changing environment, designing flagship training programmes, and holding meetings with partners. A series of strategic sessions is planned for 2023 to implement the developed strategy.

## Business and investment

### Arctic startup

Thanks to the successful launch of the Youth Startup project in 2021, Monchegorsk benefited from several new business ideas being brought to life. In 2022, the project continued with minor adjustments, welcoming not only young, but also more mature and experienced entrepreneurs willing to start a business in Monchegorsk.

The participants attend workshops on motivation, marketing, promotion, niche search, and funding, communicate with mentors, develop business plans, present their ideas to experts and potential investors, and receive feedback on the viability of their projects.

As part of the project, 36 funding applications were developed and submitted, with 11 ones being selected by development institutions and receiving financial support in the amount of RUB 25.2 mln.

Also, Monchegorsk entrepreneurs can receive a subsidised loan of RUB 50 mln to finance their projects as part of the Arctic Investor programme. In 2022, five investment agreements were concluded for a total of RUB 151.6 mln

### Monchegorsk investment portfolio

In 2022, promising investment opportunities were presented to entrepreneurs from all over Russia with a view to taking the city's economy to a new level.

The investment portfolio features 16 projects in the spheres of tourism, service, and other small-scale business ideas (food truck, glamping site, houseboat, a Viking port, cold storage, ice cream factory, and others).

Each of the proposed projects will enjoy consumer demand in Monchegorsk as confirmed by a large-scale survey of the target audience and its needs.

The Monchegorsk Development Agency provides administrative, organisational and informational support to potential investors.

### Business House School for young entrepreneurs

In 2022, a business reality show was launched for young people from the Murmansk Region aged 16 to 25 and keen on entrepreneurship. A total of 130 applications were submitted, with 21 candidates selected to participate in the show, and 20 experts invited as mentors. The winner of the project chose training at the Arkady Novikov Culinary and Restaurant Management Schools as the main prize.

### Franchise Fair

The Franchise Fair aims to introduce both novice and experienced entrepreneurs to the franchise model opportunities for business development, which include subsidies, loans, crisis management insights, and more.

In 2022, the fair was held for the second time, and in addition to franchise presentations from different regions, it also featured training modules, themed workshops, and discussions. It also leveraged social surveys conducted prior to its launch.

## Branding

### Monchegorsk brand communication strategy

In 2021, a global project was launched to develop a brand strategy, graphic design style, unique map of the city, and design code for Monchegorsk.

The surveys, focus groups and in-depth interviews were carried out to get to know Monchegorsk residents better, identify the unique features of the city and explore its historical background, which became the cornerstone of the region's brand strategy.

As at the end of 2022:

- a communication strategy was developed;
- a website (knowledge base, guidelines) for the use of city's brand was developed ([monchebrand.ru](https://monchebrand.ru)) (the website is being filled with content as new city projects arise);
- a series of lectures and consultations on branding were delivered.

### Lakes Around Us multimedia project and interactive lake map

Monchegorsk is home to picturesque northern lakes. The "lake land" brand of the city is designed to highlight the natural beauty of the region and unlock its unique potential.

It seeks to position Monchegorsk as a modern city, shifting the focus away from its industrial profile and unveiling local life through the lens of its connection with the lakes, offering a single visual and semantic context for the entire variety of the city's projects.

To achieve this, in 2022, lake maps were developed with the input of the local residents, and a project was launched to shoot a video series featuring personal stories of townspeople related to the lakes (directed by Nikita Filatov). In addition, the Sounds of Monchegorsk project was authored and launched in collaboration with the Summer Garden music band.

### MDA Academy

One of the longest-standing projects of the Monchegorsk Development Agency, MDA Academy offers training programmes for the city residents helping them enhance existing or acquire new competencies across five areas.

It seeks to engage locals in projects that advance the city's development, as well as boost their competencies, foster community spirit, and enhance service quality in the business and service economy. The MDA Academy offers training sessions, workshops and lectures led by experts and top coaches. At the end of the programme, a video archive of the training materials is created and uploaded on social media, being freely

available to those interested.

By the end of 2022, over 40 training events and activities were delivered by ARM Academy, drawing more than 1,000 local participants. It plays a significant role in inspiring more Monchegorsk residents to pursue entrepreneurship and become self-employed.

## Sports sponsorship

Nornickel has an extensive experience in implementing sponsorship programmes, which is our long-standing commitment and an important part of the Company's positioning both externally and internally.

Our approaches to sponsorship and its geographic coverage are aligned with the Company's sustainable development strategy aimed at driving positive change and improving the quality of life for employees and the population across our footprint.

The key principles of managing sponsorship programmes are:

- leveraging sponsorship and partnership opportunities to improve the quality of corporate projects and events focused on sports and a healthy lifestyle;

- enhancing the Company's image by benefitting from synergies between the sponsor and the sponsored brands and building long-term associative connections between the sponsor and the sponsorship projects;
- maximising the social impact of the existing partnerships with a focus on the Company's geography in implementing sponsorship projects.

Nornickel is committed to promoting sports and a healthy lifestyle in the regions where it operates and across Russia. By implemented our dedicated comprehensive programmes and projects, we seek to contribute to the sustainable development of local communities and drive social and environmental innovations.

For several years, the Company has been a partner of the Russian Football Union, the Russian Futsal Association, the Russian Ice Hockey Federation, the Night Hockey League, the Russian Curling Federation, the Russian Chess Federation, and other associations and unions. Nornickel also owns the CSKA professional basketball club and the Norilsk Nickel futsal club.

In 2022, the Company continued with its sponsorship projects in partnership with leading sports federations and associations.

### CSKA professional basketball club

For many years, Nornickel has been the owner and general sponsor of the CSKA basketball club, the champion

of the EuroLeague and VTB United League in the 2018/2019 season, and one of the strongest sports brands in Russia. With the Company's support since the 2002/2003 season, the club made it to the EuroLeague's Final Four 17 times out of 18 and won it four times.

In collaboration with the CSKA Professional Basketball Club, the CSKA Junior project is being implemented, which features sports and training events and activities for young basketball players.

In 2023, the flagship Russian basketball club will celebrate its 100th anniversary. The jubilee festivities will involve both fans and athletes and be held with the active support of Nornickel.

### Russian Ice Hockey Federation

The cooperation agreement between Nornickel and the Russian Ice Hockey Federation, which was signed in 2018 for a period of four years, has been extended for the 2022/2023 season. At this stage of cooperation, the Company has become an official partner of the Federation and the general partner of the Red Machine national ice hockey development programme.

Starting from the 2022/2023 season, Nornickel also acts as an official partner of the U25 young stars team made of hockey players under 25 who are playing in Russia. The project has been put together with the target of increasing the popularity of ice hockey in the country and boosting the public profile of Russian national youth and junior teams.

Another important dimension of this cooperation is the Polar Region Hockey social and sports programme implemented across the Polar geographies accommodating the Company's production facilities. It is aimed at supporting sports schools and the training and professional development of coaches and referees, as well as holding youth tournaments and master classes for young hockey players.

Over 20 joint events have been held since the programme's launch, including four children's training camps in the Murmansk Region, eight training modules for coaches and referees from Norilsk, Dudinka and the Pechengsky District, two Nornickel Cup youth tournaments, and three sports and academic shifts in the Sirius Educational Centre.



As part of these events, over 30 coaches and referees from Norilsk and the Pechengsky District were trained and improved their professional qualifications. The programme helped boost the number of children engaged in hockey by 28% in Norilsk and 55% in the Pechengsky District. The children's ice hockey teams across the Company's regions improved their playing skills and were runners-up in regional competitions in the 2021/2022 season. More than 100 sets of sports gear, game and training equipment were provided to the sports schools.

In 2022, the Company continued to implement joint programmes and projects with the Russian Ice Hockey Federation, including sports and recreation camps in Volgograd, an intensive Ice Hockey sports programme at the Sirius Educational Centre, a training workshop for coaches and referees in Norilsk, the Nornickel Cup youth tournament for players under 13 years of age, and a children's training camp in Zapolyarny.

### Night Hockey League

The Company is the general partner of the Night Hockey League, implementing a number of large-scale joint projects aimed at developing and promoting amateur ice hockey. The Night Hockey League brings together thousands of ice hockey enthusiasts and is the largest amateur sports project both in Russia and globally. It drives the development of sports infrastructure, with the cities where the winners of the National Night Hockey League Teams' Festival play seeing new ice rinks built every year.

An important part of Nornickel's cooperation with the Night Hockey League are the annual charity hockey games in Norilsk, featuring world-renowned hockey stars. The funds raised from these games are matched by Nornickel and used to support the development of children's sports schools in the region. Over the years of holding these charity games, more than RUB 16 mln has been raised.

Throughout the entire history of the Night Hockey League, the 2021/2022 season saw the largest number of participants, with 21,467 players from 1,151 teams, and 75 regions taking part.

By collaborating with the Night Hockey League, Nornickel is able to support the progressive development of local hockey teams participating in the League's current tournament.

### Football Union of Russia

Nornickel is a partner to the Russian Football Union's development programmes, with the respective cooperation agreement signed for 2021–2023. A major element of the partnership is the Succession ("Nasha Smena") talent pool programme aimed at supporting children's coaches in the regions and helping them enhance their qualifications, as well as sourcing and nurturing young talent, which is a strategic priority for Russian football.

In 2022, the following events were held in partnership with the Russian Football Union:

- a football festival was organised in Monchegorsk, along with selection camps for young athletes. Football legends, who are also ambassadors of the Russian Football Union, led a series of master classes for young football players, participated in an open meeting with fans, and hosted a football marathon, in which over 350 young athletes took part;
- over 200 coaches from across Russia participated in a conference organised by the Russian Football Union. The event sought to help Russian children's and youth football coaches improve their training qualifications and develop stronger professional skills and competencies. The conference participants discussed the updated system of coaching education, approaches and issues related to talent sourcing, interaction with parents, specifics of physical training, and principles of training mixed teams.

### Norilsk Nickel Futsal Club

Nornickel is the owner and sponsor of the Norilsk Nickel Futsal Club, the only professional sports club in Norilsk and the only professional futsal club in the Krasnoyarsk Territory.

The team has repeatedly become the winner of the top, second and third prizes in the Russian Futsal Superleague and has won the Russian Cup.

In 2022, a second team made up of graduates of the sports school was set up. This helped the club finalise its own talent sourcing and training model as follows: children's sports club → sports school → youth teams → second team → first team.

The club's home arena – the Aika sports and recreation centre built with funding from Nornickel – is one of the best futsal venues in Russia ready to host matches of the highest level held under the auspices of UEFA. Since the opening of the Aika sports arena in 2020, it hosted over 40 official matches of the Russian Futsal Superleague and the Russian Cup, including 20 games in the 2021/2022 season, with the Norilsk Nickel Futsal Club winning the bronze medals of the Superleague.

### Russian Futsal Association

For eight years, Nornickel has been one of the key partners of the Russian Futsal Association that hosts the Russian Futsal Superleague and the Russian Cup competitions among professional clubs. The association also supports children's and youth tournaments.

A major element of the partnership between the Company and the Association is the Futsal to Polar Schools national project, which brings together 129 schools and more than 11,000 participants from the Krasnoyarsk and Trans-Baikal territories, as well as the Murmansk Region. The project promotes a comprehensive approach to holding futsal tournaments

among schoolchildren by making futsal part of extracurricular physical education and recreational sport programmes of educational institutions. In addition to holding tournaments, the project seeks to provide participants with material and technical support while also offering training courses for physical education teachers to improve their qualifications.

### Support for the development of curling in the Arctic

In 2022, Nornickel and the Russian Curling Federation joined forces to hold another annual stage of the Nornickel Curling Cup world tour, which welcomed winners and runners-up of the World Curling Championships and Olympic Games.

The programme of the competitions weekend included master classes for the curling school students, various activities at the Taimyr Ice Arena showcasing elements of the North's indigenous culture, and spectacular opening and closing ceremonies directed by some of the world's most talented producers.

The local curling team's successful performance in the regional tournaments and the growing number of local residents who have taken up curling are among the key social benefits resulting from the Company's partnership with the Russian Curling Federation. Curling is an inclusive sport accessible to players from various social groups, including young people, seniors, and indigenous populations.

