

Managing conflicts of interest

The Company pays special attention to timely identification and prevention of conflicts of interest. With the Regulations on the Prevention and Management of Conflicts of Interest at MMC Norilsk Nickel in place, the Company seeks to prevent and minimise the risk of employees' personal interests influencing

the business decision-making process. In addition, the Company approved the standard declaration form for reporting conflicts of interest, to be filled in by candidates applying for vacant positions and by individuals acting as independent contractors. There are also permanent Conflict of Interest Commissions working to ensure compliance with the principles of legality and improve corporate culture.

In 2022, we established a conflict of interest reporting process for the employees of Russian business units hired before the Regulations on the Prevention and Management of Conflicts of Interest came into effect.

Anti-money laundering and counter-terrorist financing initiatives

For the purposes of anti-money laundering / counter-terrorism financing / prevention of proliferation of weapons of mass destruction (AML/CFT/CPF), the Company has put in place internal controls in strict compliance with Russian laws and its own by-laws:

- Federal Law No. 115-FZ On Anti Money Laundering and Combating the Financing of Terrorism dated 7 August 2001;
- MMC Norilsk Nickel Internal Control Rules on Combating Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction.

- taking measures to mitigate the AML/CFT/CPF risks and their potential effects, among other things, by engaging all employees, within their competences, in identifying risk criteria for suspicious transactions;
- systematic employee training.

Other AML/CFT/CPF efforts include due diligence of customers prior to entering into contracts, identification of beneficial owners, analysis of customers' business reputation and other reasonable and available measures depending on the risk exposure.

In 2022, the Internal Control Rules were updated to reflect Federal Law amendments.

The key principle of internal control for AML/CFT/CPF purposes is the risk-based approach that covers:

- customer identification and due diligence;
- assessing the risk of suspicious transactions made by customers;
- assigning a risk group;



Grievance policy

GRI 2-16, 2-25, 2-26, 207-2

Corporate Trust Line

In 2010, Nornickel launched its Corporate Trust Line (CTL) as a primary tool to manage complains and queries. Available to a wide range of stakeholders, the line helps to quickly respond to their concerns relating to the protection of assets and corporate interests, prevention of abuse, theft and other violations.

The CTL is accountable to the Internal Control Department and operates in line with the Company's by-laws. Responsible for the service are its operator and head along with the Director of the Internal Control Department.

Report statistics (broken down by Group company) are submitted to units in charge on a quarterly basis. CTL performance is reviewed by the Board's Audit Committee. CTL is subject to assessment by the Vice President for Internal Control and Risk Management, the Board's Audit Committee and employees taking part in an engagement survey named "Let Everyone Be Heard. What Do You Think?".

Persons in charge of the CTL have individual KPIs such as a timely and proper processing of incoming communications and reporting on CTL performance to interested users.

Key principles

CTL is guided by the following principles designed to prevent retaliation against or pressure on whistle-blowers:

- guaranteed confidentiality for whistle-blowers;
- independent consideration of reports;
- timely and unbiased consideration of all incoming reports irrespective of the position and employment period of the person mentioned therein.

Any stakeholder may contact the CTL reporting both potential corruption and a wider range of matters related to violations of procedures and by-laws, including with respect to human rights, environment, labour relations, etc.

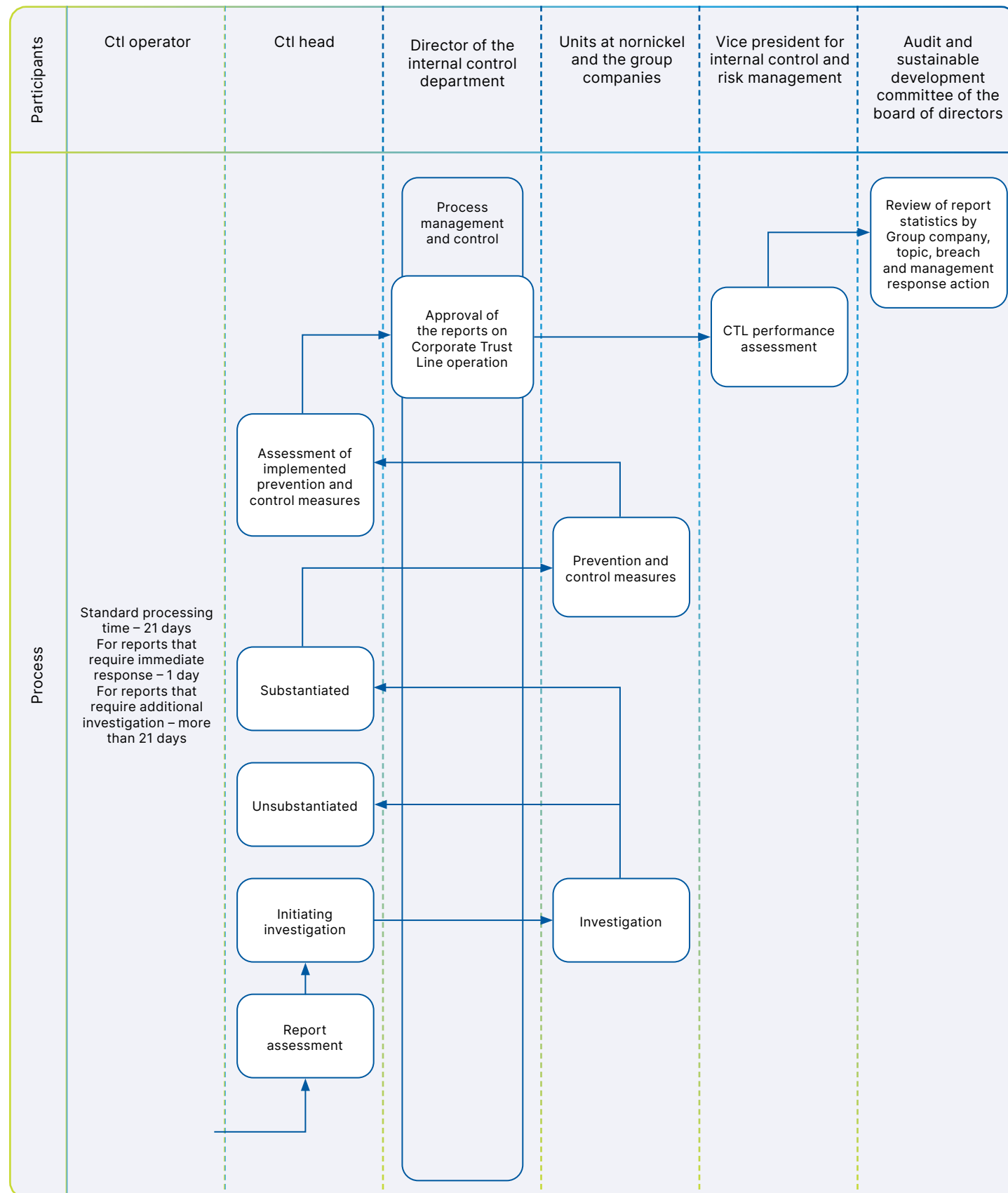


For everyone wishing to make a report, toll-free channels are available 24/7:

- +7 800 700 1941 and +7 800 700 1945;
- e-mail: skd@nornik.ru;
- online form at <https://www.nornickel.com/sustainability/corporate-hotline/>

The procedure provides for the operator to fully handle the report (from registration in the information system to review by a dedicated function and assessment of the response by the Head of the Corporate Trust Line) within 21 business days. The exceptions are reports that require immediate action or additional investigation. If found substantiated, the report triggers a set of control measures, and if a violation is confirmed, steps are taken to correct the situation, eliminate any negative consequences, and inform stakeholders.

Framework for registering and reviewing reports by the Corporate Trust Line



CTL procedures provide for sending a response explaining the results of the review to the applicant only upon their request. In late 2022, the Company prepared a draft update of the Corporate Trust Line Procedure. Among other things, the update provides for informing applicants about the registration of their complaints or queries and the review outcomes upon their request and availability of contact details.

In 2022, the Corporate Trust Line received 1,463 reports, with 589 accepted for review, 556 resolved and released from control (out of which 159 were confirmed and 397 not confirmed). Most reports had to do with labour relations and commercial and contractual activities. As at 1 January 2022 and 31 December 2022, 70 and 103 reports were at the processing stage, respectively.

In 2022, the Corporate Trust Line received

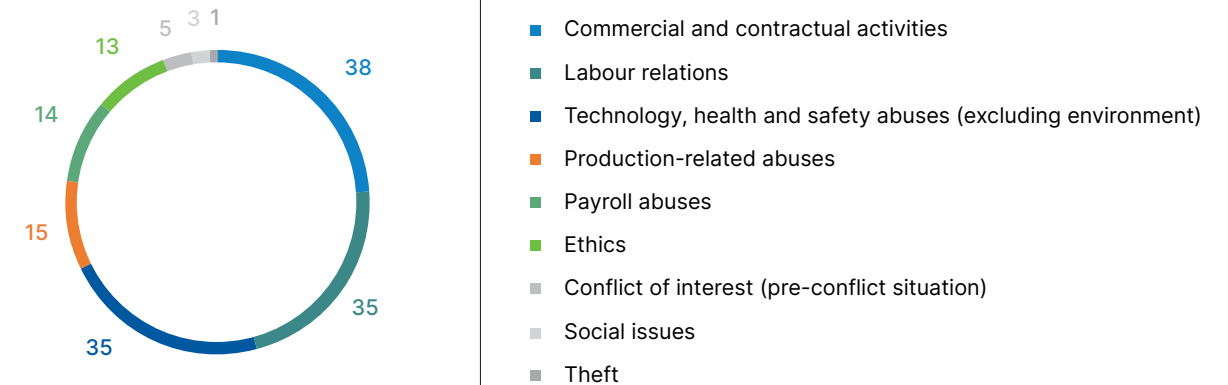
1,463 reports

All employees are kept thoroughly informed of this service through information displays and stands, payslips, corporate calendars, brochures, etc.

Reports received in 2022 by type of reported abuse (589 in total)



Reports confirmed in 2022 by type of reported abuse (159 in total)



Grievance Mechanism

In 2022, the Company introduced additional corporate procedures to improve the Grievance Mechanism and its accessibility to external stakeholders (local and indigenous minority communities, suppliers or contractors, etc.). Company employees and other stakeholders can continue using the Corporate Trust Line and other channels for grievance purposes (telephone numbers, an online form on the Company's website or an e-mail). The Mechanism does not replace any existing statutory or corporate rights protection mechanisms.

The new Mechanism provides for pre-trial dispute resolution based on dialogue and mediation. It is not mandatory and does not limit the right to statutory remedies, such as legal action.

The Grievance Mechanism serves the following purposes:

- receiving, reviewing and resolving complaints about adverse impacts either caused or contributed by, or directly linked to, our own activities and business relationships;
- early prevention, identification and elimination of social and human rights risks, in addition to supporting continuous improvements in the Company's operations, to strengthen the relationships between the Company and its stakeholders in the long run.

The Mechanism is not intended to address any pre-existing social, economic, or cultural issues affecting local communities across the Company's operations. The Company continues to resolve them using other mechanisms and social programmes.

Complaints are filed through CTL channels, community liaison offices, and Company executives. A complaint may be submitted by the initiator or with the help of company representatives and independent experts in case of any difficulties.

The standard review period is 21 business days when filed through the Corporate Trust Line and 30 calendar days for other channels. If more time is needed for review and resolution, the initiator is notified to this effect within 30 days.

Initial assessment of the information received from the applicant involves determining which division head should receive the complaint, whether additional information and investigation are required, and whether the complaint should be considered by an independent expert group or redirected to government authorities. This means that the grievance mechanism has three levels such as internal, independent (expert) and government:

- if the review identifies signs of non-compliance which require the complaint to be referred to government authorities, or violations of applicant rights requiring

referral to an independent expert group for further consideration, the complaint is redirected as appropriate;

- internally, complaints are reviewed in accordance with the Company's by-laws. Remediation and restoration of stakeholder rights are handled by the Company's Head Office and Russian business units.

To monitor the performance of the Mechanism, we collect feedback from complaint initiators and assess the level of satisfaction on an ongoing basis and annually by analysing the feedback received during consultations with stakeholders across the Company's footprint and at the Head Office.

In 2022, we held discussions with stakeholders on options for improving the corporate Grievance Mechanism. Having assessed the human rights impact, external experts recommended that the Mechanism be updated and stakeholders provided with an effective access to an independent expert review to obtain a full, credible, and objective third-party (independent) decision. By developing this grievance mechanism, the Company becomes one step closer to improving the human rights due diligence system in 2023

➔ [For more details, please see the Respect for human rights section.](#)

Grievance process flow

