

HR management and social partnership

Nornickel's contribution to the Labour

Relevant UN SDGs



Related federal projects

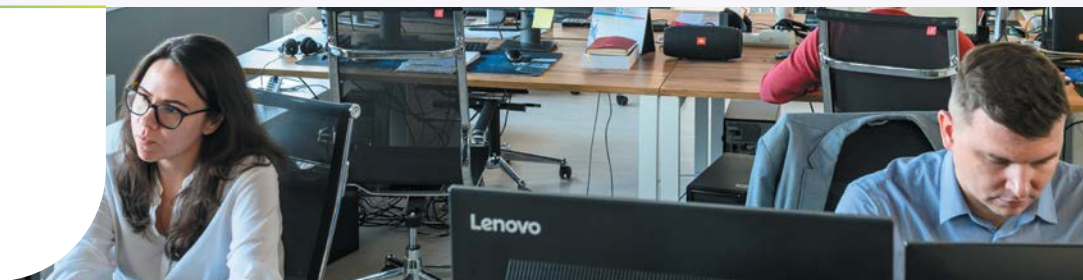
- Stimulating employment and improving labour market efficiency as a way to increase labour productivity

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.

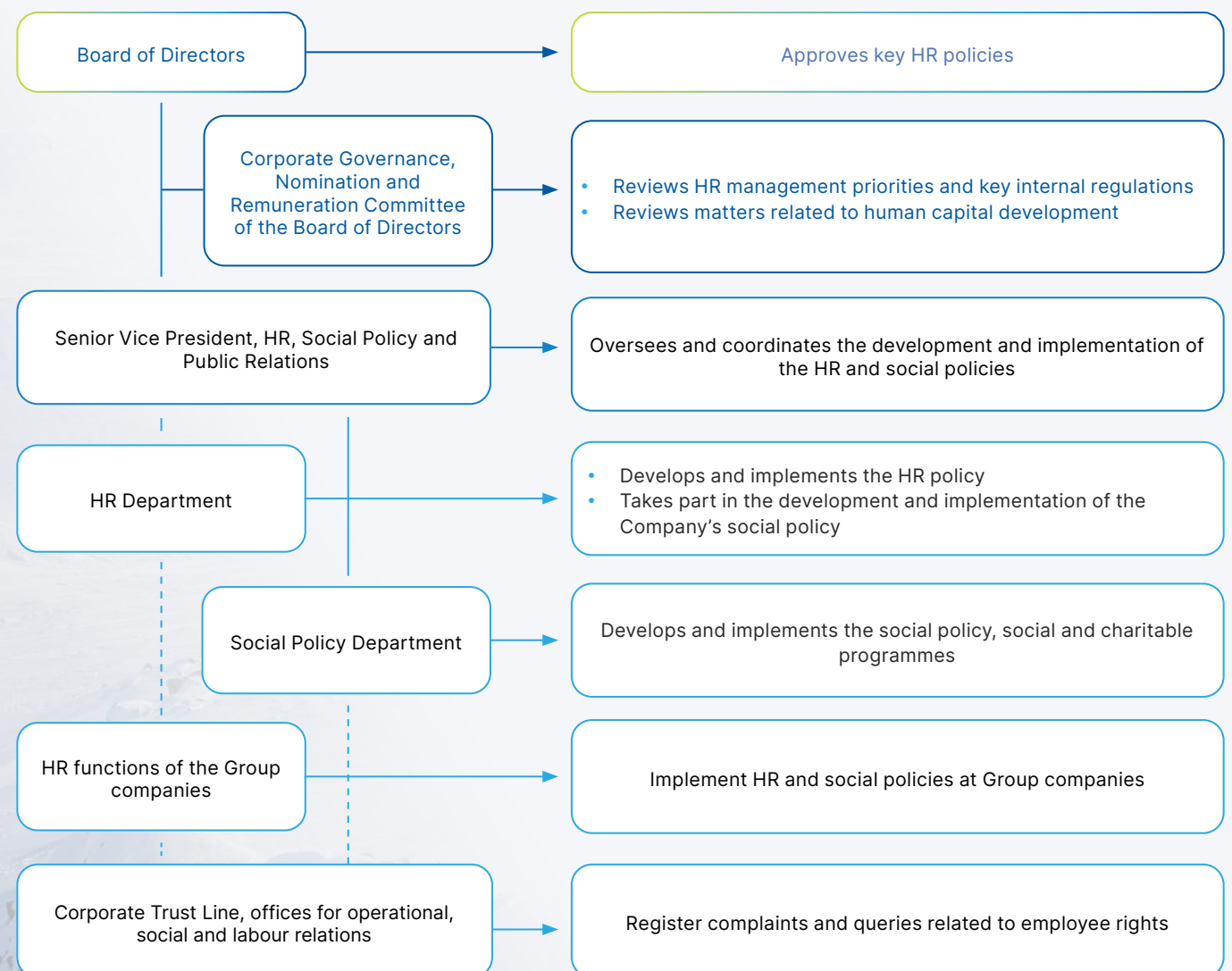
Nornickel's key HR management regulations¹

- 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.

¹ 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's¹ 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 hired² employees was 99.7% across the Group's companies as at the end of 2022.

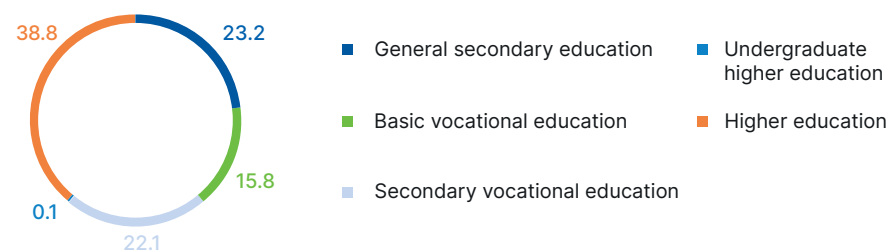
Group personnel structure by territory in 2022³ (%)



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.

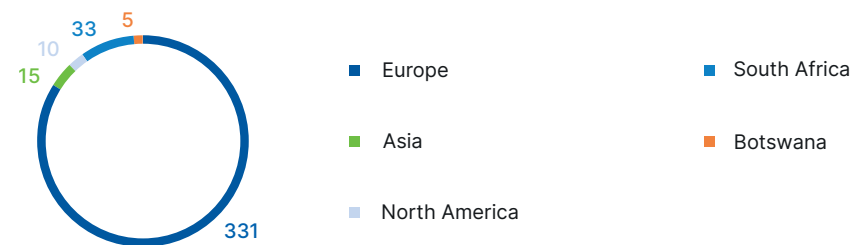
Nornickel takes the responsibility for its impact on the labour markets in the regions where it operates. In hiring personnel, we assess all candidates based on their work experience, qualifications, and education.

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%.

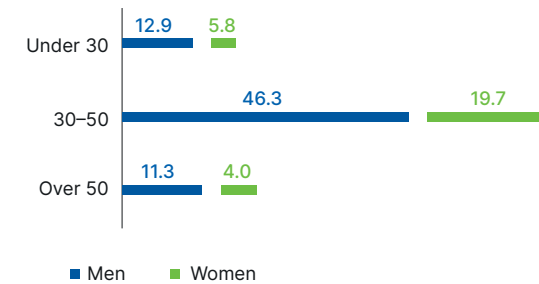
Headcount of the Group's foreign operations in 2022 (people)



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.

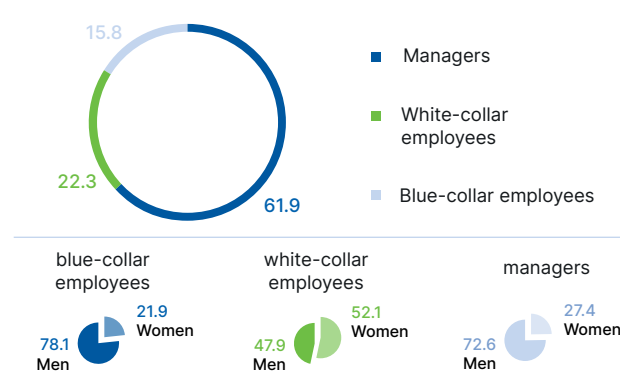
Personnel structure by gender and age in 2022¹ (%)

GRI 405-1



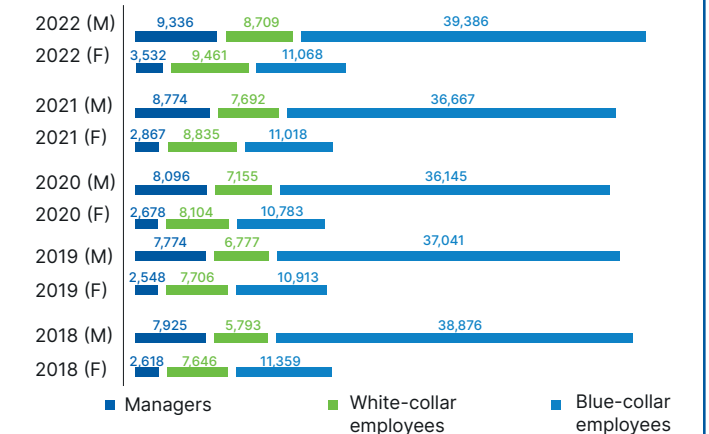
The majority of employees are men aged 30 to 50 (46.3%), whereas women below 30 years old represent the smallest part of the workforce (4.0%). Such breakdown is typical for mining companies.

Personnel structure by gender and categories in 2022 (%)

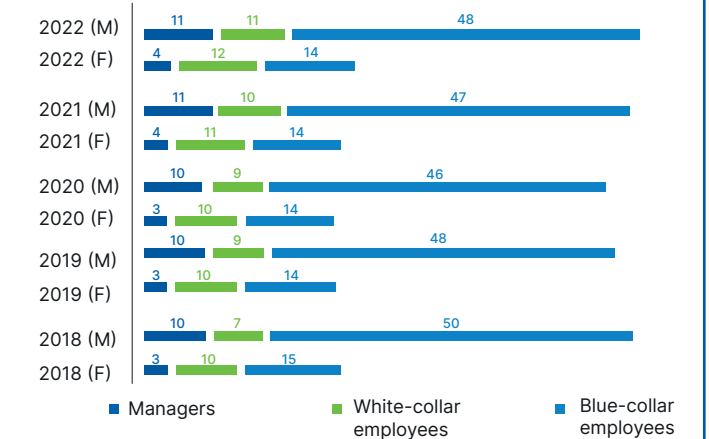


Personnel structure by gender and category in 2018–2022 (people)

GRI 405-1



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



¹ Including salaried employees and external part-timers.

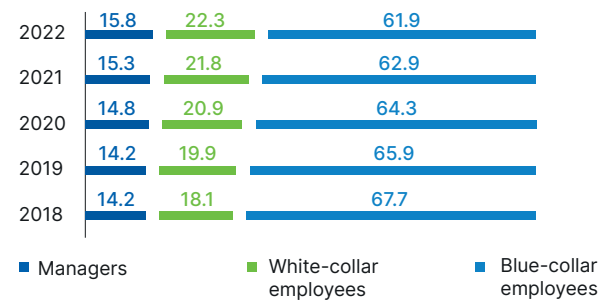
² Locally hired employees refer to the workers who are residents of the country where the relevant Group company is incorporated.

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

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

Personnel structure by category in 2018–2022 (%)

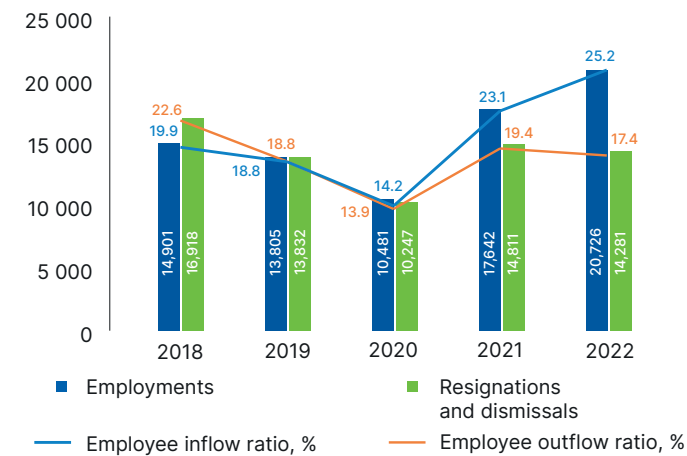
GRI 405-1



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 indicators¹

GRI 401-1

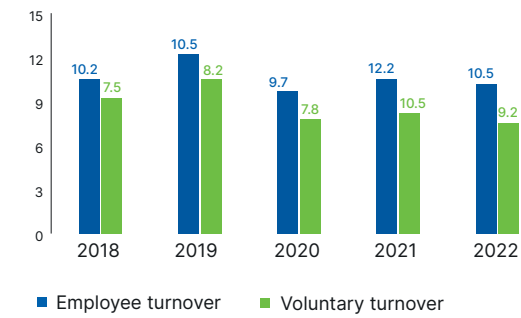


In 2022, the number of new hires increased as a result of additional recruitment for shift-camp, permanent and temporary jobs and due to staff transfers within the Group.

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

Employee turnover (%)

GRI 401-1



Employee turnover¹ as at the end of 2022 came in at 10.5%. Voluntary turnover² 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.

¹ 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.

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

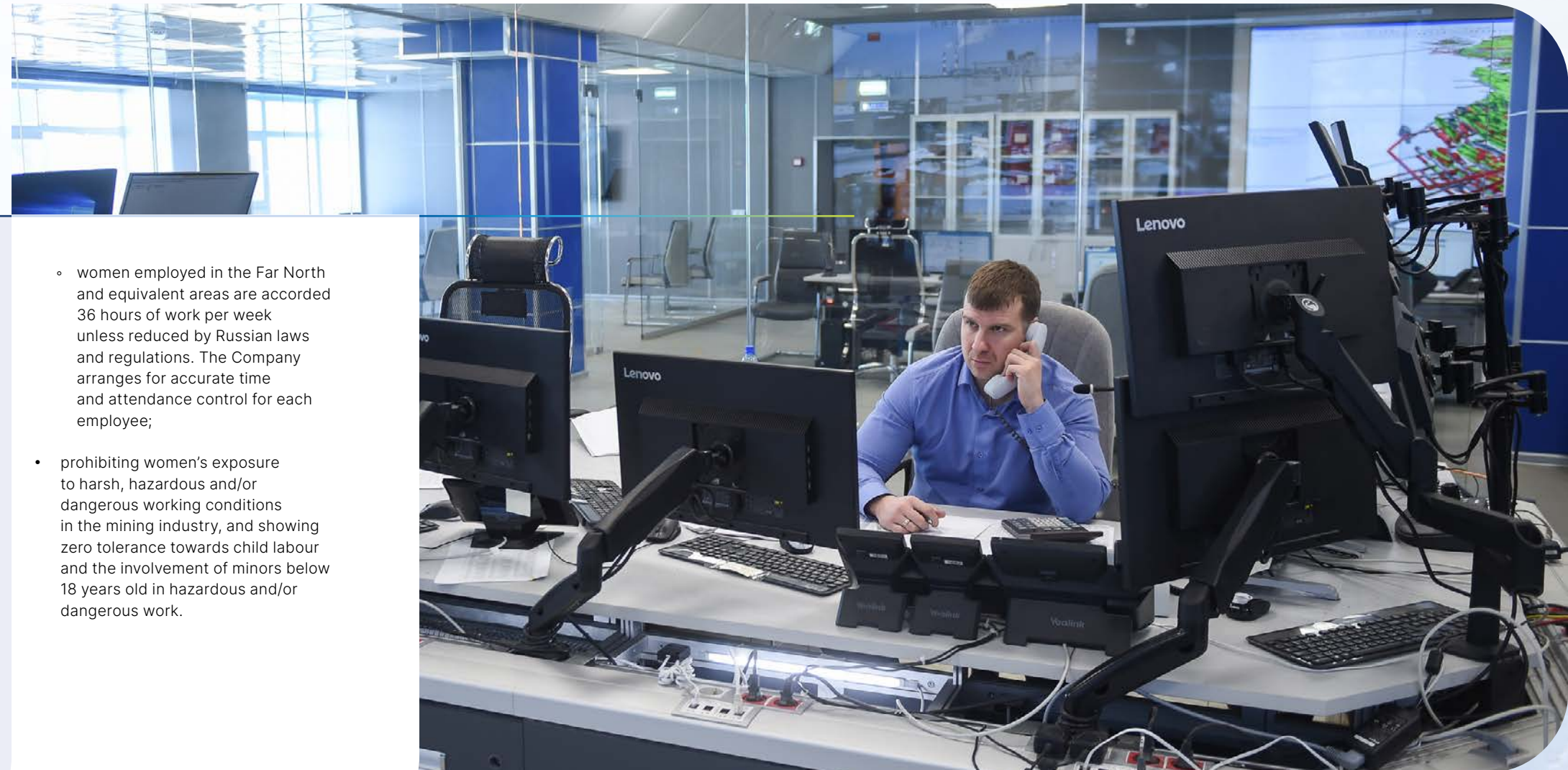
Commitment to employee rights

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);
- 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;
- 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.



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.

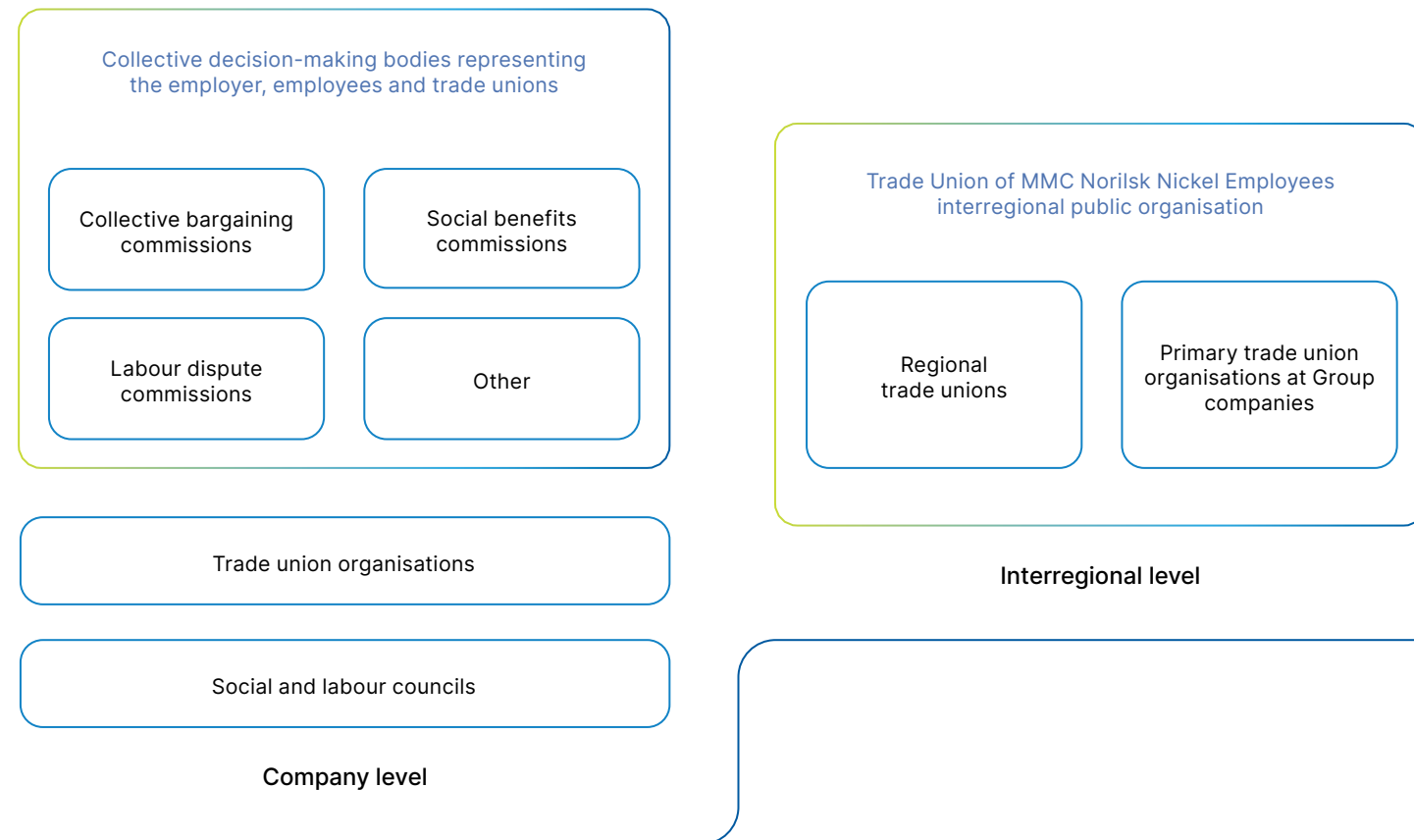
As at the end of 2022, the agreement applied to 21 Group companies, covering 89.7% of the Group’s employees.

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.

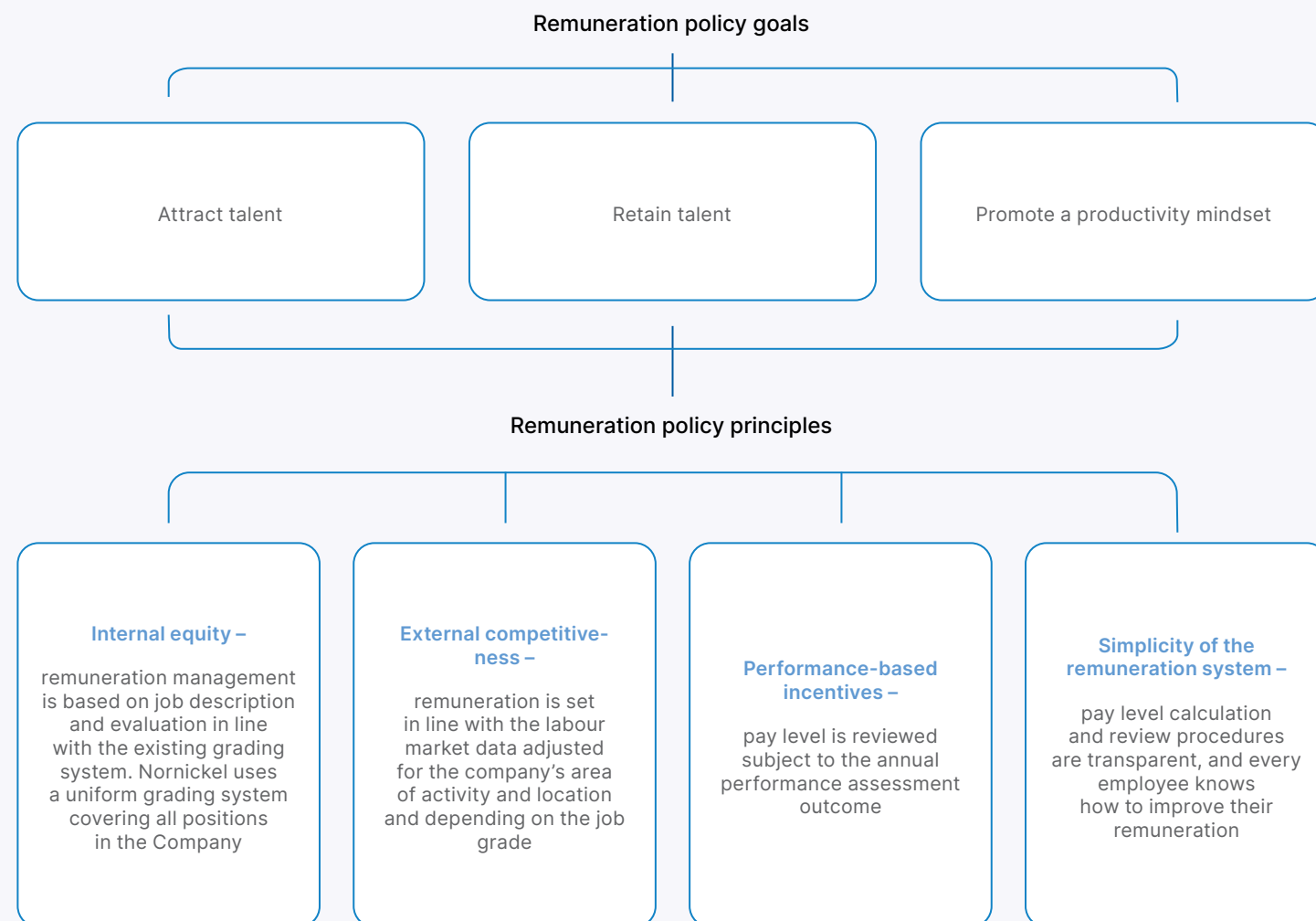
Nornickel uses a grading system designed to ensure a fair, transparent, and unbiased remuneration framework within the Company. Grading relies on the point factor method of job evaluation that takes into account knowledge and skills, the complexity of tasks, and the level of responsibility.

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.

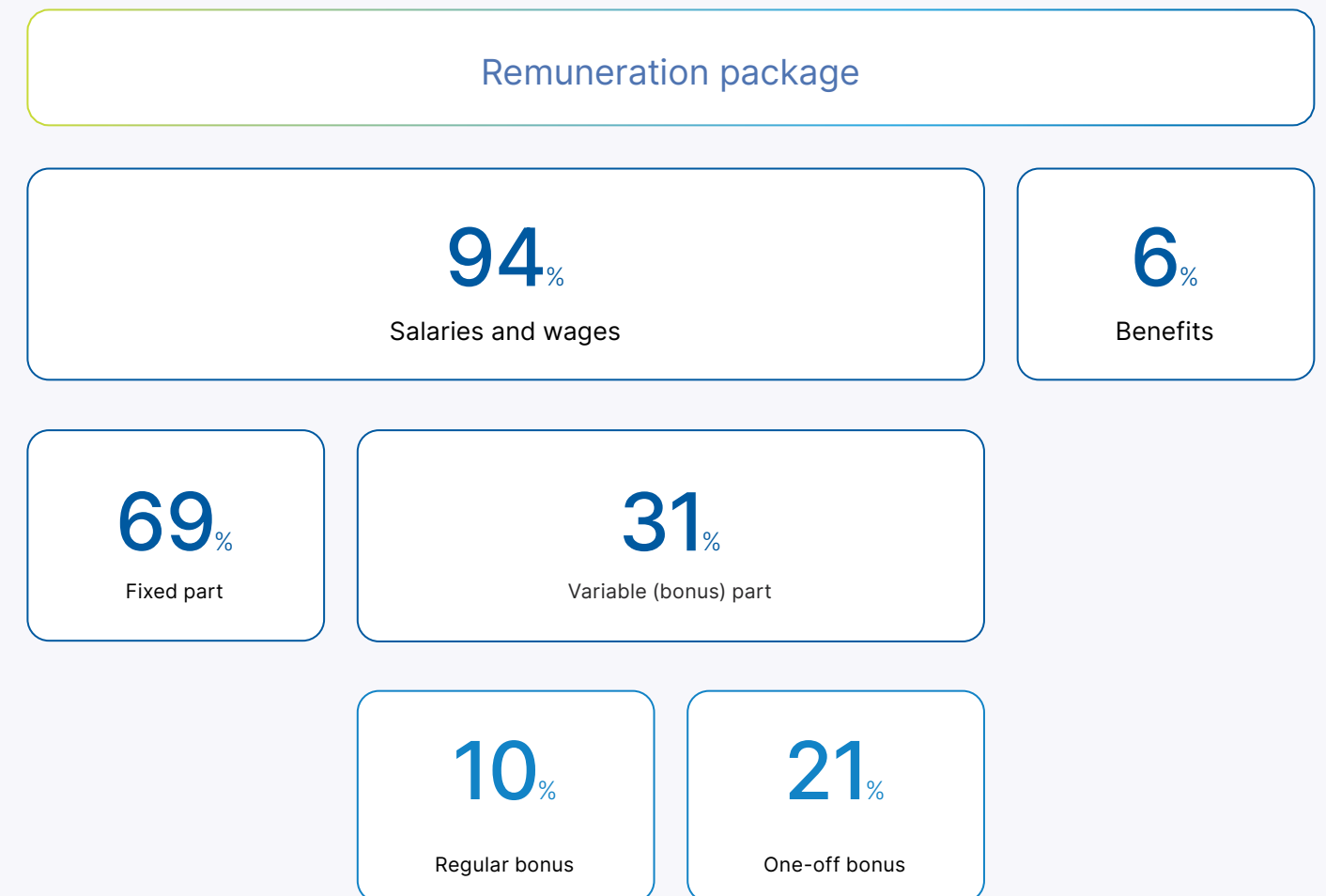
In the reporting year, the Company changed its approach to the calculation of full-year performance-based bonuses paid to the executives, white-collar and blue-collar employees beyond the perimeter of the performance management system.

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 region¹

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
Group average	194.7	182.5	100.0	–	–
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, respectively².

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.

¹ 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.

² 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"> • Nornickel Live stream and Challenges video call with vice presidents • Corporate Dialogues • Forums, corporate training programmes • Leadership by example, words underpinned by actions
Career opportunities	up 18 p.p. in four years (from 32% to 50%)	<ul style="list-style-type: none"> • Availability of information on job vacancies • Programmes of appointments from the internal talent pool • Active awareness raising about internal promotions • Training and development programmes
Rewards and recognition	up 18 p.p. in four years (from 35% to 53%)	<ul style="list-style-type: none"> • Progressive higher than average salary growth • Redressing imbalances in the remuneration system • Application of grades • Awareness-raising campaigns on salaries, bonuses and social benefits

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, Gironickel 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.

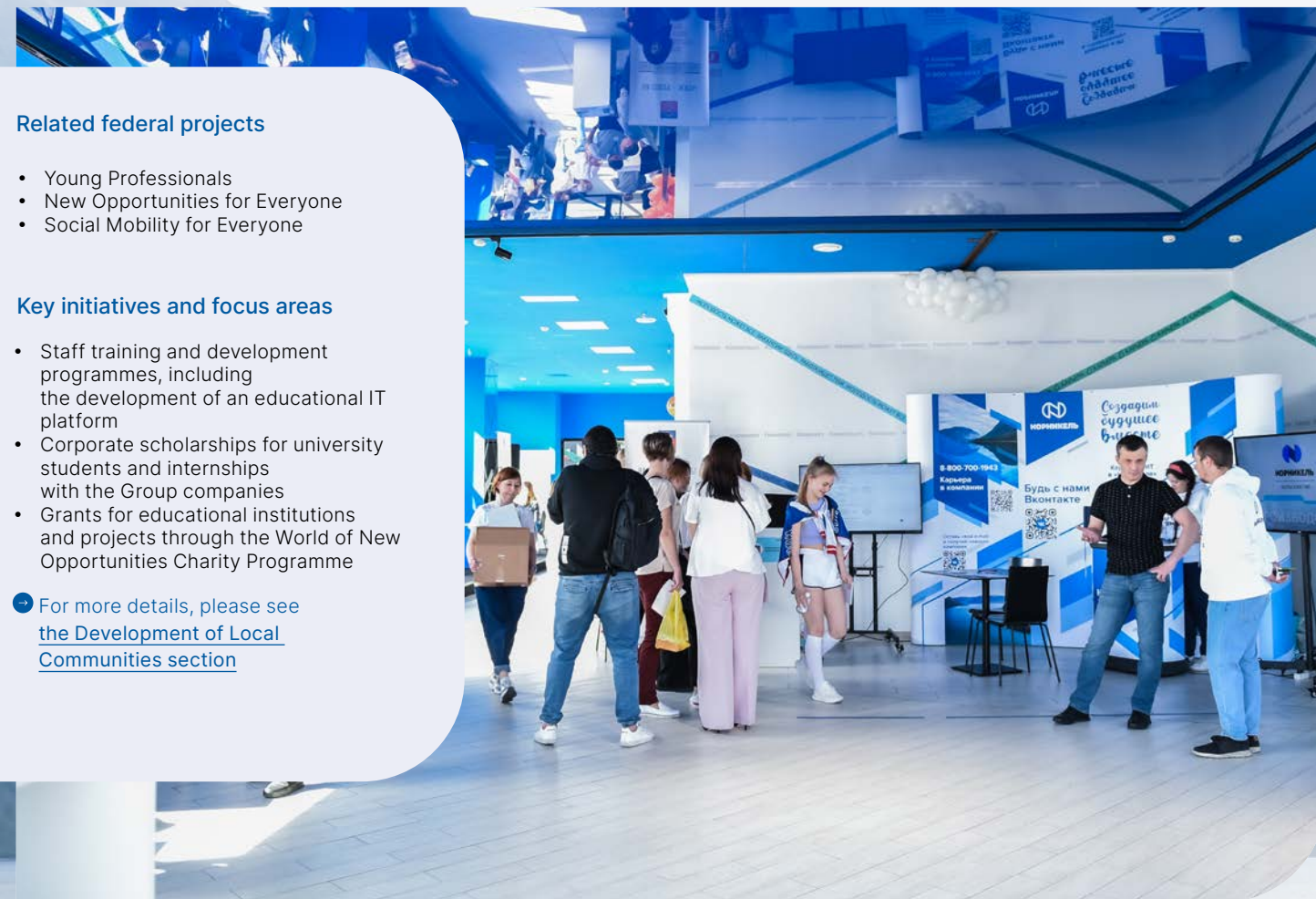
The platform won an international corporate communications award at InterComm 2021, an award for achievements in human capital management at Crystal Pyramid 2021, and a prize at IT HR Awards. In spring 2022, the 7th edition of WOW!HR Award named Nickelisation the best platform in the Digital Solutions 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.

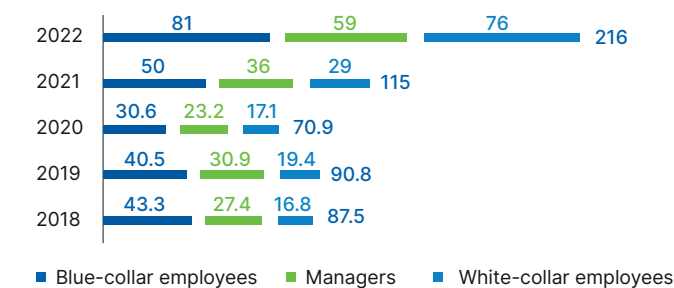
The employee training strategy, plans and programmes are developed in an ongoing cooperation with internal stakeholders and are regularly updated subject to their needs and Nornickel's strategic priorities. Thanks to this cooperation, the Company's development programmes are inclusive and work well

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

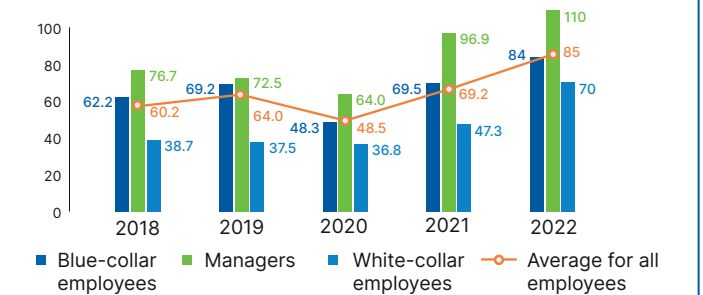
Key personnel training indicators

GRI 404-1

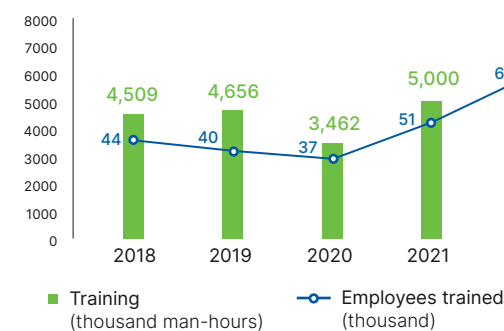
Total training man-sessions, including training, retraining and skill improvement (thousand)



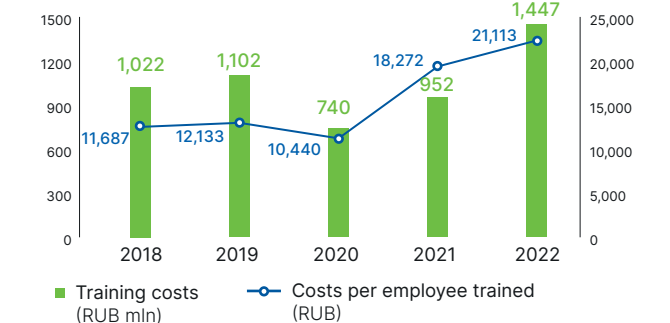
Average annual training hours per employee (based on average headcount)



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 users¹. 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.

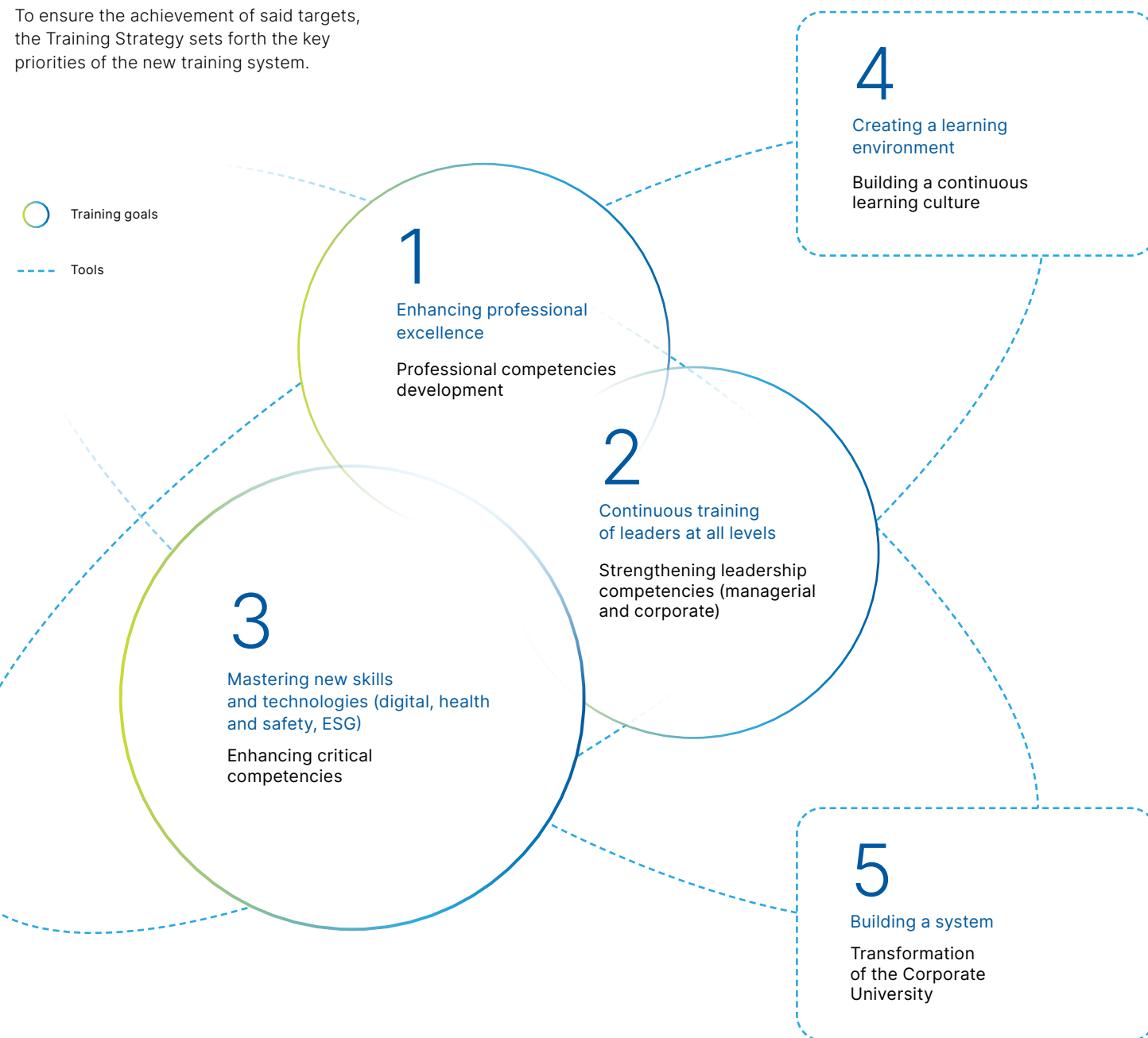
¹ Users authorised in the system.

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"> 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. To complement the book, the Company also created a cartoon series titled "Professor Nichrome's Lessons". The initiatives for schoolchildren include the Arctic Wave festival of R&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. 	<ol style="list-style-type: none"> The Company closely cooperate with 30 higher educational institutions across Russia. 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. In 2022, the Company sponsored CUP Tech 2022 and Metal CUP, nationwide case competitions among students of technical universities. 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. 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. 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.

University students	Managers at all levels	Middle management
<p>Top 100 managers</p> <p>Management development programmes</p>	<p>Managers at all levels</p> <p>Programmes to enhance corporate and management competencies</p>	<p>Middle management</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"> Energy of Changes (change management); Leadership Energy (heedfulness of the leader); Team Energy (teamwork); Energy of Results (responsibility for achieved results); Energy of Well-Being. <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"> managerial decision-making; ambitious management; leadership that makes a difference; expertise in management communications; change management; resource management; team management. <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"> Result-oriented Management ("Manage!"); Productivity ("Improve!"); Effective Communications ("Negotiate!"); Financial Management ("Analyse!"); Team Management ("Interact!"). <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>

Groups

Area

Examples

Nornickel's continuous learning

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.