2022 | Sustainability report

About Strategic vision

# Nornickel and UN Sustainable Development Goals

Nornickel takes steps in furtherance of the UN Sustainable Development Goals (SDGs) up to 2030. In 2018, we started integrating SDGs into our strategy. The SDGs were adopted in 2015 are a high-level guidance set to bring the authorities, business, and the public together to address the issues of sustainable development, and to protect the planet.

Based on stakeholder engagement, we selected and looked into those SDGs that are relevant to our operations. Following an analysis of SDGs against our current strategy, material risks, goals and

commitments, investments in relevant projects and best peer practices, we selected six main SDGs:

- · Goal 3. Good health and well-being;
- Goal 8. Decent work and economic growth;
- Goal 9. Industry, innovation and infrastructure;
- Goal 11. Sustainable cities and communities;
- Goal 12. Responsible consumption and production;
- Goal 13. Take urgent action to combat climate change and its impacts.

In 2022, we spent

333 RUB bn

(28.1% of consolidated IFRS revenue) on SDG-linked project



# Our contribution towards the Sustainable Development Goals in 2022

### SDG

# Nornickel contribution in 2022

Goal 3. Ensure healthy lives and promote well-being for all at all ages



- Participants of health improvement programmes increased by 4.1% y-o-y to 25,500 people
- In 2022, the number of employees and their relatives holding VHI insurance policies increased by 11.9% y-o-y to 84,300 people.
- We completed the first stage of the programme to upgrade the Company's healthcare facilities and medical examination rooms for pre-trip and pre-shift check-ups.
- Our network of corporate healthcare centres keeps expanding.
- We organised regular corporate sports events, tournaments and training exercises.
- For more details, please see the Occupational Health and Safety, Social Policy and Development of Local Communities sections.

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



- Employees covered by staff training, professional development, retraining, and upskilling initiatives increased by 86.9% y-o-y to 216,000.
- The average number of annual training hours per employee (based on the average headcount) grew by 22.8% y-o-y to 85.
- Nornickel's corporate scholarship programmes covered 76 university students.
- Nornickel adopted the Training Strategy for 2022–2025 to build an accelerated training ecosystem for staff development.
- We launched Tsifronikel. Junior, an educational project for our employees' children aged 8 to 12.
- Nornickel unveiled a multi-platform competency management system.
- Norilsk reported 0% unemployment.
- For more details, please see the HR Management and Social Partnership section.

Goal 6. Ensure availability and sustainable management of water and sanitation for all



- Reused and recycled water makes up 82% of total water consumption.
- Yenisey River Shipping Company<sup>1</sup> acquired several models of auxiliary vessels and treatment equipment to prevent river water contamination during the operation of vessels.
- Water supply to Norilsk: 10.9 mcm of water supplied to local residents in 2022.
- For more details, please see the Water section.

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy



- RES share in the Group's energy consumption rose by 4 p.p. y-o-y to 51%.
- The installed power generation and transformer capacity of our energy assets grew by 73 MW.
- Our facilities provided access to electricity in the cities of operation, including Norilsk.
- We conducted an analysis of opportunities to switch to green energy sources to replace our own conventional gas power generation facilities in the Norilsk District.
- or more details, please see the Climate Change and Energy Efficiency section.

<sup>&</sup>lt;sup>1</sup> Part of Nornickel Group.



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### SDG

### Nornickel contribution in 2022

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- Our average monthly salary increased by 25.8% y-o-y to RUB 182,500.
- A share of employees covered by collective bargaining agreements rose by 0.4 p.p.
- We increased spending on improvements to social and working conditions by 71.1% y-o-y to RUB 3.2 bn.
- For more details, please see the HR Management and Social Partnership section.



Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



 Together with Rostechnadzor, Nornickel participated in the Russian Government's experiment to launch a system for remote control over industrial safety.

- In Norilsk Industrial District, we expanded the bandwidth to improve the quality of communications
- We are running a project to monitor the foundations of buildings and structures in Norilsk.
- For more details, please see the Research and Development, Digital Technologies

Goal 10. Reduce inequality within and among countries



• The number of participants in the relocation support programme increased by 135.3% y-o-y to 3,224.

- Expenses on relocating Norilsk and Dudinka residents to regions with better climate conditions stood at RUB 830 mln.
- The Company launched the Employee Relocation programme to support an employee when moving to another region either with their current employer or with a different employer within the Group.
- We rolled out an automated system for employee onboarding across 26 Group companies
- Tor more details, please see the Social Policy and Development of Local Communities sections.

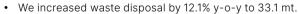
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable



• Pollutant emissions from Kola MMC decreased by 90% vs 2015.

- We continued to build off-gas recycling facilities and related infrastructure as part of Sulphur Programme
- Some 2.6 million m<sup>2</sup> of contaminated areas are cleaned in the Norilsk Industrial District.
- The Company set up an air quality monitoring and forecasting system in Norilsk, Monchegorsk, Nickel and Zapolyarny.
- For more details, please see the Air and Development of Local Communities sections.

Goal 12. Ensure sustainable consumption and production patterns



- We started looking into projects to set up recycling facilities for construction waste and ferrous and non-ferrous metal scrap and introduce mud reuse technologies.
- A pilot project for waste sorting in Monchegorsk has started.
- For more details, please see the Tailings and Waste section.



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### S - Social

### G - Governance

Appendices

### SDG

About

## Nornickel contribution in 2022

Goal 13. Take urgent action to combat climate change and its impacts

- Scope 1 and 2 GHG emissions shrank by 3.9% y-o-y to 9.9 mt of CO<sub>2</sub> equivalent.
- We scaled up the project to assess physical risks.
- Nornickel developed its own scenarios for global economy and climate change.
- Our employees received training on climate change and climate change risks.
- ♠ For more details, please see the Climate Change and Energy Efficiency section.

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

- We completed the rehabilitation of land plots contaminated by the fuel spill at CHP-3.
- The Big Scientific Expedition to study biodiversity in the regions of operation was
- We drafted a corporate standard for ecosystem biodiversity conservation and monitorina.
- · Our biodiversity conservation spending totalled RUB 90 mln.



For more details, please see the Biodiversity section.

societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- Goal 16. Promote peaceful and inclusive We informed 100% of our employees about our anti-corruption practices.
  - Nornickel conducted a training campaign on the basics of anti-corruption compliance for the Group's employees responsible for implementing anti-corruption procedures.
  - Our Russian business units held an anti-corruption monitoring exercise.
  - A conflict of interest reporting process was implemented for the employees of Russian business units hired before the Regulation on the Prevention and Management of Conflicts of Interest came into effect.
  - For more details, please see the Business Ethics and Anti-corruption section.



Goal 17. Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development



- Working bodies (committees, expert and working groups, etc.) established by public organisations and government authorities where Nornickel Group is represented are 25.
- Nornickel and Rosprirodnadzor entered into a cooperation agreement to preserve the environment and ensure environmental safety.
- The scenarios for the global economy and climate change were presented at the Sharm el-Sheikh Climate Change Conference (COP 27).
- For more details, please see the Stakeholder Engagement section.