

President's letter

GRI 2-22

Dear colleagues,

I present to you Nornickel's 2024 Sustainability Report.

Although the Company continues to face major challenges in securing efficient, high-performance mining equipment as well as a tough sales and credit environment, we are steadily advancing our production, social, and environmental projects. Nornickel maintains a strong commitment to social support for employees and continues positive engagement with its host regions.

The Company also remains committed to a high level of transparency – something clearly demonstrated, among other things, through this Report, which is aligned as closely as possible with the UN Global Compact and the UN Sustainable Development Goals.

In the reporting year, we updated our system of corporate values, establishing safety, effectiveness, and care for people as Nornickel's three core values.

For 90 years, reliability has been a hallmark and defining feature of the Company. We believe it is important that, during this period of managerial and operational transformation, Nornickel remains focused on what truly matters and actively encourages employees to embrace these renewed values as a foundation for collective progress.

In 2024, Nornickel's operations remained stable and demonstrated strong resilience to external headwinds. Restructuring our operations management vertical marked a significant milestone in the deployment of Nornickel's new technology platform.

Importantly, the decision to merge the Norilsk and Monchegorsk production sites into the Polar Division was guided by the same set of values. The merger will enable robust end-to-end management of the entire production vertical – from mining to refining – regardless of the geographical location of mining, metals, or concentrator operations. The Trans-Baikal Division already operates under

the same structure, which has proven effective. I am confident that these transformations will enable us not only to navigate operational challenges more effectively but also to deliver on our strategic plans to increase ore extraction and grow metal output.

The overhaul of flash smelting furnace No. 2 at Nadezhda Metallurgical Plant was successfully completed on schedule. Recognising the need to expand metallurgical capacities in response to future growth in mining output, we continue to prioritise metallurgical development. We position Nadezhda Metallurgical Plant as a centre of growth and metallurgical excellence as well as a platform for deploying our modernisation capabilities.

We are advancing the development of the Kolmozerskoye lithium deposit, where Nornickel and its partner plan to build a state-of-the-art mining and processing plant that will anchor Russia's emerging lithium industry.

It would be remiss of me not to mention workplace safety. Achieving fatality-free operations remains top of mind for us. In 2024, we managed to maintain injury rates at the 2023 levels, although we did not achieve our Vision Zero ambition. Also, I would like to highlight the growing involvement of employees in health and safety, which reflects a greater awareness of the importance of adhering to the strictest safety standards – what we refer to as the Golden Rules of Safety. Officers responsible for workplace safety are also demonstrating increasing levels of ownership. I am confident that our professional H&S team will continue to step up their efforts. They have named their programme Life and Safety, which, in my view, aptly reflects both our aspirations and the significance of this challenge.

The Sulphur Project, driven by our care for Norilsk residents and the families of our employees, achieved a major milestone in 2024. Towards the end of the year, the Company verified both its emissions reductions and off-gas recovery volumes. We fully met our 2024 commitments by recovering 390 kt of sulphur dioxide, exceeding the target of 377 kt, with a recovery rate of over 99%.

Employee health and safety remain top of mind for us. But it goes beyond industrial safety – we strive to provide our people with favourable working



conditions and create opportunities for professional growth and development aligned with the needs of the economy of the future.

In 2024, employee salaries were increased by 10% as part of a cost-of-living adjustment. Between 2019 and 2024, total wage growth amounted to 74%, outpacing consumer price increases over the same period.

In November, the collective bargaining agreement of MMC Norilsk Nickel was extended for the 2024–2027 period, ensuring continuity and alignment between employee interests and those of the Company. Our collective bargaining agreement has not been amended and remains one of the best in the country and across the industry. Nornickel continues to offer employee support that goes well beyond statutory requirements.

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Between 2021 and 2024, the Company introduced a series of additional measures to enhance its benefits package, placing greater emphasis on targeted support for specific categories of employees. Measures taken included topping up maternity leave pay to match full basic salary and increasing financial assistance at childbirth and during parental leave until the child reaches the age of three. The level of reimbursement for relocation expenses was also increased.

In 2024, we continued our Made with Care programme, aimed at renovating public and amenity spaces at our production enterprises. A total of 187 facilities, measuring 25 thousand sq m overall, were refurbished (a 20% y-o-y increase), resulting in improved working conditions for more than 11 thousand Nornickel employees.

The Company places a special emphasis on advancing its social strategy across its footprint. Last year, Nornickel made further progress on its Comprehensive Norilsk Renovation Plan, which received high praise from Valentina Matvienko, Speaker of the Federation Council.

We remain focused on improving quality of life for local communities. Nornickel supports the indigenous peoples of the North, treating their traditional way of life with care and respect, while protecting their interests. In 2024, comprehensive research was conducted, with the findings from environmental and ethnological studies of the areas adjacent to the Kolmozerskoye deposit presented for public discussion. Additionally, the impact of the facilities under construction in areas of traditional economic activities was assessed.

I believe that in 2024, Nornickel reaffirmed its commitment to the sustainable development goals – delivering steady growth that is consistent, balanced, and people-centred. This principle remains at the heart of everything we do, regardless of shifting external circumstances.

Vladimir Potanin
President of MMC Norilsk Nickel