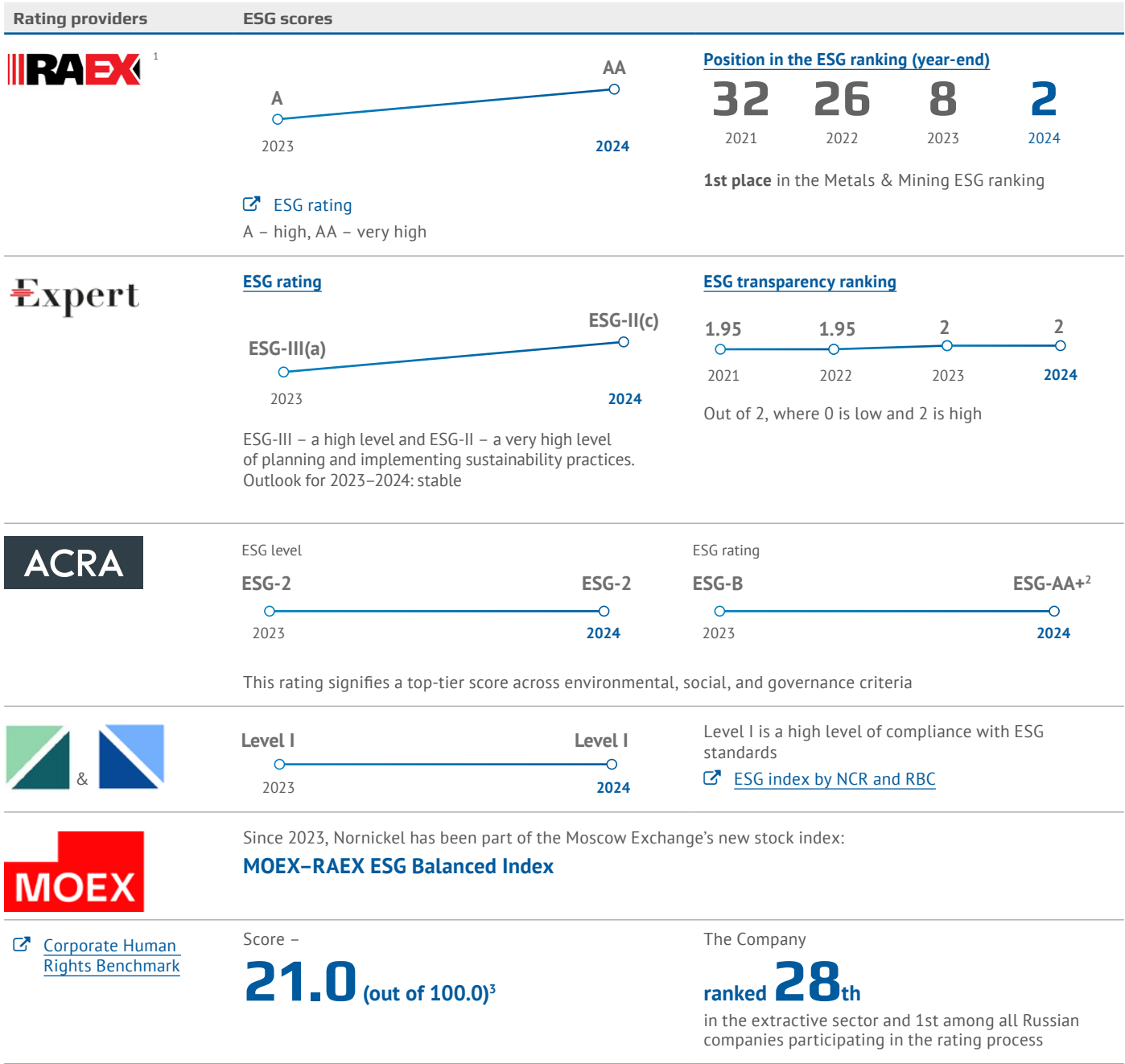


MED-39 / TNFD A15.0

By enhancing its approaches to sustainability management and integrating advanced environmental and social practices, the Company achieves higher positions in ratings, rankings, and indices.



For more details on the Company's awards in environmental protection, social policy, and innovation, please see the [Awards](#) appendix to this Report.

<sup>1</sup> For the full list of ESG rankings and ratings by RAEX, please see: [https://raex-rr.com/all\\_rankings/](https://raex-rr.com/all_rankings/).  
<sup>2</sup> ESG-B on the scale applicable until 25 March 2024.  
<sup>3</sup> The 2023 data are shown.

# Sustainable growth strategy

GRI 2-23, 2-24

## Nornickel's mission

Through the efficient use of natural resources and equity, we supply mankind with non-ferrous metals, which make the world a more reliable place to live in and help people realise their aspirations for development and technological progress.

## Our values<sup>4</sup>

People are the Company's key value. Throughout its operations spanning nine decades in the Far North, Nornickel has built distinctive professional expertise that enables the Company to effectively navigate challenges of unprecedented scale and complexity while maintaining the highest standards of product quality.



**Efficiency** - the Company's primary aspiration and a driving force behind the development of each employee's professional qualities



**Safety** - a fundamental priority shared by the Company and all employees



**Care for people** – the cornerstone of collaboration and interaction within our teams

## EACH EMPLOYEE:

- is capable of challenging conventional approaches and striving for improvement – change should be driven by the energy of action; without it, inertia cannot be overcome;
- seeks opportunities and finds solutions – asking “What can I do?” is always more productive than asking “Who is to blame?”;
- takes ownership of the overall outcome – real team success is only possible when each person takes personal responsibility for their area of work
- follows the rules and gets their priorities right – an employee who achieves great results at the expense of safety is not a hero, but a safety violator;
- takes care of themselves and looks out for others – leading by example is more powerful than any words;
- takes responsibility and always assesses risks – any violation sets us back and diminishes the hard work of many
- supports colleagues and knows how to be useful – words of encouragement are important, but actions always speak louder than words;
- shows respect for themselves and for others – self-respect helps distinguish justified criticism from rudeness, leadership from arrogance, and confidence from indifference;
- is willing to help and values the help received – selfless contribution and sincere gratitude make us stronger

GRI 2-6 / TCFD Sb, Sc / TNFD Sb, Sc

## Nornickel's strategic priorities

Upgrading the existing and building new facilities to ramp up extraction and grow production of key metals

Maintaining market position and ensuring financial stability

Improving environmental situation across the Company's footprint

<sup>4</sup> For more details on our corporate values, please see the link below: <https://nornickel.ru/upload/iblock/buklet-po-cennostyam-181124.pdf>.

Nornickel's production growth plans include developing the South Cluster, constructing Talnakh Concentrator's third stage; developing reserves at Severny Mine operated by the Polar Division's Kola site metals and mining enterprise down to a depth of 730 metres; upgrading a flash smelting furnace at Nadezhda Metallurgical Plant; and establishing a facility to manufacture and overhaul underground mining machinery. For more details about these projects, please see [Nornickel's 2024 Annual Report](#) as well as the [2024 Financial Results investor presentation](#).

The Company complements and expands its strategic priorities in sustainable development through the 2031 Environmental and Climate Change Strategy and the 2030 Socially Sustainable Development Strategy.

To maintain its financial stability, the Company takes a disciplined approach to investments through systemic, risk-based end-to-end prioritisation of its investment programme. Key focus areas include safe, continuous, and lean production, mitigation of technology risks, and delivery against strategic targets. The projected decrease in CAPEX for 2025F is due to the completion of the Sulphur Project at Nadezhda Metallurgical Plant.

The Company is implementing the Operational Efficiency Programme for 2024–2026 to contain cost increases. The programme provides for designing and deploying initiatives with a lasting and sustainable impact and a focus on improving operational performance both through increased production volumes, improved product quality, and expanded sales market, and through cost reduction and innovation.

## Nornickel's contribution to the Stable and Dynamic Economy national goal

### Targets and objectives:

Increase capital investment by at least 60 percent by 2030 compared to 2020 through continuous improvements to the investment climate

### Nornickel's performance highlights and plans

USD  
**2.2** billion

CAPEX increase in 2026–2027 (from a 2025 baseline)<sup>1</sup>

USD  
**2.4** billion

The Company's CAPEX for 2024

Nornickel's development strategy captures external geopolitical and economic challenges, global trends in climate change and the energy transition as well as stakeholder demands for the compliance of Nornickel's products and wider operations with sustainability principles.

By producing metals essential for transport electrification, hydrogen-based solutions, wind turbines, and other components of the green

transformation, the Company is well positioned to gain market leadership and build growth momentum in the years ahead. Nickel, copper, cobalt, and other low-carbon metals produced by Nornickel are recognised internationally as critical<sup>2</sup> and play a significant role in supporting Russia's low-carbon social and economic development.

<sup>1</sup> Total investment planned for 2025 is RUB 215 billion, or USD 2.2 billion based on the USD/RUB exchange rate as at 10 February 2025.

<sup>2</sup> Source: [International Energy Agency](#).

<sup>3</sup> 2024 version.

<sup>4</sup> 2015.

<sup>5</sup> Vs the 2015 base year.

## 2031 Environmental and Climate Change Strategy

Nornickel reiterates that environmental protection remains one of its strategic priorities. In 2024, the Company updated its 2031 Environmental and Climate Change Strategy, which included, among other things, extending the planning horizon to 2035; expanding the list of assets involved in implementation; adding 54 new initiatives; postponing or cancelling certain initiatives; and revising the targets for SO<sub>2</sub> emissions reduction and land rehabilitation.

Currently, the 2031 Environmental and Climate Change Strategy includes 324 initiatives, either already in progress or planned for implementation in the short term. Nornickel is primarily focused on mandatory initiatives under its environmental performance improvement programme.

Given the high degree of external uncertainty and the need for monitoring and control of the economic and environmental impacts of individual measures, the Strategy is subject to annual review

### 2021 version

**21** goals

(16 quantitative metrics across 6 areas, and 5 focused on compliance with international standards)

**>360** initiatives

with an indicative budget of RUB 536 billion until 2031

### 2024 version

The updated Strategy is structured into mandatory and voluntary sections:

- the mandatory section is aimed at ensuring compliance with Russian environmental protection laws (nine performance targets);
- the voluntary section covers optional environmental dimensions (seven performance targets).

### Key focus areas and targets of the 2031 Environmental and Climate Change Strategy<sup>3</sup>

TCFD Ma, Mb, Mc / TNFD Ga, Sb, Ma, Mb, Mc

Element	Goals and performance targets	2020 baseline	2022 actual	2023 actual	2024 actual	2031 target
<b>Mandatory</b>						
Number of emergencies	Number of interregional and federal emergencies affecting the environment in the regions of operation (GRI 14.15.3)	1	0	0	<b>0</b>	0
Air	SO <sub>2</sub> emissions (kt)	2,009 <sup>4</sup>	1,778	1,671	<b>1,269</b>	213
	Reduction of SO <sub>2</sub> emissions <sup>5</sup> (%)	0	11.4	16.8	<b>36.8</b>	90
Water	Compliance with the Russian regulatory requirements as regards pollutant concentrations in discharges	–	56	59	<b>59</b>	100
	Compliance with freshwater withdrawal limits (%)	100	100	100	<b>100</b>	100
Tailings and waste	Compliance of waste disposal facilities with Russian regulatory requirements (%)	95	95	90	<b>90</b>	100

Element	Goals and performance targets	2020 baseline	2022 actual	2023 actual	2024 actual	2031 target
Land	Disturbed land rehabilitation in 2022–2031 (reclamation, reforestation, and clean-up) (ha)	0	498	245	235	3,996
Biodiversity	Achievement of net zero biodiversity loss resulting from the Company's operations (Δ Integrated Ecosystem Health Indicator (IEHI))	0.89	0	0	0	≥0
Stock exchange requirements	Compliance with stock exchange requirements (London Metal Exchange, Shanghai Futures Exchange, etc.) (%)	–	100	100	– <sup>1</sup>	100
Voluntary						
Climate change	Amount of GHG emissions (Scope 1 and 2) <sup>2</sup> (mln t of CO <sub>2</sub> equivalent)	8.5	7.6	7.6	7.5	TBD
	Share of renewable energy use (%)	46	51	55	54	
Tailings and waste	Share of non-mineral waste recycling (%)	16	6	6	14.8	TBD
	Share of mineral waste (other than gypsum waste) recycling (%)	20	20	20	19.2	
	Share of gypsum waste recycling (%)	–	–	100	100	
Standards	Compliance with sustainability standards	Implementation of the TCFD, ICMM, and IRMA compliance roadmaps (and reaching the IRMA 50 achievement level)  Implementation of measuresEfforts to ensure compliance with GISTM	In progress	In progress	In progress	Roadmaps implemented

<sup>1</sup> The LME compliance report is submitted in late June in the year following the reporting year.  
<sup>2</sup> Excluding GHG emissions from electricity and heat supply to local communities and other consumers, including the Sulphur Project and logistics.

## 2030 Socially Sustainable Development Strategy

In 2024, Nornickel continued implementing its 2030 Socially Sustainable Development Strategy, aligning it with the Company's strategic business priorities,

commitments to employees and local communities, and its broader goal of contributing to societal well-being.

### The four pillars of the 2030 Socially Sustainable Development Strategy

**Health and safety**  
Employee health and safety is one of Nornickel's strategic priorities

**Talent management and corporate culture**  
As one of the world's best employers for talented professionals, Nornickel supports each employee in unlocking their potential and achieving their goals

**Development of technologies and products that help foster technological and social progress**  
Nornickel strives to contribute to society's well-being through its products and is committed to transparency about the social dimensions of its operations


**Involvement in the lives of local communities and society at large**  
Nornickel is the industry leader in driving the social agenda and improving the quality of life for local residents and indigenous communities









Goals and KPIs under the 2030 Socially Sustainable Development Strategy, and key initiatives to meet them

Priority	Goals	KPIs	2024 progress in figures	Key activities to achieve the goal in 2024 and their progress
 Health and safety	Achieving zero fatalities and reducing work-related injuries and ill health	Zero fatalities and no major accidents at the Company's facilities	<ul style="list-style-type: none"><li>In 2024, the Company achieved an all-time low fatal injury frequency rate (three accidents, FIFR: 0.025)</li><li>Increasing transparency of accident data (LTIFR: 0.64)</li><li>Reducing the number of cases of work-related ill health (139 cases in 2024)</li></ul>	<ul style="list-style-type: none"><li>Made further progress on embedding the updated H&amp;S incident notification, registration, accounting, and internal investigation process (932 incidents were investigated in 2024 in line with the updated requirements for the process).</li><li>Deployed an updated incident registration module in the Control, Management, Safety automated system (CMS AS) (53 alerts generated and distributed in the Lightning format).</li><li>Launched an information system to automatically detect violations of the Golden Rules of Safety (GRS), along with functionality for logging such violations in CMS AS (196 GRS violations identified in 2024).</li><li>Continued the health resort treatment and recreation programme (24.6 thousand participants in 2024).</li></ul>
	No major accidents		<ul style="list-style-type: none"><li>Zero major accidents in 2024</li></ul>	<ul style="list-style-type: none"><li>Introduced a unified incentive system offering fixed payments for identifying workplace hazards (with 1,450 hazards identified in 2024, and over RUB 10 million paid to reporting employees in bonuses).</li><li>Made further progress on a safety culture transformation project with a risk-based focus across all mines of the Company (except for Taimyrsky Mine) (4.2 thousand hazards identified, 3.1 thousand hazards removed, and 1.2 thousand employees trained).</li></ul>
	Consistently reducing safety risks to an acceptable level		–	<ul style="list-style-type: none"><li>Developed and piloted contractor assessment criteria focused on safety performance during repair and CAPEX project construction (four audits of major repairs, seven audits of construction projects, and 170 repair contractor assessments).</li><li>Introduced a new audit format – shifting from compliance control to maturity audits (with new-format audits conducted at nine facilities).</li><li>Conducted a functionality diagnostic and developed a target governance structure for the H&amp;S and operational control services at Polar Division mines.</li><li>Successfully completed a recertification audit to ISO 45001:2018.</li><li>Developed and implemented a methodology for critical risk management based on a three-tiered safety barrier model (technical, procedural, and behavioural) across all Company mines.</li></ul>
	Aligning living and working conditions with employee expectations		<ul style="list-style-type: none"><li>Overhauls of welfare facilities completed across 187 facilities measuring 25,026 sq m overall</li><li>Workplace amenities improved for more than 11.8 thousand employees</li></ul>	<ul style="list-style-type: none"><li>Continued Made with Care, a workplace welfare facility repair programme aiming to provide employees with safe and comfortable working conditions (with facades, classrooms, and holiday camps repaired in 2024, and pilot repairs completed for recreation rooms).</li></ul>

For more details, please see the [Workplace Safety](#) and [Fostering Talents](#) sections






Priority	Goals	KPIs	2024 progress in figures	Key activities to achieve the goal in 2024 and their progress	
 Talent management and corporate culture	Attracting young talent and experienced professionals, including to Russia's Far North	A Top-3 employer in Russia's metals and mining sector according to leading ratings and rankings	<ul style="list-style-type: none"><li>A total of 3.8 thousand young specialists (under 35) were permanently employed</li><li>Eight thousand applicants were accepted, with over 1.2 thousand relocated to their place of work under the Assistance programme</li><li>Nornickel earned recognition among its target audience in respected employer rankings, such as Changellenge, HeadHunter, and others</li></ul>	<ul style="list-style-type: none"><li>Continued systematic collaboration with educational institutions and the development of the regular cadence of engagement with educational institutions while also making further progress on the Engineering Talent project.</li><li>Attracted candidates from other regions, with relocation support provided to them.</li><li>Advanced the development of approaches to career growth and internal mobility.</li></ul>	<a href="#">For more details, please see the <u>Fostering Talent</u> section</a>
	Facilitating employee retention, professional growth, and development		<ul style="list-style-type: none"><li>12.4% – employee turnover in 2024</li></ul>	<ul style="list-style-type: none"><li>Expanded the use of professional competency models (PCMs), updating and scaling them across the Company (26 PCMs used in total, with 4,978 employees assessed against PCM criteria).</li><li>Built a talent pool for management roles (with close to 2.5 thousand employees included for mid- and senior-level leadership positions).</li><li>Relaunched the insourcing programme.</li><li>Trained 77.8 thousand employees during the year.</li><li>Continued corporate programmes such as In Good Company (with over 7 thousand participants registered via the programme's app), Those Who Care (1.5 thousand participants, 95 change teams, more than 50 projects), and Plant of Goodness (over 4 thousand participants, more than 400 activities completed).</li></ul>	
	Improving the onboarding system to support new hires and increase engagement among seasoned employees		<ul style="list-style-type: none"><li>67% – employee engagement rate in 2024 (in line with the industry)</li></ul>	<ul style="list-style-type: none"><li>Rolled out the Onboarding automated system (29 enterprises covered by the system, +2 enterprises in 2024), with 6,809 employees supported by the system, 2,544 managers involved in onboarding processes, and 81 existing employees designated as onboarding mentors alongside immediate supervisors).</li><li>Provided employees with access to customised onboarding plans via the Supernika mobile app.</li><li>Implemented over 700 activities to boost engagement.</li><li>Made further progress in implementing social programmes and enhancing employee benefits (Digital Investor, Co-Funded Pension Plan, etc.).</li><li>Set up the Award Policy, a comprehensive incentive system (4,377 employees recognised in 2024).</li></ul>	
 Developing technologies and products that foster technological and social progress	Building supply chain transparency on social metrics	Supply chain transparency	<ul style="list-style-type: none"><li>100% of mineral suppliers covered by due diligence</li><li>ESG assessment coverage expanded to 35% of suppliers of goods, works, and services</li></ul>	<ul style="list-style-type: none"><li>Conducted due diligence on mineral suppliers, with no risks identified.</li><li>Carried out a pilot ESG questionnaire survey of suppliers of goods, works, and services.</li><li>Published responsible supply chain reports for 2021–2022, 2023, and 2024.</li></ul>	<a href="#">For more details, please see the <u>Responsible supply chain</u> section and <u>Nornickel's 2024 Responsible Supply Chain Report</u></a>
	Developing technologies and products that benefit society at large	TBD	<ul style="list-style-type: none"><li>Five new palladium-based materials created</li></ul>	<ul style="list-style-type: none"><li>Continued operations of a dedicated centre focused on the development of palladium-based solutions and advanced high-tech materials, conducting further laboratory testing to confirm their superior properties compared to market alternatives.</li><li>Built an international partnership network with research institutions and the business community.</li><li>Created the Battery Technology Centre in Saint Petersburg.</li></ul>	<a href="#">For more details, please see the <u>Research and Development</u> section</a>





Priority	Goals	KPIs	2024 progress in figures	Key activities to achieve the goal in 2024 and their progress
<div></div> <div>Involvement in the lives of local communities and society at large</div>	Minimising the Company's impact on local communities	Raising the City Life Index	<ul style="list-style-type: none"><li>Urban Environment Quality Index (2023): Norilsk scored 225, Monchegorsk 220, and Zapolyarny 222 (out of a maximum of 360 points)</li></ul>	<ul style="list-style-type: none"><li>Advanced the corporate healthcare programme (a new healthcare centre was commissioned in Talnakh, licenses for dental services were obtained, and a total of 117 thousand medical services were provided by healthcare centres during 2024).</li><li>Continued the Sulphur Project (achieved over 99% sulphur dioxide recovery at Nadezhda Metallurgical Plant).</li><li>Developed a concept framework to assess climate-related risks and completed a scenario analysis of the consolidated financial and economic model based on global economic and climate change scenarios.</li><li>Collected feedback from stakeholders (including input from local residents on a broad range of topics).</li></ul>
	Fostering sustainable social and economic development across the Company's footprint	Raising the City Life Index <sup>1</sup>		<ul style="list-style-type: none"><li>Continued implementing activities under agreements with regional governments in Norilsk's operating regions, the Comprehensive Plan for the Social and Economic Development of Norilsk for 2021–2035, the World of New Opportunities charitable programme, and initiatives by the Norilsk Development Agency, Monchegorsk Development Agency, and the Second School Centre for Community Initiatives.</li><li>Implemented automated tracking of financial and non-financial metrics of charitable activities through the Beneficiary's Account.</li><li>Developed and adopted the Charity Policy.</li></ul>
	Supporting the interests of indigenous peoples of the North	Adhering to the <a href="#">Policy of Engagement with Indigenous Small-Numbered Peoples</a>	–	<ul style="list-style-type: none"><li>Completed the 2020–2024 programme for promoting social and economic development of the Taimyrsky Dolgano-Nenetsky Municipal District.</li><li>Extended the Taimyr Students targeted programme (involving 73 students).</li><li>Took measures to create a more comfortable environment and improve housing conditions for Tukhard residents.</li><li>Continued the World of Taimyr contest: Norilsk held two rounds (in 2020 and 2022), supporting 46 projects; in January 2025, the Company opened the next application round.</li><li>Updated the <a href="#">Policy of Engagement with Indigenous Small-Numbered Peoples</a>.</li></ul>
	Contributing to the well-being of society nationally and internationally	Contributing to 13 Russian national projects by integrating the UN SDGs into the Company's strategy and operations	<ul style="list-style-type: none"><li>RUB 374 billion – spending on projects contributing to UN SDGs</li></ul>	<ul style="list-style-type: none"><li>Delivered a systemic contribution to national and federal projects as well as to the UN SDGs through relevant projects, activities, and initiatives.</li><li>Obtained the status of Partner of Russia's National Projects.</li></ul>

For more details, please see the [Comfortable and Safe Living Environment](#), [Climate Change](#), and [Norilsk's Contribution to the UN SDGs and Alignment with the National Strategic Priorities](#) sections

<sup>1</sup> Russian City Life Index. VEB.RF <https://citylifeindex.ru/>.