

DEVELOPMENT OF LOCAL COMMUNITIES

How has the Company's dialogue with the regions of operations evolved over the past 20 years?

In its operations, Nornickel maintains an active dialogue with local authorities, civil society institutions, local communities, and indigenous peoples, seeking to keep well-established relations with them.

Over the past 20 years, the Company has tried various interaction formats by entering into long-term agreements on social and economic cooperation with regional authorities, participating in the drafting of regional development strategies, and contributing to efforts of territorial development agencies.

Nornickel also made timely tax payments, offered jobs across its footprint, pursued an environmental policy, and executed a large number of projects contributing to the social and economic development of local communities, as well as to their well-being and quality of life.

By maintaining an ongoing dialogue with the indigenous peoples living in Taimyr and the Murmansk Region, Nornickel recognises the right of indigenous peoples to set their development priorities and pays respect to their customs, traditions, and culture. From a patronage model, we have moved to joint agenda-setting based on indigenous peoples' determination of their development priorities.



The Group's key areas of operation in Russia



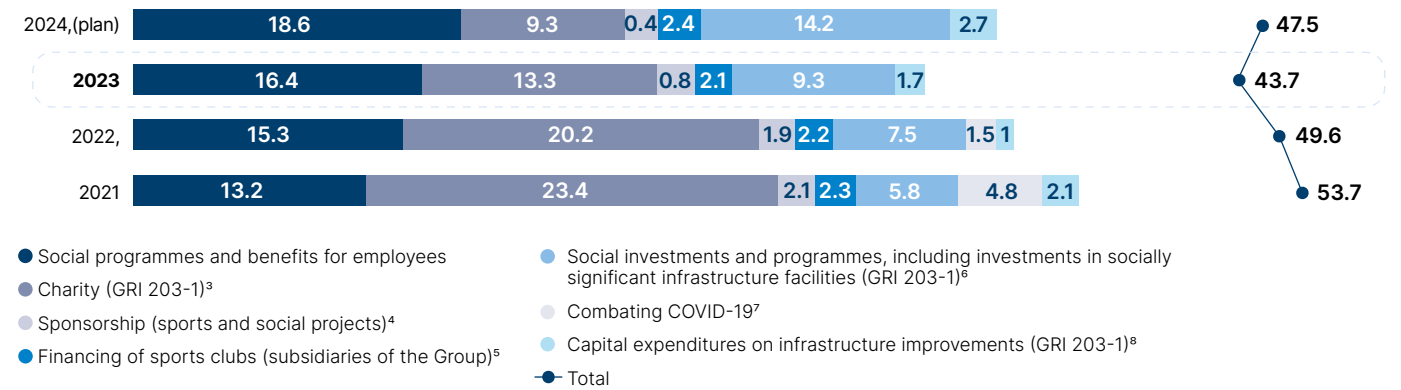
As one of the largest backbone companies in the metals and mining sector beyond the Arctic Circle, Nornickel seeks to make a systemic contribution to the social and economic development of the regions where it operates and public well-being through the important infrastructure projects. The Company's intentions are outlined in its Sustainable Social Development Strategy through 2030. Our goals, KPIs, and relevant measures are focused on ensuring leadership in shaping the industry's social agenda and a new quality of life for local residents and indigenous peoples.

Key focus areas for the development of local communities

<p>Contribution to economic development</p>	<ul style="list-style-type: none"> Budget payments Employment of local population Cooperation development 	<ul style="list-style-type: none"> Development of social infrastructure as part of the Group operations (power, transport)
<p>Improving the living standards for local communities</p>	<ul style="list-style-type: none"> Systemic implementation of charitable programmes Promotion of sports and culture Corporate volunteering 	<ul style="list-style-type: none"> Vocational training sponsorship Activities of territorial development agencies
<p>Infrastructure development</p>	<ul style="list-style-type: none"> Housing construction Land improvement Bridge and road reconstruction Construction and reconstruction of educational, healthcare, sports, cultural, and entertainment facilities 	<ul style="list-style-type: none"> Provision of access to high-speed internet connection in Norilsk Improvement of efficiency of utility services (Smart City initiative)

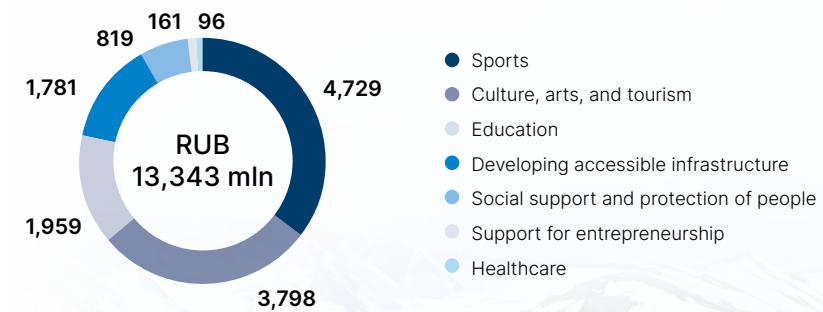
Nornickel's social infrastructure, social, charity, and sponsorship expenses^{1,2}

RUB bn



The Company's charitable activities in 2023

RUB mln



¹ In 2023, the Company changed the methodology for assessing this indicator. Comparable data for 2021–2022 was adjusted accordingly.
² Total expenses may not fully add up due to rounding.
³ Charity expenses exclude other social expenses and accrued social liabilities in the amount of RUB 1.5 bn in 2023 and RUB 2.3 bn in 2022. Starting 2021, the indicator includes the expenses of the Group's foreign companies.
⁴ Starting 2023, this section shows sponsorship expenses associated with external counterparties.
⁵ Starting 2023, expenditures to finance sports clubs (subsidiaries of Nornickel Group) are shown separately on the chart; expenses for 2021–2024 include contributions to the property of sports clubs (subsidiaries of Nornickel Group).
⁶ The indicator includes payments under long-term social commitments.
⁷ COVID-19 expenses include amounts allocated by the Group to prevent and combat the spread of the coronavirus infection. The expenses were not included in the current period due to the end of the pandemic and relative insignificance of such expenses in the current period.
⁸ Starting 2023, this indicator comprises capital investments to improve urban social infrastructure, including capital investments to construct social facilities under long-term arrangements.