03 SUSTAINABLE DEVELOPMEN AT NORILSK NICKEL GROUP HUMAN CAPITA OCCUPATIONAL HEALTH AND SAFETY DEVELOPMENT OF LOCAL ENVIRONMENTA

**Other Russian regions** 

SUSTAINABILITY REPORT

### Opening of a technological lyceum named after Vladimir Dolgikh in the Moscow Region

2023

In 2023, a state-of-the-art lyceum opened its doors in the Istrinsky District of the Moscow Region with the support of Nornickel. The lyceum is one of most advanced schools in Russia ready to welcome up to 960 students and is part of an educational cluster. It also features a kindergarten for up to 320 children, a heated stadium with seating for up to 500 spectators, and children's playgrounds and sports areas. Additionally, there are plans

to construct two residential buildings to accommodate both teachers and students.

The lyceum's key educational focus areas are IT, modern technologies, and engineering. Students will also study esports, economics, management, information security, and legislation. Special attention will be given to unmanned aerial vehicle technologies, gamification, and prototyping. The school provides a trilingual learning environment (Russian, English,

• Russian Ice Hockey Federation

• Russian Futsal Association (general

CSKA professional basketball club

of DanceSport and Acrobatic

• Night Hockey League (general

(partner)

partner)

partner)

(general sponsor) • All Russian Federation

Rock'n'Roll (partner)

Moscow

and Chinese). In 2023, students from 17 different regions across Russia were admitted to the lyceum.

Winners and runners-up of regional or final stages of the All-Russian School Olympiad are covered by Nornickel's scholarship programme.

Nornickel is undertaking a similar educational project in Norilsk. As part of this endeavour, the Company is set to open the High Latitude School for up to 1,100 students in 2026.

## **INTERACTION WITH INDIGENOUS** PEOPLES

GRI 203-1, 411-1/ SASB EM-MM-210a.3, EM-MM-210b.1

Nornickel acknowledges and respects the indigenous rights enshrined in the Russian and international law. In its operations, the Company pays attention to the rights indigenous peoples have with respect to their traditional lands, territories, and associated natural resources. The Company seeks to strengthen and develop partnerships with indigenous peoples residing in the regions of operation.



- Zapolyarye Health Resort
- Sochi Autodrom

Sochi

Corporate sports competitions

170 ---- 171

O

in 2023

violations of indigenous rights

RUB **976** mln

spent by the Company on projects to support the indigenous northern peoples in 2023

**18** projects funded by the World

of Taimyr competition



The Indigenous Peoples' Rights Po out principles, commitments, and								
of the Company in this area.								
<ul> <li>Key principles, standards and red</li> <li>Generally accepted internationand guidelines: <ul> <li>Universal Declaration of Hu</li> <li>United Nations Declaration Peoples;</li> <li>ILO's Indigenous and Tribal</li> <li>UN Guiding Principles on Bu (UNGPs)</li> </ul> </li> </ul>	nal declarations man Rights; on the Rights of Indigenous Peoples Convention;	<ul> <li>Federal laws:</li> <li>No. 82-FZ On Safeguarding the Rights of Indigenous Minorities of the Russian Federation;</li> <li>No. 49-FZ On Areas of Traditional Natural Resources Use of Indigenous Small-Numbered Peoples of the North, Siberia and Far East of the Russian Federation</li> <li>No. 104-FZ On General Principles of Organising the Communities of Indigenous Small-Numbered Peoples of the North, Siberia and Far East of the Russian Federation</li> </ul>			<ul> <li>International and Russian standards:</li> <li>International Financial Corporation's (IFC) and World Bank's performance standards;</li> <li>Standard of responsibility of residents in the Arctic zone of the Russian Federation in relations with the indigenous peoples living and/or carrying out traditional economic activities in the Arctic zone of the Russian Federation</li> </ul>			
		$\downarrow$						
		nts Policy of PJSC MMC Norilsk Nick						
↓ Respecting indigenous lands		Supporting indigenous practices of using natural resources and promoting indigenous trades			Helping to preserve the intangible cultural heritage of indigenous peoples			
		,			J			
	Principles of the Company	with respect to indigenous peoples						
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		$\checkmark$			
Regularly assessing the impact of operations on society	Identifying and assessing the exposure of indigenous peoples to human rights risks	Maintaining an ongoing dialogue with representatives of indigenous peoples, and keeping minutes of all meetings held	Considering the values and views of indigenous peoples in management decision-making		Collaborating with representatives of indigenous peoples, government authorities, and other stakeholders	Pron de people ecc		
Holding consultations with indigenous peoples	Enforcing the FPIC procedure		ous peoples to the Grievance anism		Implementing projects designed to prevent adverse impacts on indigenous peoples	of i		

02.

SUSTAINABLE DEVELOPMENT AT NORILSK NICKEL GROUP

01.

ABOUT NORILSK NICKEL GROUP

2023

03.

HUMAN CAPITAL DEVELOPMENT

04.

OCCUPATIONAL HEALTH AND SAFETY

05.

DEVELOPMENT OF LOCAL COMMUNITIES

06.

ENVIRONMENTAL PROTECTION

SUSTAINABILITY REPORT



of indigenous peoples' rights

07.

08.

09.

Steering away from involuntary physical or economic displacements of families and communities

11.

10.

SUSTAINABILITY REPORT	- 2023 01. ABOUT		02.	03.	04.	05.	06.	0
		ABOUT NORILSK NICKEL GROUP	SUSTAINABLE DEVELOPMENT AT NORILSK NICKEL GROUP	HUMAN CAPITAL DEVELOPMENT	OCCUPATIONAL HEALTH AND SAFETY	DEVELOPMENT OF LOCAL COMMUNITIES	ENVIRONMENTAL PROTECTION	CL

#### Responsibilities in interacting with indigenous northern peoples





**08.** CORPORATE GOVERNANCE **09.** RESPONSIBLE BUSINESS CONDUCT 10. INNOVATIVE DEVELOPMENT 11. APPENDICES

Sustainable Development and Climate Change Committee of the Company's Board of Directors

• Provides the Board of Directors with an opinion on the effectiveness and quality of the key projects developed and implemented in respect of the indigenous northern

• Monitors the quality and effectiveness of any major amendments made to the strategies, goals, programmes, projects, and other important initiatives approved in the area of respecting and protecting the rights of the indigenous northern peoples

• Drafts recommendations for the Board of Directors on the implementation of regulatory and legislative instruments, standards, and association requirements in the field of respecting and protecting the rights of the indigenous northern peoples

 Internal Control Department
 Handles complaints and petitions of the indigenous northern peoples through the Corporate Trust Line, monitors the status of control activities 2023

SUSTAINABILITY REPORT

ABOUT NORILSK NICKEL GROUP SUSTAINABLE DEVELOPMEN

OCCUPATIONAL HEALTH AND SAFETY

DEVELOPMENT OF LOCAL

### Free, Prior and Informed Consent process

FPIC is a complex documented negotiation system enabling indigenous peoples to make well-informed decisions without external pressure based on the analysis of timely provided project information and offering them advisory assistance in the evaluation and consideration of such information. FPIC is not directly included in the national legislation of the Russian Federation. However, the UN requires that such consent be obtained for all projects affecting indigenous peoples. Consent is needed if the project is expected to have a significant impact on indigenous communities, including in cases of relocation or expropriation of land used for traditional economic activities.

### Tukhard

Nornickel was the first company in the Russian Arctic to obtain FPIC for launching the Tukhard relocation and development programme. In the space of five months, three rounds of consultations and three communal meetings were held, during which residents agreed to join the FPIC process, and consented to further relocation and development of the settlement subject to the fulfilment of some of their conditions. Those conditions included participating in all stages of design and construction, choosing the location for the new settlement, defining the social and communal infrastructure needs, ensuring compliance with the outdoor design requirements, and having the necessary infrastructure for reindeer herding. Following extensive public opinion polls and a census held in 2023, residents were presented with a master plan for the new settlement and house layouts, and invited to take part in further discussions. The Company plans to complete the construction of the infrastructure agreed with the residents of the new settlement, as well as the acquisition of apartments in Dudinka in the mid-term.

### Lovozero District of the Murmansk Region

The Company used lessons learned in Tukhard to engage in a meaningful dialogue with the Sámi, Nenets, and Komi peoples. In view of the planned Kolmozerskove lithium deposit development, in 2022 Nornickel organised preliminary consultations with representatives of indigenous peoples residing in Lovozero and Krasnoshchelye (Murmansk Region) to inform local communities about the upcoming industrial project and invite them to join the FPIC process.

In 2023, a Working Group for the Indigenous Minorities and Reindeer Herders of the Murmansk Region was set up to discuss planned due diligence initiatives, the grievance mechanism, and ways to ensure that all opinions are considered and results are verified at all stages of the survey. The Working Group includes representatives of the Kola Sámi Association, Public Organisation of the Sámi People of the Murmansk Region, Council of Indigenous

Peoples under the Government of the Murmansk Region, and major reindeer herding farms. From July to September 2023, ethnographic and natural science research teams consisting of scientists, representatives of indigenous communities, and opinion leaders conducted fieldwork research for the ethnicity expert review. The findings of the expert review will be used to draft a plan for interaction with indigenous peoples, including measures to reduce impacts, compensatory actions, and a sustainable development plan, after which the FPIC procedure will be proposed to the indigenous communities of the Murmansk Region's Lovozero District.

Additionally, Nornickel is assisting the Sámi people in their sustainable development as part of the Cooperation Agreement between the Kola Sámi Association of the Murmansk Region and PJSC MMC Norilsk Nickel.



## Activities of the Coordinating Council for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities at Polar Division

#### GRI 2-26

In 2021, Nornickel established a Coordinating Council for Interacting with Family (Tribal) Communities of Indigenous Northern Minorities supervised by the Company's Senior Vice President, Head of Norilsk Division. The Council seeks to promote

# **42** initiatives

under the Programme, including those seeking to support traditional economic activities of indigenous northern peoples (assessment of the carrying capacity of reindeer pastures, fish stocking of rivers, construction of food industry facilities), assess water bioresources of the Taimyr Peninsula's rivers based on relevant research, build housing and social facilities for the residents of Taimyr's settlements (first aid and obstetric facilities, children's playgrounds, community centres, school equipment), and promote education, culture, sports. and tourism (publishing of educational materials in indigenous languages, revival of writing systems, creation of language nests)



an equitable and respectful dialogue and long-term cooperation with indigenous peoples. It also oversees Nornickel's Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020-2024.

# RUB 🖌 bn

total financing of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District in 2020-2024

Indigenous communities actively

participated in the development of this

views, national and cultural traditions.

and voicing their needs, demands, values,

programme, providing direct inputs

# RUB **300** mln

additional funding provided by the Coordinating Council to support indigenous northern peoples and promote traditional economic activities in 2021-2023 (RUB 100 mln on an annual basis)

# **57** communities

engaged in traditional economic activities on the Taimyr Peninsula have joined the Coordinating Council

\_\_\_\_\_ 2023

SUSTAINABILITY REPORT

01. 02. ABOUT NORILSK NICKEL GROUP SUSTAINABLE DEVELOPMEN AT NORILSK NICKEL GROUP

O3. NT HUMAN CAPITA DEVELOPMENT 04. 05. OCCUPATIONAL HEALTH DEVELOPMENT OF LOCAL AND SAFETY COMMUNITIES **07.** CLIM

# Key projects in support of indigenous northern peoples in 2023

In 2023, the Company implemented the following initiatives as part of the Programme for Promoting Social and Economic Development of the Taimyrsky Dolgano-Nenetsky Municipal District:

- constructing seven residential buildings in Volochanka and Ust-Avam;
- purchasing five flats in Dudinka for orphaned children;
- commissioning three first aid and obstetric facilities (Volochanka, Ust-Avam, Ust-Port), each providing accommodation for the families of medical staff furnished with pharmacy equipment, household furniture and appliances;
- conducting research to assess the water bioresources of the Khatanga and Yenisey rivers;

- arranging transportation of agricultural products (reindeer meat, northern species of fish) from settlements and hunting/fishing facilities located in the Taimyrsky Dolgano-Nenetsky Municipal District (cities of Dudinka and Norilsk) to retail chains for further resale;
- admitting students from indigenous northern communities to the Polar State University under the Students of Taimyr programme (at the end of 2023, there were 56 indigenous students studying at the university, up 40% y-o-y);
- providing 11 rural educational institutions with an additional internet resource, installing satellite and office equipment, introducing online lessons, and organising advanced training courses for teachers.

The assistance provided by the Company to the family (tribal) communities has proven its efficiency, with infrastructure across settlements gradually improving, traditional economic patterns gaining momentum, and their cultural practices and values resurrected and preserved.

In 2020–2023, we streamlined communications under the Coordinating Council and expanded the geography of our Programme (in previous years, eight localities of the Khatanga rural settlement and Lake Khantayskoye were included in the Programme).

In 2024, the Company plans to gather representatives of indigenous peoples to evaluate the results of our five-year partnership.

## World of Taimyr project competition

ENVIRONMENT

The Company uses the World of Taimyr project competition (held for the second time in 2023) to support public initiatives aimed at preserving the local culture, lifestyle, and traditions of Taimyr's indigenous peoples and creating conditions for the sustainable development of their traditional livelihoods. A special feature of the competition is the grant funding system, which welcomes only

. . ..

peoples.









the indigenous peoples of Taimyr, nonprofit organisations, and municipal and public institutions implementing projects in the interests of indigenous

The 2023 funding totalled RUB 53 mln covering 18 social projects, which will be implemented by the end of 2024. The winners' public initiatives address a wide variety of social issues: revive national languages, create a culture of environmental protection, hold landscaping campaigns, develop infrastructure across Taimyr settlements, preserve cultural heritage, and many more (for more details, please see the <u>World of New Opportunities</u> charitable programme subsection).

### Applications funded in 2023–2024 by nominations

