

Key focus areas

Biodiversity

Key projects	Key results
<ul style="list-style-type: none"> <li>Big Scientific Expedition</li> <li>Cooperation agreements with the Russian Ministry of Natural Resources and Environment, natural reserves within our footprint</li> </ul> <p>➔ For more details, please see the <a href="#">Biodiversity</a> section.</p>	<p>Phase two of the Big Scientific Expedition ended in 2023</p> <p>Two new species discovered by the Big Scientific Expedition</p> <p>Two innovative scientific solutions introduced into assessment of ecosystem health</p> <p>IIEH<sup>1</sup> – a new method for integral assessment of ecosystem health</p>

Technology

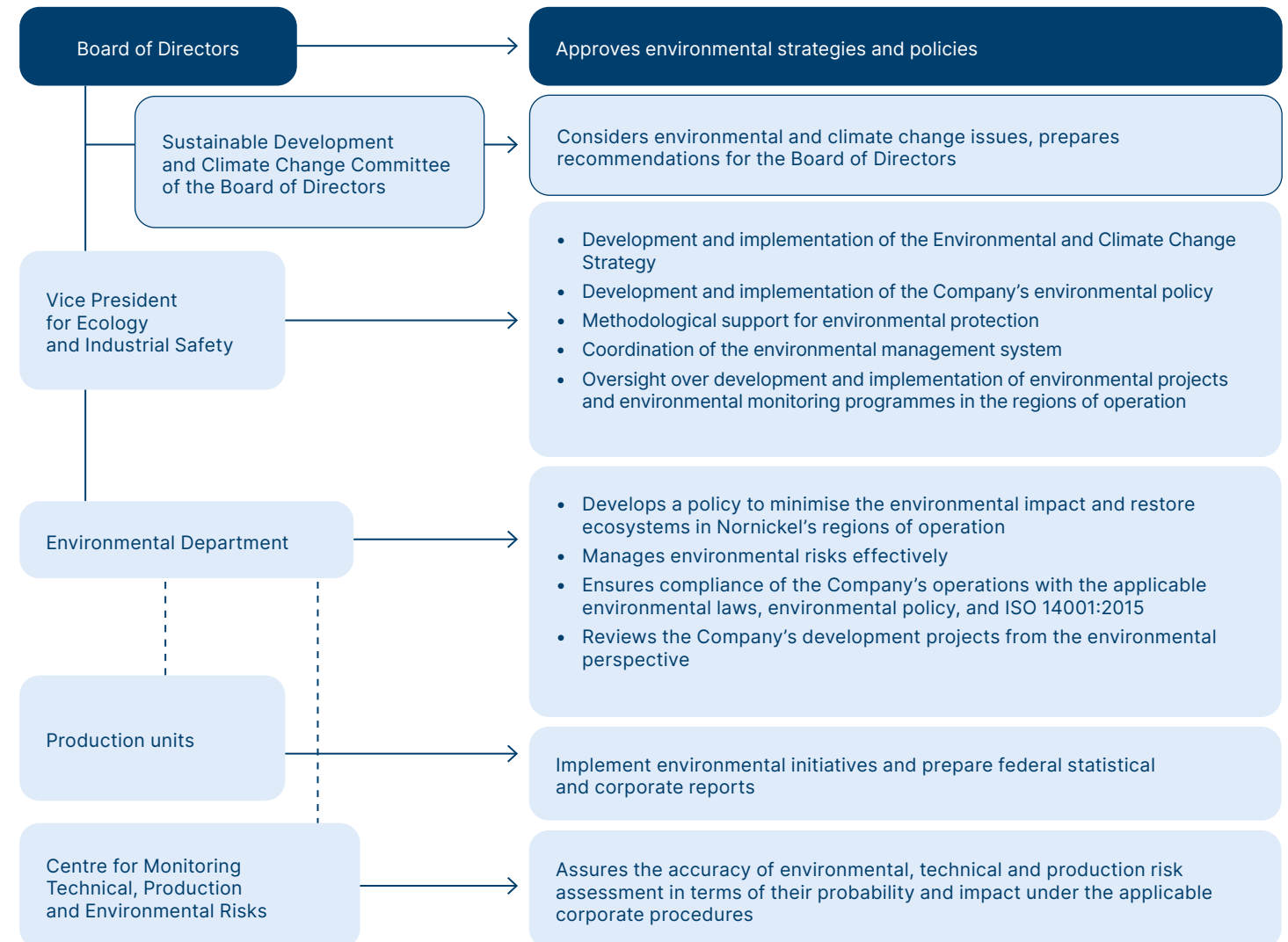
<ul style="list-style-type: none"> <li>Most of Nornickel's projects with a positive environmental effect rely on technological advances</li> </ul>	<p>➔ For more details on innovative environmental projects, please see the <a href="#">Innovation</a> section.</p>
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# ENVIRONMENTAL MANAGEMENT

The Company reaffirms its commitment to mitigate and where possible prevent a negative impact on land resources exerted by our production and supply operations.

Nornickel's senior executives and business units are responsible for meeting the Company's environmental obligations, goals, and KPIs. The Company's business units take steps to achieve the goals, comply with statutory requirements, and honour voluntary commitments in line with their competencies.

GRI 2-12, 2-13, 2-14

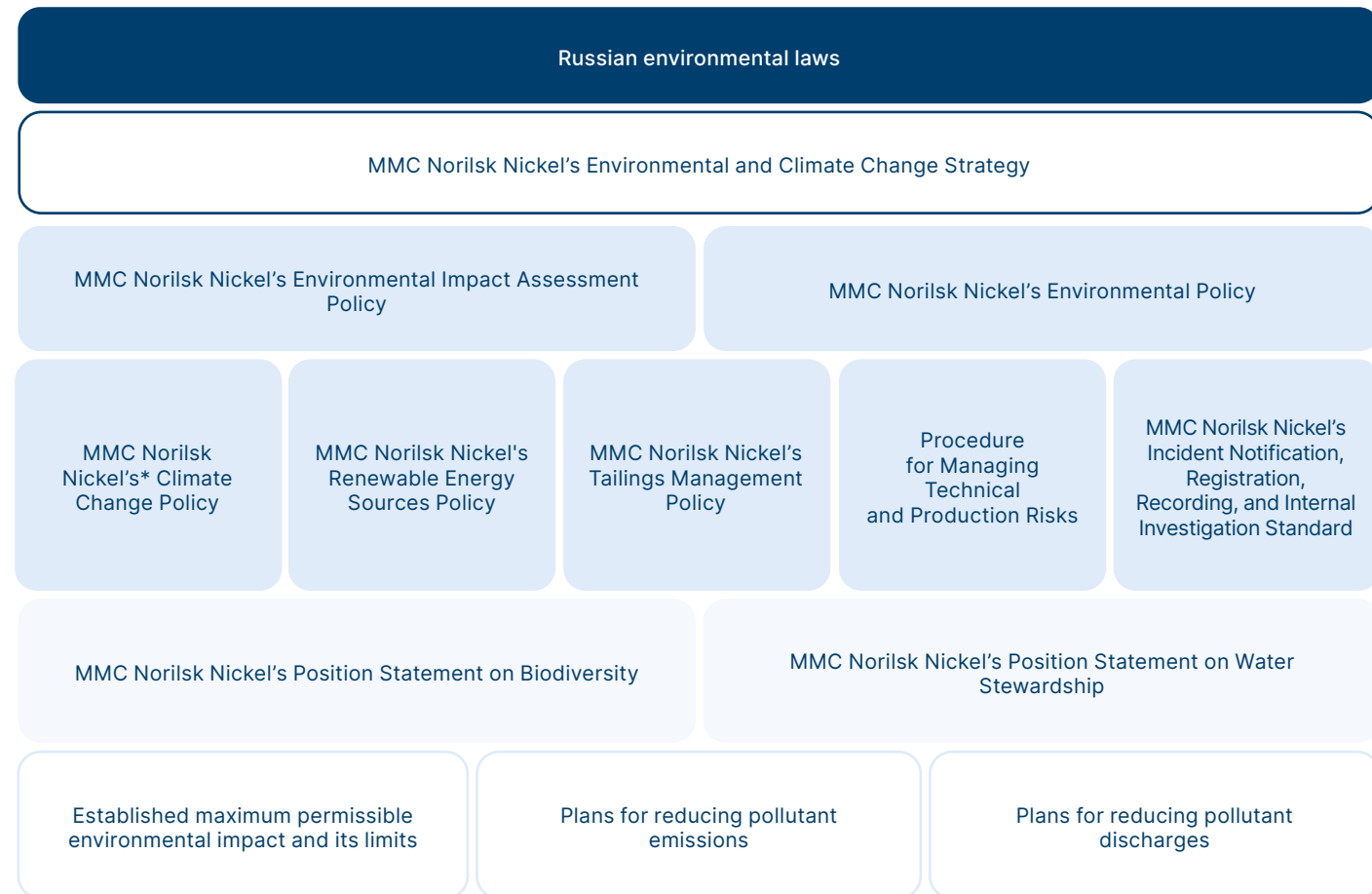


<sup>1</sup> Integral Indicator of Ecosystem Health.

Adopted in 2021, our [Environmental and Climate Change Strategy](#) helps us effectively manage the Company's environmental impact and monitor environmental conditions across our

footprint. Along with the said strategy and division-level programmes, Nornickel put in place dedicated by-laws drafted in accordance with Russian laws and best global practices.

**Key environmental management regulations**



Key environmental policies are subject to regular updates and approval by the Board of Directors. In 2023, the Board of Directors updated and approved MMC Norilsk Nickel's Tailings Management Policy. The reporting year also saw the Company draft a Procedure for Managing Technical and Production Risks and an Incident Notification, Registration, Recording, and Internal Investigation Standard.

Employees at business units take relevant compliance training in line with annual (quarterly) plans.

When planning our operations and in the course of our production activities, we comply with the applicable Russian environmental laws and regulations. During a state expert review, design documents and results

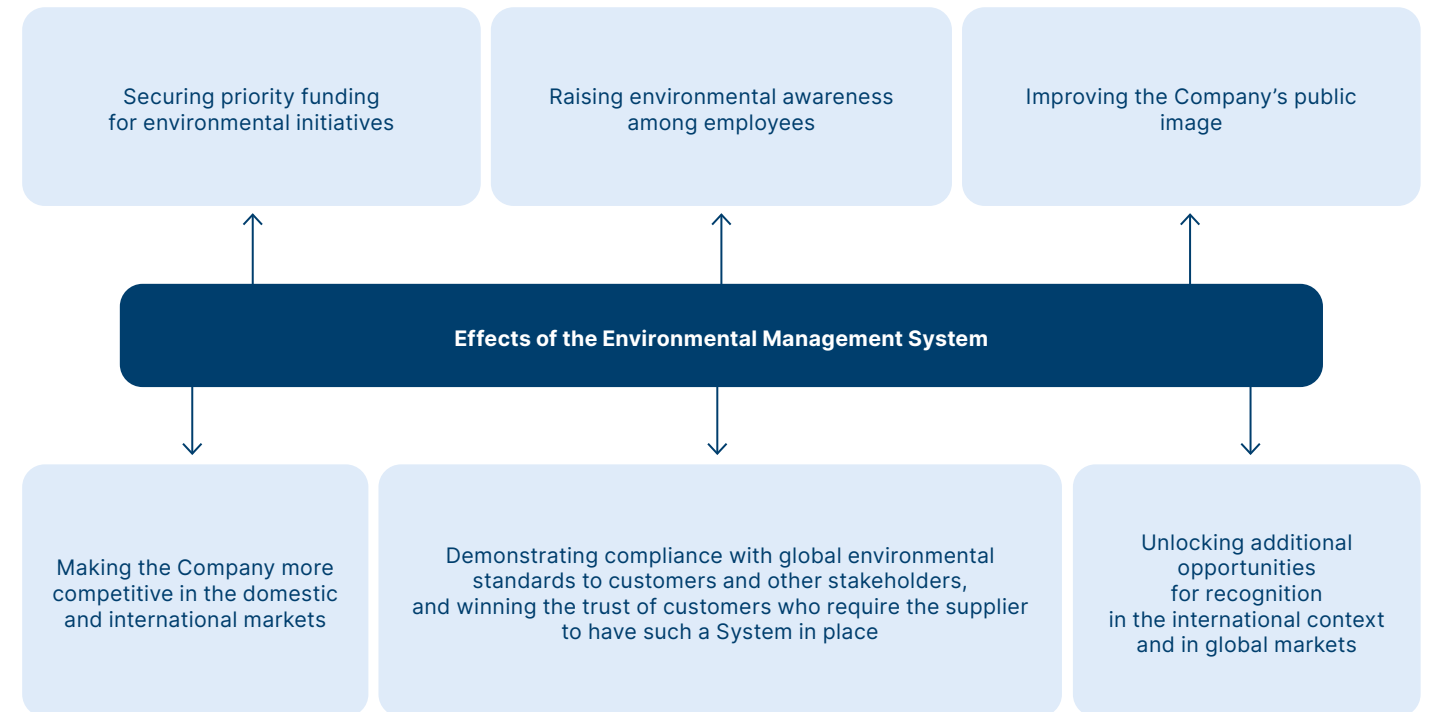
of engineering surveys for all the ongoing projects undergo mandatory assessment for compliance with the applicable laws.

**Environmental management system**

Launched in 2005, the Environmental Management System (the "System") continued to operate as part of the Corporate Integrated Quality and Environmental Management System

(CIMS), which enables the Company to harmonise environmental and quality management initiatives with operations of other functions (production management, finance, occupational health and safety,

etc.). The resulting synergies translate into better productivity across the Company in general and in environmental safety in particular.



The System is fully compliant with ISO 14001:2015. To confirm compliance, the Company and its business units' pass surveillance and recertification audits.

In November 2023, Bureau Veritas Certification Rus (BVC) held a recertification audit confirming the Company's compliance with ISO 14001:2015. Following the audit, Nornickel received a relevant certificate for the seventh certification period, as it succeeded in implementing, maintaining, and continuously improving the Corporate Integrated Management System.

In 2023, the Environmental Management System targeted the following areas:

- preservation of ecosystems across the footprint of production sites;
- dissemination of best practices in protecting the environment and biodiversity;
- implementing relevant programmes and initiatives, including those aimed at fostering corporate eco-volunteering culture;
- addressing challenges in industrial ecology and improving environmental laws;
- advancing the Sulphur Programme.

**Once a year**

surveillance audits

**Once every three years**

recertification audits

<sup>1</sup> MMC Norilsk Nickel, Kola MMC, GRK Bystrinskoye, Norilsk Nickel Harjavalta.

### Precautionary approach

GRI 2-23

Nornickel assesses potential impact of the Company's operations. In accordance with its Investment Project Risk Management Regulations, Nornickel analyses risks and assesses impacts and potential consequences using qualified expert review during both project planning and implementation. If the analysis identifies any material risks, mitigation initiatives are developed, and a decision may be taken to abandon the project.

In 2023, to minimise its negative environmental impact, prevent incidents, and strengthen the management of relevant risks, we approved a Procedure for Managing Technical and Production Risks and an Incident Notification, Registration, Recording, and Internal Investigation

Standard effective at MMC Norilsk Nickel and Nornickel Group's Russian business units. The document sets out the procedure for identifying, assessing and prioritising environmental risks, selecting a mitigation method, designing action plans to manage the risks and monitor the management process.

The Company runs day-to-day and major initiatives to minimise environmental risks, analyses their performance, and improves assessment tools.

Environmental KPIs are in place to motivate and encourage a more responsible attitude towards mitigation initiatives.

## Stakeholder engagement on environmental issues

Reducing an environmental footprint is included in the agenda of internal and public events.

In 2023, the Company joined the Arctic and biodiversity conservation team of Rosprirodnadzor's R&D Council to share experience with other businesses and strengthen its image of an environmentally responsible business and a leader in biodiversity protection.

In 2023, Nornickel took part in the COP28 UN Climate Change Conference.

As part of agreements with Rosprirodnadzor in 2022, Nornickel exchanged information, received advice on its high-potential investment projects as regards compliance with Russian environmental and resource use laws, and took part in joint environmental initiatives, including the Clean Air federal project and an initiative

to develop and introduce automated metering and monitoring tools for emissions and effluents.

In November 2023, Nornickel and the Siberian Branch of the Russian Academy of Sciences presented the results of the Big Scientific Expedition held in 2022–2023. The Krasnoyarsk Research Centre at the Siberian Branch hosted a round table discussion attended by federal and regional authorities, representatives of nature reserves, researchers, environmentalists, and Nornickel.

➔ For more details on the Big Scientific Expedition, please see the [Biodiversity](#) section.

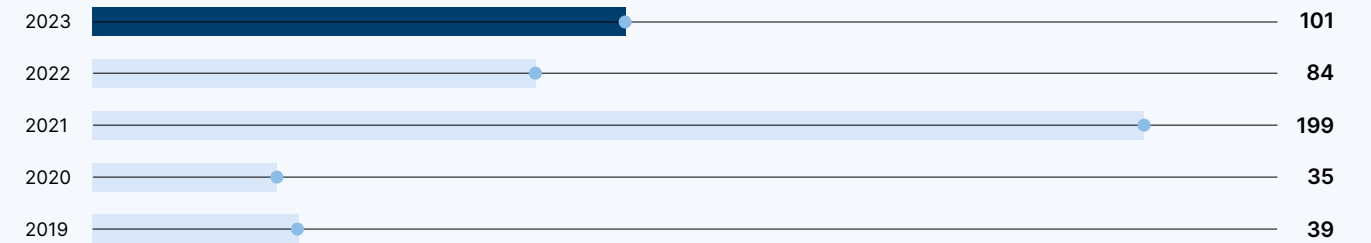
In 2023, Nornickel continued to fulfil its obligations under two agreements signed with the Russian Ministry of Natural Resources and Environment as part of the federal Biodiversity Conservation and Ecotourism Development project, with measures taken to protect gyrfalcons.

➔ For more details, please see the [Biodiversity](#) section.

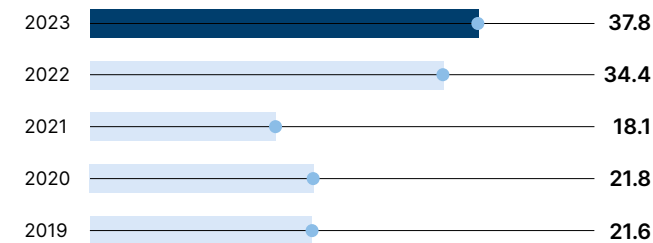
In the reporting year, the Company staged an environmental forum and corporate workshops on environmental legislation and risk management for its employees.

## Environmental protection expenditures

### Environmental costs and expenditures, RUB bn



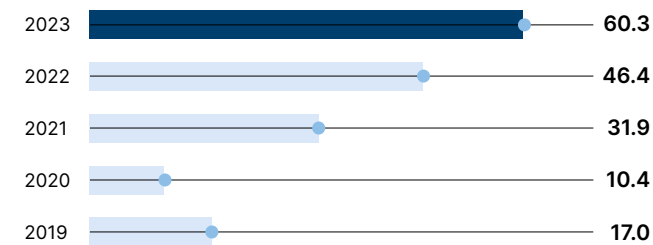
### Operating environmental expenditures, RUB bn



A 9.9% increase in operating environmental expenditures in 2023 is due to:

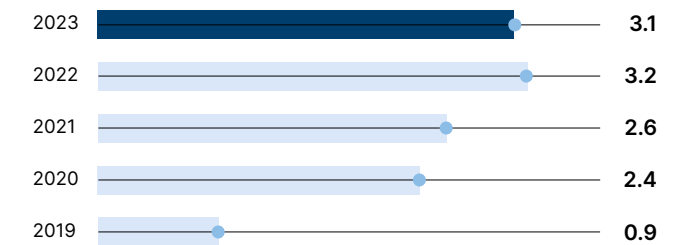
- higher costs and other expenses on the backfilling of mined-out areas as a result of more ore mined;
- scheduled environmental equipment repairs;
- rehabilitation of disturbed land and geological monitoring.

### Capital investments to ensure environmental protection and sustainable use of natural resources, RUB bn



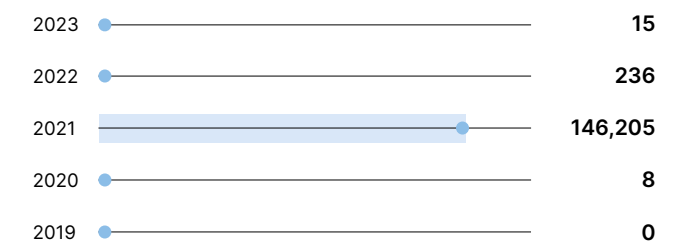
In 2023, capital investments increased due to an active construction stage of the Sulphur Programme, replacement of electrostatic precipitators, and an upgrade at the 4th technological system in the sulphuric acid section of Kola MMC's Refining Shop.

### Charges for permissible and surplus emissions (effluents) and disposal of production and consumption waste, RUB bn



In 2023, charges for permissible and surplus emissions (effluents) and disposal of production and consumption waste remained flat y-o-y.

### Charges paid by the Company to remedy damages arising from non-compliance with environmental laws (excluding environmental fines) <sup>1</sup>, RUB mln



Charges paid by the Company in 2023 to remedy damages arising from non-compliance with environmental laws are due to the following:

- 1) damage caused to a water body (Yenisey River) by TFC as a result of discharging effluents with pollutant concentrations above the permissible level (Dudinka Oil Depot);
- 2) damage caused to soils by a mining water stream at discharge point No. 170 of Oktyabrsky Mine (Polar Division).

<sup>1</sup> RUB 146 bn paid in 2021 to compensate for the damage sustained by environmental facilities as a result of the fuel spill at NTEC's CHP-3 in 2020.