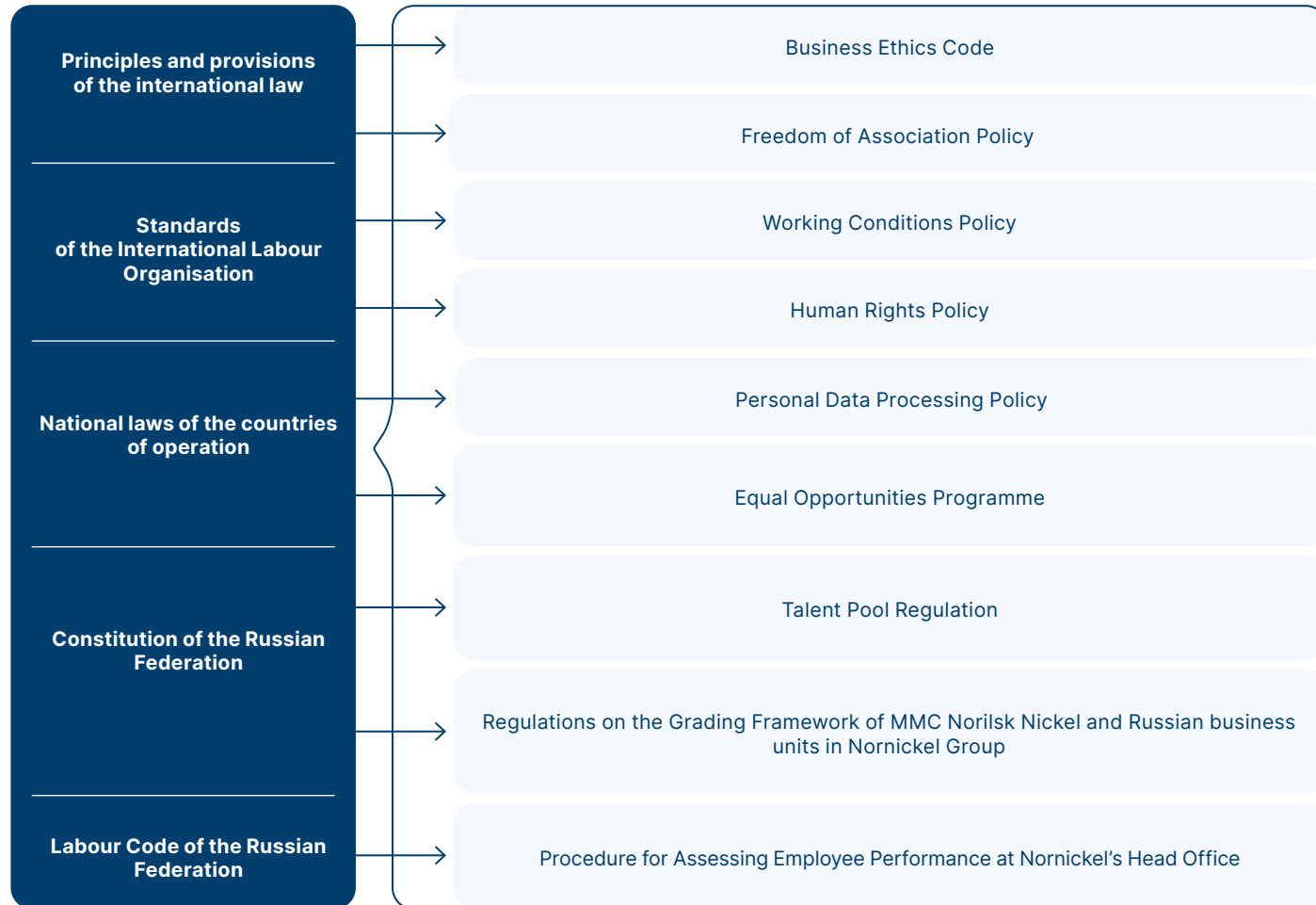


# HR MANAGEMENT

## Key HR management priorities



## Nornickel's key HR management regulations<sup>1</sup>

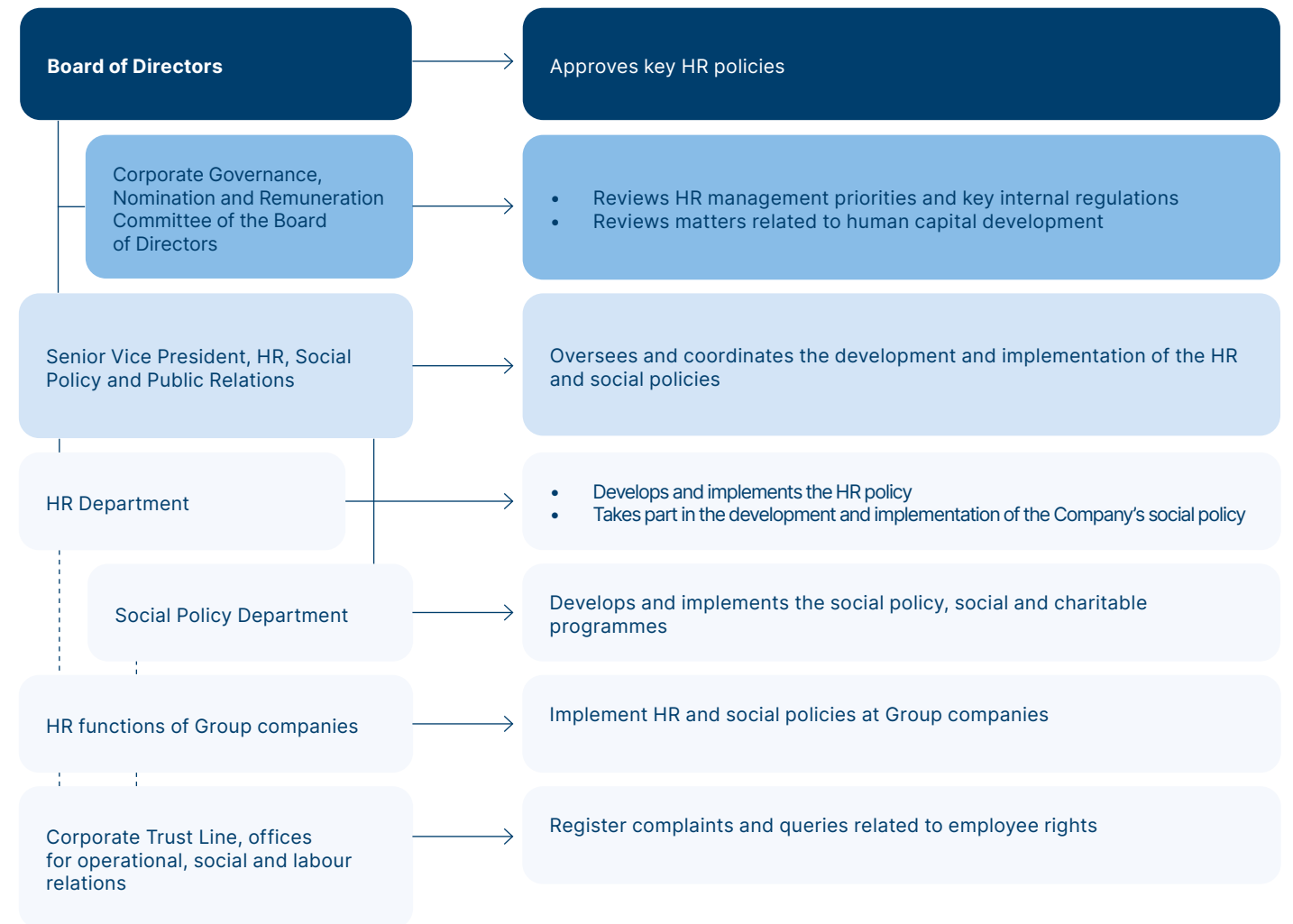


<sup>1</sup> The Board of Directors approved the above MMC Norilsk Nickel's policies and Equal Opportunities Programme.

HR management responsibilities are allocated among Nornickel's various governance bodies and business units in line with their terms of reference.

## Key HR management responsibilities

GRI 2-9, 2-12, 2-13



In HR management, Nornickel adheres to international and national regulations and standards, as well as its by-laws.

## Staff composition

GRI 2-7/SASB EM-MM-000.B

# 80,562

the Group's average headcount, of which 99.5% were employed at its Russian companies

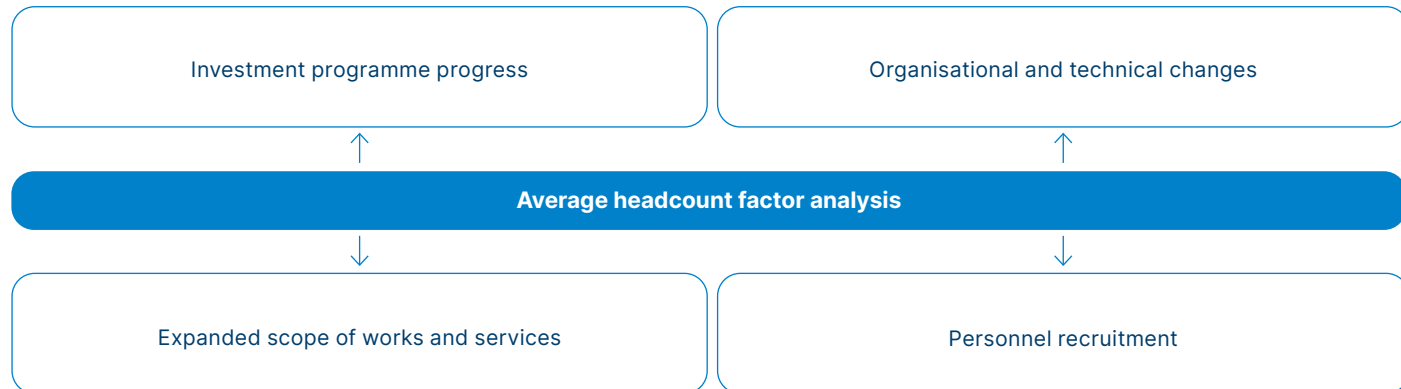
# 2.8%

growth in the average headcount (2023 vs 2022)

### Strong employer brand

In 2023, Nornickel retained leadership in key rankings of the best employers according to HeadHunter, RBC, Forbes, Future Today, and other expert communities

➔ For more details, please see the [Awards and Accolades](#) appendix.



**Nornickel is committed to recruiting and developing the best talent.**

The headcount<sup>1</sup> of the Group's Russian operations as at the year-end stood at 82,100 employees, with most of them working full time (99%) and under permanent employment contracts (>94%).

As at the end of 2023, there were 1,013 employees working under civil contracts.

## Locally hired employees

GRI 202-2

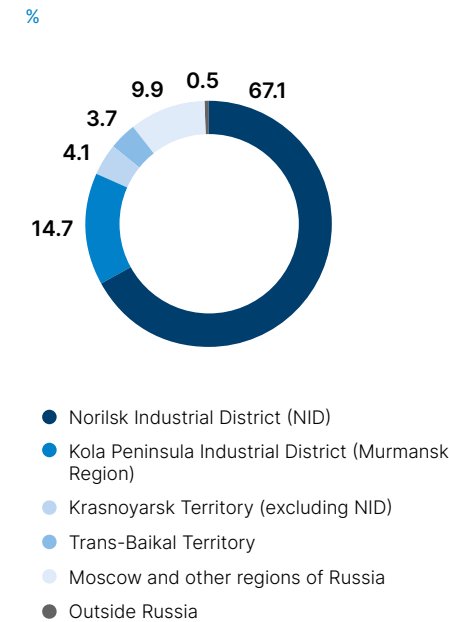
# 99.4%

share of locally hired executives across the Group's Russian companies in 2023

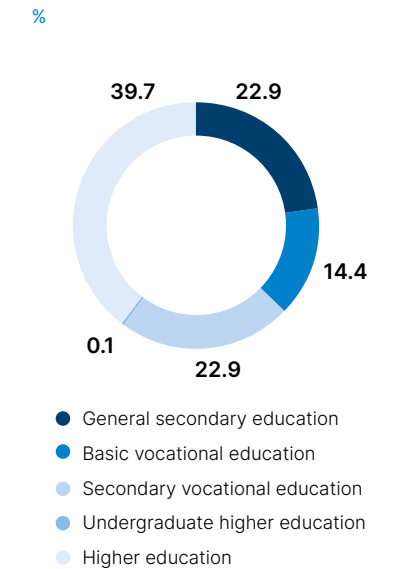
# 99.7%

share of locally hired<sup>1</sup> employees across Group companies as at the end of 2023

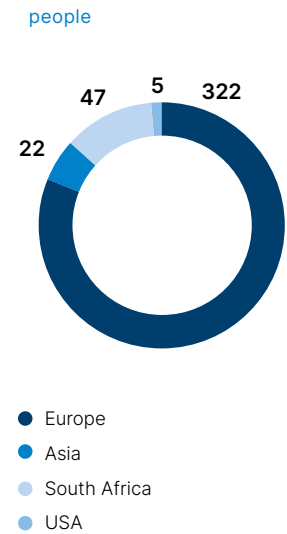
Group<sup>2</sup> personnel structure by territory in 2023



Personnel structure by education in 2023



Headcount of the Group's foreign operations in 2023



The majority of the Group's personnel is concentrated in the Norilsk Industrial District (67%) where most of the Group's production assets are located.

Nornickel takes the responsibility for its impact on the labour markets in the regions where it operates. In hiring personnel, we assess all candidates based on their work experience, qualifications, and education.

More than one third of our employees (39.7%) have higher education qualifications. Most of them are executives. 22.9% of employees have secondary education qualifications, 22.9% – secondary vocational education qualifications, and 14.4% – basic vocational education qualifications. The share of employees with undergraduate higher education is below 1%.

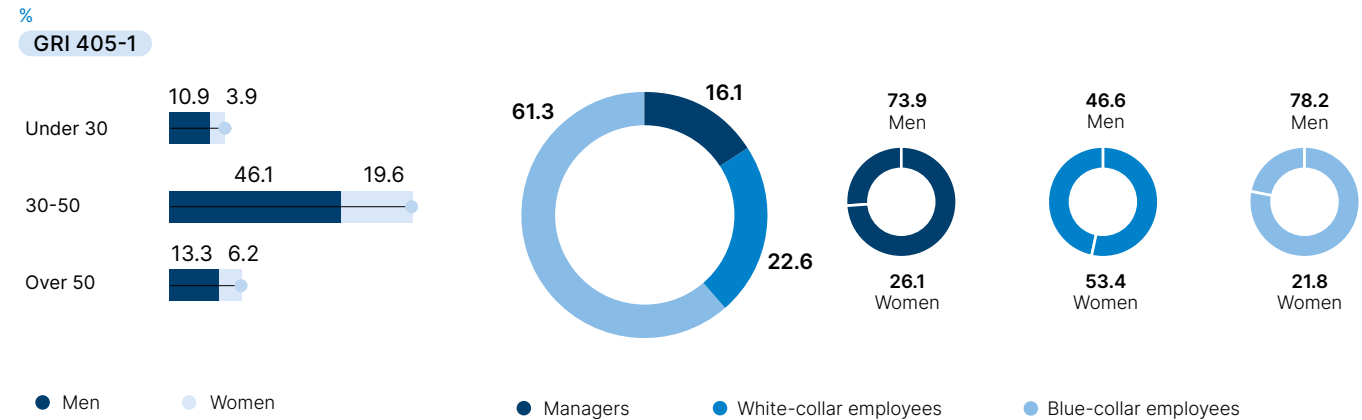
In 2023, the headcount of the Group's foreign operations was flat y-o-y and included: 322 employees in Europe, 47 in South Africa, 22 in Asia, and five in the USA.

<sup>1</sup> Including salaried employees and external part-timers.

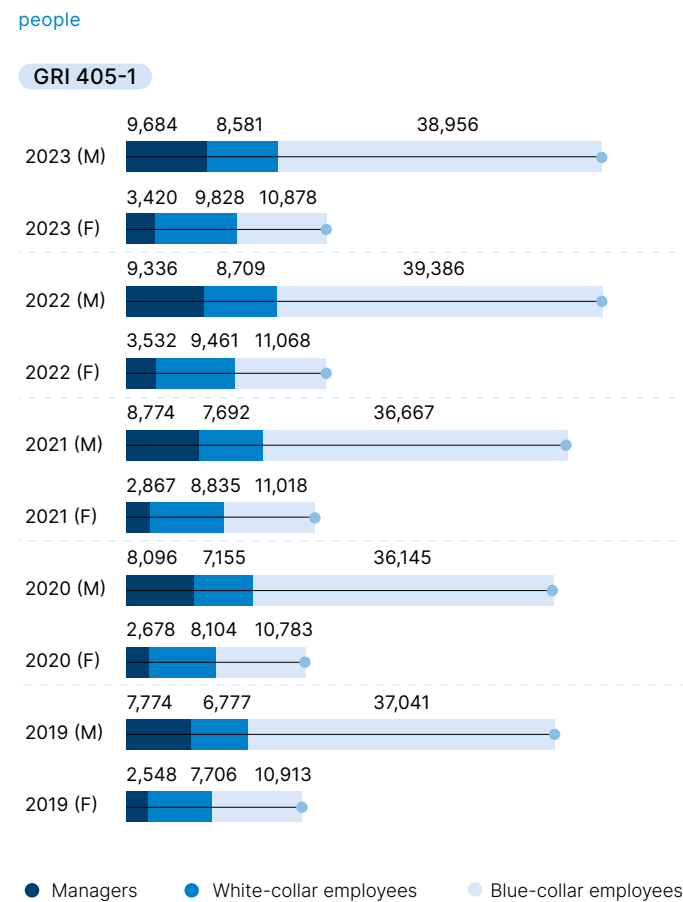
<sup>1</sup> Locally hired employees refer to the employees who are residents of the country where the relevant Group company is incorporated.

<sup>2</sup> Structure of salaried staff as at 31 December 2023. Group data, including foreign companies of Kola Division.

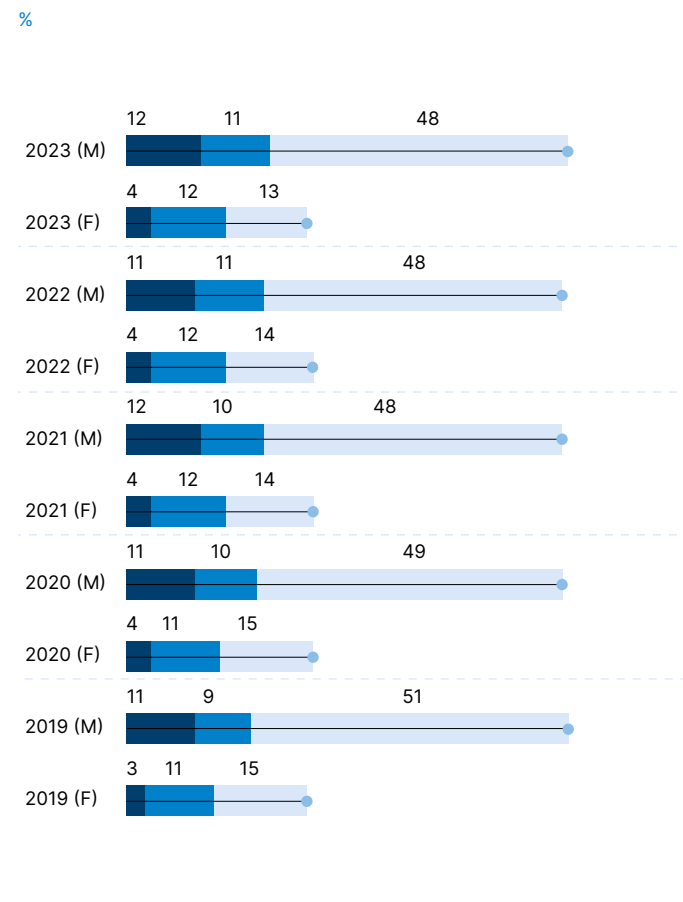
Personnel structure by gender and age in 2023<sup>1</sup>



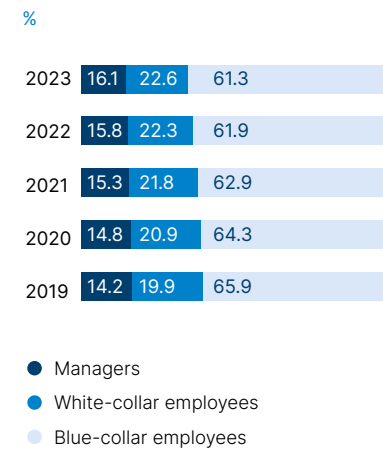
Personnel structure by gender and category in 2019–2023



Personnel structure by gender and category in 2019–2023<sup>2</sup>



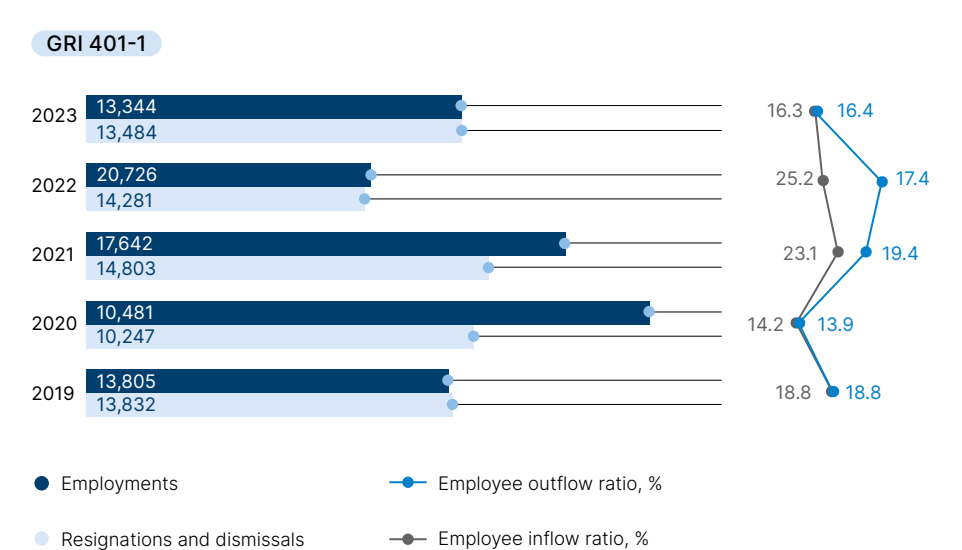
Personnel structure by category in 2019–2023



Blue-collar employees account for the largest part of the workforce (61.3%) due to the nature of the Group's operations. The share of men in the overall headcount in 2019–2023 remained stable at 70–71% due to the harsh working conditions in the climate of the Far North. Female employees prevail in the category of white-collar employees (52–53% in the reviewed historical period).



Key personnel turnover indicators<sup>1</sup>



In 2023, Norinickel utilised shift-camp work arrangement, permanent and temporary jobs, and staff transfers within the Group to bolster its recruitment efforts. The Company hired 1,919 people for shift-camp work.

To engage prospective employees from different regions, we launched a recruitment centre in Irkutsk, with the existing centres in Orsk, Ufa, and Norilsk delivering over 14,000 interviews – a 31% increase from 2022. Norinickel's HR Support Centre also commenced operations in Norilsk to directly meet with job seekers and employees. This expansion provided varied application avenues: the corporate website, recruitment centres, a 24/7

call centre, and social media. In total, Norinickel received some 69,000 CVs in 2023.

The reporting year saw the introduction of Orbit, an automated recruitment system, which now keeps an applicant pool of over 270,000 CVs, synced with both internal HR systems and external job portals.

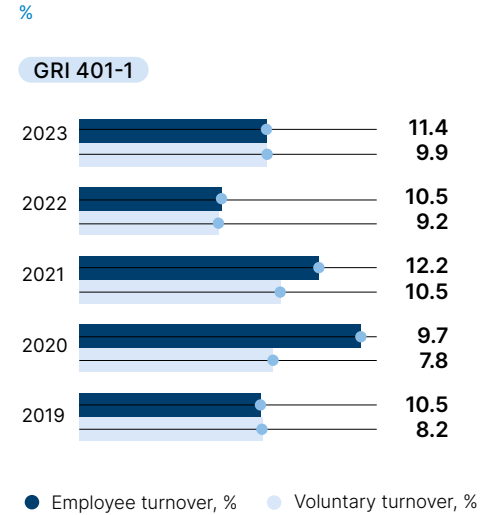
Promotion was also in focus, with over 4,000 employees ascending to superior roles within the Group. The re-hiring programme engaged 880 returners, drawing interest from over 3,300 former employees for Norinickel's vacancies.

<sup>1</sup> Unless otherwise specified, the indicators included in this report represent the Group's Russian operations.

<sup>2</sup> Data for 2019–2021 was updated as compared to data disclosed in the [2022 Sustainability Report](#).

<sup>1</sup> Russian companies of the Group. Employee inflow ratio: the ratio of new employments to total headcount at the end of the period. Employee outflow ratio: the ratio of all separations to total employments at the end of the period.

**Employee turnover**



Employee turnover<sup>1</sup> as at the end of 2023 came in at 11.4%. Voluntary turnover<sup>2</sup> remained stable at 7–8% during 2019–2020. However, in 2021, the figure peaked at 10.5% as a result of the closure and reconfiguration of smelting and metallurgical operations on the Kola Peninsula. By 2022, it had slipped

to 9.2%, and in 2023, it was slightly higher at 9.9%. Under the Sustainable Social Development Strategy, the Company aims to reduce turnover to 8% by 2026. This goal will be pursued through fostering employee professional growth, and the recruitment of young and seasoned professionals.

**Personnel recruitment and training under the Sulphur Programme**

The Company prioritised staff training at the inception of the Sulphur Programme,

necessitating recruitment of over 500 individuals for the sulphuric acid production and neutralisation shop. By year-end 2023, 418 people were hired, including 64 managers and white collars and 354 blue-collars workers.

In addition to traditional roles like maintenance technicians and electricians, new positions emerged, such as operators of neutralisation and oxidation equipment. Specialised training was created by Omsk

Polytechnic College, combining self-directed theoretical studies with hands-on experience at the Omsky Kauchuk plant.

Seasoned mentors at Norilsk's three Norilsk Division locations – Copper, Nadezhda Plants, and the Talnakh Concentrator – trained personnel for Nadezhda Plant's new facility.

Recruitment spans beyond Norilsk, drawing on both Polar Division's domestic talent and professionals from other regions, such as Vladikavkaz, Bashkortostan, Chelyabinsk Region, Trans-Baikal and Krasnoyarsk territories.



« Norinickel stands as a steadfast and dependable employer. The Company offers a workspace that is both comfortable and accommodating, guaranteeing fair pay, varied suite of social programmes and benefits, along with ample opportunities for career advancement and personal growth. These elements collectively serve as key motivators for most of the Company's workforce.

**Maxim Ovchinnikov,**

head of road transport, GRK Bystrinskoye (length of service with the Company – 27 years)

**Commitment to employee rights**

Nornickel respects employee rights and fully takes them into account in its operations.

**1**

Equal opportunities to unlock professional potential

**2**

Performance assessment on a fair and impartial basis

**3**

Employment and promotion based solely on professional abilities, knowledge, and skills

**4**

Development of and social support to employees, including upholding rights to social security, education, family welfare, shelter, freedom of artistic expression, and participation in cultural life

**Commitment to respecting employee rights**

**5**

Recruitment of people with disabilities and ensuring all the necessary working conditions, including work and rest schedule, annual and additional paid leaves, and financial aid<sup>1</sup>

**6**

Respect for internal labour regulations, which are approved in consultation with the trade union organisation, and employees' working hours

**7**

Ban on child labour in any form, including the involvement of minors under 18 in hazardous and/or dangerous work

**8**

Ban on employment of women in harsh and dangerous working conditions in the mining industry

<sup>1</sup> The ratio of resignations, dismissals for breach of labour discipline, and negotiated terminations, to the average headcount for the year.

<sup>2</sup> The ratio of all resignations to the average headcount for the year.

<sup>1</sup> Employment quotas for employees with disabilities account for 2% of the average headcount, excluding employees involved in harsh, hazardous and/or dangerous work, depending on the region and company size.

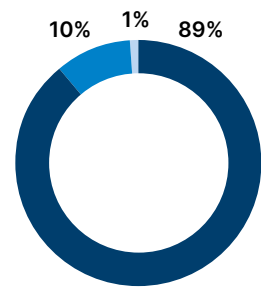
Open communications with employees give them an opportunity to be heard, contribute to Nornickel's progress, and drive improvements. In addition to the Corporate Trust Line, the Group

continued to run offices that address production, social, and labour concerns, ensuring swift and effective problem resolution.

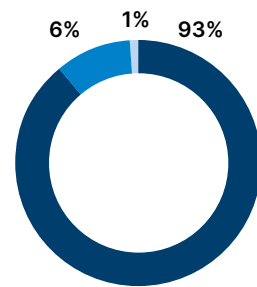
**26** offices operated at the Group's companies in the Norilsk Industrial District in 2023

**>2,500** staff meetings held in 2023

**61,700** employees attended staff meetings



**~50,000** queries received by offices in 2023



For **105,600** queries information and advisory assistance provided

- Social and working issues
- Legal issues
- Other issues

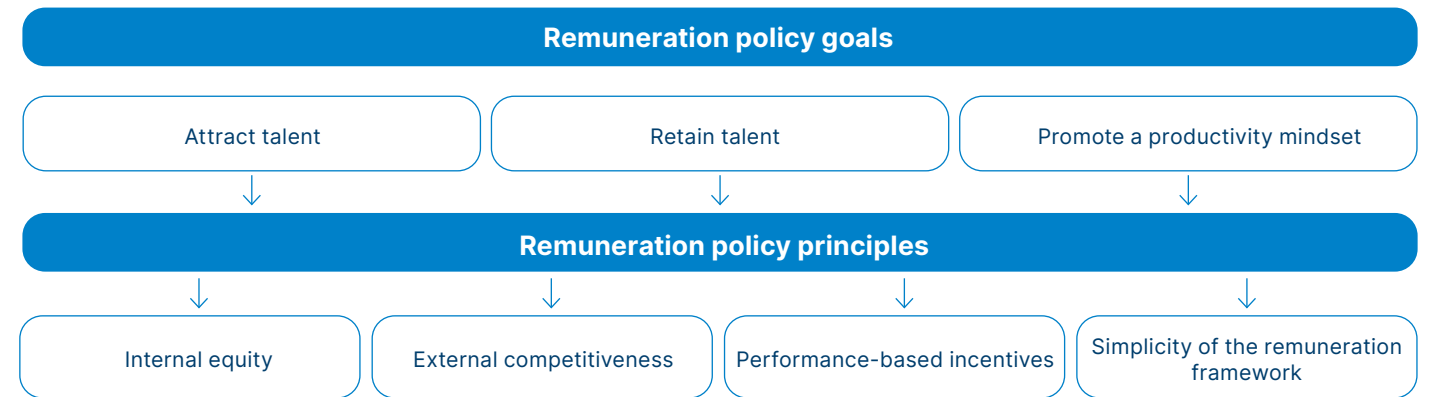
- Company's employees
- Former employees
- Other categories

# INCENTIVES AND REWARDS

Nornickel boasts a comprehensive employee incentive framework combining financial and non-financial elements that

enhance work efficiency and productivity, bolster corporate culture, and amplify employee dedication.

The Company's Remuneration Policy oversees financial incentives.



The Company prohibits any discrimination in terms of setting and changing wages based on gender, age, race, nationality, origin, or religion.

salaries, yearly bonuses, categories for voluntary health insurance, and other elements of remuneration and benefits.

The Company conducts ongoing salary reviews against the national average and in the regions of operation, considering cost of living indicators. Annual salary increments are formulated based on this data. Effective 1 July 2023, salaries were indexed with a 6.1% increase.

A grading framework has been established based on the point factor method of job evaluation that takes into account knowledge and skills, the complexity of tasks, and the level of responsibility. Grade determines fixed

Policies are in place to determine fixed salaries, annual bonus scales, performance-based bonuses, PMO staff remuneration, and criteria for one-off bonuses. In 2023, Nornickel successfully automated the process for calculating annual performance bonuses across all employee categories.

## Remuneration package across the Group's Russian operations in 2023, %

