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**Employee awards** 

For special services to the country, the Company's employees are honoured with state awards. In celebration of professional holidays and anniversaries, the Company's most distinguished employees may

be nominated for departmental, regional and local government awards for outstanding achievements in labour.

2023

The Company recognises the achievements of its employees at the corporate level in accordance

with the Award Policy approved by the Company and closely linked to Nornickel's values and strategic priorities.

02

For remarkable operating and management performance For outstanding professional achievements

For promoting innovations that drive growth and add value

### **Corporate incentives at Nornickel**

For efforts going beyond formal agreements with the Company and business improvement initiatives

For outstanding professional achievements

Corporate incentive decisions are reserved to the remit of the Company's President. In addition to corporate incentives, there are internal incentives awarded to employees on behalf of the management of enterprises where they work.







### Key initiatives and focus areas

Staff training and development programmes, including the development of the Nornickel Academy educational platform

Nornickel relies on an ecosystem-based approach to staff training, emphasising continuous learning to achieve high professional performance and unlock employee potential.

When developing and updating strategic and operational training plans and programmes, the Company considers its own needs and priorities, as well as the input and suggestions of internal stakeholders. Training initiatives cover various employee categories, including potential candidates.

## **TRAINING PROGRAMMES**

### Nornickel's contribution to the Education National Project



Corporate scholarships for university students and internships with the Group companies

Grants for educational institutions and projects through the World of New Opportunities charity programme (for more details, please see the <u>Development of Local</u> Communities section)



Blue-collar employees

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ENVIRONMENTAL PROTECTION

## **Key personnel training indicators**

GRI 404-1

Managers







man-hours thousand

Total training and the number of trained employees

Average annual training hours per employee (based on average headcount)

White-collar employees



Average hours of training per year per employee

Women

Men



The reduction in expenditures in 2023 was due to the increased availability of training programmes at Nornickel Academy and changes in the mix of training initiatives. Cascading management programmes from top to middle management also helped drive costs down.

The reporting year saw a structural shift towards internal training driven

by the development of the Nornickel Academy platform as the number

The share of employees who received training grew further to 94.8%

of the headcount, covering over 75,000

The split between remote and face-to-

from the previous year at 70% and 30%

individuals.

employees.

respectively.



<sup>1</sup> Share in total competency development training sessions (man-sessions).

Training costs

### Operating expenditures on employee training in 2023





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Training Strategy for 2022–2025

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GRI 404-2

In 2023, Nornickel continued the implementation of its Training Strategy for 2022–2025 with a focus on flexible, personalised, and forward-looking lifelong learning. The Company is gradually embracing digital platforms and networks to enhance educational opportunities.

#### Key training ecosystem elements



Manager: a role model for employees (mentor, coach, career and development sponsor)



Andrey Khvalchev,

equipment maintenance and repair

technician, grade 5, Mining Equipment

of service with the Company - 42 years)

Service Department, Pechengastroy (length

Flexible learning environment: digital and in-person learning environments for an informed choice



Continuous learning culture: learning as a fundamental principle and a tool for achieving the desired results, development as a driver of personal fulfilment and career growth

I like to be a mentor. I am more than happy to share my knowledge and skills with young talents and new hires. I believe that mentorship is an excellent tool for supporting and nurturing your co-workers.

Extensive practical experience and regular training sessions where we gain valuable knowledge and learn new tools help us arrange the process in the most efficient manner.

In my 34 years with the Company, I have participated in the Best Electric and Gas Welders competition on several occasions. This means a lot to me, as professional skills competitions are an important growth point and a tool to test the knowledge and skills of professionals from all walks of life. They also provide a fascinating opportunity to exchange experiences and learn more about best practices.

Participation in such competitions inspires all of us to take a more diligent and responsible approach to our job duties and continuously improve our qualifications.

#### Vasily Vansovich,

electric and gas welder, grade 5, Norilsknickelremont Maintenance and Construction (length of service with the Company - 34 years)

### Training Strategy progress in 2023: priorities and achievements by focus area

07

### 1 Enhancing professional excellence

#### **Managing qualification levels**

Professional training at Nornickel covers all personnel categories. In 2023, over 65% of our employees improved their qualifications and professional expertise. Face-to-face training was predominantly used for blue-collar workers, while distant learning was the preferred format for white-collar employees.

In 2023, a modular approach was incorporated into Nornickel's professional training practice, enabling internal business clients to participate in shaping learning tracks with a focus on comprehensive training and multiskilling. In line with the modular approach, 10 modular group training programmes were designed specifically for the Company's core jobs.

A unified automated system is in place to monitor professional competencies development, plan online testing of employees, and store test results. It also tracks any violations during the testing process and analyses examinee behaviour.

The Company is focused on attracting young talent and actively collaborates with universities and vocational schools. In 2023, the following initiatives were implemented:

 A five-party agreement was signed to implement the Professionalitet federal project, which involves the establishment of the Kola Metals and Mining Education and Production Centre in Monchegorsk with the participation of vocational schools.

• Twelve Company-specific

competencies were added to the educational programmes of the Polar State University, with three new programmes developed. • Collaboration between the Polar State University and Polar Division was launched to establish a centre for permafrost studies and deep horizon technologies.

 The process of organising student internships and practical training was improved, resulting in an increased number of interns. In 2023, the Company's facilities welcomed 516 interns enrolled as part of our Career Start programme. Additionally, over 200 interns were enrolled as part of the Polar College project. TheConquerors of the North online course for aspiring engineers and business management professionals attracted 2,724 participants. The First Arctic leadership programme saw its third enrolment of talented university graduates who can follow an accelerated career growth path and become first-line managers within 2.5 years (in 2023, over 4,000 applications were received and 20 finalists employed). During the summer period, student

• A roadmap was developed to create a Metals Educational Cluster in Norilsk, involving Nornickel, universities, and vocational schools.

construction brigadeswere set up for future miners, metal workers, power engineers, and mechanics. This initiative offers students an opportunity to get first-hand experience in their chosen professions, bridge the gap between theoretical knowledge and practical skills, and work with advanced industryspecific equipment. In 2023, a total of 130 students from the Siberian

Federal University, the Polar State University, and the Polytechnic College of the Polar State University joined the construction brigades.

To facilitate career guidance for children, the Nornickel's City of Professions encyclopedia-type platform was created. It features an interactive map, specifically designed for schoolchildren, with three cities (Norilsk, Dudinka, Monchegorsk), 13 districts, and descriptions of 147 professions, offering a career aptitude test that provides personalised results highlighting strengths and weaknesses, along with recommendations, accessible through a personal account. The platform serves several target audiences, including schoolchildren, their parents, and career counsellors, and contributes to making informed decisions about future professions.

The Tsifronikel.Junior platform offers five-minute gamified lessons on topics such as cybersecurity, unmanned vehicles, and ecology specifically designed for schoolchildren aged 8 to 12 years old. Currently, the service has over 850 users.

The Company also implements projects that familiarise children with various professions, educational institutions, and the city. They involve guided tours to the facilities of the Company's Polar Division and Kola MMC, as well as to the Sulphur Programme showroom, career tracks (visits to universities and vocational schools), and meetings with professionals during events such as the Nornickel Hour and Nornickel Lessons.

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### 2 **Continuous leadership** training

### **Developing corporate competencies** and assisting managers in adapting to leadership roles

The Company invests in developing and enhancing a strong management team through continuous training of all managers. In 2023, a Leadership School programme was launched specifically for middle management. It covers three main focus areas: understanding one's leadership role, mastering advanced management practices, tools, and approaches, and gaining experience in cross-functional collaboration. In 2023, a total of 356 leaders completed the programme.

For managers and employees at all levels who underwent a 360-degree competency assessment, a 360-Degree Management programme for corporate and leadership competencies development was implemented in the reporting year. Participants had the autonomy to choose learning topics based on the results of the 360-degree assessment, discussions with their supervisors, and individual development plans. The programme stands out for its format, which combines interactive training sessions, business simulations, and the practical review of real management cases. A total of 59 in-person training sessions were conducted in Moscow, Norilsk, and Monchegorsk, with the participation of 1,081 employees. Furthermore, as part of the programme, all Company employees were also offered nine online workshops catering to skill development needs and garnering over 3,500 views.

### Succession planning

To ensure a robust talent pipeline, the Company develops succession plans for all managerial positions on an annual basis.

# 195

2023

talent committee meetings were held in 2023, with 28 of them involving top management of the Group

# >2,200

candidates were evaluated during talent committee meetings

# 252 employees

were included in the talent pool. ready for promotion within 2023

## 81%

of managerial positions have either medium or high succession coverage

## **,4,000**

employees experienced career growth by 1 or 2 job grades in 2023

### 90% of Top 100 positions are covered by potential successors

In 2023, the Company's talent committees identified the its first-ever list of employees with critical competencies.

High-potential employees selected by the committees were offered to join a mentorship programme. In 2023, leaders from the Company's Top 100 positions, trained and CCEaccredited by the ICF, served as mentors and conducted 40 mentoring sessions.

In 2023, there was a significant increase in the percentage of internal appointments to the Top 100 positions. Out of 19 vacancies, 18 were filled from the Company's internal talent pool.

To support employee growth and development, the Company launched a Career Counselling service, offering individual career consultations. Employees can use the Company's corporate resources to schedule appointments with 38 dedicated career counsellors available through the service.



### **Creating a learning** environment

### **Developing physical learning** environment

Everv vear. Nornickel's infrastructure for employee training evolves to prioritise practical learning experiences. In 2023, the Company set up two fully-equipped lean production laboratories in Norilsk and Monchegorsk, and an advanced simulator in Talnakh enabling employees to hone more than 25 core skills related to working at heights. Over a span of four months, the simulator helped train more than 2,000 employees.

The Corporate University's training base at Kayerkansky's Anhydride mine trains skilled professionals for complex mining operations at metals and mining facilities. In 2023, the underground training base made it to the country's Top 15 industrial tourism destinations.

The new building of the Corporate University's branch in Monchegorsk became a key venue for holding training sessions (with over 1,000 individuals trained) and professional skill competitions as well as hosting various corporate events.

### Nornickel Academy development

The Nornickel Academy learning platform became a familiar development tool for 81% of the Company's employees. who completed over 221,000 courses through the platform. The academy offers training courses for employees to enhance their professional and managerial competencies, while also providing insights into the latest trends in education, along with specific tools and recommendations. A collaborative effort with partners is underway to develop a reading room that currently offers over 10,000 freely available books to employees.

### Fostering a continuous learning culture

In addition to developing physical and digital learning environments, the Company fosters a culture of continuous learning through various educational initiatives (such as Library Night, Each Day Is a Knowledge Day, New Life Starting on Monday, Tribune, Listen, It's Top Stuff (podcast), as well as open lectures and workshops).

(ESG).

### **Embracing new skills** and technologies

#### **Developing critical competencies:** digital proficiency, occupational health and safety (OHS), and sustainability (ESG)

In 2023, the share of training dedicated to the development of critical competencies accounted for 50% of the overall training. All employee categories were covered by training programmes focusing on areas of digital proficiency, occupational health and safety (OHS), and sustainability

To enrich employees' theoretical and practical knowledge in the field of ESG, online training courses (such as Sustainable Development, and Environmental Protection and Sustainable Use of Natural Resources) were designed and made accessible through the Nornickel Academy platform.

As part of the Digital Investor programme implementation in 2023, the Company prioritised, among other things, the development of financial literacy among its personnel. To this end, a series of webinars on topics covering

effective financial management and goal achievement as well as investment fundamentals were conducted for all Group employees. The webinar materials were uploaded to the Nornickel learning platform, ensuring easy access and availability for all employees.



### Building a training system

Training takes centre stage among Nornickel's HR services, alongside recruitment, motivation, and compensation realms. Based on the research conducted in 2023, the level of internal clients' satisfaction (NPS index) with training reached 88%, up 4 p.p. y-o-y.

In 2023, the Company continued the transformation of its training system, encompassing the following initiatives:

- implementing the SAP Learning Solution module and automating processes;
- enhancing productivity by embracing lean manufacturing principles and identifying business processes daps:
- integrating the Monchegorsk branch into the unified system of the Corporate University;
- · rebranding the Corporate University.



	03.
VELOPMENT	HUMAN CAPITAL
EL GROUP	DEVELOPMENT

### Nornickel's youth ecosystem

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In light of the scarcity of highly skilled professionals in the mining sector. waning interest in engineering careers, a shrinking working-age population, technological complexities, and emerging trends, Nornickel has reimagined its strategies for employee training and engagement. The Company is building an innovative infrastructure (ecosystem) to bring about longterm improvements in the quality of life in the Polar regions, addressing

its immediate employee training and motivation needs and creating a positive vision for the future.

By attracting new talent to the industry, enhancing employee competencies, and nurturing a pipeline of candidates eager to build careers in metals and mining, Nornickel has created a seamless candidate journey, spanning from school to university students and further to young professionals, all within the framework of a unified ecosystem.

As part of this educational ecosystem, Nornickel is developing multifaceted programmes tailored to various age groups, ranging from 5 to 35 years old. By employing state-of-the-art training methodologies such as community building, gamification, and accelerators, the Company is fostering a purposeful choice of pursuing engineering professions.

Category	Goals	Key initiatives and projects implemented by Nornickel
Children (ages 5–17) and their parents	<ul> <li>Promoting and nurturing interest in engineering competencies</li> <li>Increasing the number of motivated prospective students applying to dedicated universities and vocational schools</li> </ul>	<ul> <li><u>Nornickel Lessons</u></li> <li><u>Guided tours to the Group's facilities</u></li> <li><u>School Break</u></li> <li><u>SVET ON</u></li> <li><u>LIGA IMAKE</u></li> <li><u>City of Professions</u></li> <li><u>Tsifronikel.Junior</u></li> </ul>
Students (ages 18–24)	<ul> <li>Enhancing students' adaptability to the Company's production environment through practical knowledge and skills acquisition</li> <li>Increasing the Company's visibility in educational institutions</li> <li>Driving student engagement with the Company and the youth community in the regions where Nornickel operates</li> <li>Inspiring students to live and work in the Arctic region</li> </ul>	<ul> <li>Hands-on educational programmes in partnership with educational institutions</li> <li>Conquerors of the North</li> <li>Career Start-Up</li> <li>Polar College</li> <li>Bystrinsky GOK's Generation FAST</li> <li>Student construction brigades</li> </ul>
Young talent (up to 35 years old)	<ul> <li>Attracting and retaining young talent across the Company's footprint</li> <li>Increasing employee loyalty and engagement in corporate activities</li> <li>Developing professional knowledge and skills</li> <li>Building and nurturing an internal corporate youth community</li> </ul>	<ul> <li>In Good Company</li> <li>First Arctic</li> <li>Those Who Care</li> <li>Plant of Goodness</li> </ul>
The development of a youth ecosystem has yielded notable outcomes, ncluding an increase in student enrolment in educational institutions n the Arctic region, a rise in the number of CVs received by the Company,	and the improvement in the employee engagement index among young professionals. Multiple programmes implemented to engage school students, university	are designed to be further systematised harmonised and integrated into a unified ecosystem in collaboratior with universities, vocational schools, regional authorities, and other stakeholders.

students, and young employees

## SOCIAL PARTNERSHIP FRAMEWORK

GRI 2-26

In order to align the interests of the Group's employees and employers in terms of social and labour relations, Nornickel develops social partnership at the local, regional, and interregional levels.

#### Mechanisms for the representation of employee interests

Company level

Interregional level Collective decision-making bodies representing Trade Union of MMC Norilsk Nickel Employees interregional the employer, employees, and trade unions public organisation Regional trade unions Primary trade union Social benefits Collective bargaining organisations at Group commissions commissions companies Labour dispute Other commissions Interregional level Trade union organisations At the interregional level of social partnership, there is an agreement between employee representatives and employers in the copper and nickel and supporting Social and labour councils industries, which has been in force since 2019. The Union of Entities of the Copper and Nickel Trade Union of MMC Norilsk Nickel Employees interregional and Supporting Industries, an interregional cross-industry public organisation association of employers Interregional cross-industry agreement for copper and nickel producers and their supporting industries for 2022–2025 Unified corporate approaches apply in a number of matters: remuneration procedure for providing work and rest health and safety dismissals guarantees, compensations schedules and benefits

As at the end of 2023, the agreement applied to 21 Group companies, covering 89.6% of the Group's employees.

98 ---- 99