

# RESPECT FOR HUMAN RIGHTS

GRI 2-23/SASB EM-MM-210a.3

## How has the Company's human rights agenda evolved over the past 20 years?

- The Company:
- does not tolerate any forms of discrimination;
  - does not use forced or child labour;
  - gives every employee equal opportunities to exercise their labour rights;
  - does not operate in areas involved in military conflicts and high-risk areas, nor procures mineral feedstock from such areas.

The Sustainable Social Development Strategy and the Environmental and Climate Change Strategy approved by the Board of Directors are closely linked to respect of human rights. The Company's strategic focus areas and relevant initiatives seek to provide comfortable working conditions, strengthen occupational health, offer opportunities for professional growth in line with the needs of the economy of the future, improve the quality of life for the Company's employees and local and indigenous communities, and foster a healthy environment.

The implementation of the strategy is closely related to achieving the UN Sustainable Development Goals and the objectives of Russia's national projects.

In 2023, Nornickel was included in the ranking of the World Benchmark Alliance, which confirms the Company's compliance with the Corporate Human Rights Benchmark (CHRB). Nornickel joined the world's 30 largest mining companies and became the only Russian company to significantly improve its rating in the mining sector. The Company ranked 28th out of 55 businesses in the mining industry.



## Nornickel's commitment to human rights

Nornickel respects the rights of all people working in the Company, residing in the regions of its operation, and interacting with it throughout operational processes. Nornickel's human rights activities are governed by the Company's by-laws<sup>1</sup>, including:

### The document applies

- to protecting the rights of the Company's employees
- ▲ local communities
- employees of suppliers and contractors
- indigenous peoples

Business Ethics Code ○	Occupational Health and Safety Policy ○ ■	Community Engagement Policy ▲
Indigenous Peoples' Rights Policy ●	Human Rights Policy ○ ■ ▲ ●	Personal Data Processing Policy ○
Environmental Policy ○ ■ ▲ ●	Responsible Sourcing Policy ■	Equal Opportunities Programme ○
Freedom of Association Policy ○	Environmental Impact Assessment Policy ○ ■ ▲ ●	Supplier Code of Conduct ■
Working Conditions Policy ○ ■	Policy Regarding Support for Small and Medium Enterprises ▲	Stakeholder Engagement Policy ○ ■ ▲ ●

<sup>1</sup> Nornickel's by-laws are available on the [Company's official website](#).

In 2023, the Company approved an updated version of the Corporate Trust Line Procedure, worked to update the Stakeholder Engagement Policy and the Indigenous Peoples' Rights Policy, and drafted the Regulations to Carry

into Effect the Principles of Preventing, Reducing, and Mitigating Potential Impacts on Indigenous Minorities.

Human rights in the Company are respected in line with the applicable Russian laws, UN Guiding Principles

on Business and Human Rights, generally recognised standards, principles and recommendations, industry-specific initiatives, and international laws.

Top management is responsible for ensuring the respect of human rights in the Company. To engage executives into sustainable development management, in particular as regards human rights, occupational health and safety indicators linked to FIFR were included in the annual team KPIs

of the top management (relative weight of 30%). The most significant matters, such as remuneration, incentives, occupational health and safety or workplace injuries, are reviewed by the Board of Directors and relevant committees. The Company runs cross-functional initiatives to protect

human rights. For example, to achieve the strategic goal of zero workplace fatalities, the Company developed initiatives to enhance safety culture.

➔ For more details, please see the [Occupational Health and Safety](#) section.



**Industry-specific initiatives**

- Initiative for Responsible Mining Assurance (IRMA)
- Principles of the International Council on Mining and Metals (ICMM)

**Russian legislation**

- Constitution of the Russian Federation
- Labour Code of the Russian Federation
- Federal Law No. 82-FZ On the Minimum Wage dated 19 June 2000, Federal Law No. 82-FZ On Safeguarding the Rights of Indigenous Minorities of the Russian Federation dated 30 April 1999, and other federal laws



**External human rights regulations and standards applied by Nornickel**

**Generally recognised international and Russian declarations, guidelines and initiatives**

- UN Global Compact
- UN Universal Declaration of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- International Labour Organisation conventions
- OECD Guidelines for Multinational Enterprises
- Social Charter of the Russian Business

**Practical recommendations**

- Guide for Integrating Human Rights into Business Management (UN Global Compact)
- Global Reporting Initiative, uniform reporting standards and recommendations (GRI)
- Voluntary Principles on Security and Human Rights (VPSHR)
- UN Guiding Principles on Business and Human Rights (UNGP)
- International Financial Corporation's (IFC) Environmental and Social Performance Standards

## Respect for human rights across Nornickel's operations: approaches and key achievements

In 2023, the Company implemented an extensive range of activities and projects, including measures aimed at protecting the rights of the

- Company's employees
- employees of suppliers and contractors
- ▲ local communities
- indigenous peoples

### Right to life, freedom, and privacy, freedom from arbitrary arrest, freedom of movement

**Approaches and key achievements in 2023**

- ■ 0 instances of child or forced labour in 2023;
- No restrictions imposed on employees' freedom of movement, provision of relocation assistance to employees in difficulty, and allocation of transportation subsidies to employees living beyond the Arctic Circle;
- ■ Protection of personal data and privacy of employees.

➔ For more details, please see the [Human Capital Development](#), [Occupational Health and Safety](#), and [Corporate Security](#) sections

### Rights to the protection of family, maternity and childhood

**Approaches and key achievements in 2023**

- ■ Respect for the rights of mothers and pregnant women;
- Ensuring the necessary conditions for an employee to return to work from a maternity and/or childcare leave (in 2023, 623 employees returned to work after such leaves);
- Social (housing, healthcare and culture) programmes aiming to support families and provide them with leisure opportunities.

➔ For more details, please see the [Human Capital Development](#) section

### Right to safety, including occupational health and safety

**Approaches and key achievements in 2023**

- ■ Continued commitment to zero tolerance towards workplace fatalities, development of a proactive risk-oriented approach aimed at preventing adverse events (implementation of unified cardinal safety rules, incentives for risk detection, etc.);
- ■ In 2023, health and safety expenses amounted to RUB 17.5 bn, or RUB 218,000 per employee.

➔ For more details, please see the [Occupational Health and Safety](#) section.

<sup>1</sup> For more details on the governance structure, responsibilities and oversight of human rights in the Company, please see the [2023 Human Rights Report](#).



## Right to a reasonable work schedule and paid leave

### Approaches and key achievements in 2023

- ■ The Company respects internal labour regulations, which are approved in consultation with the trade union organisation, and formalises employees' working hours;
- Employees are provided with paid job-protected annual basic and additional leaves.

➔ For more details, please see the [Human Capital Development](#) section

## Right to protection from discrimination

### Approaches and key achievements in 2023

- ■ ▲ ● Zero tolerance towards discrimination on any grounds in the Company;
- ■ ▲ ● No reported cases of racial, gender, religious, political, social or other discrimination in 2023;
- ■ ▲ ● Development of social programmes to support diversity and inclusion (Norinickel's Youth Ecosystem, mentorship, etc.).

➔ For more details, please see the [Human Capital Development](#) section

## A requirement on counterparties to respect human rights as part of the supply chain responsibility commitments

### Approaches and key achievements in 2023

- The supply chain due diligence management system seeks, among other things, to identify and mitigate various risks, including the risk of violating human rights and freedoms;
- Continued commitment to a zero tolerance approach towards any violations of human rights across the supply chain.

➔ For more details, please see the [Supply Chain Responsibility](#) section

## Right to freedom of association and collective bargaining

### Approaches and key achievements in 2023

- 94.02% of employees are covered by collective agreements. The Group companies are parties to a total of 22 collective bargaining agreements;
- As at the end of 2023, 7.3% of the Company' employees were members of trade unions, while 76.5% were represented by social and labour councils.

➔ For more details, please see the [Human Capital Development](#) section

## Rights of local and indigenous communities

### Approaches and key achievements in 2023

- ■ ▲ ● The Company has a wide range of programmes seeking to improve the living standards of local communities (for example, the World of New Opportunities with 15,000 participants and the Plant of Goodness with approximately 4,000 volunteers and 410 events);
- The Company respects the rights of indigenous peoples and seeks to improve their living standards. As part of interactions with the indigenous minorities, Norinickel abides by a number of agreements. In 2023, the Company allocated RUB 976 mln to finance projects for the indigenous northern minorities;

▲ ● The Company extends targeted support to educational institutions in the regions of its operation;

▲ ● The Company does not implement or plan to implement any business projects related to taking land from the population and forced relocation.

➔ For more details, please see the [Development of Local Communities](#) section

## Right to work, fair and adequate remuneration, favourable working conditions, and social security

### Approaches and key achievements in 2023

- The average salary paid to Norinickel's employees is well above Russia's average, standing at RUB 184,100 per month (2023);
- The Company offers its employees a wide range of benefits and social assistance programmes (in 2023, the compensation package across the Group came in at RUB 196,800 per month, with the social assistance package accounting for 6% of this amount);
- The Company launched a new Digital Investor corporate programme seeking to provide participants with additional income sources (over 51,300 participants);

○ Norinickel put in place an updated version of the Made with Care employee comfort programme (in 2023, 138 facilities underwent repairs, with RUB 4.5 bn allocated to improve social and working conditions);

○ The Company takes steps to secure jobs for vulnerable population groups and people with disabilities;

○ The Company ensures equitable access to education for all categories of employees by offering them a wide range of training programmes;

○ In 2023, the average annual number of training hours per employee (based on average headcount) was 88, with the Company spending an average of RUB 16,820 per employee;

○ In 2023, the Company continued running the Our Home / My Home and Your Home housing programmes (since the start of the programmes, 6,118 apartments have been provided to employees).

➔ For more details, please see the [Human Capital Development](#) section

## Right to a healthy environment

### Approaches and key achievements in 2023

○ ■ ▲ ● The Company continuously works to reduce its environmental footprint and implements a comprehensive environmental policy. In 2023, the Environmental and Climate Change Strategy was updated, and key focus areas of the Carbon Neutrality Strategy were identified;

○ ■ ▲ ● As part of the Sulphur Programme, SO<sub>2</sub> emissions in Kola Division have gone down by 90% since 2015; in 2023, the first stage of the Programme was launched at Nadezhda Metallurgical Plant;

○ ■ ▲ ● In 2023, the Company continued to implement the air quality monitoring and forecasting system in Norilsk and Monchegorsk.

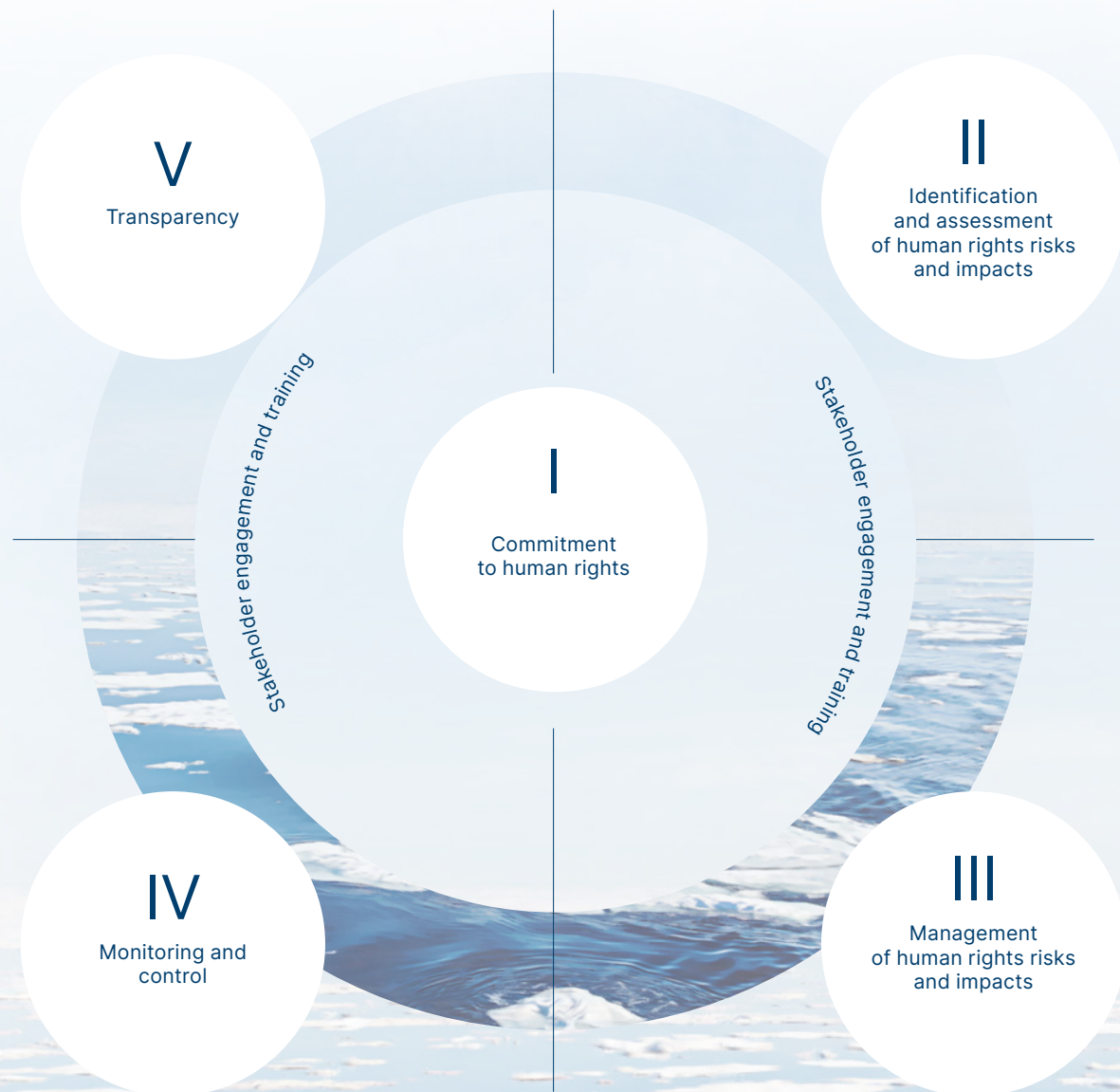
➔ For more details, please see the [Environmental Protection](#) section





# Human rights due diligence

In 2022, Nornickel started taking consistent steps to develop and implement the Human Rights Due Diligence System at all of its facilities in accordance with applicable international standards.



In 2023, the Company stepped up efforts to develop and put in place due diligence procedures, with an in-depth analysis run to identify and assess risks of human right violations by employees with a breakdown by operations.

The analysis helped map out top-priority human rights, including the right to health, safe working conditions, protection from forced labour, and fair and adequate remuneration. Identified social risks, which might be potentially associated with human right violations, have a significant impact on the Company's corporate risks.

➔ For more details, please see the [Internal Control and Risk Management](#) section.

As part of the annual survey "Let Everyone Be Heard. What Do You Think?", the Company monitors social satisfaction across its operations. Career opportunities, respect of health rights, favourable working conditions, and fair remuneration are among the survey's key focus areas.

The survey results are discussed in focus groups at the Company's production sites, after which an action plan and a communication campaign for the Company's employees are developed.

➔ For more details, please see the [2023 Human Rights Report](#)

For assessing risks of human right violations, Nornickel uses an engagement questionnaire, an important tool for monitoring and controlling progress against the Company's social policy and initiatives to prevent risks of social tensions.

To identify and mitigate risks in the supply chain, the Group put in place a mineral supply chain due diligence management system.

The Company operates a Corporate Trust Line available to both Nornickel's employees and external stakeholders, including local and northern indigenous communities, as well as contractors' employees.

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

## Training

Human rights are integrated into training programmes on critical competencies (digital skills, occupational health and safety, sustainable development) completed by more than 51,000 employees in 2023.

All of the Company's employees, including the security personnel, are required to review MMC Norilsk Nickel's Human Rights Policy, after which they become

subject to the applicable provisions of the Policy. Personnel of the Corporate Security Unit and third-party security providers undergoes specialised training. All security employees are obliged to complete professional training programmes developed by relevant federal executive authorities for private security officers and pass a qualification exam. The programmes cover such topics as lawful use of physical force or weapons, medical assistance, psychological training, life and health protection, etc. Subsequently, employees of security organisations are subject to annual checks. Nornickel's security units organise training sessions and drills for security officers. In 2023, 710 training sessions were held for security employees.

➔ For more details, please see the [2023 Human Rights Report](#).

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