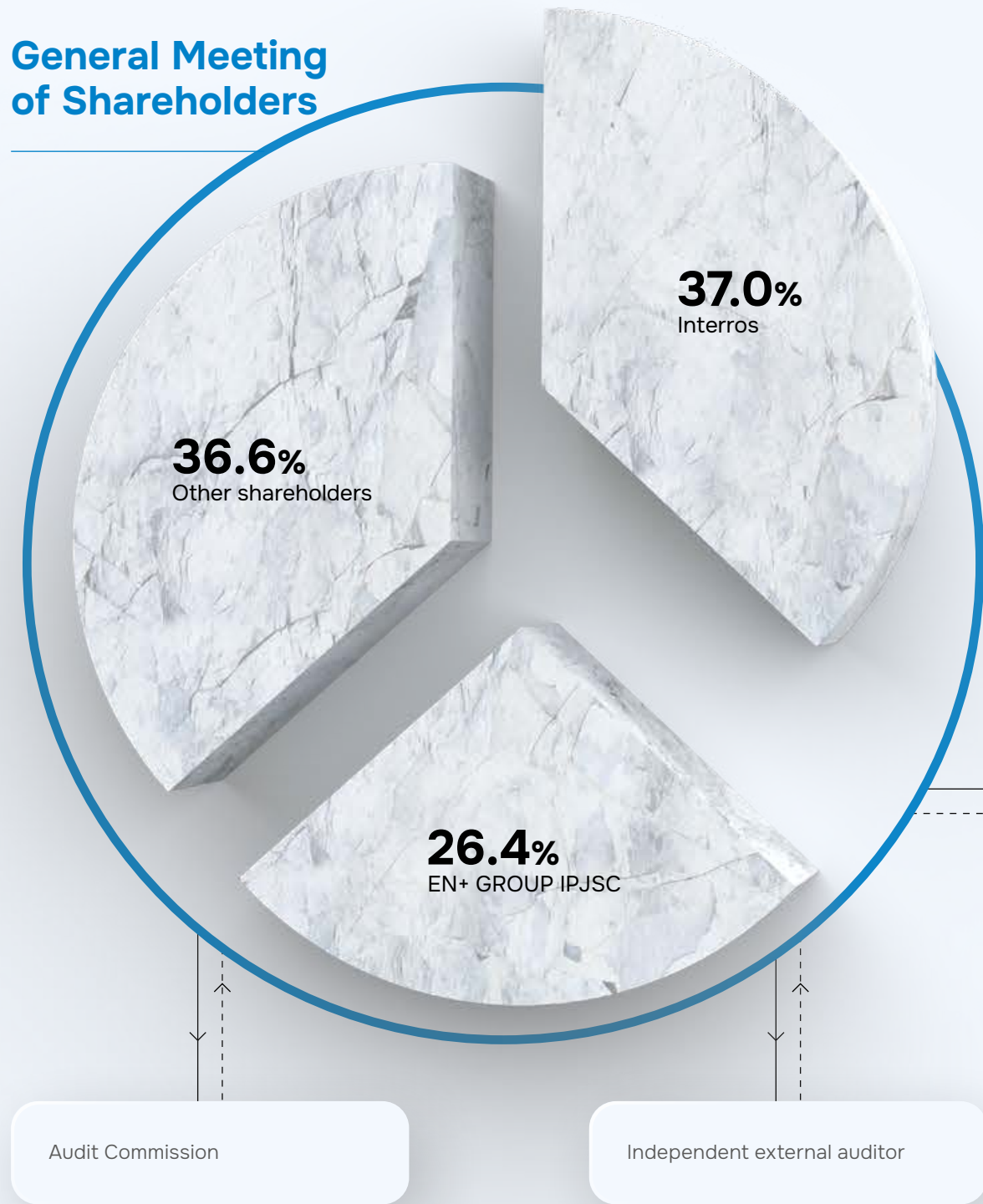


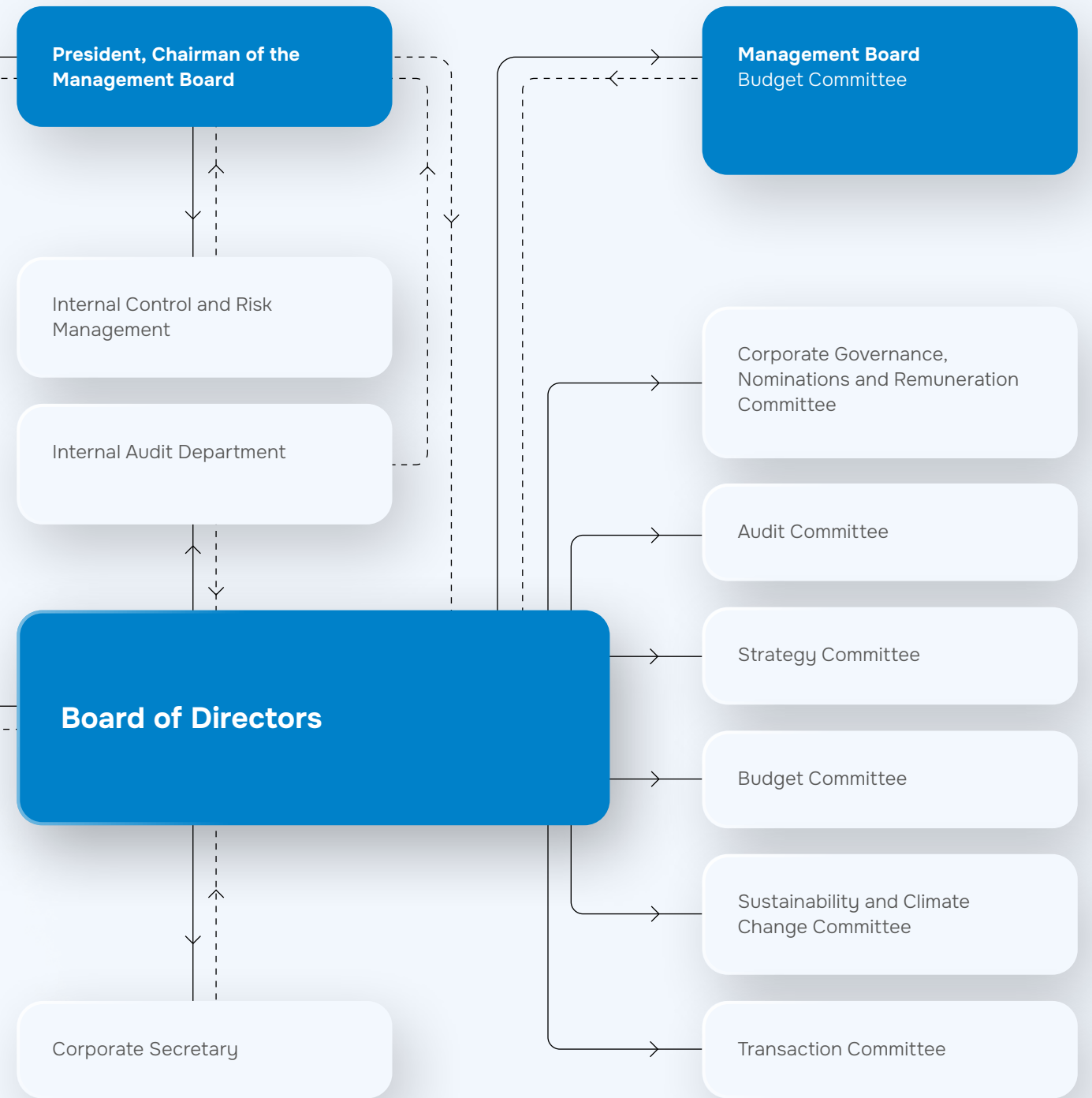
Corporate governance system

Corporate governance structure

General Meeting of Shareholders



→ Reporting - - - Election/appointment



Key principles

In its corporate governance practice, Nornickel is governed by applicable Russian laws, the Listing Rules of Moscow Exchange, and the Corporate Governance Code recommended by the Bank of Russia.¹

1 Nornickel’s corporate governance system is designed to balance the interests of its shareholders, the Board of Directors, management, and employees as well as other stakeholders.

In 2024, the Company intends to continue its efforts to improve the quality of its corporate governance system and take further steps to implement and test the approach to corruption risk management, in particular, to approve an internal document on corruption risk assessment.

Key corporate governance principles

1. Equitable and fair treatment of every shareholder
2. Enabling shareholders to exercise their rights and legitimate interests in the most reasonable and convenient manner
3. Professionalism and leadership of the Board of Directors, and involvement of independent directors in governance
4. Strategic management by the Board of Directors, its efficient control over executive bodies, and oversight of the risk management and internal control framework
5. Sound, diligent, and efficient management of the Company’s day-to-day operations by executive bodies accountable to the Board of Directors and the General Meeting of Shareholders
6. Strong business ethics
7. Zero tolerance for corrupt behaviour
8. Full, transparent, reliable, and timely disclosure of information by the Company
9. Robust internal control and risk management framework
10. Adherence to sustainability principles

Corporate governance performance

During 2023, the Company approved a number of internal documents in corporate governance.

Following an amendment to the Bank of Russia’s Regulations No. 714-P dated 27 March 2020,² the Company updated its internal document defining the procedure for interaction between its units when disclosing information.

In the reporting year, a number of documents were developed and approved to enhance the anti-corruption compliance system by setting out approaches to the implementation of anti-corruption measures at the Company. Specifically, in March 2023, the Company approved

the procedure for activities aimed at surveying employees on corruption and the effectiveness of current anti-corruption measures at the Company. In October 2023, the Procedure for Informing Employees about Anti-corruption Measures in Place at the Company was approved, setting out the types, forms, and frequency of training and awareness activities. To boost the performance of counterparty due diligence, the Procedure for Interaction between the Company’s Relevant Units Involved in Counterparty Due Diligence and the Assessment of Corruption Risks was approved in March 2023, setting out the timelines, principles, and focus areas for collaboration as well as mechanisms for identifying corruption.

In addition, the Regulations on Business Gifts at the Head Office were updated, and a brief memo for Company employees on the requirements for giving and receiving business gifts was developed.

Following an amendment to the Bank of Russia’s Ordinance No. 5946-U³ dated 27 September 2021,² a new list of the Company’s insider information was approved. The list was supplemented with new types of insider information. Besides, amendments were made to the procedure for determining the size of a transaction where information about the consent to or subsequent approval of such transaction by the issuer’s Board of Directors is deemed insider information.

Compliance with the Corporate Governance Code

Nornickel’s corporate governance standards embedded in its activities are based on the principles and recommendations of the Bank of Russia’s Corporate Governance Code (the “Code”), and the Company continues to consistently incorporate and implement them.

The Company’s compliance with the Code’s principles and recommendations in 2023 was evaluated using a format recommended by the Bank of Russia’s Letter No. IN-06-28/102 dated 27 December 2021.

Nornickel’s corporate practices cover most of the Code’s principles and recommendations. In case of partial non-compliance, the Company provides an appropriate

explanation and description of the corporate governance mechanisms and tools used by it instead of those recommended by the Code.

🔗 For the full 2023 Code Compliance Report, including comments, please see [an Appendix to this Annual Report](#).

Compliance with the Corporate Governance Code recommendations in 2023

Corporate governance principles	Full compliance			Partial compliance			Non-compliance		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Rights and equal opportunities for shareholders in exercising their rights	9	10	10	4	3	3	–	–	–
Board of Directors	28	25	27	8	11	9	–	–	–
Corporate Secretary	2	2	2	–	–	–	–	–	–
Remuneration system for members of the Board of Directors and senior management	6	7	7	4	3	3	–	–	–
Risk management and internal control framework	5	5	5	1	1	1	–	–	–
Company disclosures	4	4	4	3	3	3	–	–	–
Material corporate actions	3	3	3	2	2	2	–	–	–
TOTAL	57	56	58	22	23	21	0	0	0

¹ The Bank of Russia’s Letter No. 06-52/2463 On the Corporate Governance Code, dated 10 April 2014.

² The Bank of Russia’s Regulations No. 714-P On Information Disclosure by Issuers of Issue-Grade Securities, dated 27 March 2020.

³ The Bank of Russia’s Ordinance No. 5946-U dated 27 September 2021 On the List of Insider Information of Legal Entities Specified in Clauses 1, 3, 4, 11, and 12, Article 4 of Federal Law No. 224-FZ dated 27 July 2010 On Countering the Misuse of Insider Information and Market Manipulation and Amendments to Certain Legislative Acts of the Russian Federation, as well as on the Procedure and Timelines for Its Disclosure.

Stakeholder engagement

To achieve operational excellence and further improve corporate governance, Nornickel is strongly focussed on engaging its stakeholders in corporate governance, taking their needs into account when making important decisions.

At the end of the reporting year, Nornickel published its first climate change report. The Company disclosed its initiatives around climate action and climate change adaptation from 2021 to date, the development of its risk management system, and the resilience of the Company's strategy in three climate scenarios. The report was prepared in line with the TCFD¹ recommendations and was verified by Kept, a professional audit firm. The report allows the Company to be as transparent as possible with all its stakeholders about the way it adapts to climate change and the measures it takes to reduce its contribution to climate change. In addition, the report discloses the way changes in the global economy in three climate scenarios will affect demand for the Company's products and its financial performance until 2050.

A well-built and clear corporate governance framework which is transparent for both Russian and foreign shareholders and investors as well as active stakeholder engagement directly affect investment decisions and the price of the Company securities.

Dialogue with investors

The Company is committed to making mandatory disclosures in line with global best practice. To make its disclosures more meaningful and comprehensive, Nornickel uses an array of disclosure tools, including press releases, presentations, annual and sustainability reports, issuer reports, corporate action notices, and interactive tools. Nornickel ensures parallel disclosure of all material information both in Russian and English.

Nornickel's quarterly disclosures made via its official website include its operating results and RAS financial statements. IFRS financial statements are released on a semi-annual basis. To maintain strong investor relations, the Company makes extensive use of various communication tools, including conference presentations, road shows, site visits for investors and analysts, etc.²

🔗 [For more details on investor relations, please see the Shareholders relations section of this Annual Report.](#)

Dialogue with employees

The Company regularly runs already traditional open online conferences between employees and senior management to identify strengths and weaknesses in communication and improve corporate governance.

Production upgrades and ambitious investment projects all transform the approaches to work, routines, sustainability, safety, and environmental protection. To retain its leadership in the market, the Company needs to address newly emerging challenges, which is impossible without employee involvement. During the Nornickel Live annual broadcast, Nornickel's vice presidents answered employee questions and discussed the Company's news and future plans. Specifically, 16 March 2023 saw another Direct Line live broadcast, with top management fielding questions from Nornickel employees. The key topics discussed were social support, safety culture, and remuneration system.

Effective communication channels between management and employees and an open information environment help build trust, reduce stress, and increase employee engagement.

On 16 March 2023, another Direct Line live broadcast took place, with top management fielding questions from Nornickel employees. The key topics discussed were social support, safety culture, and remuneration system.



Partnerships and cooperation

In February 2023, Polar Lithium, a joint venture between Nornickel and ROSATOM, obtained a subsoil licence for the Kolmozerskoye lithium deposit, the largest in Russia. The Kolmozerskoye deposit development project located in the Murmansk Region.

Partners plan to set up a 45 ktpa lithium carbonate and hydroxide production facility which will create new jobs and ensure the substitution of imported lithium raw materials. The facility's products will be used, among

other things, in the production of batteries, an industry now booming both in Russia and globally.

In July 2023, **the Company and VK signed a cooperation agreement to jointly develop IT solutions** for the metals industry, providing for collaboration around cloud computing, virtualisation of IT infrastructure, and the development of multipurpose platforms and portals, big data management tools, and artificial intelligence (AI) technologies. Services around employee collaboration at a metals company, secure corporate communications, and career development are a separate focus

45 КТРА

Output of lithium carbonate and hydroxide targeted by the Kolmozerskoye deposit development project

¹ Task Force on Climate-related Financial Disclosures.

² Information on upcoming events is posted in the IR Calendar on the Company website.

¹ Information on upcoming events is posted in the IR Calendar on the Company website.

for the partnership. The two partners look to develop Internet of Things technologies and industry-specific geographic information services.

In September 2023, **Nornickel and Kaspersky signed a cooperation agreement**, which will enable Nornickel to improve its information security and protect its corporate and industrial infrastructure.

Besides, in November 2023, **Nornickel signed a cooperation agreement with Security Vision, one of Russia’s largest providers of information security solutions**. The partnership aims to strengthen the protection of industrial information systems and data to ensure the integrity and continuity of metal production processes.

In November 2023, Nornickel, Siberian Federal University, and Fedorovsky Polar State University signed a cooperation agreement with a view to fostering innovation and advancing the educational landscape. The agreement aims to combine scientific and educational efforts for mutually beneficial results. The main areas of cooperation include the advancement of R&D projects, especially on permafrost and climate change in the Arctic, the introduction of innovative production technologies, as well as research in biotechnology

and artificial intelligence. An important aspect of cooperation is the development of Nornickel’s R&D¹ centre which will focus on digitalising and optimising processes in the mining industry. The agreement also covers educational support, encompassing joint events, field schools, and internships for undergraduate and postgraduate students of Siberian Federal University and Fedorovsky Polar State University. A heightened emphasis is laid on building a talent pool for the Company, which involves updating specialist’s, bachelor’s, and master’s degree programmes while implementing continuing professional education programmes tailored to Nornickel’s current talent needs.

At the end of the reporting year, **Nornickel and Astra, a leading Russian IT developer, signed a memorandum of cooperation** to develop software for Nornickel’s needs, identify approaches to integrating solutions and services, test innovations, promote the transition to Russian technologies, and hold industry forums and conferences.

To reaffirm its commitment to the long-term strategy of exiting international assets, that do not meet first-class criteria, as well as its stronger strategic focus on developing and driving the reliability of its unique mineral resource base and processing capacities in

the Russian Federation, **Nornickel signed, through Norilsk Nickel Africa Proprietary Limited (NNAf) (a Nornickel Group company), an agreement to transfer its 50% interest in Nkomati Joint Venture to its South African partner, African Rainbow Minerals Limited (ARM)**.

In another strategic move, in 2023, **Nornickel signed a partnership with R-Vision, a leader in the Russian information security market, focussed primarily on contributing to the development of the information security market for the industrial sector**. The two parties plan to jointly develop proposals to improve, test, and implement information security solutions for industrial systems, including those ensuring an uninterrupted production cycle and business process integrity at Nornickel. Sharing experience and expertise while contributing to the promotion of solutions to build a platform for interaction between the public and business sectors are the essential aspects of this partnership.

Dialogue with indigenous minorities

Nornickel’s engagement with indigenous peoples living in Taimyr and in the Murmansk Region is based on recognising the right of indigenous peoples to independently determine their development priorities and on respecting the customs, traditions, and culture of indigenous communities. Regular dialogue covers all areas of mutual interest and relies on a holistic approach.

Although Nornickel is not a resident of the Arctic zone, the Company adheres to the provisions of the Standard of Responsibility for the Residents of Russia’s Arctic Zone.

Nornickel complies with all applicable international standards and regulations regarding the support for indigenous peoples of the North and recognises the rights of local communities to maintain their traditional lifestyle and indigenous trades. To maintain a consistent dialogue with indigenous peoples of Taimyr:

- a department was set up within the Norilsk Division, responsible for engagement with indigenous peoples of Taymyr and staffed with the right level of indigenous talent
- on the initiative of the indigenous peoples, the Indigenous Communities Coordination Council was established comprising representatives from 57 indigenous tribal communities.

Nornickel adopted the international practices of free, prior, and informed consent and due diligence (ethnicity expert review) to identify indigenous communities that will be affected by the Company’s investment and production activities along with the extent of such impact.

In 2023, Nornickel continued implementing the cooperation agreement to support indigenous peoples signed with the Federal Agency for Ethnic Affairs (FAEA). The media praised the Company’s Indigenous Peoples of Russia – Social Diplomacy programme aimed at boosting civic consciousness and capability building among indigenous peoples as well as at supporting potential opinion leaders from among them. In 2023, 278 people (members of more than 30 indigenous peoples of Russia) registered for the programme.

Another outcome of the agreement was the Public-Private Partnership for the Sustainable Development of Indigenous Peoples, an international forum held in Moscow in November 2023 and sponsored by Nornickel, which welcomed more than 200 delegates from Russia and other countries in Moscow and sponsored by Nornickel, which welcomed more than 200 delegates from Russia and other countries. Participants included federal and regional authorities, municipalities, and indigenous peoples’ associations from Russia, Africa, and Asia, reindeer herders, leaders of tribal communities from Taymyr, Yamal, and Chukotka, UN expert bodies on human rights and indigenous peoples, and industrial companies. The event was streamed live with simultaneous translation into English and Spanish. The participants discussed responsible state and corporate governance around respecting the rights of indigenous peoples, strategies and forms of business involvement in ensuring indigenous peoples’ sustainability through corporate programmes, agreements with authorities and associations of indigenous peoples, infrastructure development, environmental protection of indigenous lands, and other matters.

The Company’s dialogue with indigenous peoples of the North is based on the following key principles:

- ✓ “Nothing for us without us”
- ✓ awareness and consistency
- ✓ from patronising to partnering

The Company’s regulatory document setting out the framework for dialogue with indigenous peoples of the North is the Indigenous Rights Policy first adopted back in 2018 and based on the following approaches:

- ✓ Application of the principle of free, prior, and informed consent (FRIC);
- ✓ Support and development of traditional trades;
- ✓ Commitment to the principle of consultations in good faith



¹ Research and Development.

Government relations

The Company's representatives also take part in parliamentary hearings, round table discussions, and working groups organised by the Federation Council, the State Duma of the Russian Federation, the Government of the Russian Federation, federal executive authorities, the Civic Chamber of the Russian Federation, the Chamber

of Commerce and Industry of the Russian Federation, the Association of Managers interregional non-governmental organisation, etc.

Nornickel's experts are involved in discussing draft regulations through anti-corruption expert reviews and regulatory impact assessments. This all helps to maintain a constructive dialogue with the government, cut red tape, and improve the country's business climate.

In 2023, Nornickel signed an agreement with Rostekhnadzor. The agreement envisages the promotion of information exchange, joint organisation of scientific and practical workshops and conferences, development of scientific and methodological support, efforts to improve the legal framework in Russia, and identification of the best approaches to managing hazardous facilities.

Managing conflicts of interest

Nornickel has developed measures to prevent potential conflicts of interest involving shareholders, members of the Board of Directors and the Management Board as well as the President of the Company.

The Company's Articles of Association set forth the specific procedure for approving transactions by shareholders who hold more than 5% of voting shares and affiliated persons. Such transactions are only made if approved by a qualified majority of Board members (at least 10 out of 13 votes).

ethical risks and conflict of interest situations. The Code provides for the obligation of members of the Board of Directors to refrain from actions that may result in a conflict of interest, and if such a conflict arises, they should promptly inform the Corporate Secretary in writing about such conflict.

If a Board member has a direct or indirect personal interest in a matter reviewed by the Board of Directors, they should inform other members of the Board of Directors before the matter is reviewed or a relevant resolution is passed, and refrain from participating in the review and from voting on the matter.

Interested-party transactions involving members of the Board of Directors and the Management Board as well as the President of the Company are regulated by the law on joint stock companies. The Company has in place the procedure for obtaining the Board of Directors' prior consent to interested-party transactions.

The Company also has in place the Code of Conduct and Business Ethics for Members of the Board of Directors, which aims to reinforce high standards of ethics and business conduct among members of the Board of Directors and serves as guidance in the event of

In 2023, no notifications of conflicts of interest were received from members of the Board of Directors.

General Meeting of Shareholders

The General Meeting of Shareholders is the highest governance body of MMC Norilsk Nickel responsible for making decisions on matters most critical to the Company's performance.

Matters within the remit of the General Meeting of Shareholders are listed in the Company's Articles of Association, and the procedures for convening, preparing, and holding general meetings are detailed in the Regulations on the General Meeting of Shareholders.

Types of General Meetings of Shareholders

- ✓ **By attendance:**
 - In person
 - In absentia
- ✓ **By frequency:**
 - Annual
 - Extraordinary

Remit of the Company's General Meeting of Shareholders

- 1.** Amendments to the Articles of Association
- 2.** Distribution of earnings, including dividend payout (declaration)
- 3.** Approval of annual reports and annual accounting (financial) statements
- 4.** Election of members of the Board of Directors and early termination of their appointment
- 5.** Election of members of the Audit Commission and early termination of their appointment
- 6.** Appointment of the auditor
- 7.** Stock split and consolidation

Key shareholder dates

Events	Timeframe
Annual General Meeting of Shareholders	No sooner than three and no later than six months after the end of the reporting year
Extraordinary General Meeting of Shareholders	At any time at the initiative of the Board of Directors or upon request from the Audit Commission, the audit firm, or a shareholder owning at least 10% of voting shares in the Company
Publication of the notice of the General Meeting of Shareholders	Not later than 30 calendar days prior to the meeting
Compilation of the list of shareholders entitled to participate in the General Meeting of Shareholders	Not earlier than 10 days from the date of the Board of Directors' decision to hold the meeting and not later than 25 days prior to the date of the meeting ¹
Provision of materials for the General Meeting of Shareholders	20 calendar days prior to the meeting

¹ In certain cases, the Federal Law On Joint Stock Companies establishes other timelines for publishing the notice of the General Meeting of Shareholders / compiling the list of persons entitled to participate in the General Meeting of Shareholders.