

Identification and assessment of human rights risks and impacts

CHRB B.1.3, B.2.1, B.2.2, B.2.3, UNGPs RF C4.1, UNGPs RF C4.2

For more details on the system's operation, please see [Nornickel's 2024 Sustainability Report](#) (the Internal Control and Risk Management section).

The Company assesses risks and impacts of human rights violations, monitors and controls observance of human rights based on internationally recognised methodologies and guidelines, including:

- Human Rights Impact Assessment Guidance and Toolbox, Danish Institute for Human Rights (DIHR), 2020;
- UN Guiding Principles on Business and Human Rights (UNGPs), 2011.

Based on a survey and assessment carried out in 2022–2023, the Company conducted an in-depth study of current threats, taking into account complaints and reports received through the Corporate Trust Line and holding a series of meetings with employees across its regions of operation. The corporate risk management system covers human rights risks.

Key human rights risks

Right	Related risks	Assessment of potential impact on the Company's goals
Employee right to occupational health and safety	Group fatality	Extremely high
	Strained social and labour relations	Medium
Requirements for suppliers to respect human rights as part of supply chain responsibility commitments	Failure to comply with ESG requirements put forward by customers, industry standards, associations and exchanges	High
Right of employees and external stakeholders to a healthy environment	Environmental damage caused by emergencies	Extremely high
Rights of local and indigenous communities	Risk of adverse impacts on the rights of local and indigenous communities	Low

For more details on Nornickel's approach to building a responsible supply chain, please see [Nornickel's 2024 Responsible Supply Chain Report](#).

Human rights risks in the mineral supply chain are identified through supplier due diligence as part of the Group's mineral supply chain Due Diligence Management System. In 2024, mineral supplier¹ due diligence identified no risks.

Improvements to the methodology for identifying human rights risks

In 2024, Nornickel continued to improve its methodology for identifying and assessing human rights risks. These efforts included processing the results of the Let Everyone Be Heard engagement survey, analysing specific metrics featured in the Sustainability Report, and studying queries submitted through the Corporate Trust Line channels. In the reporting year, the risk assessment process based on incoming queries was automated through the initial classification of queries upon receipt, including the assignment of event categories and subcategories.

Category	X	Number of subcategories
20 Remuneration	4	Environmental pollution
9 Social benefits	6	Workplace health risks
3 Violation of privacy	5	Workplace amenities
17 Violations related to the management of labour processes	18	H&S requirements, personal protective equipment (PPE), production equipment
12 Violations of the work and rest schedule	3	Child labour
	13	Discrimination

Therefore, integrated human rights risk reflects both the level of risk associated with each human right and business unit as well as overall positive or negative trends, which can be used for ongoing monitoring of the due diligence system effectiveness.

Management of human rights risks

CHRB A.2.2, A.2.3

63%
Human rights engagement index

66%
Health and safety engagement index

At the level of corporate governance bodies, human rights risks are considered by the Risk Management Committee of MMC Norilsk Nickel's Management Board (in consolidated risk reporting), the Audit Committee of the Board of Directors (in consolidated risk reporting), the Strategy Committee of the Board of Directors (in reporting related to occupational safety and injuries), and the Sustainable Development and Climate Change Committee of the Board of Directors (in human rights reporting).

These bodies approve the relevant concepts, regulations, and guidelines while ensuring that organisational measures are in place and facilitating the necessary exchange of information between the Company's units.

The Risk Management Service plays a crucial role in providing efficient guidance on integrating risk management into the Company's business processes, while risk owners are responsible for risk management.

The operation of the risk management system also involves the Internal Audit Department, which annually assesses the effectiveness of existing tools, and an internal control function, which provides guidance and participates in risk assessment of business processes.

In addition, Nornickel regularly runs an engagement survey called "Let Everyone Be Heard. What Do You Think?" in the form of a questionnaire. In 2024, the survey involved 58.1 thousand employees, up 1.7% y-o-y. The engagement index at Nornickel reached 67%.

Based on the results of the engagement survey, the Company organises discussions and studies stakeholder opinions in focus groups. The insights gathered from the focus groups are then incorporated into communication campaigns and initiatives to improve employee engagement.

The analysis revealed the aspects of human rights protection which are valued the most by Nornickel employees. These include a sense of social security, mutual respect within teams, workplace safety, and the freedom to openly discuss safety risks.

In 2025, the Company plans to introduce a new index guided by its Care for People value, to assess working conditions, employee support and well-being, work-life balance, and other metrics important to employees.

For more details, please see the [Remedies and Grievance Mechanisms](#) section.

Monitoring and control

CHRB B.2.4

To monitor and control human rights risks at the operational level, the Company reviews and analyses reports of the Corporate Trust Line and the Grievance Mechanism.

¹ The Group's mineral suppliers include suppliers of mined minerals (primary processed material which has never been previously refined) and suppliers providing minerals transportation, their processing and loading/unloading services.