Nornickel's approach to climate change



Nornickel recognises and considers the risks associated with global climate change. The Company contributes to the implementation of the Paris Agreement's goals to hold the increase in the global average temperature to well below 2 °C and pursue efforts to limit the rise to 1.5 °C above pre-industrial levels by the end of the 21st century. As a signatory to the UN Global Compact, the Company fully supports the UN Sustainable Development Goals

(SDGs), in particular SDG 13: Climate Action. In addition, Nornickel contributes to the achievement of national climate policy goals and objectives as set forth in the Climate Doctrine of the Russian Federation and the Strategy of Socio-Economic Development of the Russian Federation with a Low Level of Greenhouse Gas Emissions Until 2050.

(IFRS S2 14b)

In practice, the Company puts the above commitments into action as follows:

- Pursues a strategy aimed at growing the production and sales of metals that are critical for the global transition to a green economy
- Implements an environmental and climate change strategy that enables it to maintain some of the lowest greenhouse gas emissions and one of the most competitive product carbon footprints among major global metals and mining companies
- Develops innovative technology solutions to reduce GHG emissions and implements climate change adaptation projects
- Establishes partnerships with research institutions and provides support for scientific research and development projects related to climate change
- Engages on climate change issues with a wide range of stakeholders, including expert communities, local communities, professional associations, and government authorities

Why climate change issues are important to the Company

Improving the reliability of facility operations

Global warming issues are of particular relevance to Nornickel, as the Company's core production and energy assets are located within the Arctic zone. According to the scientific community, the average surface temperatures in the Arctic are rising three to four times faster than the global average, posing additional operational risks. In the Company's view, the primary threat stems from permafrost thawing in the Arctic, which undermines the stability of building and structure foundations. To assess the impact of permafrost thawing processes, Nornickel has deployed a monitoring system. For more details, please see the **Permafrost** Monitoring sub-section.



IPCC, 2023: Climate Change 2023: Synthesis Report. Summary for Policymakers Mineral requirements for clean energy transitions – The Role of Critical Minerals in Clean Energy Transitions – Analysis – IEA



Supporting global energy transition

A report by the Intergovernmental Panel on Climate Change (IPCC)¹ shows that achieving the Paris Agreement goal will require a drastic reduction in GHG emissions by 2050. The greatest potential for GHG emission reductions has been identified in the energy, transport, and construction sectors.

The International Energy Agency (IEA) has identified² the following metals and minerals as critical for the global energy transition.