



APPROVED
by resolution of the Board of Directors of
PJSC MMC NORILSK NICKEL
(Minutes No. GMK/36-pr-sd dated 29
November 2021)

PJSC MMC NORILSK NICKEL's Position Statement on Biodiversity

1. Scope

This Position Statement on Biodiversity (the "Statement") outlines the key principles, commitments, initiatives, and governance bodies of MMC Norilsk Nickel (the "Company") and Norilsk Nickel Group corporate entities (collectively the "Group") related to biodiversity conservation.

The Statement's requirements are mandatory for Company employees. The Company applies this Statement to organisations within the Norilsk Nickel Group, in which MMC Norilsk Nickel directly or indirectly owns more than 50% of shares and whose operations are associated with the mining and processing of minerals and metals for sale or further processing ("Norilsk Nickel Group corporate entities").

The Statement applies to all terrestrial, marine and freshwater ecosystems where the Company or Norilsk Nickel Group corporate entities operate, or for which they have legal responsibility.

2. Context

Biodiversity encompasses diversity within species and between species, and variety of ecosystems. The Company defines biodiversity mainly as the population and species diversity of living organisms across all natural environments, including terrestrial and aquatic ecosystems, and considers the representation of ecosystem types within the area of potential influence of its business operations.

Given the crucial role of biodiversity in sustaining life on the planet, the Company recognises the importance of its conservation and seeks to manage mining in a responsible and sustainable way. As a signatory to the UN Global Compact, the Company fully supports the UN Sustainable Development Goals (the "SDGs"), in particular SDG 14: Conserve and Sustainably Use the Oceans, Seas and Marine Resources for Sustainable Development, and SDG 15: Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably Manage Forests, Combat Desertification, Halt and Reverse Land Degradation and Halt Biodiversity Loss.

3. Our principles and commitments

- 3.1. The following principles are fundamental to our decision-making and operations:
 - a. rational use of natural resources;
 - b. ambition to protect and conserve the population and species diversity of terrestrial and aquatic living organisms;
 - c. adherence to the boundaries of protected areas and recognition their value;
 - d. aspiration to prevent biodiversity loss.

- 3.2. We commit to the following:
- a. comply with national legislation and biodiversity-related requirements of international standards and associations, to which the Company has publicly announced to adhere;
 - b. identify and assess risks to and potential adverse impacts on biodiversity;
 - c. develop and follow the mitigation hierarchy (avoid–mitigate–restore–offset) to manage risks to and impacts on biodiversity;
 - d. cooperate with competent organisations to conduct research and monitoring, and carry out activities aimed at conserving biodiversity;
 - e. consult stakeholders, particularly indigenous peoples in the Company’s operating regions, to enable the efficient assessment and management of impacts on biodiversity;
 - f. prohibit exploration and mining activities at World Heritage sites and UNESCO biosphere reserves, as well as in protected areas designated by the national legislation and in accordance with IUCN management categories I–IV;
 - g. ensure that any new activities or changes to current operations comply with commitments to protected areas;
 - h. make efforts to protect ecosystems from the introduction of invasive alien species;
 - i. monitor the state of biodiversity.

4. Key initiatives and targets

Up-to-date information on our performance targets related to biodiversity conservation is available on our [website](#) and in public reports.

To deliver on our targets and commitments, the Company intends to undertake the following actions across key focus areas:

- 4.1. Integrate biodiversity conservation measures into the activities of the Company and Norilsk Nickel Group corporate entities:
 - a. review internal policies and processes to align them with standards regulating biodiversity conservation and requirements of associations promoting sustainable mining practices, to which the Company has publicly announced to adhere;
 - b. work with government agencies, the scientific community, relevant NGOs, and other parties to make transparent and informed decisions that efficiently integrate biodiversity commitments and principles into the planning and implementation of the Company’s development strategy.
- 4.2. Assess and manage impacts on biodiversity:
 - a. carry out baseline studies in collaboration with research organisations to understand impacts on biodiversity;
 - b. integrate biodiversity concerns into the assessment of environmental impacts carried out by the Company at new facilities, in line with leading sustainability standards and requirements of the national legislation;
 - c. monitor impacts on biodiversity;

- d. develop and implement a comprehensive system to manage impacts on biodiversity, including setting goals, establishing indicators, planning and implementing measures, and adopting mitigation hierarchy principles;
 - e. introduce the practice of adaptive management based on the results of monitoring.
- 4.3. Measures to restore biodiversity:
- a. implement measures to restore biodiversity, including those based on recommendations of the Great Norilsk Expedition
- 4.4. Initiatives to protect natural habitats and threatened species:
- a. interact with protected areas;
 - b. study and protect the biodiversity of aquatic and terrestrial ecosystems;
 - c. support the recovery of aquatic bioresources;
 - d. engage in reforestation initiatives;
 - e. develop and implement measures to avoid the introduction of invasive alien species;
 - f. promote research and initiatives on biodiversity conservation;
 - g. support biodiversity conservation projects that involve local communities and indigenous peoples in the operating regions of the Company and Norilsk Nickel Group corporate entities.

5. Governance

Governance body	Key responsibilities
1. Board of directors	
The Company's Board of Directors	<p>Approves this Statement and changes to this Statement.</p> <p>Approves the biodiversity management strategy and risk appetite.</p> <p>Monitors the biodiversity conservation risk management framework.</p>
2. Management board	
The Company's Management Board	<p>Implements measures and procedures for biodiversity risk management.</p> <p>Approves the Company's biodiversity risk appetite metrics and issues recommendations to the Board of Directors for approval.</p>
3. Units of the Company's Head Office	
Senior Vice President for Sustainable Development	<p>Participates in the development of the Environmental and Climate Change Strategy by aligning it with the sustainable development concept.</p>

	Develops, monitors and coordinates the implementation of the Company's sustainable development policy.
Sustainable Development Department	<p>Consolidates external requirements, including those of international standards and associations, relating to sustainable development with a focus on biodiversity conservation.</p> <p>Organises and coordinates the Company's sustainable development efforts, including in terms of biodiversity conservation.</p> <p>Initiates projects to amend the Company's processes and regulatory documents, and generates technical specifications for relevant units to ensure compliance with the requirements of sustainability standards and associations.</p> <p>Monitors compliance of the Company's operations and regulatory documents with the requirements of sustainability standards and associations.</p> <p>Ensures sustainability disclosure, including on biodiversity conservation, in public non-financial reporting.</p>
Strategic Planning Department	Coordinates the integration of the Environmental and Climate Change Strategy, including in terms of biodiversity conservation, into the Company's development strategy.
HR Department	Organises employee training to build capabilities for biodiversity conservation, and designates employees to deliver this training, bringing them on board with the agenda.
Centre for Efficiency Analysis and Goal-Setting	Ensures the decomposition of biodiversity conservation KPIs and their inclusion in team KPIs at the Company and Norilsk Nickel Group corporate entities.
Treasury Department	Attracts financing, including instruments linked to sustainability projects or key metrics, to implement biodiversity conservation measures, among other goals.
Innovative Development Department	Conducts analysis and issues recommendations for strategic partnerships that will unlock innovations in the way the Company manages its impact on biodiversity.
Federal and Regional Programmes Department	Engages with municipal, regional and federal authorities, and expert, scientific and public organisations on matters regarding the

	implementation of biodiversity conservation initiatives and programmes.
Ecology Department	<p>Develops goals, programmes, and action plans for biodiversity conservation under the Environmental and Climate Change Strategy.</p> <p>Decomposes biodiversity conservation goals into objectives for the branches of the Company and Norilsk Nickel Group corporate entities.</p> <p>Coordinates and oversees the development of programmes and action plans across branches of the Company and Norilsk Nickel Group corporate entities.</p> <p>Develops proposals on team and individual KPIs to motivate employees.</p> <p>Develops proposals on the methodology for assessing biodiversity conservation risks.</p> <p>Assists risk owners in identifying and assessing biodiversity conservation risks and developing mitigation measures.</p> <p>Monitors the implementation of biodiversity conservation action plans and programmes across branches of Company and Norilsk Nickel Group corporate entities.</p> <p>Defines the list of and calculation methodology for relevant reporting metrics, and prepares internal reports on the implementation of biodiversity conservation programmes and progress on relevant goals.</p> <p>Develops and updates methodologies and regulations concerning biodiversity conservation.</p>
Ecological Monitoring Centre	<p>Develops proposals and recommendations on mitigating risks and improving the impact of the Group's environmental safety measures.</p> <p>Controls compliance with the requirements and instructions of state authorities, as well as the Group's internal requirements and activities aimed at reducing negative environmental impacts and risks.</p>
Inspectorate for Monitoring Technical, Production and Environmental Risks	Performs expert assessments of technical, production and environmental risks and relevant reports provided by Group entities, including verifying risk assessments made by Risk Owners.
Risk Management Service	Develops company-wide approaches to risk management in accordance with ICMM, IRMA and

	<p>COSO, and ensures consistency across the corporate methodology.</p> <p>Determines a methodology for assessing critical biodiversity conservation risks and maps them.</p> <p>Supports risk owners in developing a methodology for identifying, assessing and mitigating biodiversity conservation risks.</p> <p>Develops proposals for biodiversity risk appetite.</p> <p>Prepares reports on key risks, including biodiversity conservation risks.</p>
Internal Audit Department	Audits the performance of the corporate risk management system, including biodiversity conservation risks.
4. Branches of the Company and Norilsk Nickel Group corporate entities	
Branches of the Company and Norilsk Nickel Group corporate entities	<p>Develop and implement biodiversity conservation programmes and action plans.</p> <p>Ensure availability of financial and other resources to implement biodiversity conservation activities, including those aimed at risk management. Develop proposals for including relevant KPIs in employees' individual KPIs.</p> <p>Identify and assess risks, choose a response method, develop and implement a risk management action plan, and monitor biodiversity conservation risk management.</p> <p>Provide reports on the implementation of programmes and impact of initiatives to mitigate biodiversity conservation risks to relevant units of the Company's Head Office.</p>

6. Liability

- 6.1. The Senior Vice President for Sustainable Development is liable for failure to make timely updates and amendments to this Statement.

7. General provisions

- 7.1 This Statement is subject to regular review by the Board of Directors (at least every 5 years).