URALCHEM
URALKALI



# SUSTAINABILITY REPORT

Development. Co-operation. Safety.

# Contents


## APPROACH 3

Statement from the CEO 3

About the Company 5

Our Products 6

2023 in Figures 7

Awards and Achievements 8

2025 ESG Strategy 9

ESG Management 10

Our Contribution to the UN SDGs and National Development Goals 11

Managing ESG Risks 13

Stakeholder Engagement 15

Membership in Associations 17

E

## ENVIRONMENTAL ASPECT 18

Climate Change 19

Environment 26

S

## SOCIAL ASPECT 35

Safety 36

Employee Well-Being 48

Human Rights 63

Local Communities 67

Sustainable Agriculture 79

G

## GOVERNANCE ASPECT 83

Corporate Governance 84

Anti-corruption and Ethics 89

Supply Chain 95

Cybersecurity and Personal Data Protection 99

## APPENDICES 102

About the Report. APPENDIX 1 103

Independent Assurance Report. APPENDIX 2 107

Main Quantitative Data. APPENDIX 3 109

GRI Index Table. APPENDIX 4 119

SASB Index Table. APPENDIX 5 127

TCFD Index Table. APPENDIX 6 129

Contacts 130

# Statement from the CEO

## Dear Colleagues and Partners,

I am delighted to present Uralkali's annual 2023 Sustainability Report which outlines the Company's key accomplishments and future plans in pursuing its mission and advancing its ESG practices.

During the reporting period, our mission to create a world without hunger remained at the forefront of our endeavours. The efficacy of potash fertilisers in enhancing soil fertility directly translates into increased crop yields. Through our daily operations, we actively contribute to bolstering food security.

Concurrently, we recognise that a thriving business necessitates responsible and transparent management of environmental and social aspects. Uralkali approaches this systematically, with its 2025 ESG Strategy aligning with the Company's business strategy. During the reporting period, we remained steadfast in pursuing our strategic goals, with a focus on employee well-being, safe work, local community development, climate change and supply chain sustainability. We are pleased to share our progress, achievements, and future plans in these domains within this Report.



## Climate and Environmental Responsibility

In 2023, Uralkali made significant strides in managing its environmental impact. The Company allocated a substantial RUB 7.6 billion towards environmental expenditure and investments.

The Company remained firmly committed to reducing its carbon footprint through various measures. Conducting a planned energy audit allowed us to develop a new Energy Efficiency Programme, scheduled for implementation between 2024 and 2028. Concurrently, we continued implementing the current Energy Saving Programme, actively working to phase out the use of fuel oil as a backup-fuel for boilers and as the main fuel for furnaces. By the end of 2023, we successfully converted two boiler shops from fuel oil to diesel, while designing back-up fuel complexes for three additional boiler shops. Furthermore, we completed the conversion of the TS-4 furnace from fuel oil to gas as part of the furnace replacement project at Berezniki-3 drying section.

A notable development within the environmental domain was the establishment of the Biodiversity Conservation Programme. This Programme outlines strategies for regular monitoring, comparative assessment of status indicators, and maintenance of the current biodiversity level in the region of operation.

## Safe Work

A significant milestone in the realm of occupational safety was the independent certification of the Company's existing Occupational Health and Safety (OHS) management system, confirming its alignment with the ISO 45001 requirements. This certification underscores Uralkali's commitment to maintaining high standards of OHS practices and the efficacy of implemented measures.

The Company remains dedicated to enhancing its occupational health and safety systems. In 2023, Uralkali allocated RUB 1.5 billion[1] towards this domain. The lost time injury frequency rate (LTIFR) among employees remained consistent with the previous year, standing at 0.08[2].

Ensuring the safety of not only our employees but also those of our contractors is of paramount importance to us. During the reporting year, we established safety criteria for contractors and used these criteria to conduct assessments. As a result, we created the rating of contractors, which will inform our selection process moving forward.

## Employee Well-Being

In 2023, we received notable recognition as a leading employer in Russia, achieving Platinum status in the Forbes Best Employers rating for the first time and securing a position in the Group I of the RBC Employer Rating.

The well-being of our employees stands as a cornerstone of our priorities. We ensure competitive salaries, offer a decent social benefits package, and provide ample opportunities for personal and professional growth. Social expenditures on personnel reached RUB 1.8 billion in 2023, marking an 11.64% increase from the previous year.

A pivotal advancement was the introduction of the 2023–2025 Employee Well-Being Programme. This Programme comprises activities aimed at enhancing the social, physical, emotional, financial, and career well-being of our colleagues.

We continued our efforts to attract new employees. Our systematic work in this area has allowed us to achieve significant results: in 2020–2023, Uralkali employed twice as many young specialists as in previous periods.

## Development of the Host Region

We actively participate in the development of our host towns, undertaking projects to enhance the living standards of the population in the Perm Region. These initiatives span across support for sports, culture, education, healthcare, and infrastructure development. In 2023, the Company's allocations for charity amounted to RUB 1.3 billion.

Throughout 2023, our focus remained on enhancing the towns of Berezniki and Solikamsk. A notable initiative in this regard was the Cosy City project, directed towards improving public areas in neighbourhoods within Berezniki and Solikamsk. We allocated RUB 68 million towards the implementation of this project, with a total of RUB 207 million dedicated to territorial improvements.

We prioritise the support of sports both at the corporate, regional, and federal levels. With Uralkali's backing, new sports facilities are under construction, and children's sports centres are being established. We provide opportunities for both employees and regional residents to engage in competitions across various disciplines, including kickboxing, snowkiting, sailing, mixed martial arts, and more. Throughout the reporting period, we invested RUB 155 million in sports support initiatives.

Furthermore, our collaboration with regional and federal authorities continued to progress, particularly in the implementation of the relocation programme for Berezniki residents from dilapidated housing and the development of infrastructure on the Kama's right bank. In 2023, the construction of the Lyubimov neighbourhood and its associated social infrastructure was finalised, thanks to Uralkali's financial assistance. Since 2013, Uralkali has dedicated approximately RUB 5 billion to this significant project.

## Sustainable Supply Chain

At Uralkali, we place significant emphasis on fostering a responsible supply chain, forging enduring partnerships with suppliers, and ensuring effective collaboration with consumers. We are dedicated to collaborating with companies that adhere to the principles of sustainable development and uphold best practices in social and environmental responsibility.

During the reporting period, we continued our efforts in implementing ESG assessment of suppliers, with an expanded scope encompassing a total of 38% of goods and services suppliers in 2023. Furthermore, we conducted a series of on-site audits to ensure compliance with our sustainability standards. Additionally, we launched automated supplier ESG assessment, aimed at enhancing the coverage of surveyed suppliers in the future and expediting the processing of assessment results.

In conclusion, I extend our gratitude to the readers of this report — our Company's stakeholders. Irrespective of external influences, we remain steadfast in our commitment to sustainable development, and we deeply value your continued support.

Warm regards,
**Vitaly Lauk, CEO**



[1] Excluding fire safety costs.
[2] Per 200,000 hours worked.

# About the Company

Uralkali[1] stands as one of the world's foremost producers and exporters of potassium chloride (potash or MOP). The Company supports farmers worldwide in their efforts to cultivate high-quality crops to feed a growing global population amidst diminishing arable land.

Uralkali adheres to responsible production practices and engage with agricultural consumers, while continually analysing its product performance to deliver maximum yields where these are needed.

Potassium is an essential element for all living organisms to grow and develop. It is usually introduced to the soil along with nitrogen and phosphate to increase the yield and quality of plants, help them fight diseases and pests, and improve their resistance to drought and frost.

## Our Activities

Uralkali production facilities are based in the towns of Berezniki and Solikamsk in the Perm Region, Russia. This is home to the Verkhnekamskoye deposit of potassium and magnesium salts, the world's second-largest of its kind by ore reserves.

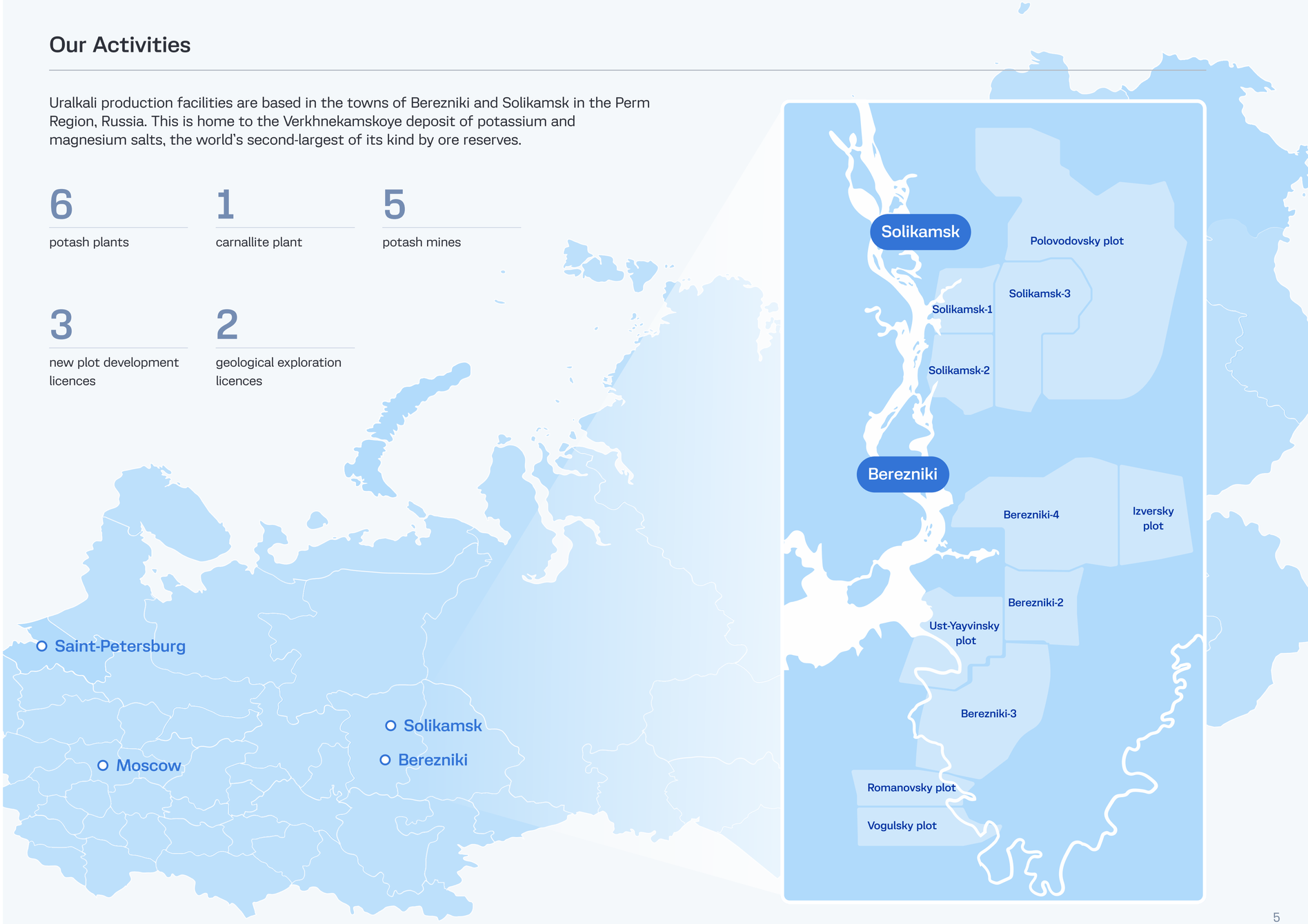
**6**
potash plants

**1**
carnallite plant

**5**
potash mines

**3**
new plot development licences

**2**
geological exploration licences




[1] Uralkali or the Company means P]SC Uralkali and its subsidiaries in accordance with Appendix 1.

# Our Products

Uralkali sells its products through a global sales network spanning all major potash-consuming regions. Our products meet the highest consumer requirements and comply with leading international and Russian quality standards.

With vertical integration, Uralkali efficiently manages its value chain: from potash ore mining and processing to supplying finished products worldwide.

The Company's quality management system is certified under ISO 9001:2015. Control at all production stages facilitates high product quality and a safe and responsible production process while minimising Company's effect on the environment.

**8**
sales offices around the world

**7.9** THOUSAND
specialised mineral wagons

**640** THOUSAND
storage capacity in Berezniki and Solikamsk

## Pink MOP

KCl concentration 95%

## White MOP

KCl concentration 95% and 98%




## Standard

- For direct application to soils
- In blended NPK fertilisers

### Traditional markets

- India
- South-East Asia
- Russia

## Granular

- Applied to soils using special machinery
- Can be blended with nitrogen and phosphate fertilisers

### Traditional markets

- Central America
- Brazil
- USA
- Europe

## Standard and fine

- Raw material in blended NPK fertilisers
- Soluble in water
- For the production of potassium sulphate, potassium nitrate, potassium hydroxide, and other industrial purposes

### Traditional markets

- China
- Russia
- Europe

## Pelletised

- Purpose-made for long-distance transport to foreign potassium hydroxide producers without anticaking agents

### Traditional markets

- South America

# 2023 in Figures

## E

**1.5** MLN T $CO_2$–EQ
GHG emissions (Scope 1 and 2)

**76.3%**
share of production waste utilised through backfilling[1]

**5.0** THOUSAND T
air emissions

**7.6** BLN RUB
total environmental protection expenditures and investments

**7.8** MLN $M^3$
water consumption

## S

**22,144** PERS
headcount at the year end

**9.8%**
staff turnover

**0.08**
lost time injury frequency rate (LTIFR)[2]

**>91** THOUSAND T
charitable fertiliser deliveries to Africa[3]

**1.3** BLN RUB
charity expenses

**6,871**
participants in agronomic literacy improvement programmes

## G

**81%**
of Uralkali's suppliers are local SMEs, representing the share of the total value of goods procured

**38%**
of Uralkali's suppliers have undergone an ESG assessment

**22**
meetings of the Board of Directors

**5**
meetings of the Sustainable Development Committee

**21%**
share of women in leadership positions

**1** OUT OF 7
woman membership on the Board of Directors

[1] This indicator is determined as the ratio of (1) the amount of production waste backfilled to (2) the amount of production waste generated. The calculation employs a 5-year moving average. By averaging the amounts of backfilled and generated waste over the past 5 years, we can effectively compare the numerator and denominator. This approach is necessary due to the time lag between backfilling and mining operations. In the short term, production and waste generation amounts are not directly correlated with backfilling amounts.

[2] Per 200,000 hours worked.

[3] Including Uralchem and Uralkali products.

# Awards and Achievements

## ESG Ratings and Indices

RAEX

**'A' rating**

NCR

**Group 1**

of the ESG index, high compliance with ESG standards

RSPP

**'A' Group**

in the 'Responsibility and Transparency 2023' and 'Sustainable Development Vector 2023' indices

Forbes

**'Platinum'**

status in the ranking of the best employers in Russia

## Awards

Uralkali was shortlisted in the **'Best Sustainable Development Report'** category at the 26th annual Moscow Exchange Annual Report Competition in 2023

Uralkali's ESG report was included in the **'5 Stars, Highest Quality Annual Report'** category of the RAEX annual report rating

Uralkali secured 3rd place in the **'Best Sustainability Report Design'** category according to RAEX

## 2023 HIGHLIGHTS

### E

- Development of the Biodiversity Conservation Programme
- Completion of a water audit at Solikamsk-1
- Completion of an energy audit for Uralkali and its subsidiaries

### S

- Certification of the occupational health and safety management system at all Uralkali's production assets for compliance with ISO 45001
- Signing of a collective bargaining agreement for 2024–2026
- Automation of personnel selection, onboarding, and assessment processes, formation of a succession pool, implementation of distance learning, and feedback based on the WebTutor system
- Completion of a human rights risk assessment
- Continued implementation of socially oriented projects to support culture, sports, healthcare, and education
- Launch of the Employee Well-Being Programme, including the development of a roadmap and implementation schedule for 2023–2025

### G

- Integration of the supplier assessment process into the automated procurement system
- 38% of Uralkali's suppliers are covered by the ESG assessment
- Drafting of the Director Induction Regulations

# 2025 ESG Strategy

The ESG Strategy serves as a cornerstone of Uralkali's overarching business strategy and underlines its commitment to sustainability. Comprising 10 priority areas, meticulously selected based on the Company's social and environmental impact, this Strategy guides its sustainability endeavours.

The ESG Strategy serves as the framework for managing sustainable development initiatives throughout the organisation. It outlines annual goals, subtasks, and actionable measures across ten identified areas. These objectives are integrated into the performance evaluations of executives and heads of key functions, directly influencing their compensation.

Since its inception in 2020, the Company has diligently pursued the goals delineated in the Strategy, with interim evaluations conducted annually for 2021, 2022, and 2023. Uralkali documents comprehensive insights into the achievements within each area in the 'Strategy and Goals' tables, available at the beginning of each section within the Sustainability Report.

The Company monitors the implementation of the Strategy biannually, focusing on individual tasks. Among other things, monitoring includes assessing impacts under the material topics and the effectiveness of measures to manage them. The Sustainable Development Working Group oversees ESG performance at the executive level. Additionally, the Sustainable Development Committee and the Board of Directors rigorously review the outcomes of Strategy implementation.

**MISSION**

We produce potash fertilisers to provide people all over the world with food

## Uralkali's 2025 ESG Strategy

| E | S | G |
|---|---|---|
| **FUNDAMENTAL ESG TOPICS** | | |
| • Environment (waste, biodiversity, air, water, product safety) | • Health and safety<br>• Employee well-being<br>• Local communities<br>• Human rights | • Corporate governance<br>• Anti-corruption and ethics |
| **NEW CHALLENGES** | | |
| • Climate change | • Sustainable agriculture | • Supply chain |
| 13 CLIMATE ACTION | 2 ZERO HUNGER | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |

## Digitalisation Approach

Uralkali places significant emphasis on integrating digital technologies as part of its ESG Strategy implementation. Leveraging digital business development and innovative products allows Uralkali to achieve strategic goals and objectives more efficiently. For instance, the Company deploys various digital tools to enhance employee engagement, such as the HR portal 'WebTutor.' Additionally, Uralkali uses tools for training and ensuring their safety, like VR simulators for emergency drills. Moreover, the Company utilises digital solutions for supply chain management, such as launching automation for supplier ESG supplier assessment, and ensuring cybersecurity.

Furthermore, as a part of the Uralchem Group, Uralkali aligns with the priorities outlined in the Uralchem's Digital Transformation Strategy.

Further details on this aspect are available in the Digital Transformation section of the Uralchem's Sustainability Report for 2023.

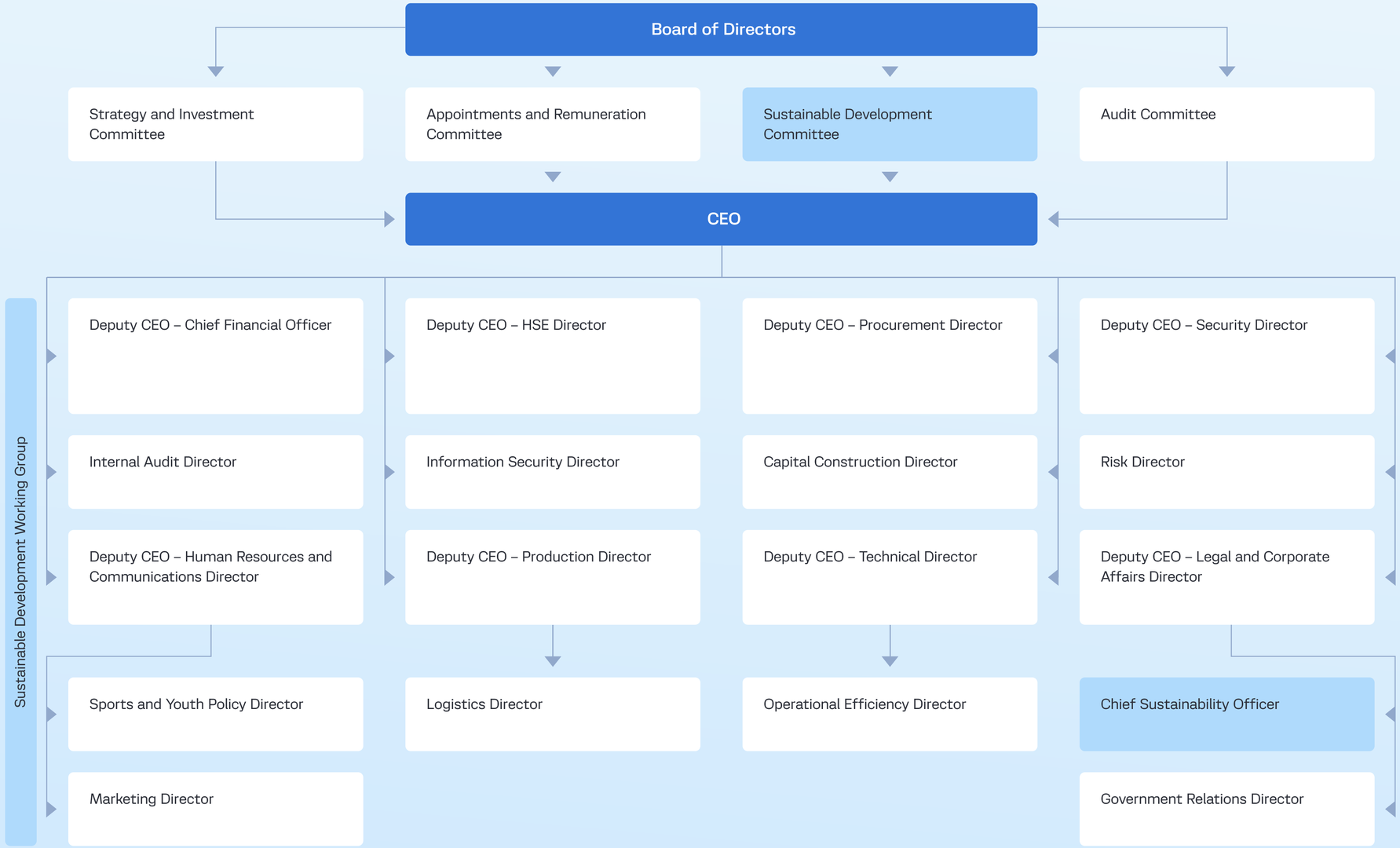
# ESG Management

The Board of Directors and the Board's Sustainable Development Committee play a pivotal role in managing sustainability issues within the Company. In 2021, Uralkali created a dedicated function in its structure — the Sustainable Development Directorate.

More details on the approach to ESG management are available in the Corporate Governance section

Uralkali's website provides additional information about its approach to managing sustainability matters, as outlined in the ESG Policies and Codes. Additionally, the website features the ESG Data Pack, which includes an expanded list of indicators structured by ESG aspects.

## Organisational structure of sustainability management



# Our Contribution to the UN SDGs and National Development Goals

| ESG strategy area | Environment | Climate Change | Safety | Employee Well-Being | Local Communities | Human Rights | Sustainable Agriculture | Corporate Governance | Anti-Corruption and Ethics | Supply Chain |
|---|---|---|---|---|---|---|---|---|---|---|
| Un SDGs and related targets |  Target 12.4 |  Target 13.2 |  Target 3.4 |  Targets 8.3 and 8.5 |  Target 9.1 |  Target 8.5 |  Target 2.4 |  Target 8.3 |  Target 8.3 |  Target 12.6 |
| National development goals of the Russian Federation through 2030 | Comfortable and safe environment | | Preservation of the population, the health and welfare of the people | Conditions for self-fulfilment and the unlocking of talent | Comfortable and safe environment | | | | | |
| ESG goals[1]<br><br>Status<br>• The goal has been achieved<br>• The goal is being pursued according to the plan | • Increasing the share of production waste utilised through backfilling by 10%<br>• Abating sulphur dioxide air emissions by 25%<br>• Developing the Biodiversity Conservation Programme<br>• Conducting a water audit | • Abating GHG emissions (Scope 1 and 2) by 10% (2025) and 20% (2030)<br>• Achieving carbon neutrality by 2050 | • Reducing severe injury rate by 10% (annually)[2]<br>• Certifying 100% of production assets under ISO 45001 | • Ensuring voluntary labour turnover does not exceed 6.5%<br>• Ensuring the level of absenteeism due to temporary disability does not exceed 7% | • Implementing programmes for developing host towns | • Covering human rights due diligence across 100% assets<br>• Developing the Diversity and Equality Programme | • Covering over 20 thousand farmers with agronomic literacy programmes | • Improving the internal legal framework of corporate governance | • Keeping employees informed on how to combat corruption and fraud | • Ensuring that our suppliers and contractors are assessed against ESG criteria (over 50% procurements by amount) |
| Status details | Environment, p. 26 | Climate Change, p. 19 | Safety, p. 36 | Employee Well-Being, p. 48 | Local Communities, p. 67 | Human Rights, p. 63 | Sustainable Agriculture, p. 79 | Corporate Governance, p. 84 | Anti-corruption and Ethics, p. 89 | Supply Chain, p. 95 |

[1] 2020 serves as the baseline.

[2] The coefficient is assessed relative to the target value established in the base year of 2020, set at 0.044, and is monitored annually in comparison to the target value of the previous reporting period.

# Brazilian Asset: Introduction of Sustainability Practices

In February 2023, Uralkali acquired a Brazilian distributor, which focuses on blending mineral fertilisers and selling fertiliser blends to farmers within Brazil.

The acquisition was made in line with the Company's strategy to increase flexibility of sales and develop own distribution capacity in key markets. The new asset will enable Uralkali to better pursue its mission to contribute to global food security, as Brazil is a major producer of agricultural products including sugar cane, soybean, maize, and potato.

Uralkali aims to extend its sustainable development practices to all of its subsidiaries, and this effort also includes the new Brazilian asset. Accordingly, in 2023 the Company started integration of its ESG principles in the operations of the Brazilian distributor and specifically focused on occupational safety and employee well-being.

In 2023, the Brazilian asset adopted the Health, Safety and Environment Policy. This document reflects the key HSE-related aspirations of the distributor including creation of safe working conditions, prevention of incidents, accidents and emergencies. The Policy was presented and explained at a general meeting attended by employees and officers of the company.

The company also provided health & safety training to employees including the management team. In total, 69% of employees completed this training. The scope of training for different employee categories varied and was determined by the company's chief technical and operating officers.

In the subsequent development of the new assets, Uralkali will focus on the creation of new jobs for local communities and provision of fair working conditions.

By the end of 2023, the Brazilian distributor had 72 employees, 97% of whom were represented by local residents. As part of enhancing employee well-being, the company provides its employees with voluntary health insurance.

Uralkali will continue developing ESG practices in its Brazilian assets aiming for their integration with the corporate approach and the region's best practices.

**72** PERSONS

headcount at year-end

**69**%

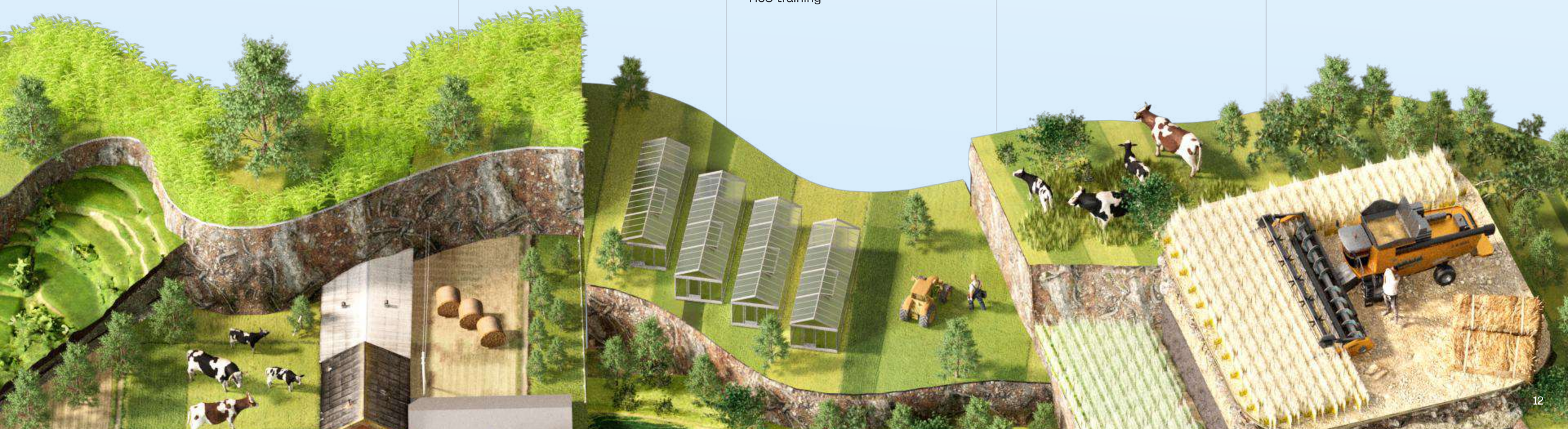
share of employees who completed H&S training

**97**%

share of local employees

**1,736** GJ

total energy consumption



# Managing ESG Risks

The Company has established and effectively operates a risk management system that enables it to respond promptly to changes in the world, ensuring the stability of the Company's financial position, the continuity of its operations and the achievement of its goals. In 2023, Uralkali continued to maintain high standards of risk management, including ESG risk management.

Aligned with international standards such as COSO ERM and ISO 31000, the risk management system spans all levels of the Company's management. Uralkali operates within the framework of the comprehensive Risk Management and Internal Control Policy, recently updated in 2023, alongside other internal regulatory documents.

Constant analysis and enhancement of risk management tools are integral to the Company's approach, addressing both external and internal dynamics, opportunities, and challenges. To spearhead these efforts, Uralkali has established a dedicated Risk Directorate under the CEO to oversee the risk management process and consolidate risk-related information.

In 2023, the Company proactively integrated risk management into project activities, from inception to monitoring, utilising simulation modelling for risk assessments. Furthermore, Uralkali embarked on leveraging Big Data and artificial intelligence models for risk analysis. The Company remains committed to expanding its risk management framework, enabling agile responses to evolving circumstances and adaptation to new conditions.

ESG risk management is seamlessly integrated into the broader risk management system of Uralkali. ESG risks feature prominently in the corporate risk register, subject to regular review by the Audit Committee of the Board of Directors. Additionally, the CEO's Risk Committee, comprising leaders from various functional areas, contributes to this endeavour.

Ensuring transparency and accountability, all Company employees have avenues to report identified risks directly to their managers, the Risk Directorate, or through the Hotline.

## Key ESG risks

| Risk | Risk description | Risk level management/impact |
|---|---|---|
| **Industry risks** | | |
| Industry risks in domestic and foreign markets | Risks associated with the possibility of decreased demand and/or prices for potassium chloride, along with potential cost increases, delivery delays, or refusals from foreign suppliers to provide equipment, materials, components, and services | • In response, the Company actively pursues alternative suppliers and contractors, implements import substitution programmes, and focuses on enhancing performance and contractual discipline |
| **Legal risks** | | |
| Legal risks | Legal risks arise from shifts in legislation and regulatory requirements, encompassing various areas such as currency, antitrust, environmental, customs, tax, and licensing legislation. These risks also include changes in regulatory approaches by authorities | • In response, the Company has devised a series of interconnected measures to ensure compliance with regulatory mandates<br>• This includes regular monitoring of legislative alterations and swiftly implementing necessary adjustments to internal protocols and practices as needed |
| **Personnel risks** | | |
| Lack of qualified employees | The nature of the Company's operations demands employees with extensive professional training and qualifications, especially in production, mining, and geology. Attracting and retaining personnel with the necessary qualifications can be challenging, requiring additional resources for training and development | • The Company continually monitors the labour market and implements measures to retain staff, particularly in production roles. This includes conducting surveys to gauge employee engagement and reasons for staff turnover<br>• Uralkali established a structured system for personnel assessment and training, offering training opportunities at the Corporate University. Additionally, the Company is introducing a distance learning system and the Succession Pool for Key Positions in the Company programme to enhance employee skills<br>• Uralkali provides one of the most attractive social packages in the industry, along with market-level salaries and mortgage rate subsidies for key employees<br>• Uralkali focuses on enhancing the attractiveness of host towns, including providing subsidised housing, contributing to medical facility construction, supporting modern training programmes in local institutes and schools, investing in urban infrastructure, hosting and sponsoring cultural and sports events |

# Key ESG risks

| Risk | Risk description | Risk level management/impact |
|---|---|---|
| **IT and IS risks** | | |
| Information technology and information security risks | The evolution of information technology brings forth a myriad of information security challenges, encompassing concerns related to personal data security and the risk of disruptions to critical information infrastructure<br><br>Moreover, in the prevailing geopolitical climate, the Company is susceptible to the possibility of disruptions to information systems and foreign-made software, as well as potential licence revocations for such software | • The Company undertakes measures to safeguard personal data, ensures the uninterrupted functionality of information infrastructure, and mitigates other threats in the realm of information technology and information security |
| **HSE risks** | | |
| Risks of non-compliance with health, safety, and environmental regulations | The Company's operations and the specific utilisation of its assets are subject to comprehensive HSE legislation. Ensuring compliance with these regulations may entail additional costs and obligations for the Company | • Uralkali has established and implemented safety standards, including the Cardinal Rules for preserving life and health. Additionally, the Company conducts regular safety training sessions for personnel, followed by certification, and various measures for disease prevention among workers<br>• The Company places significant emphasis on adhering to environmental legislation requirements and continuously strives to enhance its performance in this domain |
| Risk of injury | Risks associated with causing harm to the life and/or health of the employees in the process of performing their job duties | • Uralkali maintains a zero-tolerance policy towards workplace injuries<br>• The Company implements a comprehensive programme of activities, which includes training and certification of employees in occupational health and industrial safety, procedures for hazard identification and assessment of professional risks, and the promotion of a safety culture, among others |
| Environmental risk | The possibility of environmental damage arising from the Company's operations | • To address this risk, the Company is undertaking various measures to enhance its environmental management system. These efforts include implementing energy-saving programmes and initiatives aimed at conserving biodiversity within the areas impacted by the Company's activities |

| Risk | Risk description | Risk level management/impact |
|---|---|---|
| **HSE risks** | | |
| Risk of accidents and major incidents | The risk of significant consequences stemming from accidents and incidents | • Uralkali takes timely and proactive measures to mitigate this risk. These include the collection and analysis of accident and incident statistics, implementation of predictive data analytics mechanisms, execution of projects to enhance risk protection, identification of critical systems with heightened risk, development of plans for the modernisation of chemical production equipment, insurance coverage, implementation of equipment maintenance and repair programmes, enforcement of active and passive fire protection measures, and establishment of reserves and liquidity pools to cover potential losses |
| **Natural risks** | | |
| Natural and mining risks | The Company's mining operations are exposed to risks stemming from the geological structure of the Verkhnekamskoye potassium salt deposit, as well as the exploration, mining, and processing of minerals | • To mitigate these risks, Uralkali implements a range of comprehensive activities, including geological exploration and research, mining engineering, comprehensive monitoring of existing mine fields, implementation of additional measures to protect the water-protective layer, and the establishment of reserves or liquidity pools, as well as securing free limits of bank financing to cover potential losses |
| **Climate risks** | | |
| Physical climate risks | Climate change causes an increase in negative extreme and chronic phenomena in nature, which may affect the stable operation of production, the Company's financial result, the health and lives of its employees, and the continuity of customers', and suppliers' operations | • To address this risk, Uralkali implements measures to mitigate the impact of adverse weather events on its activities and the well-being of the employees |
| Transition climate risks | In the transition to a low-carbon economic model, including the development of climate legislation, the economy may face various risks related to political, technological and economic (market) changes | • The Company actively monitors the market, modern technologies, legislative requirements and endeavours to respond to emerging climate risks in a timely manner |

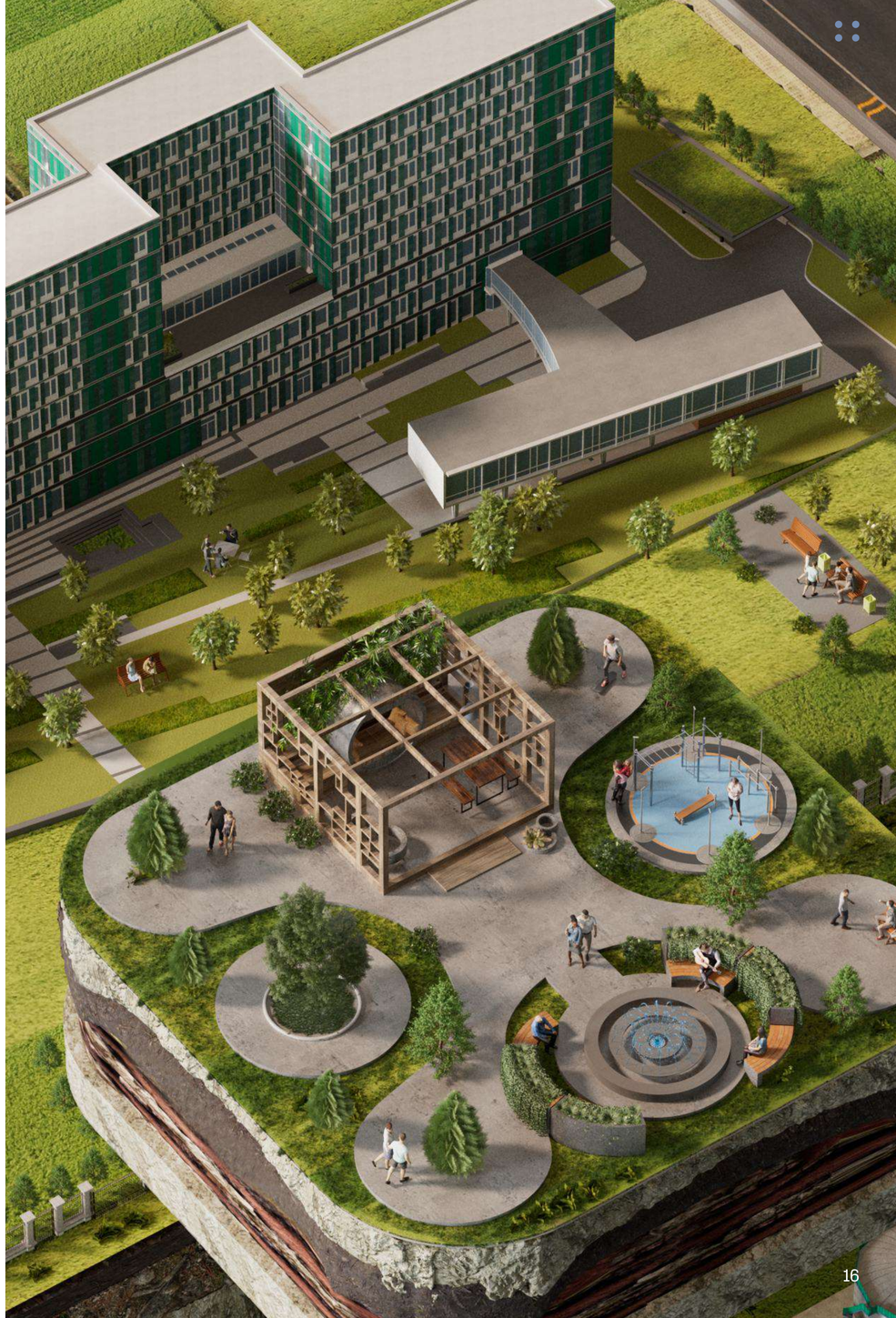
# Stakeholder Engagement

Uralkali values trusting and long-term relationships with all stakeholders and endeavours to take their interests into account when carrying out its activities. Comprehensive details regarding interaction with each stakeholder group are available in the Stakeholders section on the official website.

The Company maintains an effective communication system with employees, contractors, partners, local communities, and government authorities. This system ensures a high level of stakeholder awareness, fosters a loyal and positive attitude towards the Company, and drives continuous improvement in internal processes across all areas of its operations.

| Stakeholder Group | Employees | Customers and Partners | Shareholders and Creditors |
|---|---|---|---|
| Key Interests | • fair remuneration<br>• career and personal development<br>• favourable and safe work environment | • high-quality products meeting national and international standards<br>• reliable supply<br>• commitment to long-term partnerships | • transparent and reliable information<br>• sustainable development of the Company<br>• effective risk management |
| Key Engagements in 2023 | • launching the Employee Well-Being Programme<br>• implementing the Diversity and Equal Opportunity Programme<br>• updating the Code of Corporate Culture<br>• indexing wages<br>• expanding the portfolio of training programmes at the Corporate University<br>• introducing the WebTutor platform (HR portal)<br>• signing a new collective bargaining agreement for Uralkali for 2024–2026<br>• independently certifying the current occupational safety management system | • conducting an annual customer satisfaction assessment<br>• carrying out audits of the quality management system and inspections of improved products<br>• conducting an ESG assessment of suppliers and integrating it into the automated procurement system<br>• updating the Method Statement Template | • publishing the Sustainability Report and its independent assurance<br>• fulfilment of objectives for 2023 within the framework of the 2025 ESG Strategy goals<br>• updating the Risk Management and Internal Control Policy<br>• conducting risk assessments and reassessments<br>• holding General Meetings of Shareholders |
| | For further details, please refer to the Employee Well-Being and Safety section | For further details, please refer to the Product Safety, Product Quality, Supply Chain, and Safety sections | For further details, please refer to the Appendix 2. Assurance Report, 2025 ESG Strategy, Managing ESG Risks, and Corporate Governance sections |

| Stakeholder Group | Local Communities | Government and Local Authorities | Unions |
|---|---|---|---|
| Key Interests | • social and economic development of regions where the Company operates<br>• support for socially vulnerable groups<br>• corporate philanthropy | • discussion of legislative and regulatory issues<br>• collaborative execution of socially significant projects<br>• report transparency and reliability | • compliance with labour safety regulations<br>• performance of collective agreements<br>• discussion of current social issues |
| Key Engagements in 2023 | • implementing development plans for host towns, such as the Cosy City programme, and repairs of roads and public areas<br>• supporting projects in sports, culture, medicine, and education, including the opening of a centre for public organisations and a multifunctional martial arts centre in Berezniki, the Youth of Solikamsk multifunctional centre, and implementing the project titled 'From Posadskaya Sloboda to the Lower Salt Fields'<br>• assisting the Berezniki and Solikamsk City Councils of Veterans<br>• organising career guidance events<br>• concluding agreements on targeted training, as well as practical on-site training<br>• implementing corporate volunteering activities to aid children with disabilities, the elderly, and homeless animals, and organising environmental events and community clean-ups | • collaborating on the development of host towns, such as signing agreements between Uralkali and the Perm Region's Government on the funding of a polytechnic college and a dormitory in Berezniki<br>• addressing issues related to the relocation of residents from dilapidated housing<br>• publishing the Sustainability Report and its independent assurance | • collaborating on the development and signing of a new collective bargaining agreement for Uralkali for 2024–2026<br>• deliberating on the main directions of the Company's development and its social policy<br>• reviewing drafts of Company's internal guidelines related to payment and bonuses, regulations on incentives, etc. |
| | For more detailed information, please refer to Local Communities and Employee Well-Being sections | For further details, please refer to Local Communities and Appendix 2. Assurance Report sections | For further details, please refer to the Employee Well-Being section |



# Membership in Associations

## Sustainable Development Associations

- Participant of the ESG Alliance within the Uralchem Group
- Member of the Green Brands League
- Participant of the Consortium for the Scientific and Methodological Support of the Transition to a Circular Economy

## Industry Associations and Business Alliances

**IN RUSSIA**

- Chamber of Commerce and Industry of the Russian Federation (Perm Chamber of Commerce and Industry)
- Russian Union of Industrialists and Entrepreneurs (RSPP), with involvement in the Committee on Ecology and Natural Resources Management and the Working Group on Climate Change and Regulation of Greenhouse Gas Emissions, Corporate Social Responsibility and Sustainable Development Committee
- Russian Chemists Union
- Association of Economic Cooperation with African States (AECAS)
- Miners of Russia Association and Non-Profit Partnership

**INTERNATIONALLY**

- The West African Fertilizer Association (WAFA)
- The Fertilizer Association of South Africa, Pretoria (FERTASA)
- The Fertilizer Institute (TFI USA)
- The National Fertilizer Distribution Association Associação Nacional para Difusão de Adubos – ANDA
- The Arab Fertilizer Association, Cairo, Egypt (AFA)
- The Fertilizer Association of India, New Delhi (FAI)

## Membership in the ESG Alliance

The ESG Alliance is the only prominent business association in Russia dedicated exclusively to the sustainable development agenda. It brings together companies committed to implementing these principles into their business models or consciously pursuing ESG transformation.

In 2023, Uralkali played an active role in the organisation's activities and knowledge exchange with other participants. Key projects included:

- developing a standard for assessing the contribution of businesses to the national goals of the Russian Federation;
- establishing a public service for disclosing non-financial information and comparing companies (esg-disclosure.ru) in partnership with Interfax;
- creating a unified methodology for ESG assessment of suppliers;
- developing methodological guidelines for assessing climate risks with Alliance support to facilitate regular risk assessments by companies;
- creating a Quality of Life Index in small and medium-sized towns, enabling businesses to analyse and evaluate the effectiveness of their social investments in the host regions and engage in productive dialogues with local authorities.

Uralkali plans to maintain active participation in Alliance events in the coming year.

# ENVIRONMENTAL ASPECT


Climate Change 19

Environment 26




# Climate Change

## Why this is important to us:

For several years, climate risks have been among the biggest threats to humanity. Addressing climate change and transitioning to renewable energy sources have become urgent priorities for the global community.

To prevent adverse consequences, all market players must collaborate to reduce greenhouse gas emissions. Uralkali recognises the critical importance of combating global climate change and is actively working to reduce GHG emissions associated with its operations.

13 CLIMATE ACTION

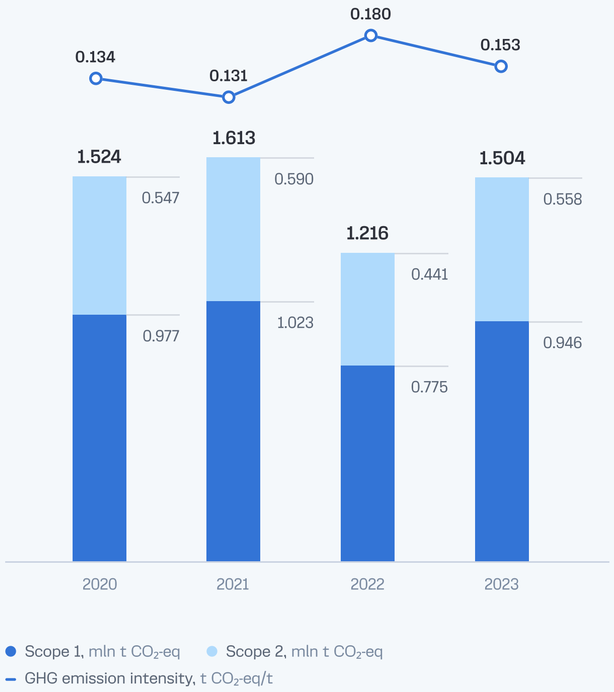
## 2023 Highlights

**1.5** MLN T $CO_2$-EQ
GHG emissions
(Scopes 1 and 2)

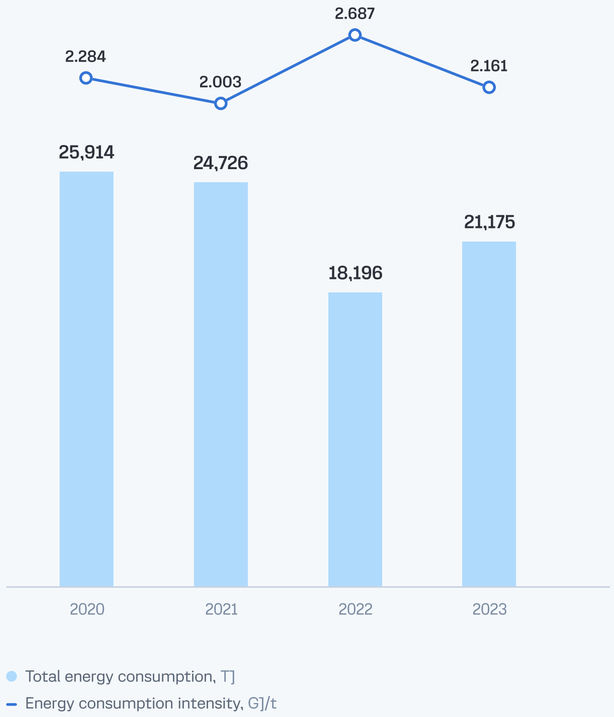
**0.153** T OF $CO_2$-EQ/T
GHG emission intensity
(Scopes 1 and 2)

**362** THOUSAND GJ
reduction of energy consumption through energy-saving initiatives

### GHG emissions (Scopes 1 and 2), mln t $CO_2$-eq




### Total energy consumption, TJ




## Strategy and Goals

### Key Goals and Objectives[1]

Reduce GHG emission intensity (Scopes 1 and 2) by 10% from 2020 levels by 2025, and further decrease them by 20% by 2030

### 2023 Performance Highlights

GHG emission intensity amounted to 0.153 tonnes of $CO_2$-eq/t of product, down 15% year-on-year

### 2024 Targets

- Enhance the methodology for assessing climate risks
- Monitor and analyse the implementation of the Climate Strategy
- Continue activities to promote energy efficiency and phase out fuel oil

[1] The key goals and objectives are formulated based on the Climate Strategy 2030.

# National Context

Russia addresses and regulates climate change issues at the state level. In 2021, Russia committed to achieving carbon neutrality by 2060, aiming for a balance between anthropogenic greenhouse gas emissions and their absorption. Federal Law No. 296 'On Limiting Greenhouse Gas Emissions,' enacted that year, served as the foundation for the nation's carbon regulation efforts.

In 2023, the President of the Russian Federation approved a new Climate Doctrine, reaffirming the goal of attaining carbon neutrality by 2060. The primary focus of the climate policy outlined in the Doctrine is the development of both short-term and long-term measures to adapt to climate change and mitigate its anthropogenic impacts. These measures include the establishment of regulatory and economic frameworks to reduce greenhouse gas emissions and fostering mutually beneficial cooperation on a global scale.

Furthermore, in 2023, the Government endorsed a national action plan for the second phase of climate change adaptation until 2025. Building upon the initial adaptation plans up to 2022, the plan comprises 17 initiatives categorised into federal, sectorial, and regional blocks. These initiatives aim to provide legal, organisational, informational, scientific, and methodological support for the necessary adaptation measures.

## HIGHLIGHTS OF THE NATIONAL AGENDA IN 2023

### Mandatory Reporting

Regulated organisations with GHG emissions of 150 thousand tonnes of $CO_2$ equivalent per year or more submitted emissions reports for the first time in 2023, in line with Federal Law No. 296 dated 2 July 2021.

Uralkali also fulfilled its obligation and promptly reported its GHG emissions together with input data for 2022 to the Ministry of Economic Development of the Russian Federation.

### Regional Adaptation Plans to Climate Change

Starting from October 2023, regions of the Russian Federation commenced the development and approval of regional adaptation plans to climate change. These plans encompass operational and long-term measures aimed at safeguarding infrastructure, economic sectors, and the population from climate-related hazards such as wildfires, extreme precipitation, floods, and other climate risks.

### Commitments to Sustainable Agriculture

In December, at the 28th session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP 28), the signatories endorsed the Declaration on Sustainable Agriculture, Sustainable Food Systems, and Climate Action.

It includes commitments to integrate agriculture and food systems into national strategies, adaptation plans, and other climate change policies. More than 150 countries, including Russia, endorsed the declaration, emphasising the need to enhance finance availability for adapting agriculture and food systems to climate change and strengthening the multilateral trading system.

### CBAM Transition Period Initiation

On 1 October 2023, the transition period for the European Carbon Border Adjustment Mechanism (CBAM) commenced. During this period (from October 2023 to December 2025), importers to EU countries must provide information on the emissions associated with the production of imported goods, including those from Russia. The list of goods subject to this regulation includes cement, iron and steel, aluminium, certain fertilisers, electricity, and hydrogen. Uralkali's products are not subject to CBAM regulation.

### Carbon Sequestration Zones

As of the end of 2023, 18 carbon sequestration zones were operational in the Russian Federation, covering a total area of 39,157.3 hectares. The strategic aim of the Ministry of Science and Higher Education's pilot project on carbon polygons is to evaluate the potential of Russian ecosystems in sequestering climate-active gases.

# Governance Approach

## Senior Leadership and Management

At the highest level of Uralkali's climate change management structure are the Board of Directors and the Board's Sustainable Development Committee. This Committee oversees all matters pertaining to climate change and the implementation of initiatives aimed at achieving the Company's Climate Strategy goals.

Additionally, under the leadership of the CEO, a Working Group for Sustainable Development addresses various climate-related issues and consults with experts. Strategic business planning and project assessments also consider climate change agenda.

At the operational level, the Sustainable Development Directorate bears responsibility for managing climate change issues and greenhouse gas emissions.

## Regulatory Framework

Environmental Policy (including the Company's climate change commitments)

Greenhouse Gas Emissions Quantification Standard

Product Carbon Footprint Quantification Standard

# Climate Strategy

The Company has adopted a Climate Strategy, which outlines targets for greenhouse gas emission reduction by 2025 and 2030. This Strategy encapsulates the key indicators the Company aims to achieve in the medium and long term, including specific targets for reducing GHG emission intensity per unit of potash output and increasing the share of renewable energy sources in its energy mix.

## Climate Strategy Goals

### 2025

BY 10%

Reduce GHG emissions intensity (Scopes 1 and 2)
vis-à-vis 2020 level

TO 20%

Increase the share of green electricity in total consumption

### 2030

BY 20%

Reduce GHG emissions intensity (Scopes 1 and 2)
vis-à-vis 2020 level

TO 45%

Increase the share of green electricity in total consumption

### 2050

**Achieve carbon neutrality**

## Uralkali's focus areas for realising the Climate Strategy objectives

- enhancing energy efficiency;
- sourcing green electricity;
- shifting to low-carbon fuels (phasing-out fuel oil);
- forest carbon initiatives;
- decreasing fuel consumption and transitioning motorised tractor equipment to alternative energy sources;
- collaborating with supply chain contractors;
- climate risk assessment and management.

As part of the implementation of the Climate Strategy, an energy audit was carried out in 2023, in particular assessing the results of energy efficiency measures and their impact on greenhouse gas emissions. The Company fully implemented all planned production measures to enhance energy efficiency.

# Climate Risks

In 2022, the Company identified and assessed climate risks in accordance with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). Since 2023, the Sustainable Development Directorate, with support from the Risk Directorate, has been evaluating climate risks at Uralkali.

The Sustainable Development Directorate is directly responsible for identifying, assessing, and devising measures to mitigate risks, while the Risk Directorate provides methodological assistance. Risk reassessment occurs every two years, with the next assessment expected in 2024.

In disclosing information about climate risks and the climate agenda, the Company also aligns with the instructions from the IFRS S2 Climate-related Disclosures.

Climate risks are categorised into two main groups: transition and physical ones. Uralkali conducts risk assessments across all stages of its value chain, from raw material extraction to product utilisation by consumers. However, the Company particularly emphasises evaluating risks directly associated with production. Currently, it assesses production risks as low.

To identify risks, Uralkali examines legislation and proposed laws at the national level and in countries that are major purchasers of fertilisers.

Additionally, to enhance the precision of physical risk assessment, the Company analyses meteorological forecasts several years in advance.

The risks have been assessed for the period up to 2050. The results of this risk assessment indicate that most risks, under any of the three scenarios, would have a minimal or moderate impact on the Company's operations. Despite the identified risks being significantly below the risk appetite, Uralkali will continue to monitor the situation and consider climate change risks in its operations.

## SSP1-2.6 scenario

The global trend is shifting towards the development of a green, low-carbon economy rapidly. Resource and energy intensity are decreasing swiftly across all sectors of the global economy, driven by decisive actions taken by both developed and developing countries to attain climate neutrality.

**OF 1.8 °C**

Temperature rise by 2100




## SSP2-4.5 scenario

There haven't been substantial changes in the global energy balance, and the trend towards strengthening measures to combat anthropogenic impact continues. The global economy's resource and energy intensity is decreasing due to decarbonisation initiatives by developed nations, followed by similar actions by developing countries, albeit with a delay of several decades.

**OF 2.7 °C**

Temperature rise by 2100

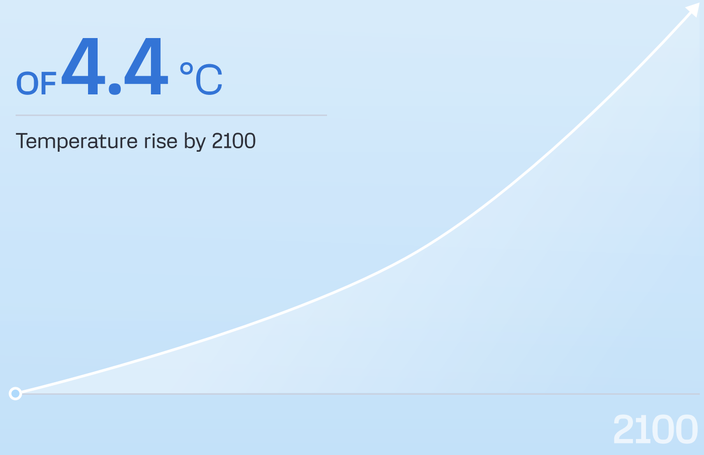



## SSP5-8.5 scenario

The global development is following a traditional paradigm, where economic growth relies on escalating material and energy consumption, as well as exploiting natural resources. While some countries are implementing decarbonisation measures, these efforts alone are insufficient to reduce significantly the resource and energy intensity of the global economy.

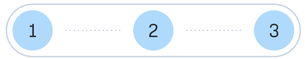
**OF 4.4 °C**

Temperature rise by 2100



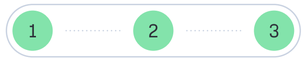
## Transition Risks and Opportunities

### Regulatory Risks

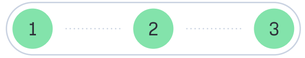



Introduction of cross-border carbon regulation:

- European Union
- China
- USA
- Brazil
- India

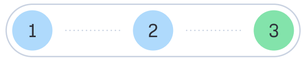



Fee for direct emissions of greenhouse gas in Russia

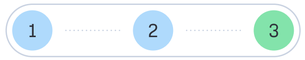



Development of new legislation in Russia

### Market Risks

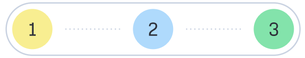



Growing cost of thermal energy



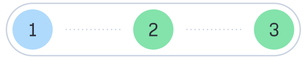

Growing cost of electrical energy

### Technological Risks



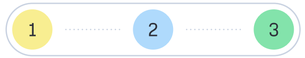

Introduction of new low-carbon technologies in the potash production

### Reputational risks




Changes in investor (bondholder) attitude

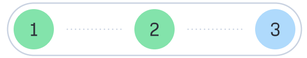
### Opportunities



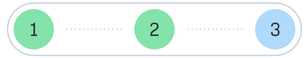

More energy efficient production

## Physical Risks

### Change in Air Temperature

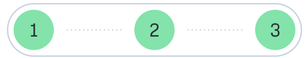



Change in extreme summer temperatures

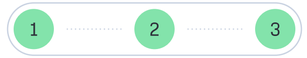



Changes in the number of temperature transitions through the zero mark

### Changes in Precipitation Patterns

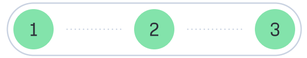



Heavy rainfalls in summer

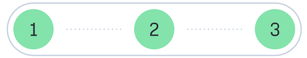



Changes in the intensity of spring floods

### Dangerous Meteorological Phenomena




Change in the frequency of hurricanes and tornadoes




Spread of forest fires




Change in the frequency of sea storms

Uralkali evaluates the likelihood of short-term climate risks as insignificant, anticipating potential shifts in the years 2027–2028.

The Company acknowledges the impact of climate change on soil fertility across various regions globally. Nevertheless, within the next 3–5 years, Uralkali does not foresee significant alterations in product demand due to climate-induced changes, as a substantial decline in soil fertility in supply regions is not projected.

### Level of risk significance (opportunity)

- Insignificant (minor likelihood)
- Moderate (small likelihood)
- Substantial (moderate likelihood)
- Potentially critical (significant likelihood)
- Critical (high likelihood)

### Change under three scenarios

SSP1-2.6 SSP2-4.5 SSP5-8.5



# GHG Emissions Accounting and Reporting

## Scopes 1 and 2

Uralkali has meticulously inventoried all sources contributing to greenhouse gas emissions, recording both direct (Scope 1) and indirect energy-related emissions (Scope 2).

The Company's assessment aligns with the GHG Protocol standards. For Scope 1 calculations, Uralkali employs the IPCC 2006 coefficients, supplemented by data from Order No. 371 issued by the Ministry of Natural Resources of the Russian Federation[1]. To quantify emissions in Scope 2, the Company utilises coefficients derived from data provided by the International Energy Agency (IEA) and ]SC ATS[2].

In 2023, Uralkali enhanced its calculation of Scope 1 emissions by incorporating data on the component composition of natural gas and associated petroleum gas, a departure from relying solely on standard coefficients. This adjustment has significantly enhanced the accuracy of its assessments.

During the reporting period, there was a 23.6% increase in absolute GHG (Scopes 1 and 2) compared to the previous year, attributable to increased product outputs.

## Scope 3

Uralkali also quantifies other indirect emissions (Scope 3), following guidelines outlined in the GHG Protocol Corporate Value Chain Accounting and Reporting Standard. The largest portion of Scope 3 greenhouse gas emissions stems from the transportation and distribution of its products. Conversely, emissions associated with the production of fuel and energy purchased and consumed by the Company, as well as emissions from the production of purchased raw materials and supplies, are significantly lower.

To enhance the quantification of other indirect emissions, the Company conducts an ESG assessment of suppliers, soliciting data on the carbon footprint of their products. This approach will enable to incorporate real data into Company's estimates of Scope 3 Categories 1–4 emissions in the future.

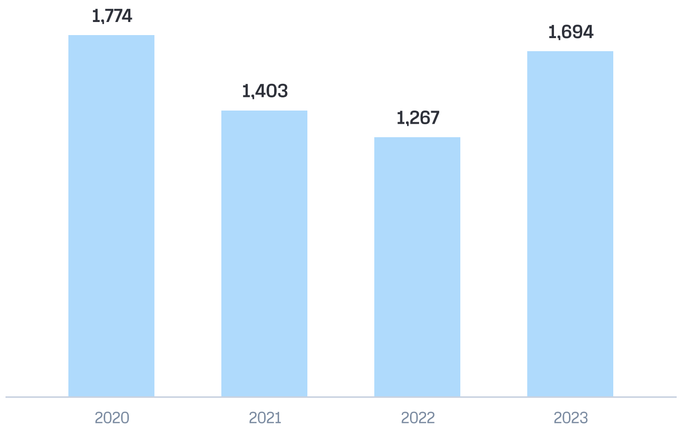
## Product Carbon Footprint

The Company evaluates the carbon footprint of its products using a Cradle-to-Gate approach, as the use and disposal of potash fertilisers do not emit greenhouse gases.

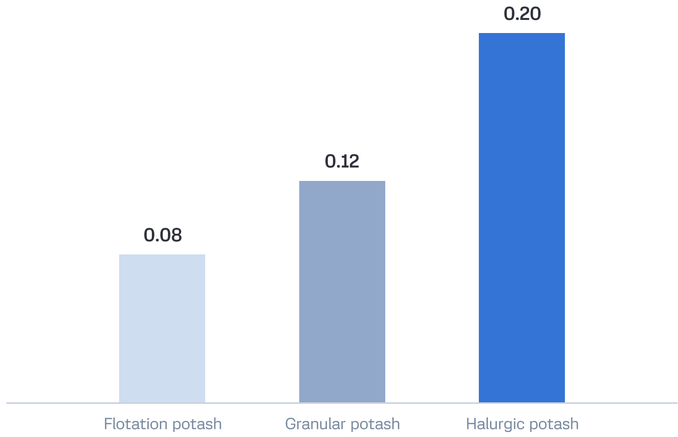
Thus, only the phases of raw material extraction and product production and processing are considered. The assessment follows the requirements of the ISO 14067:2018 standard and indicates that, due to the production process nature, potash products have a low carbon footprint compared to other fertiliser types.

Among the three types of potash produced by the Company — flotation, granular and halurgic potash — flotation potash has the smallest carbon footprint of 0.08 tonnes of $CO_2$-eq/t of production. In 2023, the carbon footprint of products decreased for all three types of potash due to increased production and optimisation of the production process.

**GHG Scope 3 emissions,**
thousand t $CO_2$-eq




**Uralkali's product carbon footprint, (2023),**
t $CO_2$-eq/t of product




[1] For the 2023 assessment, Global Warming Potentials (GWPs) from the IPCC Sixth Assessment Report were applied, while for previous periods, GWPs were based on the IPCC Fifth Assessment Report.

[2] ]SC ATS is one of the world's largest electricity exchanges, facilitating trade and managing settlements between electricity producers and buyers.

## Enhancing Energy Efficiency

Efficient utilisation of energy resources and elevating energy efficiency stand as pivotal prerequisites for curtailing the Company's greenhouse gas emissions. The Technical Director of the Company is overseeing all technical matters concerning energy efficiency and consumption. Reporting to him is the Chief Energy Officer's Department, which is directly tasked with executing all energy saving and energy efficiency measures.

Additionally, the Company runs an Energy Saving Commission chaired by the Technical Director. Annually, this Commission reviews reports on achievements and progress made during the reporting year, sets new objectives, and devises plans for the forthcoming year. Recorded and validated outcomes are factored into the energy budget for the subsequent year.

Key regulatory frameworks governing the improvement of energy efficiency encompass:

- A Five-Year Energy Saving Programme;
- Guidelines outlining the role and responsibilities of the Energy Saving Commission;
- Technical policy on energy saving.

During the reporting period, the Company primarily focused on executing initiatives outlined in the Five-Year Energy Saving Programme until 2023, which was based on insights obtained from a previous energy audit. These initiatives include:

- Replacement and conversion of the TS-4 furnace from fuel oil to gas;
- Continuation of establishing a back-up fuel complex for the Solikamsk-1 Boiler House, facilitating the shift from fuel oil to diesel fuel;
- Designing back-up fuel complexes for the Solikamsk-2 and Solikamsk-3 boilers to transition from fuel oil to diesel fuel;
- Installation of 21 frequency converters;
- Replacement of 1,200 lamps with energy-efficient alternatives;
- Deployment of a conveyor loading management system at Solikamsk-1;
- Provision of equipment and preparatory measures for the upgrade of the main fan house drive at the Berezniki-4 mine.

A notable highlight of the year, crucial for advancing the Energy Saving Programme, was the construction and activation of the 110 kV Novaya substation. Situated within the industrial hub of Solikamsk on the Uralkali premises, it catalysed the overhaul of Solikamsk-3's external power infrastructure, primed for the anticipated uptick in production capacity. Moreover, it bolstered Uralkali's overall energy efficiency.

The construction encompassed a complete 110 kV switchgear employing SF6 equipment, along with the installation of two 40 MVA and two 63 MVA power transformers. Furthermore, microprocessor-based relay protection and automation devices were integrated into the substation as part of the project's scope.

Uralkali actively encourages employee engagement and innovation, particularly in addressing energy efficiency concerns. The Company fosters a culture of creativity by organising competitions to solicit the best ideas in the realm of energy efficiency and conservation. These initiatives are recognised and rewarded in accordance with established guidelines outlined in the Regulations on Additional Motivation.

Looking ahead, Uralkali has outlined several key initiatives for upcoming reporting periods, including:

- implementing frequency converters on the fans of the main fan unit at Berezniki-4 to enhance energy savings
- finalising the construction of an overhead line at Berezniki-2, aimed at bolstering reliability and reducing the expenditure on purchased electricity

### Energy Audit

An energy audit, conducted on a voluntary basis as scheduled in 2023, marked a significant milestone for Uralkali.

Collaborating with a third-party organisation, the Company aimed to reassess its energy efficiency strategies for the upcoming five-year period.

The audit yielded a comprehensive programme comprising over 100 energy-saving initiatives tailored specifically for implementation at Uralkali. Once executed, these measures are projected to curtail the Company's energy consumption by 701 TJ and mitigate greenhouse gas emissions by 58 thousand tonnes of $CO_2$-eq.

## Transition to Low-Carbon Fuel (Phasing-Out of Fuel Oil)

The Company is actively reducing GHG emissions by gradually phasing out the use of fuel oil. One of the primary strategies involves discontinuing the reliance on fuel oil as a backup fuel for boilers and as the main fuel for furnaces.

Key actions undertaken to eliminate fuel oil include:

- finalising construction and installation activities at the diesel fuel warehouse at Solikamsk-1
- converting the TS-4 fuel oil furnace to gas within the drying and granulation section of the sylvinite processing plant at Berezniki-3

These efforts have led to a significant decrease in the share of fuel oil in the overall fuel consumption, reducing it to just 1.25%. Because of this transition away from fuel oil in 2023, the Company achieved a notable reduction in Scope 1 $CO_2$-eq emissions of 13.6 thousand tonnes compared to levels recorded in 2020.

Looking ahead, the Company intends to sustain these efforts to eliminate fuel oil usage. One upcoming project involves completing commissioning activities at Solikamsk-1 and fully transitioning to diesel as a backup fuel for Solikamsk-2 and Solikamsk-3 boilers.

## Use of Renewable Energy Sources

After conducting research and development within Uralkali's operational areas, it became apparent that large-scale industrial adoption of renewable energy sources may not be economically viable due to constraints such as limited insolation and wind power availability.

Nevertheless, Uralkali finds opportunities to use small-scale generation sources, for example, a solar power plant to power the alarm system is installed on one of the dams of a pond owned by the Company.

Uralkali currently does not procure electricity generated at renewable energy facilities.

# Environment

## Why this is important to us:

Ensuring environmental stewardship within its host regions — the cities of Berezniki and Solikamsk — stands as the Company's paramount mission. Uralkali is committed not only to mitigating its own footprint on natural ecosystems but also to spearheading initiatives aimed at revitalising damaged elements. This goal is pursued through continuous enhancement of environmental management practices and regular implementation of rigorous environmental monitoring protocols.







## Strategy and Goals

| Key Goals and Objectives[1] | 2023 Performance Highlights | 2024 Targets |
|---|---|---|
| **WATER** | | |
| Clean water in the host regions<br><br>Assess current condition and set targets | A water audit was completed at Solikamsk-1 and a set of measures to reduce water supply and wastewater disposal was developed | Implement measures to reduce water supply and wastewater disposal |
| **AIR** | | |
| Clean air in the host regions<br><br>KPI: reduce sulphur dioxide emissions by 25% from the 2020 level<br><br>2020 baseline: 357 t | Replacement of furnace at Berezniki-3 was completed to phase out fuel oil and reduce sulphur dioxide emissions<br><br>2023 baseline: 182 t | Develop design documentation for replacing the second TS-6 furnace operating on fuel oil<br><br>Complete the construction of a back-up fuel complex for the Boiler Turbine Shop at Solikamsk-1 followed by transition from fuel oil to diesel |
| **WASTE** | | |
| Implement effective waste management practices<br><br>KPI: Increase the share of production waste utilised through backfilling by 10%<br><br>2020 baseline: 53% | The planned hydraulic backfilling of voids was completed to the full extent<br><br>2023 baseline: 76.3% | Conduct hydraulic backfilling of voids by production waste<br><br>Implement a construction project to increase the capacity of hydraulic backfilling complexes at Berezniki-4 and Solikamsk-3 |
| **BIODIVERSITY** | | |
| Biodiversity conservation | A Biodiversity Conservation Programme was developed based on comprehensive survey and assessment of the current biodiversity status | Implement activities outlined in the Biodiversity Conservation Programme, including biodiversity monitoring |

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

## 2023 Highlights

**7.6** BLN RUB
environmental costs

**7.8** MLN M³
water consumption

**14.4** MLN M³
wastewater disposal

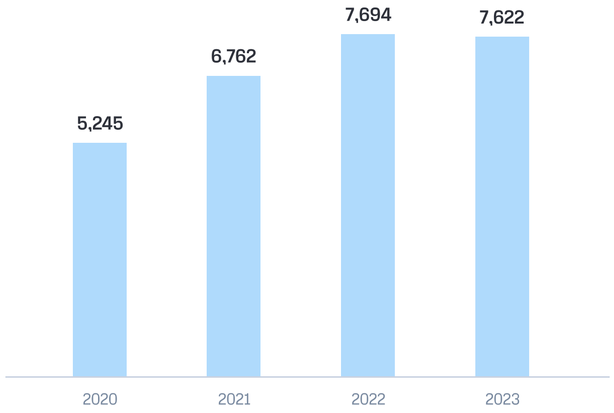
**5.0** THOUSAND T
air emissions

**29.0** MLN T
total waste generated

**27.9** MLN T
waste recycled and reused

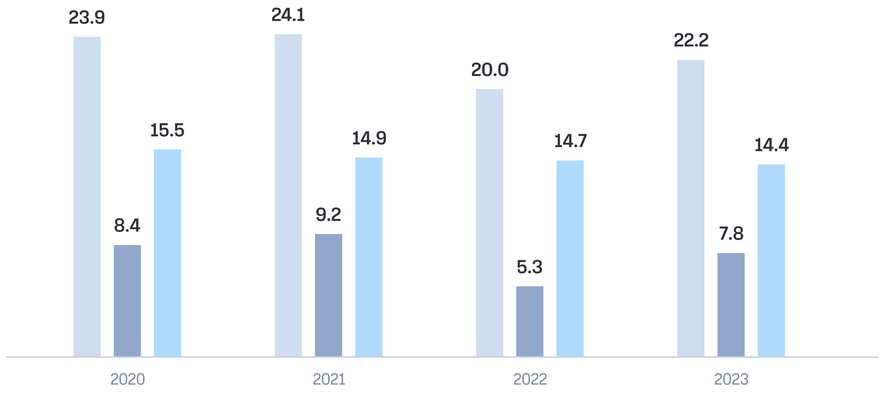
[1] Data for 2021 have been adjusted due to a refinement of the calculation approach.

### Environmental protection costs[1], mln RUB



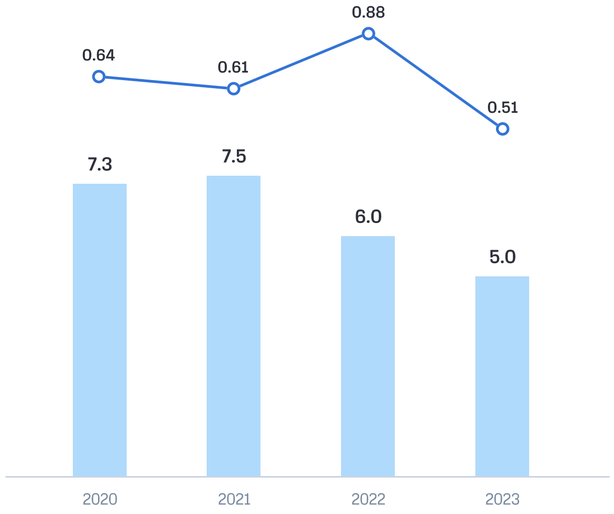

Total environmental protection costs and investments

### Total water withdrawal, consumption and wastewater disposal, mln m³



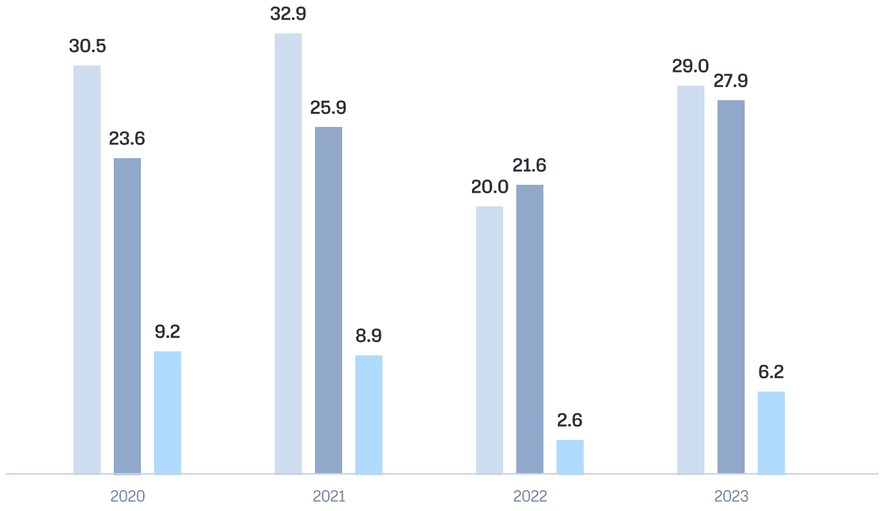

Water withdrawal · Water consumption · Wastewater disposal

### Air emissions




Gross emissions, thousand t · Emissions per tonne of output, kg/t

### Waste management, mln t




Total waste generated · Waste utilised and reused · Waste disposed at the enterprises

# Governance Approach

## Senior Leadership and Management

At the highest level, strategic issues in environmental protection are deliberated by the Sustainable Development Committee of the Board of Directors.

Its responsibilities encompass monitoring the implementation of the ESG Strategy, evaluating the achievement of key performance indicators, and engaging with stakeholders on environmental matters. The outcomes of environmental initiatives are routinely reviewed and analysed during Management Board meetings. Oversight of environmental issues is entrusted to the Health, Safety, and Environment Directorate, whereas the Environmental Protection Department is accountable for delivering operational outcomes.

The attainment of pertinent ESG Strategy objectives is reflected in managers' KPI scorecards.

For more details on environmental management, please refer to the Company's website

## Regulatory Framework

Environmental policy

A suite of internal provisions, instructions, and regulations concerning specific environmental protection aspects

## Management System

The Company has implemented and operationalised an environmental management system, which encompasses all assets and production processes, and aligns with the requirements of the ISO 14001. Responsibility for the performance of the management system spans across different management levels, ranging from senior management to production units.

Uralkali's ESG Strategy has outlined qualitative and quantitative goals for managing water resources, waste, air emissions, and biodiversity. To achieve these goals, the Company develops an annual action plan and actively monitors its implementation. Alongside investments in protecting ambient air, water, and land resources in line with the Strategy, the Company directs significant funds towards modernising existing and installing new treatment equipment, providing personnel training, developing internal monitoring and control systems, in addition to conducting research and development. In 2023, Uralkali's total expenses and investments in environmental protection exceeded 7.6 billion roubles.

The Company monitors environmental impact within the framework of industrial environmental monitoring programmes for facilities producing an adverse environmental impact (AEIF). These programmes, developed and operationalised across all Uralkali facilities that represent Category 1–3 AEIFs, aim to ensure compliance with environmental legislation.

# Water Resources Management

The Company is committed to minimising its impact on water bodies by adhering to the principles of prudent water usage. Uralkali pays attention to water availability issues in the host regions, and continuously monitors to assess the risk of water scarcity. At present, water shortage is not predicted even in low-water years.

Uralkali's primary water sources include the Kama River and the Verkhne-Zyryanskoye Reservoir[1]. Additionally, Uralkali sources water from underground reservoirs, utilises third-party water[2], and captures stormwater. To reduce water consumption, Uralkali employs reuse and recycling systems, where the quantities of water utilised exceeds that of water consumption by tens of times.

Uralkali conducts regular monitoring of water body quality. When discharging wastewater into the receiving water bodies, the Company undertakes pre-treatment measures, including sedimentation in settling ponds for process wastewater and employing biological treatment facilities for domestic wastewater.

Continuous enhancement of water usage efficiency remains a priority for the Company. A significant event in 2023 was the Company's completion of a water audit at Solikamsk-1.

The Company actively seeks to foster partnerships with the host regions, with a focus on sustainable development and the implementation of environmental initiatives.

As part of this framework, the Company is a member of the Basin Council of the Kama Watershed District, which is involved in developing recommendations for the rational use and protection of water bodies. Additionally, in 2023, the Company entered into an agreement with the Ministry of Natural Resources of the Perm Region.

## Water Audit

During the water audit, Uralkali assessed the primary consumers of domestic, drinking, and process water, and identified the key factors contributing to inefficiencies.

Following the audit results, areas for enhancing water usage efficiency were identified, along with a set of measures aimed at addressing inefficient water utilisation.

If the feasibility of these measures is confirmed, their implementation will enable a reduction in the consumption of industrial and household potable water.

[1] Water is drawn from underground sources through wells situated in Berezniki-3, Solikamsk-1, Solikamsk-2, Solikamsk-3, and Uralkali's health resort.

[2] Third-party water refers to water sourced from municipal and other water systems, public and private utilities, and other entities engaged in providing, transporting, treating, disposing, and/or using water and wastewater.

## Agreement with the Ministry of Natural Resources of the Perm Region

In the reporting year, Uralkali signed an agreement with the Ministry of Natural Resources, Forestry, and Ecology of the Perm Region. This agreement focuses on cooperation regarding the landscaping of springs (natural sources of groundwater) located in the Perm Region. The agreement establishes general conditions and areas of cooperation for implementing projects related to spring landscaping, as well as fostering collaboration on initiatives to cultivate a culture of responsible water resource management.

This collaboration is driven by shared interests in promoting sustainable, environmentally-oriented development within the Perm region. It underscores the significance of ensuring a favourable environment and environmental safety for the local population.

# Air Emissions

The fertiliser production process does not produce significant emissions into the atmosphere. However, the Company conducts annual monitoring of emissions using both instrumental and calculation methods. Uralkali's emissions consistently comply with the standards set by national legislation. To further mitigate emissions, the Company employs modern and highly efficient gas cleaning systems across all production facilities.

As part of the ESG Strategy, the Company aims to reduce sulphur dioxide ($SO_2$) emissions by 25% by 2025, compared to the 2020 baseline. To attain this objective, the Company annually devises an action plan.

In 2023, sulphur dioxide emissions increased compared to 2022 and totalled 182 tonnes. The increase in emissions is directly correlated with the rise in the product output during the reporting period. At the same time, the total specific indicator of pollutant emissions decreased by 42%[1] to 0.51 kg per tonne of product.

**5.0** THOUSAND T

air emissions

[1] In accordance with the new methodology for inventory of emission sources, diesel locomotives are accounted for and categorised as 'mobile sources'.



## Emission Reduction Measures

To reduce sulphur dioxide emissions, the Company plans to replace outdated oil furnaces with modern drying units running on natural gas. In 2023, the outdated TS-4 furnace at drying and granulation section of Berezniki-3, operating on fuel oil, was replaced with a modern drying unit running on associated petroleum gas.

Plans for 2024 include completing of the project documentation for replacing the second fuel oil furnace, TS-6, and constructing a backup fuel complex for Solikamsk-1 Boiler Turbine Shop, to transition from fuel oil to diesel.

# Waste Management

In its operations, the Company places significant emphasis on effective waste management, and implements the following measures:

- Modernising existing and constructing new production facilities with priorities for maximum extraction of commercial components from ore;
- Utilisation and disposing of waste at facilities compliant with sanitary and environmental legislation;
- Implementing an industrial environmental monitoring programme, encompassing environmental monitoring at waste disposal sites such as sludge storage areas and salt dumps to assess their impact limits.

Uralkali's waste management practices adhere to the Instructions for the Management of Industrial and Consumption Wastes. During the production of potash fertilisers, Uralkali generates primarily halite waste and Class 5[1] clay-salt sludge.

Some halite waste undergoes processing into commercial products, such as Grades A and B halite, which are then sold to consumers. Waste falling under Hazard Classes 1 and 2 is transferred to the Federal Environmental Operator as per legal requirements.

[1] Under the national waste management legislation, Class 5 waste is classified as 'practically non-hazardous'.

[2] This indicator represents the ratio of (1) the volume of hydraulic backfilling to (2) the volume of production waste generated. The calculation is based on a 5-year moving average. Average volumes of backfilling and waste for the last 5 years are used to ensure comparability of the numerator and denominator. This is because there is a lag between backfilling operations and mining operations, meaning that in the short term, the production and waste generation volumes are not directly related to the backfilling volumes.

## Waste Disposal by Means of Hydraulic Filling

As part of the ESG Strategy, the Company aims to increase the share of production waste utilised through backfilling by 10% compared to 2020.

**76.3%**[2]

share of production waste utilised through backfilling

For more information on hydraulic backfilling, please refer to the Safety section

Hydraulic backfilling involves injection of a solid material into mined-out voids using a stream of water. This method allows for a reduction in the amount of waste sent to salt dumps by more than a half, while also effectively managing the primary geological risk for the Company. Backfilling eliminates dangerous deformation of the earth's surface, thereby preventing destruction.

Uralkali is enhancing the capacity of hydraulic backfilling complexes to boost backfilling volumes. In 2023, the Company fulfilled all its obligations to backfill the mined-out-spaces. A substantial increase in the capacity of hydraulic backfilling complexes is planned for 2021–2025.

Consequently, the quantity of material needed for hydraulic backfilling in certain mines exceeds the annual waste generation volumes. In such instances, the Company disposes of previously generated waste placed to salt dumps.

## Recycling

In addition to the disposal of the production waste through hydraulic backfilling and producing commercial products from halite waste, Uralkali recycles other materials including waste paper, LDPE pipes, polypropylene, lubricants, and scrap metal.

Furthermore, in 2023, the Company continued research on the impact of clay-salt sludge on soils and crops to further develop technologies for industrial use on agricultural lands. This research is being conducted in collaboration with the Perm Scientific Research Institute of Agriculture.

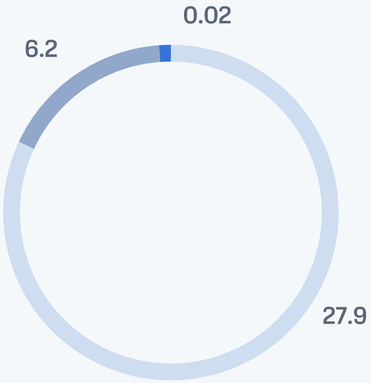
## Operation of Hydraulic Structures

Ensuring the safe operation of hydraulic structures stands as a crucial task for Uralkali, conducted in strict compliance with legal regulations.

Uralkali manages nine hydraulic complexes, comprising seven slurry storage facilities, a reservoir, and protective structures. The Company conducts comprehensive analytical assessments and ongoing monitoring of these structures with the assistance of expert professionals. These experts assess the structural integrity and viability for continued operation.

Furthermore, all waste disposal sites operated by the Company — including salt dumps and sludge storage facilities — are subject to regular monitoring, with the results reported to Federal Service for Supervision of Natural Resources Management. Additionally, Uralkali annually compiles reports on environmental monitoring conducted within these waste disposal sites, and forwards them to regulatory authorities for oversight.

### Waste management methods, mln t




- Utilised
- Stored at the Company's disposal facilities
- Other[3]

**29.0 MLN T**

total waste generated

## Recycling of reinforced concrete slabs

Uralkali operates a mobile crushing plant to process and crush reinforced concrete slabs from major repairs, effectively meeting the Company's demand for crushed stone. The crushed stone serves various purposes, including internal road filling and other in-house needs. During the reporting period, the Company processed almost 27,000 tonnes of reinforced concrete, representing a 70% increase compared to the previous year.

[3] The 'Other' category encompasses waste disposal at a municipal landfill, transfers for disposal, transfers for neutralisation, and storage.

# Biodiversity Conservation and Land Reclamation

Uralkali is committed to preserving biodiversity through all available means. The Company's facilities are not situated within specially protected natural areas, and its operations do not pose a threat to species listed in the Red List of the International Union for Conservation of Nature or the Red Books of Russia. Despite this, Uralkali places significant emphasis on measures to safeguard flora and fauna.

**1,911** THOUSAND RUB

biodiversity conservation expenses

## Biodiversity Assessment

In 2023, Uralkali collaborated with the Natural Science Institute of the Perm State Research University to conduct a thorough survey and assessment of biodiversity levels within the areas influenced by the Company's operations and in potential operational zones. This comprehensive assessment served as the basis for developing a Biodiversity Conservation Programme.

## Fish Stocking

Fish stocking plays a crucial role in Uralkali's efforts to bolster aquatic biodiversity and safeguard valuable fish species. In 2023, the Company released over 70 thousand young sterlets into local waters as part of its dedication to the artificial reproduction of aquatic biological resources. These fingerlings were nurtured in a specialised fish farm before being reintroduced into their natural habitat.

The stocking event was conducted in collaboration with representatives from the Volga-Kama Territorial Administration of the Federal Agency for Fishery. Notably, the sterlet holds a unique position as the sole representative of the sturgeon family found in the Perm Region and listed in both the national and regional Red Books.

Between 2015 and 2023, Uralkali's fish stocking initiatives have resulted in the release of more than 570 thousand sterlet and over 13 thousand pike fingerlings into the Kama Reservoir waters.

**71** THOUSAND

young sterlets were released into the Kama Reservoir

## Land Reclamation

The Company consistently undertakes reclamation efforts to restore lands affected by production activities. As of the end of December 2023, with all mines operational, extensive reclamation work is not currently underway. However, smaller-scale reclamation efforts are ongoing, primarily associated with the Company's construction projects. For instance, in 2023, Uralkali reclaimed a land plot spanning 43.8 hectares, covering approximately 50% of the disturbed lands.

**43.8** HA

of lands were reclaimed

## Biodiversity Conservation Programme

The Biodiversity Conservation Programme is geared towards safeguarding the flora and fauna in the regions where the Company operates. Its primary objective is to devise and execute measures aimed at preventing and mitigating negative impacts on biodiversity.

As part of the Programme, the initial stage of biodiversity monitoring is slated for 2024. This stage involves a walk-over survey of terrestrial ecosystems across nine key sites and four aquatic ecosystem sites.

Route walk-over surveys entail observing fauna, vegetation, landscapes, and soil conditions. The total length of the routes will span 16 km.

### The Programme delineates the following priority areas:

**01**

Monitoring and description of the biodiversity of terrestrial flora and fauna, including invertebrates of the debris and topsoil layers, as well as aquatic vertebrates and invertebrates;

**02**

Assessment of biodiversity dynamics vis-à-vis data from previous research periods to identify potential adverse effects of economic activities and devise preventive measures.

**03**

Implementation of educational, methodological, research, and environmental activities.

# Environmental Engagement of Employees

Uralkali's green agenda is not limited only to environmental protection measures. The Company actively participates in national and local environmental events, backing initiatives spearheaded by its employees and public organisations. It fosters an eco-conscious mindset among its workforce and endeavours to raise awareness about environmental issues within their families.

Throughout 2023, Uralkali employees and their families were encouraged to participate in a diverse array of environmental activities, including:

- Clean-up campaigns targeting urban areas in Berezniki; various litter collection drives along the coastal zone of the Ogurdinskiy forest, some of which were part of the nationwide 'Water of Russia' initiative, aligned with the federal project 'Preservation of Unique Water Bodies' under the 'Ecology' national project;
- An ecological quest titled 'Treasures of an Old Fisherman';
- The nationwide 'Memory Garden' initiative involving the planting of coniferous saplings near Sharapy village within the Berezniki municipality of the Perm Region;
- An environmental event at the Genkel Botanical Garden, organised by the National Council for Corporate Volunteering in the Perm Region;
- The city quest 'Clean Games' focused on separate waste collection;
- The city campaign 'Your Tree for the City', which entailed donating various tree saplings to the city.

Uralkali employees are also active participants in the professional ecological community, representing the Company at events aimed at knowledge exchange and professional growth. In 2023, Uralkali hosted the 'Environmental Tribune', providing a platform for environmentalists from various industrial companies to present reports on corporate projects aimed at nature preservation and mitigating negative environmental impacts.

Furthermore, Uralkali employees contributed to the Council of Industrial Ecologists of the Perm Region, uniting efforts within the professional community to address industrial development issues and natural resource preservation in the region.

The Berezniki administration recognised Uralkali's efforts in engaging employees in environmental initiatives, awarding the Company diplomas for excelling in the 'Environmental Education of Employees' subcategory of the 'Best Commercial Enterprise' nomination at the 'Ecoimage — 2023' competition. Uralkali was also acknowledged for its active participation in the municipal stage of the annual Russian environmental campaign 'Days of Protection from Environmental Danger 2023.'

**630**

Uralkali employees and members of their families took part in environmental events

# Product Safety

## Strategy and Goals

| Key Goals and Objectives[1] | 2023 Performance Highlights | 2024 Targets |
|---|---|---|
| Recertification of the quality management system | Uralkali's quality management system successfully underwent an audit for compliance with the ISO 9001:2015 standard | Conduct a second quality compliance audit |
| Recertification of improved products by ANO 'Russian Quality System' | Uralkali successfully underwent an inspection to ensure compliance with the Federal Law No. 159 and GOST R 58658-2019<br><br>Based on the inspection results, Uralkali expanded a list of mineral fertilisers with improved characteristics | Continue inspection activities |

Ensuring the safety and high quality of products is one of the Uralkali's priorities, enshrined in the ESG Strategy and ensuring its sustainability. The Company continuously monitors and examines these parameters, striving to enhance product characteristics in accordance with the best global and national quality standards. Since the Company's product, potassium chloride, is primarily used for direct application to the soil or as a raw material for other types of mineral fertilisers, a key focus lies on ensuring the product safety for the environment and the end user.

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

## State Examination and Registration of Product Safety Data Sheets

The Company conducts monitoring of incoming chemicals, raw materials, and supplies to make necessary adjustments to its production process if required. Finished products undergo multi-level testing to confirm their safety for consumers and the environment. Uralkali's potash fertilisers undergo state examination and registration as required by the Russian law. Additionally, they are declared compliant with the requirements of Russia's state standard for mineral fertilisers. Product declaration is conducted every three years, and there are plans to issue two compliance declarations in 2024. State registration of mineral fertilisers is crucial for ensuring their safe use in agriculture. This process involves a comprehensive assessment of their quality, effectiveness, and safety for humans and the environment.

Safety data sheets corresponding to GOST for each product type provide consumers with reliable information. Importantly, the Company's products do not contain substances classified 1–2 according to the GHS (Globally Harmonised System of Classification and Labelling of Chemicals).

## Industrial Radiation Control

Potassium chloride, derived from sylvinite, a natural mineral extracted from the underground mines approximately 400 metres deep, naturally contains radionuclides. To address this, the Company has implemented an industrial radiation control programme. This programme involves conducting spectrometric assay of raw minerals, finished products, and production waste, as well as radiation dosimetry on site. An accredited laboratory assesses the specific activity of natural radionuclides for each product brand at least once a year.

## Hazardous Substances

Uralkali employs minimal amounts of hazardous substances, such as hydrochloric acid and formaldehyde, in its production processes. The Company implements a comprehensive set of procedures for the responsible handling of these hazardous materials, formalised in internal documents. They are outlined in regulations governing technological processes, specifically the 'Storage, Preparation, Transportation and Use of Chemicals and Reagents.' Compliance with these regulations is mandatory for all Company managers and workers, as well as for personnel in other organisations involved in the storage, transportation, and use of chemicals and reagents. Each hazardous substance is accompanied by a data sheet with handling instructions for that substance.

Furthermore, Uralkali has developed programmes aimed at reducing the use of hazardous substances. Ongoing efforts focus on identifying alternative materials with lower hazard classifications.

## Heavy Metal Inspections

Monitoring the content of unwanted heavy elements in its products, such as lead, cadmium, arsenic, mercury, chromium, and zinc, is a priority for the Company. These elements have the potential to infiltrate plants and have detrimental effects on soils. Uralkali makes inspections for heavy metal content both at production premises and in individual shiploads, with oversight conducted by independent inspection companies.

## Chlorine Organic Compounds Monitoring

Uralkali conducts annual checking of its products, which are utilised in the oil and gas industry, to assess the presence of organochlorine and quaternary ammonium compounds. In 2023, the Company acquired certificates attesting to the suitability of chemical products for use in the technological processes of petroleum production and transportation. Additionally, Uralkali secured certificates confirming compliance with regulatory standards.

## Veterinary and Phytosanitary Supervision

The Federal Service for Veterinary and Phytosanitary Surveillance registers potassium as a feed additive. This additive is essential for both plants and animals and is used in the production of premixes and feed for broiler chickens, laying hens, and domestic animals to address potassium deficiency in their diets. An accredited laboratory tests the content of toxic elements in the feed additive annually.

# Product Quality

The Company's top executive bodies regularly address product quality matters, particularly during quarterly meetings of the CEO's quality committees. The Process Control Unit ensures the compliance with technological process standards at all production and shipment stages. Each batch to be shipped undergoes final quality check to verify compliance with specifications and the terms of the supply contract, leading to the issuance of a quality certificate.

The laboratories of the Research and Quality Control Department are aligning their operations with the ISO 17025:2019 standard, titled 'General Requirements for the Competence of Testing and Calibration Laboratories'.

In addition to routine in-process quality control, independent inspection companies monitor the quality of all potash products during loading and unloading. This gives Uralkali additional control of performance stability throughout the supply chain. The Company conducts comprehensive studies on the physical and mechanical characteristics of potassium chloride, engaging specialists from ]SC VNII Galurgii.

Uralkali is continuously refining its business processes to enhance product quality.

Uralkali actively engages with consumers, promptly addressing their inquiries and taking steps to enhance product quality and performance. In 2024, the Company plans to re-issue a declaration of conformity of products to GOST R 51520-99 'Mineral Fertilisers. General Specifications' standard.

In 2023, Uralkali obtained certificates of compliance for technical salts with the requirements of technical specifications. The presence of the Voluntary Certification System label indicates to consumers that the products are safe to use and meet quality standards.

## Quality Management System (QMS)

The Quality Management System (QMS) is structured to guarantee product quality that aligns with customer expectations. In 2023, a surveillance audit of P]SC Uralkali's quality management system was conducted to assess compliance with the requirements of the ISO 9001:2015 international standard for potassium chloride production.

The audit verified that the quality management system is upheld and capable of meeting relevant requirements and expected outcomes. These findings are supported by Report No. 23.00260 of 13 February 2023.

The effectiveness of the quality management system serves as an additional assurance for partners, indicating that Uralkali adheres to best practices throughout all stages of potassium chloride production, storage, and delivery.

In 2024, Uralkali intends to carry out the second surveillance audit of its quality management system.

Annually, it revises its quality objectives, all of which are defined by measurable indicators. For each objective, the Company identifies the required resources, assigns responsible individuals, sets deadlines, and establishes criteria.

## Certification of Mineral Fertilisers with Improved Characteristics

In 2023, Uralkali underwent inspections of the production of agricultural products, raw materials, and food with enhanced characteristics to ensure compliance with the GOST R 58658-2019 'Products and Food with Improved Characteristics: Mineral Fertilisers' standards. Four potassium chloride brands received the 'Green Standard' label from the Russian Ministry of Agriculture, expanding the list of mineral fertilisers with improved characteristics.

Throughout the certification process, the Company reaffirmed its strong management practices across all stages of production, storage, transportation, and documentation.

Laboratory tests verified compliance with GOST requirements, which entail stringent regulations on the presence of heavy metals such as nickel and copper in the product.

The audit results indicate that Uralkali's potash fertilisers are manufactured in accordance with up-to-date environmental legislation and industrial safety standards.

In 2024, Uralkali will undergo in-process inspection to ensure compliance with the requirements of Federal Law No. 159-FZ of 11 ]une 2021 'On Agricultural Products, Raw Materials and Food with Improved Characteristics' and GOST R 58658-2019 'Products and Food with Improved Characteristics: Mineral Fertilisers'.

# SOCIAL ASPECT


| | |
|---|---|
| Safety | 36 |
| Employee Well-Being | 48 |
| Human Rights | 63 |
| Local Communities | 67 |
| Sustainable Agriculture | 79 |




# Safety

## Why this is important to us:

Ensuring safe working conditions stands as the Company's highest priority. Acknowledging its responsibility for the well-being of all Company personnel — employees and contractors alike — Uralkali dedicates every effort to minimise the risks of occupational injuries, accidents, and incidents, aiming for zero injuries. All Company activities adhere strictly to both legislation and internal standards of Uralkali concerning occupational health and safety (OHS). Furthermore, Uralkali endeavours to safeguard residents in the regions where it operates by enhancing emergency preparedness systems and addressing mining and geological risks.







## Strategy and Goals

| Key Goals and Objectives[1] | 2023 Performance Highlights | 2024 Targets |
|---|---|---|
| Certify the existing OHS management system to comply with ISO 45001 for all production assets | The existing OHS management system was successfully certified under ISO 45001 for all production assets<br><br>Activities outlined in the OHS Development Strategy until 2024 were implemented | Sustain certification through annual supervision audits of the OHS management system |
| Reduce severe injury rate by 10% annually | Established safety criteria for contractor selection and created a register of contractors meeting the requirements | Continue reducing the severe injury rate<br><br>Revise local regulations on competitive procedures and assess the effectiveness of implementing additional criteria for contractor selection |

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# 2023 Highlights

**0.080**
LTIFR among employees[1]

**0.048**
LTIFR among contractors[1]

**14**
accidents among employees

**0.029**
severe injury rate among employees[1]

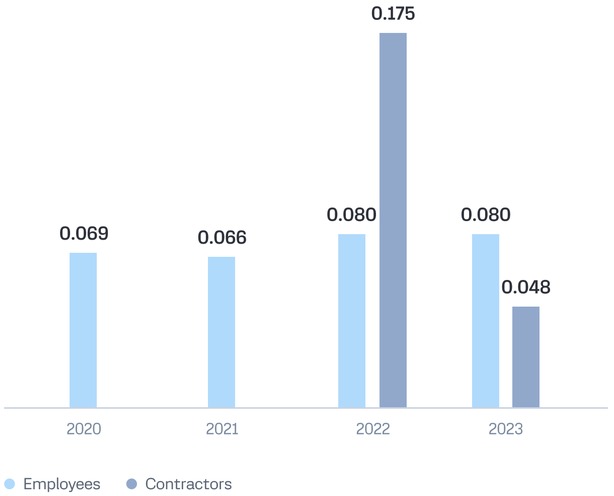
**0**
technical emergencies

**1.5** BLN RUB[2]
OHS costs and investments

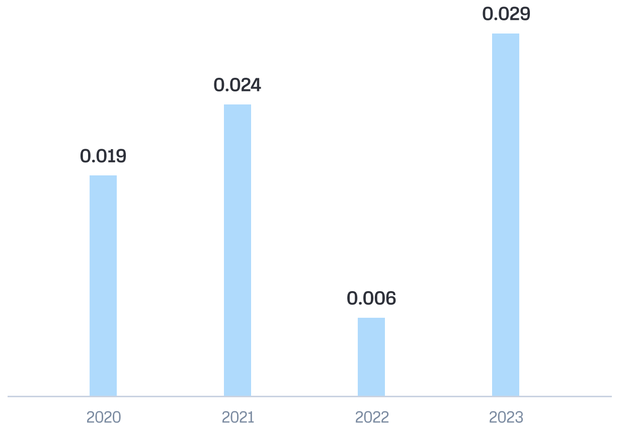
**1**
occupational incident

[1] Per 200,000 hours worked.
[2] Excluding fire safety costs.
[3] Includes only individual accidents (no group accidents occurred).

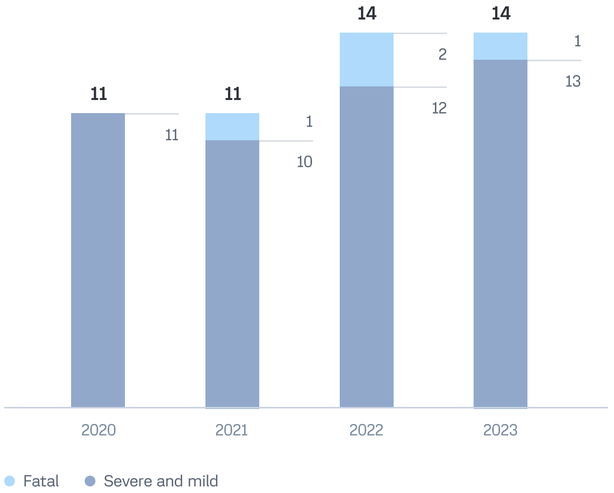
## Lost time injury frequency rate (LTIFR)[1]



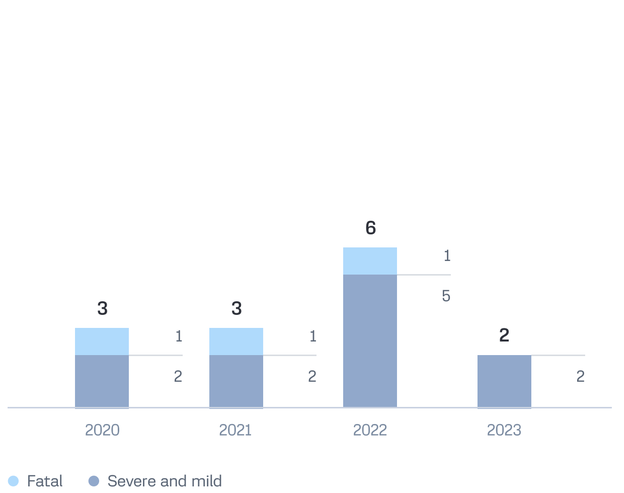

## Employee severe injury rate[1]




## Number of occupational accidents among employees, instances[3]




## Number of occupational accidents among contractors, instances[3]



# Governance Approach

## Senior Leadership and Management

The Company is continuously improving its OHS management system. The Company manages OHS issues at two levels. At the Board of Directors level, health and safety issues are reviewed twice a year by the Sustainable Development Committee, which in turn provides recommendations to the Board of Directors. Also, under the CEO, there is an Environmental, Health, Safety, and Corporate Social Responsibility Committee, which reports on regular basis on the Company's results in this area. The HSE Committee's operating procedures are defined by the Regulations on the Health, Safety, Environment and CSR Committee and do not provide for employee participation. HSE issues in the Company are considered at the level of the CEO. Responsibility for compliance with health and safety rules, execution of committee decisions, and the ensuring safe working conditions lies with managers at all levels.

For more details on the OHS governance structure, please refer to the Company's website

Four Environmental, Health, Safety, and Corporate Social Responsibility Committee meetings were held in 2023. The meetings deliberated on such topics as labour protection, industrial and fire safety, environmental compliance, adherence to the Cardinal Rules, contractor management, injury statistics and analysis, and the promotion of safe behaviour culture among the Company's employees.

Additionally, the Company has an Occupational Safety and Health Council, consisting of about 80 heads of Company's functional and production departments and subsidiaries. During Council meetings, participants review events and incidents, and necessary actions are taken accordingly.

## Management System

Uralkali continuously enhances and adapts the OHS management system across all unis to reflect changes in operations. Since 2021, the Company has been actively preparing for the certification of the OHS management system to meet the requirements of the ISO 45001:2018 standard. As part of this preparation, 15 documents were developed and implemented to enhance the existing OHS procedures. Notably, in 2023, the Company approved a key top-level document, the Regulations on the OHS Management System. Additionally, a separate document, the Professional Risk Assessment Procedure, was also approved.

## KPIs and Remuneration

The Company has established a system of key performance indicators (KPIs) in OHS with direct impact on the annual remuneration of managers. In 2023, this system expanded to include eight top executives: the CEO and CEO's deputies including Technical Director, Production Director, and OHS Director. This incentive framework encompasses deductions for accidents and rewards for injury reduction.

Middle-tier managers and specialists are also subject to the health and safety KPI system. Managers receive annual bonuses, while specialists receive monthly bonuses upon meeting key performance indicators.

## Audit of Uralkali's OHS Management System

Uralkali achieved a significant milestone in 2023 with the successful completion of the certification audit of its OHS management systems. The audit ensured compliance with the requirements of the ISO 45001:2018 standard across all of Uralkali's production assets.

The audit, conducted by an internationally recognised certification organisation, identified several strengths in the implemented OHS management system:

- Strong commitment from senior management and personnel to the implementation of the OHS Policy, with a focus on reducing the severity of injuries
- Extensive integration of a risk-based approach into the operational practices of the OHS management system using Oracle
- Implementation of investment projects and adoption of technical and organisational measures to mitigate professional risks for personnel, enhance working conditions, and reduce the fire hazard associated with electrical equipment
- Development and deployment of a specialised tool titled 'Method Statement Template' with integrated risk assessment capabilities for contractors
- Establishment and operation of a mine emergency response function, serving as an auxiliary mine rescue team
- Formation of a freelance emergency rescue unit
- Strengthening and broadening the equipment pool dedicated to mitigating fire risks
- Effective methodological support for the implementation and operation of the OHS management system

## Regulatory Framework

Uralkali's key HSE regulatory document is the Occupational Health and Safety Policy, which defines the strategic goal of zero accidents and zero incidents at work.

To practically implement the HSE Policy, the Company relies on its OHS Development Strategy. An update to this Strategy is scheduled for 2024, with the following key focus areas:

- Cultivating a safety-conscious culture and reducing incidents, including the implementation of an internal OHS trainer programme;
- Enhancing accident and fire safety, including a review of electrical safety technical solutions;
- Improving road safety standards;
- Strengthening collaboration with contractors on safety matters.

### Other essential documents include:

- Industrial Safety Policy Statement
- Occupational Health and Safety Management System standards
- Regulations on the labour protection management system
- Regulations on the industrial safety management system
- Procedure for assessing OHS professional risks

## Risk Management

Uralkali and its subsidiaries systematically identify and evaluate security risks, while also developing measures to mitigate them. Efforts to enhance safety culture include assessing workers' safe behaviour and associated risks. In 2023, the Company conducted hazard identification and occupational risk assessments for 407 workplaces. It created risk maps indicating hazard levels for these workplaces and made them available to employees during briefings and accessible to all interested parties within the Company.

The fundamental rules for OHS risk management are outlined in the OHS Management System standards, along with the Regulations on the Occupational Safety Management System and the Regulations on the Industrial Safety Management System. The Company integrates OHS management into its overall risk management framework.

The Company continually refines processes for identifying hazards and assessing occupational risk levels. Its OHS risk assessment management system is automated and operates on the Oracle platform. Documentation of the outcomes includes the development and annual updating of a register of high-priority risks, and a list of hazards by department. High-priority risks, along with proposed mitigation measures, are discussed at meetings of the EHSS Committee under the CEO. The Company reassesses occupational risks after each incident.

Department heads or appointed officers fill out the risk protocol. Based on this protocol, OHS specialists create a risk map, which is then reviewed by employees and made available at their workplace. The Company communicates the list of hazards to workers and contractors during training sessions.

## The Risks and Safety Russian Conference

In June 2023, Uralkali organised, for the first time in its history, the 'Risks and Safety' national OHS conference. The conference was held in the Perm Region and received support from various entities including the Ministry of Industry and Trade of the Perm Region, the Western Ural Department of the Federal Service for Environmental, Technological and Nuclear Supervision, the State Labour Inspectorate, and the Administration of the Federal Service for Supervision of Consumer Rights Protection and Human Welfare in Perm Region.

Approximately 100 delegates attended the conference, representing OHS specialists, government and regulatory authorities from the Perm Region, in addition to delegates from major production companies across Russia, scientific institutions, unions, and public organisations.

Throughout the conference, participants shared insights and practical experiences related to enhancing safety culture and risk management in operations, effective collaboration with contractors, strategies for preventing occupational injuries, corporate initiatives aimed at employee health maintenance, and the integration of IT solutions in OHS.

# Developing a Safety Culture

Developing a safety culture is essential to achieving zero injuries in the Company. Uralkali actively nurtures a safety culture by engaging employees and managers across all levels, as well as contractors, in efforts to mitigate production risks. Central to the Company's safety culture is the principle of individual accountability, where each employee is responsible for adhering to safety regulations outlined in internal policies. The Company upholds its Cardinal Rules, which delineate fundamental standards of safe conduct at Uralkali facilities. Violations of these Cardinal Rules are deemed unacceptable for both employees and contractors alike. Employees who report instances of Cardinal Rule violations receive remuneration, except for those employed in the OHS Department of the HSE Directorate.

Throughout 2023, a total of 22 violations of the Cardinal Rules were documented: 9 infringements were attributed to Company personnel, while 13 were identified among contractor employees. Each case underwent thorough review by the OHS Commission, resulting in suitable sanctions. Company employees found in violation were dismissed, while contractor staff faced restrictions from accessing Uralkali premises.

Additionally, the Company maintains an efficient communication system designed to gather employee feedback and enhance the safety culture.

Each employee of the Company retains the right to suspend work in case of potential danger to him, which is set out in the relevant instructions.




## Cardinal Rules

- Handling operations are strictly prohibited in the presence of individuals within the danger zone
- Working in electrical installations under voltage is strictly prohibited
- Working at heights without utilising a safety harness is strictly prohibited
- Working in roadways with unsecured / untreated roof is strictly prohibited
- Smoking is strictly prohibited within the mine premises
- Working or remaining in the face zone while the miner is operating is strictly prohibited
- Repair and maintenance work on conveyors must not be undertaken without disconnecting them from power sources. Additionally, using conveyors for transporting individuals or goods, and passing by individuals over/under operating conveyors, is strictly prohibited
- Performing welding and gas-flaming work in underground mines and buildings on the surface without necessary safety precautions to prevent fires is strictly prohibited
- E-cigarettes and similar devices within the mine premises are strictly prohibited

## Events fostering a safety culture

| | |
|---|---|
| **Competitions** | The Company regularly organises competitions to enhance the safety culture in the workplace. These include the 'Best Division' and 'Best in Profession' competitions, which evaluate not only professional competencies but also adherence to OHS rules. Additionally, there's a review competition focusing on production culture, assessing workplace tidiness, compliance with health and safety regulations, and fire safety measures on a quarterly basis. |
| **'Initiative' Programme** | Employees are encouraged to submit their ideas for improving production processes, enhancing working conditions, and reducing the risk of injury. These ideas are reviewed monthly for feasibility, and employees whose proposals are deemed most relevant receive remuneration. |
| **'Report OHS Risks and Violations' function** | Since 2021, the Uralkali mobile application has featured the 'Report Safety Risks and Violations' function that allows employees to promptly report observed violations or potential risks to OHS specialists and mine management. |
| **Efficiency improvement activities** | The Company emphasises the importance of involving employees in efficiency improvement activities to continuously monitor and improve business processes. Improvement proposals can cover various topics, including safety enhancements and improvements in working conditions. |
| **Letters of gratitude and certificates of honour** | Ahead of significant professional holidays, such as Miner's Day, outstanding employees receive letters of gratitude and certificates of honour from both the Company and executive authorities collaborating with Uralkali on OHS legislative compliance. |
| **OHS Commissioners** | OHS Commissioners facilitate communication between the employer and the union committee to prevent accidents and reduce accident rates through public oversight. Any Company employee can serve as an OHS representative and may receive various incentives for their active participation. |

## The Internal Safety Trainers Institute

In 2023, the Company initiated a pilot project to establish and train a team of internal OHS trainers. This initiative involved a recruitment campaign to select specialists and provide them with training.

Upon completion of the training, these trainers will educate employees on safety awareness, identifying key hazards in the workplace, assessing situations, and taking the safest course of action.

This approach aims to foster a safety culture among all employees and ultimately reduce injuries within the Company.

## Employee Training and Instruction

Employee training and instruction are integral components of Uralkali's commitment to health and safety. A comprehensive programme is in place, mandatory for all employees across the Company's subsidiaries. Blue-collar workers receive instruction and training on safe work methods, theoretical knowledge of labour protection requirements, and practical skills. Managers and specialists undergo occupational safety training and industrial safety certification through a unified testing portal.

Throughout 2023, various training sessions and events were conducted for Uralkali employees. These included on-the-job training, occupational safety training, industrial safety certification, and instruction on safe behaviour for personnel in hazardous roles. Training also covered civil defence, emergency prevention, fire safety, and radiation safety.

The Company goes beyond legal requirements to provide additional training. For example, practical training in the use of special closed-cycle respiratory protective equipment (self-rescuers) for underground work was prioritised in 2023.

Uralkali regularly conducts trainings to enhance safety culture, including the 'Safe Conscious Behaviour' programme initiated in 2022. The training programme is continuously updated based on employee testing results to address identified weaknesses. This training targets employees engaged in hazardous operations and is entirely administered by the Company.

As of the end of 2023, 1,306 individuals completed this training.

**8,872**

Uralkali's employees received OHS training

**12,316**

OHS man-courses were completed by Uralkali Group's employees

# Workplace Safety

Uralkali actively fosters a work environment that minimises the risk of accidents, injuries, and health hazards for both employees and contractors at its production facilities. Working collaboratively with employees, the Company continually enhances workplace safety conditions, identifies risk factors, and eliminates threats to employee OHS.

## Preventive Measures

Uralkali regularly conducts focused OHS inspections conditions as part of an approved plan. These inspections are based on analyses of occupational injuries, accident rates, lists of hazardous production facilities, and consolidated inspection plans for legal entities. The aim is to verify compliance with legal requirements, industrial and fire safety standards, and safe mining. In 2023, the Company conducted 132 scheduled and unscheduled focused inspections across its production and functional units, including hazardous facilities.

Additionally, operational surveys of OHS conditions are conducted at workplaces by the Company's units. Unscheduled focused inspections are based on investigations into industrial accidents.

In 2023, OHS expenditures at Uralkali totalled 1.25 billion roubles[1], and for Uralkali Group, it amounted to 1.5 billion roubles.

## Statistics on Occupational Injuries and Remedial Actions

In 2023, Uralkali experienced 14 accidents among its employees, resulting in one fatality and five serious injuries. The Lost Time Injury Frequency Rate (LTIFR) stood at 0.08[2], with a Lost Days Ratio (LDR) of 6.96. All accidents underwent thorough investigation in compliance with legislative and local regulations, with dedicated commissions formed to investigate each case. The investigations identified both immediate and systemic causes of the incidents, leading to the response measures aimed at preventing similar occurrences.

## Transport Safety

Uralkali is committed to preventing transport incidents in the Company's operations. To reach this goal, the Company has created a detailed plan that emphasises training for employees and improving working conditions with updated vehicles.

In 2023, 81 road accidents were recorded, with 12 through the fault of the Company's drivers. A significant portion of these incidents occurred during intensive freight traffic. The primary causes included failure to yield, tailgating, and reversing. During the reporting period, several corrective actions were implemented, including:

- Regular meetings with convoy drivers to thoroughly review each accident case;
- Unscheduled briefings and knowledge testing sessions for corporate drivers on road safety;
- Targeted inspections of drivers conducted by the OHS Department staff.

## Industrial Safety

The Company has implemented a robust system for managing industrial safety and holds all necessary industrial safety licenses.

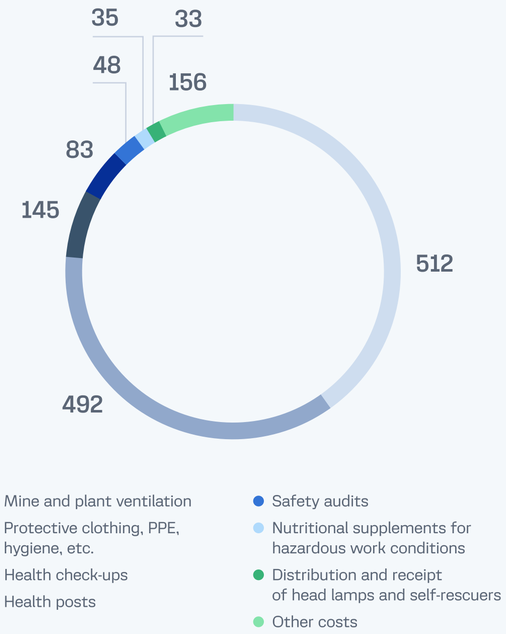
Uralkali's facilities have developed Emergency Response Plans, and employees receive thorough training to effectively respond to accidents or incidents. Additionally, the Company has contracted professional emergency rescue teams and provides training and certification for employees to act as rescuers.

More than 74 of Uralkali's hazardous production facilities are listed in the state register. Industrial safety reviews are conducted within specified timeframes, and the Company maintains mandatory civil liability insurance contracts to cover damages resulting from accidents at hazardous facilities.

In 2023, there was a single incident at one of our production facilities involving a roof collapse in a chamber at the Ust-Yayvinsky potash mine in Berezniki. Following the incident, a commission conducted an investigation in accordance with legislative and local requirements. Based on the findings, the Company has implemented measures to mitigate the consequences and prevent similar occurrences in the future.

For further information, please refer to the "Emergency Preparedness" section.

**Uralkali's OHS costs in 2023,** mln RUB




In 2023, a fatal accident occurred. Following an investigation, the Company decided to implement preliminary degassing of drift roof rock using drilling rigs and to conduct mandatory practical training on the use of self-rescuers at smoke-filled training sites.

[1] Excluding fire safety costs.

[2] Per 200,000 hours worked.

# Contractor Safety

The Company prioritises the safety of both own workforce but also that of contractors. Under the contract terms, contractors at Uralkali facilities must adhere to stringent HSE standards. Uralkali rigorously assesses the qualifications of contractor employees, ensuring they have the necessary certifications and have completed all required training before allowing them to work.

Additionally, the Company conducts induction and target briefings for contractor employees to familiarise them with basic rules, risks, onsite conduct requirements, equipment operation, and hazards specific to their job area or function.

Contractors are obliged to comply with the Cardinal Rules. Violations of these rules result in consequences, including a one-year ban from Uralkali facilities for the offenders and fines of 100,000 roubles per violation for the contracting organisation.

In 2023, two accidents involving contractor employees occurred, with no fatalities. The accidents were attributed to poor work organisation and personal negligence. LTIFR among contractor employees decreased by nearly 70% year-on-year to just 0.048[1].

## Contractor Selection Criteria

Safety criteria established in 2023 for selecting contractors are applicable to both current and potential contractors.

These criteria encompass various aspects, including the education and qualifications of workers, competence in labour protection and industrial safety, proficiency in handling high-risk equipment such as pressure vessels, and the presence of dedicated safety specialists on-site.

Contractors are also mandated to ensure the good condition of equipment, provide documented proof, and maintain serviceable fire extinguishers. Furthermore, contractors are required to disclose any accidents involving their employees on Uralkali's premises.

An assessment was conducted based on these criteria, resulting in a contractor rating system to determine priority levels for maintaining or entering into contractual relationships.

Future plans include updating local regulations for tender procedures to incorporate these criteria and evaluating their compliance. The Company anticipates that these requirements will lead to a reduction in accidents, incidents, and emergencies caused by contractor actions.

**0.048**[1]

LTIFR among contractor employees

## Method Statement Template

The primary document facilitating the timely, high-quality, and safe execution of work, both internal and contractor-led, is the method statement, which was automated in the Method Statement Template software. This software integrates standardised criteria and general requirements for the design and content of method statements, incorporating safety criteria.

In 2023, the Template underwent updates to align with new legislation and incorporate feedback received during its operation. Consequently, external auditors recognised this tool as a best practice, worthy of recommendation to other companies.

A total of 2,450 work plans were reviewed in the Method Statement Template Programme in 2023.

Furthermore, the platform hosting the method statement template also includes Uralkali's local regulations, detailing the procedures for organising and executing specialised work, as well as acquainting contractors with the access protocol to the Company's facilities.

[1] Per 200,000 hours worked.

# Disease Prevention

Uralkali places considerable emphasis on the health of its employees, striving to establish conducive working environments aimed at minimising staff illnesses and reducing the number of days lost to incapacity to work.

Given that several professions within the Company entail exposure to harmful production factors such as noise and vibration, there exists a heightened risk of developing occupational diseases.

Uralkali's health retreat and prevention centre, 'Ural Gems,' offers rehabilitation programmes for hearing loss and arterial hypertension, ensuring that employees receive requisite treatment and rehabilitation on a regular basis.

In cases of exposure to harmful working conditions, existing employees are entitled to benefits and compensation, including additional holidays and supplementary wage payments. Moreover, in instances involving chemical exposure, employees are provided with milk or equivalent food products (such as fruit juices or purees, etc.).

In 2023, the Company recorded two cases of occupational diseases, both attributed to excessive levels of industrial noise in the workplace.

A primary preventive initiative during the reporting period involved disseminating information to employees via corporate channels regarding the opportunity for medical rehabilitation for hearing loss and the observed trend of hearing impairment identified through medical examinations. Looking ahead to 2024, the Company intends to implement further preventive measures aimed at reducing the incidence of occupational diseases in the future.

The Company regularly implements measures aimed at mitigating the impact of harmful production factors and preventing the onset of occupational diseases:

- conducting preliminary and periodic medical examinations, including psychiatric evaluations, of employees;
- undertaking industrial monitoring of harmful factors in the workplace and devising strategies to minimise their impact;
- upgrading equipment to diminish the level of factors posing risks to workers' health;
- equipping all employees with certified personal protective equipment for hearing (earmuffs, noise-cancelling earplugs), respiratory protection (masks, respirators), vibration-absorbing gloves, and other necessary gear to mitigate the effects of harmful production factors. Additionally, starting from 2024, the Company plans to standardise the protective clothes and issue uniform work attire, encompassing both winter and summer attire and footwear.

# Emergency Preparedness

Uralkali prioritises emergency preparedness measures. Every six months, the Company develops Emergency Response Plans for mines.

Uralkali regularly conducts briefings, training, and drills for employees. Facilities with a large presence of people regularly schedule drills to enhance evacuation skills in case of fires, including fire extinguisher use. Employees also engage in municipal training on civil defence and emergency situations.

Emergency warning systems are operated throughout the Company's facilities. For high hazard class hydraulic structures, operational local warning systems are in place, totalling five. Furthermore, separate elements of the warning system are installed at the production sites of mines. Regular maintenance and repairs are carried out on all warning systems as required.

## Fire Safety

Fire safety is a critical concern at Uralkali's facilities, activities prone to fire hazards and other processes involving high temperatures, with over 40,000 such works registered annually. Stringent regulatory requirements dictate the procedure for conducting these works, including site preparation, equipment condition, availability of fire extinguishers, and post-work site monitoring. Additionally, significant risks include those associated with the emergency operation of electrical equipment.

To mitigate these risks, the Company has established the Regulations on Hot Works Safety and annually develops the Programme to Improve Safety and Reduce Flammability of Electrical Equipment. Notably, approximately RUB 768 million were allocated for implementing fire safety and emergency measures during the reporting period.

Uralkali's facilities are equipped with over 1,600 automatic fire alarm systems, warning and fire extinguishing systems, along with more than 30,000 fire extinguishers installed. Furthermore, pilot tests of an alternative fire extinguishing installation for conveyor drive and tension stations were successfully completed, leading to its recommendation for use at the Company's facilities. A specialised monitoring system continuously tracks the technical condition of the fire automatics.

Despite proactive measures, two fires were registered at the Company's facilities in 2023, both attributed to contractor violations of fire safety rules during fire hazardous work. Following each incident, thorough inspections were conducted, and corrective measures were developed to prevent future occurrences.

## Key Elements of Emergency Preparedness, Fire Safety, and Emergency Protection

### Regulation

Uralkali has 38 internal regulatory documents pertaining to emergency preparedness, fire safety, and emergency response. Emergency Response Plans are regularly updated as part of its commitment to ensuring safety

### Rescue

The first line of response involves three emergency units from the Company: (1) around 90 employees from the mine rescue teams of the underground complex tasked with addressing emergencies in the early stages; (2) over 51 gas rescuers of NERTgas; (3) over 30 oil spill rescuers of NERToil

The second line of response — professional rescue teams and services in the staff list of the Paramilitary Mine Rescue Units of the EMERCOM of Russia (at least 300 professional rescuers at six mines)

### Training and certification

11,649 employees underwent theoretical and practical emergency response training. All rescuers were certified as Auxiliary Mine Rescue Teams (AMRTs) and members of Non-Staff Emergency Rescue Teams (NERTs)

### Emergency warning systems

Uralkali conducted routine maintenance and preventive repairs on 5 local warning systems and 20 separate warning components. Additionally, the Company implemented various types of alert systems for people in case of fire, including sound and speech systems

### Pool of material and financial resources

The Company maintains a permanent pool of 30 million roubles in its current account for emergency response

Additionally, there are 200 items of unreduced safety stock of engineering resources in warehouses. Moreover, over 22 thousand fire extinguishers underwent recharging and maintenance in 2023

### Programme to Improve Safety and Reduce Flammability of Electrical Equipment

Uralkali adopted a Programme to Improve Safety and Reduce Flammability of Electrical Equipment at Uralkali for 2024, which comprises several key activities:

- replacement of oil-filled equipment;
- treatment of cable lines with fire retardants;
- restoration of ventilation systems in rooms housing electrical installations;
- equipping power control panels with self-activating fire extinguishers;
- repair of enclosing structures of electrical premises.

## Rescue Teams

To manage mine rescue operations and fire-fighting across our facilities, the Company has engaged a professional emergency rescue service through contractual agreement. At every mining department, operational units of the state-owned Paramilitary Mine Rescue Force maintain round-the-clock duty. This contractor demonstrates a commendable level of responsiveness in executing mine rescue and fire-fighting operations.

Additionally, within operational underground mines, we have established duty shifts for AMRTs. These units, totalling six across Uralkali's mines, stand ready to respond to emergencies within the drift. Each AMRT unit is equipped with essential mine rescue gear and outfitted with underground vehicles, ensuring swift arrival within 30 minutes to any point in the mine field.

To bolster readiness, AMRT members undergo comprehensive training every six months, including full-force exercises in gas masks under conditions simulating real emergencies. Moreover, all AMRT members participate in a two-week training programme for mine rescuers every three years.

At the Company's surface complex, NERTs were set up to handle gas rescue operations and address accidental spillages of petroleum and petroleum products. NERTgas and NERToil members are rigorously trained and certified, possessing the necessary qualifications to execute these tasks. All emergency rescue equipment is diligently maintained in a state of readiness for immediate use.

Furthermore, certification for each member of AMRT, NERTgas and NERToil is conducted every three years to ensure continued competence and preparedness.

### Auxiliary Mine Rescue Teams Competition

In 2023, two Uralkali's auxiliary mine rescue teams participated in regional competitions on tactical and technical training among AMRTs of mining companies in the Urals. Hosted in Yekaterinburg at the Ural Branch of the Paramilitary Mine Rescue Force, the competition received support from the Main Department of the EMERCOM of Russia in the Sverdlovsk Region. Six teams from Perm, Sverdlovsk, and Chelyabinsk regions joined the competition.

The competition comprised three stages to assess rescuers' skills: a theoretical knowledge test, tactical training, and a mining rescue relay race.

During the first stage, participants were evaluated on their understanding of mine rescue procedures. The second stage involved reconnaissance of an area with simulated fire and locating a victim for first aid. Finally, the third stage included exercises testing strength and endurance.

Both of Uralkali's auxiliary mine rescue teams achieved notable success: the team from Berezniki secured first place, while the team from Solikamsk claimed third place.

# Mining and Geological Safety

## Mining and Geological Risks

Extracting salt deposits poses several mining and geological risks, such as surface deformation and potential water ingress into the mine. To mitigate these, the Company conducts thorough preliminary studies, including geological assessments before mining and forecasting rock mass deformation. Post-mining, voids are backfilled, and ongoing monitoring compares data against initial forecasts.

In 2023, comprehensive preparatory work ensured mining areas were safeguarded against flooding and ensured process safety. This involved clarifying mining and geological conditions for subsequent operations, including:

- the physical and mechanical properties of pillar rocks;
- seam depth, thickness and chemical composition of the mined strata;
- the structure of water protection strata.

Identified properties and anomalies were considered in calculating safe parameters for cleaning operations outlined in the Mining Development Plans for 2024. The Company continued vigilant monitoring of previously mined areas, using various techniques such as geophysical surveys, seismological monitoring, and geomechanical analysis to ensure ongoing safety and stability.

## Operational Safety and Accident Response in Potash Mining

Potash mining is a complex geological process inherently fraught with both controlled and uncontrolled risks. Uralkali takes every possible measure to mitigate these risks. However, despite the Company's comprehensive approach to assessing and mitigating mining and geological risks, a combination of anthropogenic factors and unforeseen natural disasters can lead to emergencies.

For example, in 1995, an earthquake in Solikamsk caused the collapse of roof rocks, destruction of safety pillars, and disruption of the water protection layer at Solikamsk-2. Despite measures taken, nearly 20 years later, in November 2014, a breach of the water protection layer occurred in the same area, leading to fresh water ingress into the mine and triggering a rock collapse, resulting in a sinkhole measuring 173.5 by 141.3 metres.

Since the collapse, Uralkali has continuously worked to eliminate the accident's consequences, developing and implementing a set of measures in collaboration with scientific and design organisations.

## Key measures undertaken to address the consequences of the accident include:

### 1 Water Pumping

Uralkali has constructed and operates a complex of facilities to pump fresh groundwater and reduce the volume of water entering the mine, thereby preventing the dissolution of salt in the salt rocks. This complex includes 54 dewatering stations, a pumping station, and drainage pipelines. The maximum pumping volume can reach 8,000 $m^3$/hour, with the current rate standing at at 4,200 $m^3$/hour in line with design recommendations. This approach prevents freshwater from infiltrating the contour zone. Additionally, Uralkali pumps mineralised water from the mine and directs the pumped-out brines to a special disposal site with quarry voids devoid of soluble salts. This method allows the water to fill the voids without compromising the rock within the disposal site. As of the beginning of 2024, Uralkali has pumped out and injected 9.3 million $m^3$ of brines from the mine into the disposal site.

### 2 Plugging Curtain

To mitigate groundwater ingress from the near-contour zone of the sinkhole, we implement measures to establish a plugging curtain. This curtain serves to halt the continual expansion of the sinkhole caused by ongoing salt dissolution. It is created by injecting a material consisting of clay/loam and polymers through horizontal holes. This material fills (calcifies) the water pathways into the mine, thus reducing the volume of water entering. Presently, there are 170 injection wells encircling the sinkhole perimeter, with 8.4 million cubic metres already injected.

### 3 Backfilling

To mitigate adverse effects related to rock pressure, the Company backfills the mined-out spaces. Potential negative outcomes may arise from void formation in areas subject to water pumping, leading to subsequent collapse. Utilising waste from its own production (specifically waste rock after salt extraction) as an inert material, the Company ensures both safety of territories and adherence to circular economy principles. The insoluble nature of this inert material facilitates filtration of incoming brines, directing them to the pumping station for removal. Moreover, backfilling of the sinkhole is underway using remote-controlled tractor equipment. Currently, 4.7 million tonnes of inert material have been deposited into the sinkhole, with completion scheduled for 2024.

**30 BLN RUB**

investments in accident response activities since 2014

## Key measures undertaken to address the consequences of the accident include:

Furthermore, a cofferdam constructed between the Solikamsk-1 and Solikamsk-2 mines enhances safety at the Solikamsk-1 mine field. This waterproofing structure, developed in collaboration with Perm-based JSC VNII Galurgii (a subsidiary of Uralkali) and German experts, provides isolation of mine field sections.

Since 2014, Uralkali has invested RUB 30 billion in accident response activities. Comprehensive monitoring, including seismological, hydrogeological, geophysical, geochemical, and surveyor monitoring, is conducted at the response site, ensuring stability amid low seismic activity.

Due to the implementation of these accident response measures, the Company has successfully stabilised the situation, fully reclaimed the mine field, constructed a cofferdam between Solikamsk-2 and Solikamsk-1, and conducted backfilling works under environmental and socially important facilities as required by the technical design.

### Geological Exploration

Uralkali conducts hydrogeological, geophysical, and geological exploration, along with mandatory monitoring of seismic activity. This is essential to promptly identify potentially hazardous areas where water may penetrate into the workings. The Company also engages in survey monitoring in mined-out areas and utilises remote sensing via space satellites to monitor possible earth surface movements in mine field areas.

In 2023, the Company completed the expansion of the seismic monitoring system at Solikamsk-1 by constructing a network of ground-based seismic stations. This expansion increased the reliability of detecting rock destruction. Additionally, further geological studies of the Southmine at Solikamsk-2 were carried out to ensure the safety of planned mining activities.

### Communication with Stakeholders on Mining and Geological Safety

The Company communicates developments in mining and geological safety system and the expansion of hydraulic backfilling complexes through internal and external media channels. Matters concerning mining and geological safety are thoroughly coordinated with government regulators as part of mining projects and annual mining development plans.

Comprehensive monitoring results of emergency mines are reported quarterly at meetings of working groups of the Government Commission, which comprise representatives from state supervisory authorities, city administrations of Berezniki and Solikamsk, and other authorised organisations. The Emergency Situations Commission under the city administration convenes regular meetings to address mining and geological safety in Berezniki.

### Backfilling of Voids

Uralkali employs a hydraulic method to backfill voids, ensuring stability of the backfill mass. This method eliminates dangerous deformation of the earth's surface and prevents destruction. From 2014 to the end of 2023, approximately 32 million tonnes of material were backfilled, in line with the original timeframe. Construction will continue in 2024 to increase the capacity of the Berezniki-4 and Solikamsk-3 hydraulic backfilling complexes.

### Mining and geological information system (MGIS)

The primary objective of the MGIS project is to enhance mine safety through three-dimensional geological modelling, facilitating the acquisition of accurate and dependable initial data. This system serves as a cohesive information environment for the storage and organisation of geological data. It encompasses a range of information, including details on layer occurrences, quality metrics of ore constituents, void and backfill volumes, miner face cross-sections, drift cross-sections, and more.

# Employee Well-Being

## Why this is important to us:

Uralkali's remarkable achievements are largely driven by its motivated and highly skilled employees. Attracting and retaining talent, ensuring their well-being, and fostering comfortable working conditions rank among the Company's top priorities. Uralkali upholds respect for employees' rights, providing diverse opportunities for both personal and career growth, along with offering competitive salaries and comprehensive benefits packages.




## Strategy and Goals

| Key Goals and Objectives[1] | 2023 Performance Highlights | 2024 Targets |
|---|---|---|
| Establish an Employee Well-Being Programme | The Employee Well-Being Programme for 2023–2025 has commenced with its initial activities | Continued implementation of the Employee Well-Being Programme<br><br>Development of the HR Strategy |
| Maintain voluntary employee turnover below 6.5% by 2025 | Voluntary turnover remained at 6.6% | Indexation of remuneration rates and salaries, along with measures to attract and retain personnel |
| Ensure the level of absenteeism due to temporary disability does not exceed 7% by 2025 | The absence rate due to disability was recorded at 6.3% | Enhancement of the quality and accessibility of medical services for personnel |
| Foster employees' positive perception of the work environment as inclusive and offering equal opportunities for all | A series of training and communication activities were implemented under the Diversity and Equal Opportunity Programme<br><br>73% of employees perceive the work environment as inclusive and providing equal opportunities<br><br>For more details, please refer to 'Human Rights' section | Continued implementation of the Diversity and Equal Opportunity Programme |

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

## 2023 Highlights

**21,692**
average headcount

**2,056**
employees in the succession pool

**93.5%**
employees covered by collective bargaining agreements

**68**
training hours per employee

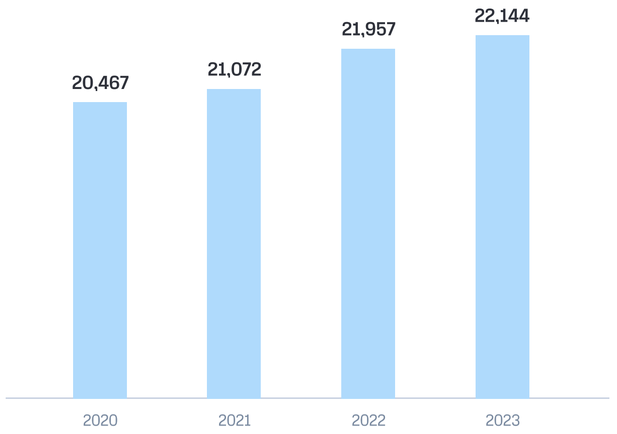
**90%**
share of senior management hired from local communities

**1.8 BLN RUB**
expenses for social programmes for employees

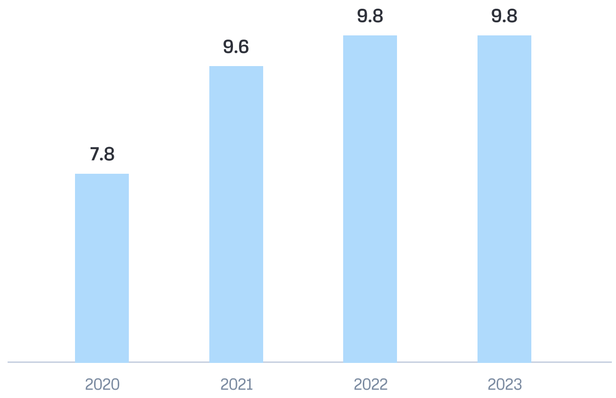
**9.8%**
employee turnover

[1] In 2022 and 2023, the reporting scope changed. For further information, please refer to the 'Reporting Scope' section.

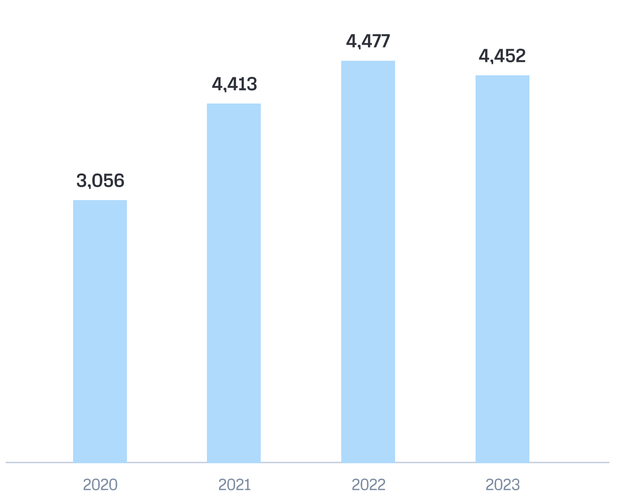
### Headcount, employees [1]



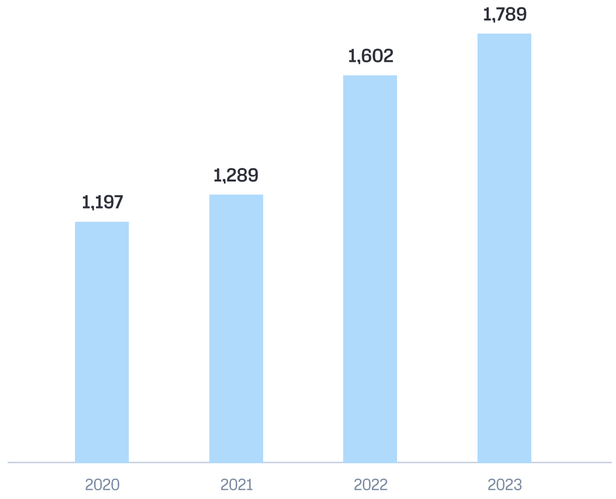

### Employee turnover, %




### Newly hired employees, persons




### Expenses on employee social programmes, mln RUB



# Governance Approach

## Senior Leadership and Management

At all levels, Uralkali actively manages human resources matters. Specifically, top-level discussions on personnel management matters take place during meetings of the Board of Directors and its specialised committees, notably the Appointments and Remuneration Committee. In particular, every year the Board of Directors is presented with an HR report.

In addition, the Compensation, Benefits and Human Resources Policy Committee under the CEO reviews all matters related to human resources decisions.

In addressing complex ethical dilemmas within the workplace, any employee can reach out to the Ethics Commissioners. The Regulations on the Ethics Commissioners ensure complete anonymity and confidentiality for all enquirers. Following a review, feedback is always provided. The Ethics Commissioners comprise three Deputy CEOs — HR and Communications Director, Technical Director, and Director for Legal and Corporate Affairs.

The HR and Communications Directorate centrally manages the implementation of personnel policy. This centralised approach facilitates the development of cohesive human resource management strategies aligned with the Company's strategic goals.

The Deputy CEO – HR and Communications Director oversees the following departments:

- Labour and Payroll Department
- Recruitment and Development Department
- Organisational Planning Department
- Social Department
- Administrative Department
- Internal Communications Department
- Personnel Administration and Personal Data Processing Department
- Public Relations Department

For more details, please refer to the Company's website

During the reporting year, a significant organisational change took place with the establishment of a dedicated Personnel Administration and Personal Data Processing Department. This initiative aimed to bolster security measures and ensure compliance with legal requirements for personal data processing.

Additionally, in 2023, the career guidance and educational engagement unit was created within the Personnel Recruitment and Development Department. This unit will directly collaborate with educational institutions and students in the regions where the Company operates, while also facilitating workplace experience opportunities for students at the Company's production facilities.

Strategic goals for attracting and retaining personnel are integrated into employee bonus indicators. The achievement of these indicators directly impacts the monthly and annual bonuses for various categories of the Company's employees and managers.

## Regulatory Framework

Uralkali's HR Policy stands as the cornerstone top-level document guiding the Company's personnel management practices. Its primary objective is to establish a robust management system aimed at attracting and retaining top talent in the labour market while fostering an environment conducive to unlocking their full potential.

**Other key documents include:**

- Human Rights Policy
- Diversity and Inclusion Policy
- Code of Corporate Culture
- Collective Bargaining Agreement
- Job Descriptions and Regulations

In 2023, the Company's Code of Corporate Culture was updated. The updates were related, among other things, to structural changes in some departments. Uralkali conducts regular training sessions to familiarise employees with the Code's application in their daily tasks. These sessions entail consolidating knowledge of the Code's main provisions and analysing real-life scenarios. The Coordinator of the Code for Uralkali Group oversees training sessions, handles applications, and liaises with subdivision to ensure compliance.

## Risk Management

Uralkali has necessary measures in place to mitigate the risks associated with key employees leaving the Company and the shortage of qualified personnel, which are documented in the corporate risk register. Thanks to these measures, the level of HR risks has remained unchanged since last year.

For more details on managing human rights risks, please refer the Human Rights section.

The risk response activities implemented by Uralkali in 2023 included indexation of wages, enhancement of the quality of social services and corporate medical care, development of a talent pool, and attraction of potential employees to communities where the Company operates. An important aspect of risk management is employee training, funded by the Company, and the development of new training programmes for workers, including training in secondary and related professions. Uralkali also conducts career guidance programmes for school and university students.

The Company conducts regular assessments of the risk of resignations using a matrix that identifies shortages of qualified personnel. This proactive approach enables the creation of succession pools for key positions. The risk assessment matrix is not only utilised by production departments but also by administrative and management functions of Uralkali.

## Uralkali leads the way in employer ratings

In 2023, Uralkali emerged as a frontrunner in the Forbes ranking of top employers and secured a prominent position in the leading group of employers according to RBC.

Remarkably, the Company stood as the sole representative from the Kama Region to achieve this recognition.

Throughout the reporting period, Uralkali actively participated and excelled in the following competitions:

- 2nd Russian Contest of Best Youth Employment Practices, arranged by the Russian Ministry of Labour and Social Protection, in the 'Support from Classroom to Workplace' category
- 10th Russian Contest of Socio-Humanitarian Practices of Employers, named 'Creating the Future', excelling in the 'Leaders of the Future' category with its Perspektiva internship programme for young specialists. Additionally, Uralkali received recognition in the 'Digital Transformation' category with the 'Automated Comprehensive Performance Appraisal' project
- the 'Russian Mentors' Board of Honour 2023' project
- the 'Best Mentoring Practices in the Perm Region' regional contest, particularly in the 'Best Mentoring Practices to Increase Labour Productivity' category, showcasing a mentor training project

# Staffing and Recruitment

## Personnel Structure

Uralkali's headcount at the end of 2023 totalled 22,144 employees. Despite the challenging and volatile reporting period, the turnover rate remained at the level of the previous year, standing at 9.8%.

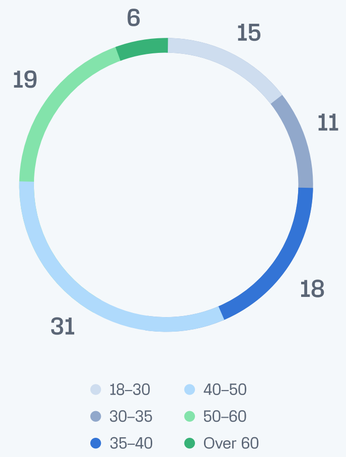
The majority of employees (99.6%) work on a full-time basis. In the reporting period, 95.9% of employees were working under open-ended employment contracts.

Women constitute 29.6% of the Company's workforce, while men account for 70.4%. This gender distribution reflects the industry's specific requirements and legal constraints regarding female participation in underground work.

**22,144** EMPLOYEES

Uralkali's headcount at the end of 2023

### Staff structure by age, %




### Staff structure by category, %



## Recruiting Talents

When recruiting personnel, the Company relies primarily on the labour market of the cities where it operates, Berezniki and Solikamsk. Preference is given to local candidates with the necessary experience and competencies. If suitable candidates are not found in the Perm Region, the Company considers specialists from other regions of Russia.

The Company upholds a policy of non-discrimination in all aspects of employment, promotion, and remuneration. It guarantees equal opportunities for career advancement, irrespective of gender, age, or any other characteristics unrelated to professional qualifications.

To attract employees, Uralkali utilises a variety of communication channels, including:

- Targeted advertising
- Job websites
- Job fairs
- 'Refer a Friend' programme
- Social media
- Corporate website
- Outdoor advertising (information kiosks in shopping centres, street billboards, media facades, advertising in cinemas, lifts, public transport, and bus stops)
- Mobile application
- Corporate, municipal, and regional media
- Employment centres and the 'Work in Russia' website
- Live broadcasts (streams)

Building an effective recruitment process involves integrating up-to-date candidate relationship approaches, expanding search channels, and utilising new platforms for posting job vacancies. For instance, in 2023, the Company actively participated in the Education and Career exhibition in Perm, emerging as a key participant. At Uralkali's stand, attendees had the opportunity to learn about job and internship opportunities offered by the Company, take part in an entertaining quiz, and join master classes. Moreover, VR goggles enabled visitors to embark on a virtual tour of a potash mine located 400 metres below ground surface.

Furthermore, plans are underway to establish a recruitment centre in 2024 within the iMall Esplanade shopping centre in Perm. This initiative aims to serve as an additional avenue for attracting candidates from out-of-town areas by enhancing the Company's brand visibility, bridging geographical gaps with the target audience, and providing consultation services to candidates.

Additionally, in 2023, the Company continued its project on implementing a rotational work pattern, designed to attract highly skilled personnel for in-demand jobs. The list of positions adopting a rotational work schedule was expanded in the reporting year.

**97 %**

of the Company's employees are residents of the Perm Region

## Succession Pool and Personnel Rotation

The Company operates a succession pool programme aimed at developing internal and external reserves for key positions. In 2023, the group-wide succession pool comprised 2,056 individuals, marking a 2% increase from 2022.

To establish a succession pool for critical roles, the Company employs a methodology for assessing the risk of resignations, utilising a matrix that identifies shortages of qualified personnel. Any employee has the opportunity to apply for inclusion in the succession pool, with applications submitted through the WebTutor online platform.

Uralkali has implemented a personnel rotation procedure, enabling employees to transition from one position to another within the Company. Notably, selection conditions and requirements for both external and internal candidates for the position remain consistent. Qualifications, professional competencies, and experience serve as the decisive criteria for appointment to a position.

Furthermore, the Company commits to prioritising the employment of individuals from production areas subject to closure. All employees affected by layoffs are given priority consideration for open vacancies.

**2,056 INDIVIDUALS**

in the group-wide succession pool

## Uralkali's Labour Dynasties

Uralkali's greatest asset lies in its dedicated workforce. Throughout the Company's long history, entire dynasties of renowned potash workers have emerged. It's not uncommon for fourth generations of families to continue working for Uralkali. Some employees' relatives have been part of Uralkali since the 1930s, and played crucial roles in shaping Russia's potash industry. The cumulative work experience of certain families exceeds 300 years.

As of 2023, the corporate museum and exhibition centre showcase historical insights into 45 labour dynasties, each spanning three or more generations of employees from the same family.

## Youth Employment

Uralkali is committed to attracting talented young individuals from the regions where it operates and fostering an environment conducive to the development of young professionals. In the reporting period, the Company employed 500 young specialists.

Uralkali recognises the importance of establishing stable and enduring conditions for attracting and retaining promising young talent. In 2023, a decision was made to develop a Youth Policy at all companies of Uralchem Group. This initiative aims to cultivate an environment that nurtures professional and corporate competencies, in addition to intellectual and creative abilities among young employees. This approach will enable the Company to leverage the potential of young talent in addressing operational and strategic challenges. A pivotal aspect of this endeavour will be the establishment of a Youth Council tasked with organising activities spanning tourism, promoting a healthy lifestyle, advancing science and technology, fostering corporate culture and traditions, and promoting sustainable development.

To attract talented youth, Uralkali organises various career guidance events and informational sessions in schools with the participation of Uralkali employees. Additionally, the Company offers workplace experience placements and actively recruits secondary school graduates into specialised universities and vocational schools. This engagement occurs both on an individual basis and through cooperation agreements with target educational institutions.

In total, in 2023, the Company conducted 56 career guidance events, with the most notable ones being:

- The 'Selfie Marathon' project in collaboration with the West Ural Mining School, involving around one hundred Year 8 and 9 students from schools located in Solikamsk and Berezniki. This project aimed to familiarise students with the various professions offered by the Company
- Career events held at prestigious universities such as Perm National Research Polytechnic University, Perm State National Research University, Perm State Agro-Technological University, Ural Federal University, Irkutsk National Research Technical University, and South-Russian State Polytechnic University
- As part of the 'Interactive Exhibition of Professions' project, at least 20 schools in Berezniki hosted an exhibition with the participation of Uralkali employees to introduce senior school students to the Company's in-demand professions
- The 'Potash Journey' career guidance project held at the Ural Gems children's resort, which reached over 1,000 children and aimed to provide them with insights into potential career paths within Uralkali

Uralkali continued its efforts to establish agreements for the specialised training at universities and technical schools. In 2023, the Company made 38 employment contracts and successfully employed 14 students under these agreements. Students enrolled in Uralkali's target programme receive additional benefits, including corporate scholarships based on academic performance (from the second year onwards), paid internships at the Company's underground and surface facilities, and access to educational materials for their term and graduation papers. Upon graduation, programme participants are guaranteed employment at Uralkali along with a relocation allowance.

The Company regularly arranges various practical training sessions for university and technical school students, totalling 1,274 sessions in 2023. Additionally, during the reporting period, Uralkali launched a project to establish engineering classes in Berezniki as part of a joint educational project with the city administration.

**1,274**

practical training sessions

Since September 2023, engineering classes have commenced at Municipal Advanced Learning School No. 3 (for Year 8 and 10 students) and Municipal School No. 22 (Year 8 students), with a total of five engineering classes now available across Berezniki and Solikamsk.

Another initiative to attract young personnel was the specialised training of welding specialists through the federal project 'Professional Expertise' together with the Solikamsk Road and Industrial School and with the support of Uralkali-Remont LLC, a subsidiary of Uralkali.

Systematic work to attract young specialists has allowed Uralkali to achieve significant results in this direction. Thus, over the past four years, the number of young specialists who have found employment at Uralkali has doubled compared to previous periods.

### 'Perspektiva' Internship Programme

In 2023, Uralkali continued the implementation of its 'Perspektiva' internship programme. This initiative involves final-year students who undergo internships at Uralkali. By integrating academic study with on-site experience, interns acquire valuable knowledge and skills while becoming familiar with the Company's operations.

With this internship programme, Uralkali earned 2nd place in the 'Leaders of the Future' category of the 10th Russian Contest of Socio-Humanitarian Practices of Employers named 'Creating the Future'.

**79**

participants in the internship programme

## Uralkali's Museum and Exhibition Centre

Uralkali's Corporate Museum is a unique facility in Russia, which offers insights into the history of the Verkhnekamskkoye deposit of potassium and magnesium salts, and the evolution of the potash industry.

In the reporting year, the museum hosted 860 events, including presentations, lectures, conferences, master-classes, tours, quests, and games, and registered 12,232 visitors. All schools in Berezniki and Solikamsk actively participated in these museum events.

In September 2023, the centre achieved recognition at the 5th National Award Ceremony 'Corporate Museum.' It received a 2nd Degree Diploma in the 'Best Corporate Museum' category and a special award in the 'Best Educational Project' category for its implementation of the 'Secrets of the Miner's Lantern' project. The competition featured the participation of 112 corporate museums from across Russia.

During the reporting period, the Company continued to advance the video project 'Fertilisers,' a popular science initiative showcasing the benefits of potash and careers in the potash industry. The Company released informational materials that highlighted unique professions, including ESG specialists and their pivotal role within the Company. In 2023, 'Ferti-Fellows' animated cartoon won the silver award at the 5th International Film Festival MineMovie-2023 in the category 'Best Film about the Profession'. In total 137 works in 12 nominations were submitted to the festival.

**Uralkali's Museum and Exhibition Centre was also honoured in the following categories:**

- 'Development of Human Resources' for the 'I Aspire to Be a Potash Pioneer' project
- 'Public Recognition'
- 'Discovery of the Year' for the 'Born from Salt: Where Every Grain Holds the Essence of Life!' project

# Equal Opportunities

Uralkali is committed to fostering diversity among its employees, ensuring equal opportunities regardless of race, gender, age, nationality, social status, appearance, financial status, religious or political beliefs, and other aspects of diversity. By incorporating employees' personal characteristics into their professional activities, the Company aims to fully unlock their potential and enhance decision-making effectiveness.

To promote equal opportunities, the Company regularly undertakes the following initiatives:

- Development of confidential grievance handling and dispute resolution channels.
- Employee training in diversity, equal opportunity, intolerance to diversity bias and any forms of violence.
- Implementation of a management-involving communication programme to promote gender equality.
- Surveying of employees to gauge their opinions on the inclusiveness of their work environment.

Uralkali ensures equal pay regardless of gender. Women in the Company have the same opportunities for development and career advancement as men, despite the specific nature of the industry. The Company strives for gender balance, offering women opportunities for growth and career advancement. Specifically, both women and men enjoy equal opportunities to participate in succession pools, and the timing of professional development programmes for women is adjusted to accommodate maternity leave.

Women constitute 21% of members the Company's governing bodies, with one woman serving on the Board of Directors and two women on the Management Board.

**21%**

share of women in leadership positions

**1 OUT OF 7**

woman membership on the Board of Directors

**2 OUT OF 7**

women membership on the Management Board

The Company also hires individuals with disabilities in compliance with legal requirements. In 2023, the share of employees with disabilities amounted to 2.2% of the total workforce who work under normal conditions.

### Interviews with Female Employees

In 2023, Uralkali initiated a series of interviews featuring women from diverse professions and positions within the Company. The primary objective of the project was to showcase that women can effectively develop and thrive in various roles at Uralkali. As part of this initiative, the Company conducted six interviews with women in operational roles and twelve interviews with opinion leaders. These interviews were disseminated across multiple platforms, including the corporate intranet portal, mobile application, and RU.DA newspaper.

# Training and Development

## Training System Effectiveness

The Company invests significantly in staff training, professional development, and career progression. Various educational programmes and initiatives are available to Company employees:

- Vocational training, retraining, and advanced training for workers;
- Pre-certification training and certification;
- Professional retraining and advanced training for managers and specialists;
- Assistance in obtaining higher and secondary vocational education;
- Focused activities to form and develop a succession pool;
- Training in management and personal competencies;
- Training in safe and conscious behaviour;
- Participation in forums, conferences, exhibitions, and experience sharing.

To organise training, the Company utilises both internal and external resources. Uralkali increasingly conducts training internally to enhance efficiency and optimisation. In 2023, 98% of professional training/retraining for workers was conducted internally.

The Company regularly evaluates the effectiveness of its training system and its components through a comprehensive monitoring system.

Based on the results, measures for improvement are proposed. In 2023, the main indicators of the corporate training system yielded the following results:

- Plan completion rate: 100%;
- Training coverage: 94% of employees;
- Number of training hours per employee: 67.9.

Uralkali has implemented distance learning accessible to employees from workstations, personal computers, and mobile phones through the WebTutor platform. The electronic library offers over 130 electronic courses for remote learning.

The Company continually seeks and adopts new training tools, such as VR simulators, to enhance practical skill development. In 2023, Uralkali utilised VR simulators integrated with the WebTutor system to periodically assess personnel knowledge and simulate emergency scenarios, particularly for electricians.

## Training Programmes

The Company has established and operates a Corporate University as the cornerstone for personnel training and development. In 2023, the Corporate University's training programme portfolio saw expansion with the development of 20 new programmes and the updating of 10 existing ones. As of the end of 2023, the university's portfolio encompasses 444 programmes. Additionally, 14 new training sessions and 2 business simulations were developed during the reporting period. Furthermore, the number of internal coaches and trainers responsible for delivering training on corporate and safety culture increased throughout the year.

The Company places importance on incorporating employee feedback and addressing their needs when designing the training and personnel development system. Special consideration is given to employee needs during the development of personal development training and during Development and Career Weeks.

## Continuous Professional Growth Programmes

The Company implements continuous professional development programmes aimed at providing further employment opportunities and supporting career management in case of retirement or dismissal. All Uralkali employees have access to a career counselling service, where they can obtain information about potential growth and development prospects within the Company. Position eliminations also prompt retraining of employees or rotation into newly introduced roles.

In 2023, the Company persisted with its programme for sponsoring higher and secondary vocational education. This opportunity is available to every employee who participated in the competitive selection process.

## Webtutor

In 2023, Uralkali introduced WebTutor, a comprehensive HR portal designed to enhance personnel development and streamline HR processes. Accessible to all employees at any time, the system can be reached through web browsers on both work and personal devices, ensuring inclusivity and continuity of learning across the workforce.

The WebTutor system automates various HR processes, including personnel selection, onboarding, performance assessment, succession planning, distance learning, and feedback collection.

Uralkali conducted training sessions for personnel on all modules and prepared user manuals accordingly. The automation of HR processes has made them more transparent, efficient, and user-friendly for both employees and managers.

Now, employees can not only complete mandatory training on the HR portal but also enrol in e-courses and self-assessment tests. The system monitors the expiration of mandatory appraisals, rescheduling them as necessary, and notifies employees accordingly. Additionally, employees can apply for the talent pool directly through the HR portal.

## Personnel Appraisal

The Company conducts a comprehensive appraisal of personnel, which includes a weekly evaluation of professional knowledge through testing, an annual assessment by managers of employees' business competencies, and self-assessment of competencies. Moreover, employee effectiveness is gauged by their fulfilment of SMART tasks and attainment of key performance indicators.

The process is automated for efficiency. Individual recommendations for the development and motivation of each employee are based on the comprehensive assessment. These recommendations aid managers in making informed decisions, planning employee training and development, and devising measures for employee motivation.

Uralkali also analyses labour productivity to assess the efficiency of personnel management. In the reporting period, labour productivity increased by 42% to 1,204 tonnes/person. The growth of the indicator was due to an increase in production volumes with a slight increase in headcount.

## Mentoring

Uralkali effectively implements the 'Mentoring' project at its production sites, where experienced mentors provide valuable support to new employees. Mentor selection is based on several criteria, including tenure in the Company, professional expertise, and managerial assessment. These mentors play a crucial role in training new hires and interns. They share their knowledge and experience to facilitate the smooth integration of young colleagues into the production environment. Additionally, they offer guidance and support to employees undergoing retraining or participating in succession programmes to foster their professional growth.

In 2023, five employees of the Company were recognised and included in the 'Russian Mentors' Honour Board,' an online platform dedicated to providing non-material support to employees across Russian companies.

The Company's mentoring programme's effectiveness was further underscored by achieving third place in the regional competition 'Best Mentoring Practices in the Perm Region' in the category of 'Best Mentoring Practices to Increase Labour Productivity', particularly for its mentor training initiative.

# Motivation and Reward

The Company prioritises both material and non-material aspects of staff motivation. Uralkali provides its employees with an extensive benefits package, recognised as one of the most appealing in the industry, alongside competitive salaries. The Company maintains a transparent remuneration system across all employee categories. In 2023, the average annual salary reached 1,254,732 roubles, up 14.9% from the previous year.

Employee compensation at Uralkali comprises fixed and variable components, supplemented by additional compensatory and incentive payments. The objective evaluation of employee performance is facilitated through key performance indicators (KPIs), enabling a detailed analysis of individual and divisional achievements within the Company.

Fixed remuneration is contingent upon the employee's grade, while variable components, such as bonus payments, are tied to KPI attainment. At the start of 2023, in adherence to the collective bargaining agreement, remuneration rates and salaries received a 12% indexation. Throughout the year, Uralkali implemented focused salary increments for specific employee categories. Furthermore, in 2023 it conducted a comprehensive assessment of working conditions, which resulted in determining guarantees and benefits based on workplace conditions. Uralkali also continues its practice of providing quarterly cash incentives to potash miner crews for extended work hours.

In addition to monetary incentives, Uralkali utilises various non-material motivation tools. These include the corporate accolade 'Honorary Potash Worker', the Board of Honour, and the Company's Gratitude. Departmental awards such as the 'Honorary Miner', 'Honorary Chemist', and 'Certificate of Honour' are also bestowed, alongside recognitions from the administrations of Berezniki and Solikamsk. In 2023, a total of 2,375 Uralkali employees were honoured with awards.

### 'Person of the Year' and 'Top 100'

In 2023, the 'Person of the Year' project persisted, with departments nominating candidates for the title. Throughout the year, corporate media spotlight these individuals, culminating in a year-end voting process. Votes can be cast for multiple candidates, with the CEO's reasoned opinion factored in, ultimately leading to the selection of a winner. Each year, 12 individuals, reflecting the number of months, participate in the project.

Selection criteria include:

1. adherence to corporate values,
2. involvement in key Company projects, and
3. high team trust ratings and leadership in specific areas.

Moreover, in 2023, a special category, 'Woman of the Year', was introduced within the competition, aiming to underscore the importance of diversity, inclusion, and female leadership within the Company.

Additionally, the Company continued the 'TOP 100' project, focusing on supporting professions facing acute shortages. During the reporting period, particular emphasis was placed on recognising individuals in energy services. Their efforts have been pivotal in upholding the Company's commendable energy efficiency, notwithstanding the continuous escalation in energy resource costs.

## Social Support

The Company has developed and implemented social programmes aimed at addressing pressing social issues and enhancing the quality of life for employees. These programmes are standardised across all subsidiaries of the Company.

In 2023, social expenses for personnel totalled 1.79 billion roubles, marking an 11.64% increase compared to 2022. The Company notably increased investments in social support for employees in areas such as health improvement for employees' children, commuting to work, catering for employees' (food subsidy), and improvement of living conditions.

A collective bargaining agreement for Uralkali employees covering 2021–2023 was in effect in 2023. This agreement outlined benefits and compensation package guarantees, including:

- Voluntary health insurance programme;
- Medical care in a corporate clinic;
- Recreational recovery programmes;
- Compensation of food costs — 70% (up 7.8% year-on-year);
- Improvement of living conditions;
- Arranging transportation for commuters.

In 2023, the Company entered into a new collective bargaining agreement spanning 2024–2026. This agreement not only maintained all fundamental benefits and guarantees but also extended some provisions while scheduling the indexation of salaries and tariff schedules. Collective bargaining agreements encompass 93.5% of the Group's employees, including those working for the Company's subsidiaries. Moreover, it extends its coverage to veterans of the Company and, under certain agreed benefits, to the families of employees.

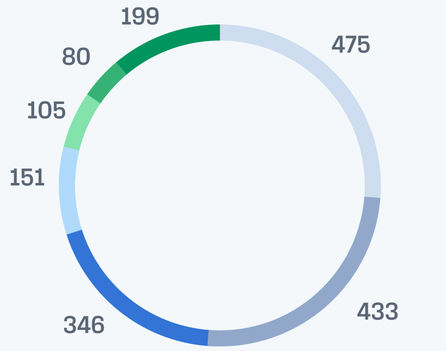
The Company is committed to improving its employees' living standards, with a primary focus on its housing programme. Through this initiative, the Company aids Berezniki and Solikamsk employees in buying homes by compensating their monthly bank loan interest payments. In 2023, 72 employees received assistance through this programme to buy flats in new buildings.

The Company is actively expanding its housing options for employees. In 2023, 280 flats in Berezniki were put up for sale as part of the second phase of housing development, with an additional 175 flats slated for delivery in Solikamsk in 2024.

Another crucial aspect of the Company's social support is the 'Attention and Care' programme, which provides assistance to retirees who are former Uralkali employees. This programme includes various forms of support, such as maintaining the Veterans Council of Uralkali, quarterly subsidies, financial aid during challenging circumstances, coverage for medication expenses, health resort treatments, and other benefits. In 2023 alone, the Veterans Council received financial support exceeding 81 million roubles, benefiting approximately 9,500 retirees.

Additionally, the Company places significant emphasis on supporting employees' children. Uralkali prepares gifts for employees' children on occasions such as Knowledge Day and the New Year. For example, on 1 September 2023, first-graders received sweet gifts and 800 gift certificates for stationery, along with enjoying interactive shows organised by Uralkali. During the New Year festivities, over 15,000 children were delighted with gifts comprising sweets, branded books, and educational games tailored to their age group.

**Social programmes cost structure,**
mln RUB




- Catering for employees
- Transportation for commuters
- Employee healthcare and wellness initiatives
- Health and wellness programmes for employees' children
- Maintenance of communal facilities
- Enhancement of living conditions
- Other

Furthermore, Uralkali organised New Year's performances and sponsored film screenings for teenagers in Berezniki and Solikamsk. In total, the Company allocated more than 55 million roubles to fund these New Year campaigns.

## Employee Health and Wellness

The Company acknowledges its responsibility for the health of employees exposed to various production factors. As part of preventing occupational diseases, all Company employees undergo regular medical examinations.

Moreover, the Company has implemented initiatives to mitigate the impact of production factors:

- introduction of work and rest schedules to reduce exposure to noise levels
- provision of health improvement and treatment at the Uralkali health resort
- implementation of rehabilitation programmes for conditions like arterial hypertension and hearing loss

These measures enable early detection of disease and prompt preventive action.

For more details, refer to 'Disease Prevention' section.

Under the voluntary health insurance policy, Uralkali employees can receive necessary assistance at the Company's clinics, mines' health centres, and third-party clinics.

## Employee Health and Wellness

Uralkali consistently works towards improving the quality of services provided at its social facilities, including health centres. Key events in 2023 included:

- Opening of an underground health post and construction of surface health posts at the Ust-Yaivinsky mine.
- Renovation of 7 clinic rooms in Berezniki.
- Establishing a site for parental visits at the Ural Gems children's camp.

As a subsidiary of the Company, Uralkali-Med operates its own corporate clinic in Berezniki for Uralkali Group's employees. During the reporting period, Uralkali took steps to enhance the quality of medical care at the corporate clinic. Specifically, Uralkali limited visits by third-party organisations and individuals, resulting in reduced waiting times for appointments and increased availability of medical services for its employees.

Uralkali recognises that balanced nutrition is integral to employee health and well-being, and is committed to continuously improving catering infrastructure. In 2023, Uralkali upgraded a canteen at one of the production sites and expanded the range of dishes in corporate canteens. Additionally, The Company conducted the 'Apple Train' campaign, providing each employee with 1.5 kg of apples through food points to offer seasonal vitamins.

A significant aspect of employee health management involves organising health resort treatments for Uralkali employees, available at both third-party resorts and the corporate Ural Gems health camp. In 2023, Uralkali expanded the range of health resorts in the corporate employee recuperation programme. Throughout the reporting period, 1,300 employees benefited from health resort treatments.

Uralkali recognises that sports activity plays a significant role in improving well-being alongside other factors. Therefore, the Company implements various promotions and programmes annually to motivate employees to engage in sports. Employees can access swimming pools, ski resorts, and rent sports equipment at discounted rates. Additionally, Uralkali organises a corporate sports day with competitions in 12 sports, with 2,353 participants in 2023. Furthermore, employees participate in regional sports competitions, championships in Berezniki and Solikamsk, and other regional events.

For more details, please refer to 'Support and Development of Sports' section.

One of positive outcomes of the Company's initiatives to enhance employee well-being is the decrease in sick leave rates, which fell from 7.1% in 2022 to 6.3% in 2023.

## Union Relationships

Unions play a crucial role as partners for the Company in managing matters concerning sports, recreational activities, and corporate cultural events.

During the reporting period, Uralkali's management engaged with trade union members both in person and through correspondence. In 2023, discussions in these meetings revolved around various topics, including the terms for signing the collective bargaining agreement for 2024–2026, the Company's primary development areas, social policies, draught internal documents on remuneration and bonuses, incentive regulations, and other relevant issues.

## Well-Being and Healthcare for Employees' Children

The Company prioritises the well-being and recreation of employees' children, ensuring the younger generation receives care and attention. Children's recreation is facilitated both at our own children's health camp, 'Ural Gems', and at children's health camps and recreation centers. Uralkali Group employees contribute no more than 10% of the full cost of the trip, with the Company covering the remaining expenses.

During the summer, 1,068 children across the Group enjoyed the Ural Gems country camp in the Perm Region, while 884 children experienced restful stays at the Russian Children's Centre 'Smena' on the Black Sea (Anapa, Krasnodar Region).

Furthermore, the Company endeavours to diversify children's recreation and leisure activities. In 2023, the Ural Gems introduced a new project called 'Potash Journey', that allows children to experience the production environment first-hand and gain knowledge about the process of producing potash fertilisers throughout their stay.

**>1,900 CHILDREN**

visited children's health camps

**151 MLN RUB**

were allocated to finance the recreation and health improvement of employees' children

# Personnel Communication

The Company has an effective communication system in place to keep employees informed about current events and corporate projects. Employees also have the opportunity to contact management, report problems and receive feedback on their consideration and resolution.

## Key Employee Communication Channels

1. Hotline and call centre for both external and internal audiences, handling complaints and reports of violations;
2. Mobile application and corporate portal enabling employees to leave comments under each news item and in the mobile application also utilise the 'Report Labour Protection Risks and Violations' service;
3. Q&A service available on the internal portal, Uralkali's mobile application, and a dedicated section in the corporate newspaper;
4. Dedicated feedback email;
5. Direct communication with the HR and Communications Director;
6. Institute of Ethics Commissioners;
7. Plasma panels installed at mines and offices;
8. Printed publications including RU.DA, Safety Bulletin, and NastroyKa;
9. Mobile and email newsletters;
10. Information booths and kiosks;
11. Meetings with management to disseminate information;
12. Podcasts covering relevant topics, featuring employees, management, and guest experts.

The unique aspect of handling employee feedback is that every request or question, including those submitted through the Q&A services, undergoes thorough scrutiny and analysis. When needed, the Company arranges special on-site visits and meetings with the appropriate personnel. Responses are then provided by the heads of the relevant functional units.

## ESG Videos

Uralkali is actively fostering a unified corporate culture where employees embrace the Company's values, including those pertaining to ESG. In 2023, one notable initiative involved the creation and dissemination of videos on ESG topics, presented in 3D animation format. Four videos were produced in total:

- An introductory video outlining the significance of potash in the global economy, the production chain from manufacturing to consumer, the role of sustainable development, and Uralkali's commitment to implementing the ESG strategy;
- A video focusing on the environmental aspect (E) of the ESG strategy, elucidating its objectives, climate strategy, ongoing projects, future plans, and achieved milestones;
- Another video delving into the social aspect (S) of the ESG strategy, highlighting key facets, developmental directions, product quality assurance, certification efforts, the Company's educational initiatives aimed at enhancing agricultural literacy among farmers, and its philanthropic endeavours such as the provision of free fertilisers to developing nations;
- A video centred on corporate governance (G), shedding light on its structure, Code of Corporate Culture, compliance measures, ESG risk management strategies, key partnerships, and the Company's emphasis on information security.

## Employee Engagement

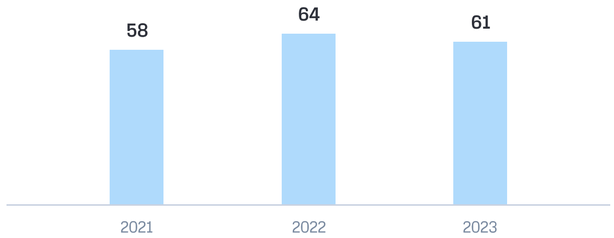
The Company recognises that engaged and motivated employees are vital for its sustainable operations. Each year, Uralkali conducts an engagement survey covering various aspects of employee satisfaction, including remuneration, working conditions, work-life balance, career opportunities, training, social programmes, and more. In total, 46% of employees took part in the survey in 2023, the engagement rate was 61%.

A slight decline in engagement is a common trend for large businesses, often attributed to the support provided to employees during the previous year's crisis period, which focused on ensuring security and stability. In 2023, engagement levels at Uralkali returned to more typical levels, showing an increase compared to 2021. The loyalty level for the reporting period reached 72%.

Uralkali also conducts satisfaction surveys and evaluates the quality of services offered by the clinic, using the results to guide future improvements.

Since 2021, an indicator of employee well-being has been included in the engagement survey, measured using a special methodology. As of 2023, this indicator stood at 52%. Insights gathered from the survey will inform the development of measures to enhance well-being as part of the Well-Being Programme.

## Total employee engagement, %




**72 %**
employee loyalty level

**52 %**
employee well-being level

## Electronic Personnel Document Management

Progress on the implementation of a significant project for electronic personnel document management persisted throughout the reporting year. Key milestones included system configuration and testing, thorough assessment of information security requirements for personal account connections, and the preparation of Regulations on Electronic Personnel Document Management and Procedures for Interaction Between Parties in Labour Relations.

In 2024, the plan entails launching the electronic personnel document management system into commercial operation, initiating invitations for workers to engage electronically with the employer regarding labour relations, and commencing the process of connecting workers to their personal accounts.

## Efficiency Improvement Competition

Uralkali fosters the ingenuity of its technical staff by promoting efficiency improvement and inventive activities. This serves as a pivotal mechanism to engage personnel in enhancing labour productivity, improving production efficiency, and mitigating environmental impact.

In 2023, the Company reviewed the outcomes of the innovation and invention competition for the preceding year. A total of 47 specialists submitted their proposals, with 41 ideas deemed suitable for implementation in production.

Efficiency improvement proposals were assessed across two categories. Berezniki-2 secured the title for the ‘Divisional Excellence in Efficiency Improvement and Innovation’, while a power engineer from the Open-Pit Mining Department of the Production Directorate, who suggested 6 ideas to enhance production processes, was honoured as the ‘Best Active Innovator’.

Over the period from 2018 to 2022, Uralkali successfully executed 1,136 efficiency improvement proposals and disbursed approximately 23 million roubles in royalties.

## Employee Well-Being Programme

Addressing employee well-being and enhancing their quality of life stands as a paramount priority for the Company, reflecting in Uralkali’s ESG strategy until 2025. A significant stride in this direction was the full launch of the Employee Well-Being Programme in 2023. This Programme encompasses a holistic approach to supporting employees and enhancing various facets of their lives. Well-being, as perceived by the Company, encapsulates a blend of fundamental factors that contribute to an individual’s contentment across all pivotal domains. Thus, all Programme initiatives are categorised into six areas: emotional, physical, personal, financial, career, and social well-being.

Distinguishing itself from the conventional social package, the Well-Being Programme incorporates activities and initiatives aimed at substantially elevating employees’ living standards. This includes additional opportunities to bolster emotional well-being, foster self-development, fortify social connections, and cultivate new emotions and positive experiences.

For personal and familial well-being, the Programme offers various forms of non-material incentives: corporate accolades, initiatives such as ‘Person of the Year’ and ‘Top 100,’ Honour Board recognition, family-centric sports and cultural events, a corporate podcast delving into relationship dynamics and conflict management topics, avenues for lodging complaints regarding business ethics and team relations, and a managerial communication programme with teams.

The Well-Being Programme has outlined clear goals, crafted a roadmap, and devised an implementation schedule for 2023-2025. Notable activities in 2023 included:

1

Initiatives focusing on physical and emotional well-being, such as monthly webinars covering health and financial literacy topics for employees. Additionally, a pilot project offered psychological and legal counselling services;

2

Uralkali also directed efforts towards enhancing personal well-being, highlighted by the introduction of an innovative automation system. This system streamlined the process from soliciting ideas from employees to executing projects. Additionally, the Company conducted specialised training sessions specifically tailored for female staff members.

The Company is committed to refining and augmenting the Programme, incorporating valuable employee feedback into its development. Guided by annual staff engagement surveys, the Company defines the roadmap for Programme’s evolution.

# Volunteer Movement

For a decade now, the Company has fostered and expanded a volunteer movement among its employees, with clear objectives:

- Providing conducive environments for employee self-realisation;
- Instilling universal and corporate values;
- Supporting employees' social initiatives.

Any Company employee can join the movement by reaching out to a specialist in youth and volunteer engagement or the leaders of volunteer initiatives via a VKontakte group. Announcements of upcoming events, reports, reviews, and photos are regularly shared on the corporate website and social media platforms.

Continuous development of the volunteer movement is a priority, with the Company collaborating with volunteer associations, charitable organisations, local authorities, and regional stakeholders.

The movement's activities are governed by the Regulations on Volunteer and Youth Movements, which delineate the goals and objectives of the volunteers. The Sports and Youth Policy Directorate holds responsibility for implementing these regulations.

An annual reporting event is organised for all Company volunteers, serving as a platform to review past accomplishments, set goals for the upcoming year, and outline specific plans for promotions and events.

Uralkali's volunteer initiatives are structured into three main areas: 'Children's Joy', 'Green Contour', and 'Help a Friend'. These areas focus on environmental education campaigns, projects, competitions, and challenges. Throughout 2023, a total of 50 volunteer events were organised, engaging 600 Company employees. Remarkably, the total number of beneficiaries reached 5,850 individuals, marking a two-fold increase compared to the previous year.

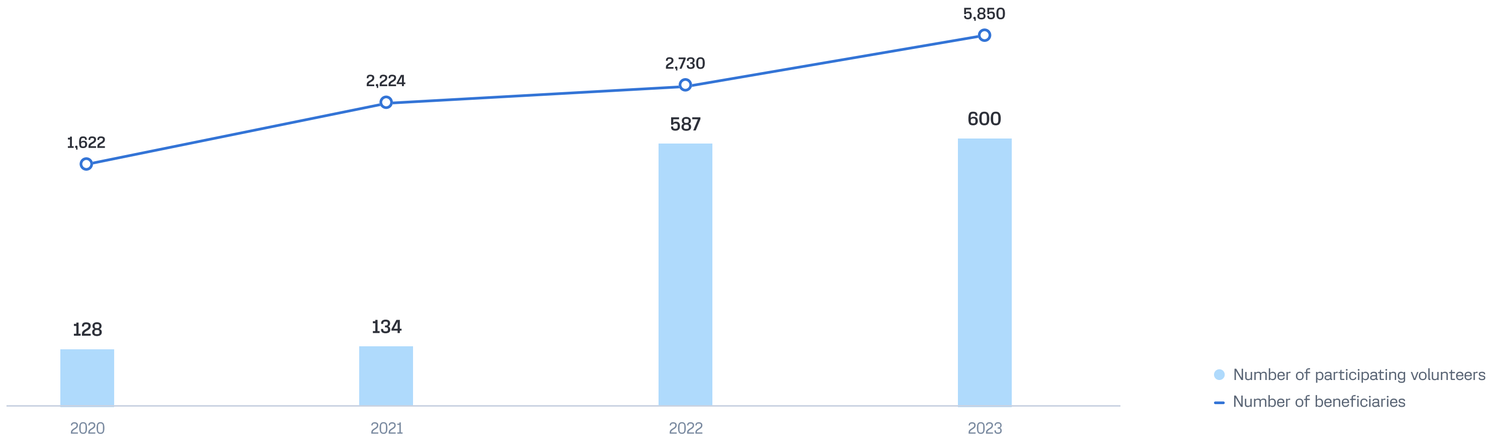
**50**

volunteer events were organised in 2023

**600**

employees of the Company took part in volunteer actions in 2023

## Volunteer participation and beneficiaries, persons




## Motivation System for Volunteers

The motivation system for volunteers at Uralkali provides additional encouragement for participants in the volunteer movement. By the end of 2023, thirty Company volunteers were recognised with corporate awards, and a corporate New Year's party was organised for volunteer activists.

Notable achievements in corporate volunteering include:

- Participation of Company volunteers in the Russian Youth Forum in Perm;
- Recognition of the volunteer movement 'Green Contour' with a diploma from the administration of Berezniki for active involvement in the municipal phase of the annual Russian Environmental Campaign 'Days of Protection from Environmental Hazards';
- Presentation of letters of gratitude to two Uralkali volunteers by the head of the administration of the governor of the Perm Region for their active assistance in addressing volunteerism-related issues in the Perm Region.
- Participation of one Uralkali volunteer in a training internship at the Volunteering Resource Centre of the Perm Region, focusing on organising volunteer activities.

## Key Areas of Uralkali Volunteer Movement

### ‘Children’s Joy’

Assisting children with disabilities involves collaborating with children’s assistance centres in Berezniki and Solikamsk, orphanages, kindergartens, and schools.

**Key projects for 2023:**

- Organising charitable, cultural, and recreational events for children from at-risk families, children with disabilities, and those without parental care;
- Providing gifts for the Knowledge Day and New Year celebrations;
- Arranging environmental education and sports activities, along with fundraising campaigns for the procurement of essential supplies for creative projects.

**350**

volunteers participated in these events

### ‘Green Contour’

Participating in environmental clean-up activities such as collecting rubbish and leaves in the city, forests, and along riverbanks, in addition to tree planting initiatives.

**Key projects for 2023:**

- Conducting rubbish collection initiatives, including clean-up activities in the Ogurdinsky forest and coastal area, Klestovsky pond in Solikamsk, Redikor lake, and Sovetskaya square;
- Involvement in city events like the environmental quest ‘Clean Games’ and the city-wide campaign ‘Your Tree for the City’, along with assisting in winter preparations at the Genkel Botanical Garden in Perm;
- Organising events such as a children’s master class on crafting useful household items from recycled materials, an environmental clean-up quest titled ‘Treasures of the Old Fisherman’, and an educational lecture on the adverse effects of plastic bags on water resources and wildlife.

**200**

volunteers participated in these events

### ‘Help a Friend’

Caring for homeless animals at the ‘Friend’ shelter and temporary animal shelters in Berezniki and Solikamsk.

**Key projects for 2023:**

- Organising fundraising events and food drives for the needs of the city shelter ‘Friend’.
- Providing assistance in landscaping the territory and improving kennels, including the procurement of necessary equipment.

**100**

volunteers participated in these events

In addition to the main initiatives, several promotions and movements are evolving within the corporate volunteering framework:

- **‘Warm Care’:** Involves collecting warm clothing and organising cultural and leisure activities for residents of boarding homes, the elderly, and people with disabilities;
- **‘Children’s Tourism’:** Focuses on arranging tourist trips for children with disabilities and those without parental care;
- **‘Everything is Possible’:** Aims to empower children with disabilities through activities featuring invited Paralympic champions;
- **‘Do Good’:** Involves Uralkali employees collecting funds to purchase gifts inspired by letters to Santa Claus from children with disabilities.

Corporate volunteering also extends to young specialists within the Company, who assist in organising both corporate and city events. This includes activities such as congratulating veterans on Victory Day, organising City Day celebrations in Berezniki and Solikamsk, observing Youth Day, and recognising Pre-School Worker Day and Teacher’s Day.

Participation in corporate volunteering contributes significantly to the Company’s reputation and internal environment. Involvement in community development fosters employees’ pride in their employer, and positively impacts the Company’s HR brand and recruitment efforts. Moreover, engaging in these initiatives offers employees avenues for personal growth and a sense of purpose.

Looking ahead to 2024, Uralkali plans to expand its volunteer base and increase the number of charitable projects. The Company intends to participate in grant competitions, raise funds, and support volunteers in pursuing internships, attending master classes, and engaging in social design programmes.

# Human Rights

## Why this is important to us:

Respect for human rights is a cornerstone principle guiding Uralkali's operations. The Company upholds human rights by offering competitive wages, social benefits, conducive working environments, freedom of association, equal career opportunities, confidentiality of personal data, and fostering mutual respect within the team. Ensuring respect for human rights stands as its paramount priority in establishing enduring relationships, not only with employees but also with suppliers, contractors, members of the local community, and other stakeholders.




## 2023 Highlights

**21%**
of women in senior management positions

**73%**
of employees consider the Company's working environment inclusive and equal

**1 OUT OF 7**
members of the Board of Directors is a woman

**2.2%**
of employees with normal working conditions are people with disabilities

**100%**
of security officers received human rights training

## Strategy and Goals

### Key Goals and Objectives[1]

Achieve 100% coverage of assets with a human rights due diligence

### 2023 Performance Highlights

- Approving a formalised methodology for the human rights due diligence
- Reassessment of human rights risks, indicating a low level of risk
- Implementing various educational and communication activities as part of the Diversity and Equality Programme

### 2024 Targets

- Reassessing the level of human rights risks
- Analysing the human rights risk due diligence methodology to ensure the relevance of indicators
- Launching a diversity and inclusion training course

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# Governance Approach

## Senior Leadership and Management

At the top level, the Appointments and Remuneration Committee of the Board of Directors, as well as the Board itself, actively address issues concerning human rights and equal opportunities.

They review the outcomes of regular monitoring and oversight of human rights issues, which are then presented to the Board's Sustainable Development Committee and the Board of Directors for consideration.

The HR and Communications Directorate actively manages operational aspects related to human rights matters. It oversees the Institute of Ethical Commissioners, which operates in accordance with the Regulations on Ethical Commissioners to monitor ethics violations and conflicts, including those pertaining to human rights. Additionally, the HR and Communications Directorate coordinates the activities of the Institute of Ethical Commissioners, including handling employee inquiries and preparing and disseminating materials.

## Risk Management

In 2023, Uralkali endorsed the Methodology for assessing the risks of human rights violations. This Methodology delineates the process for identifying, evaluating, and mitigating risks pertaining to human rights. Identified risks are integrated into the Company's overarching risk matrix. The Methodology encompasses the following dimensions:

- fair remuneration;
- social guarantees;
- prevention of child and forced labour;
- safe working conditions;
- educational and career development opportunities;
- healthy business culture;
- freedom of association and assembly;
- equal career opportunities;
- personal data confidentiality.

During the reporting period, Uralkali conducted an annual reassessment of the risks associated with human rights violations. This reassessment aims to identify and mitigate risks at an early stage. The Organisational Planning Department collects quantitative indicators for assessment, while the Head of the Risk Department calculates the risk level. The 2023 assessment concluded that human rights risks are low.

In addition to evaluating the human rights risks, the Company also assesses the financial and non-financial consequences of human rights violations. Moreover, Uralkali develops corrective measures in case a high risk is identified. Responsibility for devising and implementing measures to mitigate the risk of human rights violations lies with the Deputy CEO, HR and Communications Director.

## Regulatory Framework

Our primary document in the realm of ethics and human rights is the Code of Corporate Culture, which was updated in 2023. Other pivotal documents encompass:

Human Rights Policy,
outlining the Company's key human rights commitments

Diversity and Inclusion Policy

Regulations on Ethical Commissioners

Human rights risk due diligence methodology

# Feedback

An integral component of Uralkali's human rights system involves supporting employees in contentious situations and providing avenues for feedback.

To facilitate this, the Company has devised and operate several reporting tools for addressing human rights violations or breaches of business ethics:

- Call Centre;
- Ethical Commissioners;
- Question and Answer service on the internal portal, the Uralkali mobile application, and a dedicated column in the corporate newspaper.

When submitting a report through the Call Centre or Ethical Commissioners, the Company ensures confidentiality, as well as when submitting a report through any channel of communication it is guaranteed that no retaliation sanctions will be imposed on the employee.

Reports of ethics violations, including potential risks of human rights violations, undergo review by Ethical Commissioners during meetings. If necessary, officials, employees, advisers, and experts of the Company, along with other relevant individuals, may be invited to provide information, make proposals, and engage in discussions. Following the review of reports, Ethical Commissioners provide feedback to the complainant, take corrective actions to address any violations, and develop measures to prevent similar occurrences in the future. Decisions made by Ethical Commissioners are binding on all responsible officials and functional/production units.

# Diversity and Equality Programme

Since 2022, the Company has actively pursued a comprehensive Diversity and Equality Programme, aligning with its broader Diversity and Inclusion Policy until 2025.

This initiative aims to cultivate a supportive and inclusive working environment where every employee can thrive. The Programme spans various areas, including strategy, recruitment, development and careers, remuneration, and corporate culture.

## Diversity and Equality Programme Areas

| Area | Measures | Timeline |
|---|---|---|
| Strategy | Developing channels for complaints handling and conflict resolution | Constantly |
| | Declaring for gender equality by senior management | Constantly |
| | Training for staff on non-discrimination, equal opportunities and unconscious bias | 2024 |
| Recruitment | Implementing diversity and inclusiveness into the recruitment process | Constantly |
| | Giving equal opportunities for all employees regardless of gender, age, nationality or any other characteristics | |
| Development and careers | Maintaining an internal corporate portal with links to the Women in Mining Russia educational resources | 2023 |
| | Ensuring equal opportunities for women and men to be included in the talent pool (except for mine positions) | Constantly |
| | Adjusting the timing of professional development programmes for women (with due regard for maternity leave) | Constantly |
| Remuneration | Providing equal pay for work of equal value | Constantly |
| | Carrying out regular audit and benchmarking of gender pay equity among employees | Constantly |
| Corporate culture | Maintaining the confidential complaints handling system, regarding violence as well | Constantly |
| | Surveying employees on inclusiveness of the working environment | Annually |
| | Diversity and inclusion training for employees | 2024 |
| | Developing a communication programme to promote gender equality | 2023 |
| | Providing psychological support | Constantly |

The Programme has established key performance monitoring metrics to gauge its effectiveness over time.

| Metric | 2021 | 2022 | 2023 |
|---|---|---|---|
| Number of confirmed sex and gender discrimination cases reported via feedback channels | 0 | 0 | 0 |
| Number of confirmed cases of workplace violence (with a breakdown by gender in the reporting year) reported via feedback channels | 0 | 0 | 0 |
| Proportion of women among senior managers<br>Goal: at least 20% | 20% | 20% | 21% |
| Employee engagement level | 58% | 64% | 61% |
| Employee perception of the work environment as favourable, inclusive and providing equal opportunities | 71% | 75% | 73% |

In 2023, as a component of its Diversity and Equality Programme, Uralkali initiated several activities aimed at promoting gender equality and fostering an inclusive workplace environment. These initiatives included the launch of a series of short videos addressing gender equality issues and podcasts discussing employee rights, workplace relationships, and other relevant topics. Additionally, the Company developed an e-course to facilitate diversity and inclusion in the workplace. During the reporting period, Uralkali introduced a special nomination titled ‘Woman of the Year’ as part of its corporate Person of the Year competition, highlighting the achievements and contributions of female employees.

A notable event under the Programme was the compliance week, with a focus on women’s leadership. This week featured themed business breakfasts, a style master class for female employees, and a travelling exhibition showcasing Soviet posters themed around ‘Woman at Work.’

Furthermore, the Programme showcased the accomplishments and career growth of Uralkali’s employees across various professions through a series of interviews with women in diverse working roles and women opinion leaders.

# Human Rights Training

Human rights training is mandatory for all newly hired employees as part of their onboarding process. It covers principles for respecting human rights within the Company, including its expectations from employees, feedback mechanisms, and guidelines for communication on this issue.

During the reporting period, educational videos and podcasts focusing on ethical compliance and human rights protection were produced for dissemination through video screens located at the Company's facilities and in the Company's mobile application.

Furthermore, Uralkali provided human rights training for security contractors through an online course. In 2023, this training covered 100% of employees directly involved in security measures. Training is obligatory, and clauses regarding respect for human rights are included in contracts with security organisations that provide services to the Company.

Uralkali is committed to partnering with suppliers who demonstrate or pledge to uphold sustainability standards. According to the Supplier Code of Ethics, Uralkali expects its suppliers to respect human rights and freedoms as outlined in the UN Universal Declaration of Human Rights, as well as the fundamental rights of workers mandated by law. Suppliers are required to maintain a work environment free from insults, any forms of violence, including physical punishment, as well as threats and harassment.

## Diversity and Inclusion Course

In 2023, Uralkali developed an e-course on diversity and inclusion aimed at preventing discrimination in the workplace. The course addresses various aspects of diversity, its benefits for teams, methods to recognise and overcome unconscious bias, and strategies for creating inclusive workspaces and language usage. The course is scheduled to launch in 2024 and will be included in the onboarding process for all new employees. Other employees can self-schedule a course on the HR portal.

## Employing People with Disabilities

In compliance with legal regulations, Uralkali offers employment opportunities for people with disabilities. In 2023, the workers with disabilities comprised 2.2% of the total workforce with normal working conditions. Additionally, the Recruitment Regulations and the Collective Bargaining Agreement ensure preferential employment rights for candidates who become disabled while working at the Company's assets.



# Local Communities

## Why this is important to us:

Establishing trusting relationships with local communities is paramount for the sustainable growth of the Company. Uralkali actively engages in the development of the host towns by investing in a wide array of social and charitable projects. These initiatives directly contribute to enhancing the living standards of the population.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

## 2023 Highlights

**1.290 MLN RUB**
charity expenses[1]

Uralkali contributes to corporate charity programmes within the Uralchem Group

**657 MLN RUB**
within Uralchem for Cultural Traditions

**245 MLN RUB**
within Uralchem for Education and Science

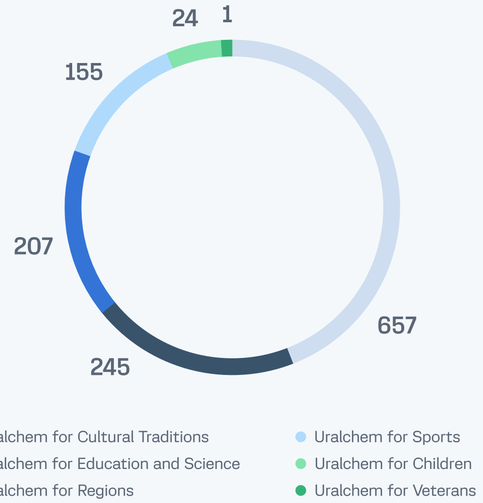
**207 MLN RUB**
within Uralchem for Regions

**155 MLN RUB**
within Uralchem for Sports

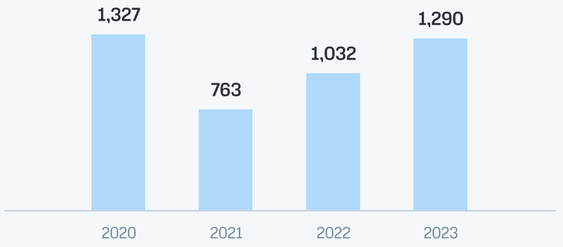
**24 MLN RUB**
within Uralchem for Children

**1 MLN RUB**
within Uralchem for Veterans

### Charity expenses by main areas, mln RUB




### Total charity expenses, mln RUB[1]




[1] Charity expenses are accounted for on an accrual basis, aligning with IFRS requirements. Area-wise breakdown commenced in 2023, hence area-specific expenses are not reflected for the years 2020–2022. It's important to note that charity accruals do not encompass the costs associated with humanitarian deliveries of products to African countries.

## Strategy and Goals

### Key Goals and Objectives[2]

Implementing development programmes in the cities of presence

### 2023 Performance Highlights

- Implemented various projects and activities aligned with the development plans outlined by local authorities in the host towns, including the Cosy City programme, road repairs, and renovation of public spaces
- Continued implementation of key socially-oriented projects in support of sports, culture, healthcare, and education, including the opening of the Public Organisations Centre in Berezniki and the Youth of Solikamsk multifunctional centre, implementation of the project 'From Posadskaya Sloboda to the Lower Salt Fields', and summer employment projects for children and young people

### 2024 Targets

- Continue implementation of socially-oriented projects aimed at developing the regions of operations

[2] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# Key Social Projects of the Company

URALCHEM FOR REGIONS



## Cosy City programme

2022 – 2023

Implementation of the Cosy City programme envisaging construction of playgrounds and sports complexes and renovation of public spaces in Berezniki and Solikamsk

**90** MLN RUB

full funding



## Renovation of public areas and repairs of roads

2014 – 2023

Renovation of public areas and repairs of roads including urban and inter-village roads in Solikamsk and Berezniki, and paving at the Wagner Regional Hospital in Berezniki

**70** MLN RUB

co-funding



## Renovation of the Salt Plant memorial estate

2013 – 2023

Renovation of the Salt Plant memorial estate in Solikamsk and preparation of design for the improvement of the surrounding area

**31.6** MLN RUB

co-funding



## ‘From Posadskaya Sloboda to the Lower Salt Fields’ project

2023

Restoration of historic districts in Usolye Stroganovskoye as part of the project titled ‘From Posadskaya Sloboda to the Lower Salt Fields’

**8.9** MLN RUB

co-funding

# Key Social Projects of the Company

URALCHEM FOR SPORTS



## Construction of an indoor skating rink in Berezniki

2017 – 2023

**109** MLN RUB

co-funding



## ‘Uralkali for Future Champions’ project

2021 – 2023

Construction of sports grounds in kindergartens in Berezniki and Solikamsk as part of the project titled ‘Uralkali for Future Champions’

**14** MLN RUB

full funding



## Construction of the Basket Hall sports hub in Berezniki

2023

Development of cost and design documentation

**25** MLN RUB

design funding

URALCHEM FOR CHILDREN



## Summer employment projects for children and youth in Berezniki and Solikamsk

2022 – 2023

The ‘SOLid People labour crews’, the Rural Holidays project for children in rural areas, the Active Childhood and Summer to Start sports tournaments in kindergartens

**6.65** MLN RUB

total funding

# Key Social Projects of the Company

URALCHEM FOR CULTURAL TRADITIONS



## Opening of the Public Organisations Centre in Berezniki

2023

Renovation, equipment and opening

**15** MLN RUB

full funding



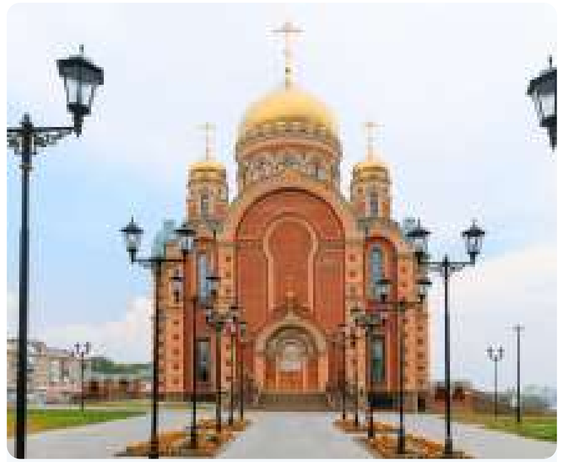
## Opening of the Youth of Solikamsk multifunctional centre

2023

Renovation, equipment and opening

**5** MLN RUB

co-funding



## Construction of a temple in Berezniki

2015 – 2023

# Governance Approach

## Senior Leadership and Management

Uralkali's executives actively engage in supporting local communities and fostering regional development in the host regions.

In establishing its corporate social responsibility framework, Uralkali adheres to the principles outlined in the ISO 26000 standard. The KPIs for managers encompass various aspects of community engagement, incorporating specific metrics such as the number of events held and outreach achieved.

Responsibility for liaising with the host regions and overseeing the execution of socially significant initiatives is delegated across the Company's divisions. These include the Government Relations Directorate (formerly the Government Relations Department), the HR and Communications Directorate, and the Sports and Youth Policy Directorate.

## Community Engagement Management

| Government Relations Directorate | HR and Communications Directorate | Sports and Youth Policy Directorate |
|---|---|---|
| external social policy | education and healthcare segments of the external social policy | initiatives to promote sports among employees and local residents |
| infrastructure | | |
| social programmes | | |
| improvement | | |
| partially education | | |

## Regulatory Framework:

- Corporate Social Responsibility Policy
- Charity and Sponsorship Policy
- Local Community Engagement Policy
- Sports and Youth Policy Development Programme until 2030

# Participation in Regional Development

Uralkali plays a significant role in the lives of the populations residing in Berezniki and Solikamsk. The Company is actively involved in implementing various projects aimed at enhancing the quality of life for local residents and fostering the attractiveness of the regions.

These projects align with the socially significant areas identified through questionnaires and surveys conducted among the local population. Priority sectors encompass the construction of infrastructure and the creation of a conducive urban environment in the host regions, alongside support for healthcare, sports, education, science, and culture.

Uralkali prioritises addressing the needs of local communities and employees when managing social investments. The company actively involves the local communities in determining the goals and objectives of its philanthropic and sponsorship initiatives, as well as in gathering feedback.

The Company not only implements its own events but also participates in co-funding larger projects alongside local administrations. Additionally, Uralkali allocates funds for the preparation of cost and design documentation.

## Quality of Life Index in the Host Towns

In 2023, Uralkali, as a member of the National ESG Alliance, actively contributed to the development of a comprehensive digital project — the Quality of Life Index for small and medium-sized towns. Guided by this Index, the Company conducted assessments of host towns across various key areas:

- availability of high-quality, comfortable, and affordable housing;
- access to employment opportunities that offer both income and professional growth;
- good health and advanced medical care;
- availability of high-quality education opportunities;
- ease of mobility within the town, including transportation and road infrastructure;
- creation of a comfortable and appealing urban environment;
- promotion of life-enhancing qualities within both the natural and man-made environment;
- ensuring public safety;
- encouraging social interaction and fostering trust within society;
- providing opportunities for recreation and leisure activities;
- satisfaction with life and instilling confidence in the future.

The Quality of Life Index for small and medium-sized towns, developed by the ESG Alliance, serves as a valuable tool for identifying directions for urban development. Uralkali intends to utilise this Index to formulate and execute measures aimed at enhancing the quality of life for local communities.

## Agreements with Local Authorities

- Agreement on Cooperation and Relations with the Berezniki Administration;
- Agreement on Cooperation with the Solikamsk Administration;
- Trilateral Agreement between the Perm Region's Government, the Berezniki Administration, and Uralkali;
- Memorandum between Uralkali and the Berezniki Administration on Assistance in the City Development;
- Agreement with the Federal Agency for Youth Affairs on coordinating approaches within the framework of youth policy development in manufacturing companies;
- Agreement between Uralkali and the Perm Region's Government on the funding of a polytechnic college and a dormitory in Berezniki.

## Operations Closure and Mothballing

Uralkali takes responsibility to the liquidation and mothballing of its operations. While the Company has no current plans to cease operations of any of its assets, it has developed plans for the closure and mothballing of its operations that will be utilised if necessary.

Uralkali is committed to providing employees and local communities with advance notice of the closure of its potash mining operations, as well as the necessary support in accordance with Russian legislation and industry leading sustainability practices.

## Relocation of Residents from Dilapidated Housing

In 2023, Uralkali continued its active collaboration with regional and federal authorities regarding the relocation of residents from dilapidated houses. This initiative was part of the efforts to mitigate the aftermath of the mine flooding in 2006. Demonstrating a responsible stance, Uralkali was involved in funding the construction of the Lyubimov housing complex in Berezniki, aimed at providing residents from affected areas with comfortable and safer living conditions. In 2023, the new neighbourhood was fully completed.

The programme was executed by the Ministry of Construction of the Perm Region. Uralkali, in turn, diligently met its financial commitments to the relocation programme, ensuring full and timely funding. Since 2013, Uralkali has allocated approximately RUB 5 billion for the relocation of citizens under a tripartite agreement involving the Government of the Perm Region and the Berezniki administration. This sum encompasses funding for the demolition of hazardous housing, the construction of new residences, and the development of infrastructure.

In 2024, the Company is planning to dismantle the remaining houses that are subject to relocation based on the results of monitoring, with the exception of houses located in the territory of the danger zone.

# Infrastructural Development of the Cities of Presence

Uralkali is deeply committed to enhancing the quality of life in the host regions through the development of high-quality, reliable, and sustainable infrastructure. Recognising its responsibility to local communities, the Company actively promotes economic growth and the well-being of residents while fostering an environment conducive to improved living standards.

As part of this commitment, Uralkali extends support to state and public projects of significant importance at the town level. Additionally, the Company initiates and oversees repair work, improvement projects, and landscaping efforts in public spaces.

Throughout the reporting period, urban improvement remained a top priority for Uralkali. A cornerstone initiative in this endeavour was the Cosy City programme, implemented in Berezniki and Solikamsk.

## Cosy City Programme

In 2023, Uralkali continued to support the implementation of the Cosy City programme, a significant initiative aimed at enhancing local and public areas in Berezniki and Solikamsk. The project encompasses several key areas:

- enhancing streetscape with amenities such as benches, boulevard swings, and litter bins;
- establishing children's playgrounds and sports grounds in neighbourhoods;
- paving popular public areas including car parks, alleys, stairs, pavements, and safe approaches to schools and kindergartens;
- installing outdoor lighting.

Throughout 2023, the project witnessed the installation of twenty-eight playgrounds and ten sports grounds in public areas and neighbourhoods. Streetscape was enhanced with various amenities including benches, boulevard swings, and litter bins. Furthermore, pedestrian pathways such as pavements, paths, stairs, alleys, as well as lawns and parking areas, underwent landscaping. The project also established safe approaches to nine schools in Berezniki and Solikamsk, with two facilities in Berezniki being equipped with CCTV cameras.

**90** MLN RUB

has been allocated for the implementation of the Cosy City programme including RUB 68 million in 2023

## Transfer of Municipal Machinery to Solikamsk

As part of its ongoing commitment to enhance the host towns, Uralkali continued its initiative to provide new municipal machinery to Solikamsk, amounting to RUB 19 million. As part of this effort, Solikamsk received a mini-loader with attachments, a front loader, and a vacuum sweeper. Additionally, machinery maintenance equipment was purchased.

This new machinery will enable Solikamsk to maintain roads and pavements throughout both summer and winter periods. The investment in the new machinery during 2022–2023 totalled approximately RUB 30 million.

## Public Organisations Centre in Berezniki

In 2023, with the financial support of Uralkali, a public organisations centre was opened in Berezniki. It accommodates various organisations including the City Council of Veterans, the Russian Society of the Disabled, the Society of the Deaf, the Society of the Blind, the Women's Council, the Chernobyl Union of Russia, and the Joint Committee of Territorial Administration.

Each organisation has dedicated premises within the centre, which also features an assembly hall and meeting rooms. Establishing a unified public centre aims to enhance horizontal communication and collaboration between these organisations.

**15.8** MLN RUB

has been allocated towards major renovations for the public organisations centre in 2023

## From Posadskaya Sloboda to the Lower Salt Fields Project

During the reporting year, Uralkali actively supported the From Posadskaya Sloboda to the Lower Salt Fields project, aimed at revitalising the former industrial area of the Usolye Stroganovskoye museum in Berezniki.

Usolye Stroganovskoye is a significant historic and architectural landmark spanning approximately 40 hectares. It serves as an open-air museum that hosts numerous events and plays a pivotal role in the cultural life of the Perm Region. However, only four out of the 44 architectural monuments on the territory are in satisfactory condition, highlighting the pressing need for extensive renovation of the museum.

As part of the project, initiatives involve restoring historic structures, building a pontoon bridge connecting Posadskaya and Lower Salt Fields, establishing an alley near St. Nicholas Church, and creating a 'park of ruins', covering 14.4 hectares of public space.

The project earned recognition as one of the winners of the 8th contest held by the Russian Ministry of Construction, Housing and Utilities, which celebrates the best projects aimed at creating a comfortable urban environment in small towns and historic settlements.

**14.4** HA

will be the area of the well-maintained public space

# Support and Development of Sports

Uralkali places significant emphasis on supporting sports as part of its commitment to promoting an active lifestyle among employees and residents of the Perm Region. This focus not only improves individual health but also enhances human capital development within the region. Moreover, sports participation fosters cultural and physical development in children and teenagers, instilling valuable character traits and fostering determination.

To enhance sports development efforts, the Company has established a Sports and Youth Policy Directorate, responsible for coordinating Uralkali's sports initiatives among employees and the wider community in the host regions.

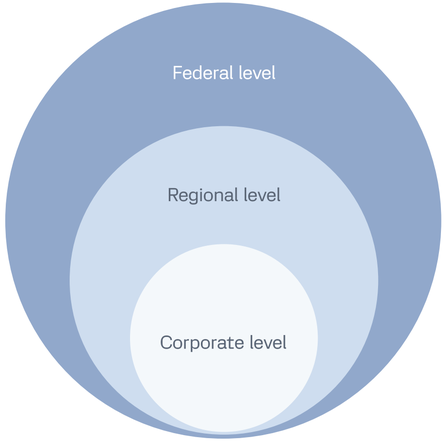
In 2023, Uralkali formulated a comprehensive Strategy for the Development of Sports and Youth Policy spanning 2023–2025. This Strategy aligns with the Company's priorities while also contributing to the national goal of 'Preservation of the Population, the Health and Welfare of the People.' The key focus areas outlined in the Strategy include:

- initiatives for physical education and health enhancement aimed at promoting a healthy lifestyle among employees not currently engaged in sports;
- mass sports initiatives designed to engage employees already participating in sports who wish to participate in corporate competitions;
- high-performance sports programmes tailored to support employee athletes striving for excellence in their respective sports disciplines.

The objectives of the Strategy are as follows:

- establishing sports clubs based on corporate sports, as well as incorporating feedback from employees;
- creating opportunities for active leisure and promoting physical fitness and sports among employees and their families;
- fostering and maintaining positive interpersonal relationships between Uralchem and Uralkali employees.

## Uralkali's Support Framework for Sports Development




**155** MLN RUB

allocated by Uralkali in 2023 to support sports initiatives

## Sports Support at the Corporate Level

Uralkali's dedication to enhancing sports infrastructure has resulted in increasing involvement of employees and their families in sporting activities. The Company actively supports and develops various social and sports facilities, including:

- the Kaliets sports house in Solikamsk;
- the Kaliets ski base;
- the Dolphin swimming pool;
- cultural and leisure centre;
- multifunctional centre for martial arts;
- health resort;
- children's health camp.

In 2023, a new multi-purpose sports hall was opened in Berezniki, which is located in Uralkali's administrative building. Also, in the reporting period, the reconstruction of a sports hall in Solikamsk was organised.

Uralkali provides conducive conditions for regular sports activities, offering employees low-cost access to swimming pools and skiing centres in Berezniki and Solikamsk, alongside opportunities to rent skis, bicycles, and other sports equipment.

The Company hosts an annual sports day for its employees, which includes competitions in 12 sports. More than 2,000 participants from various divisions joined the event in 2023.

Additionally, employees are actively encouraged to take part in town and regional competitions. In the same year, four Uralkali teams participated in the event organised by the Perm Regional branch of the Russian Chemical Trade Union for Chemical Industry Enterprises in the Perm Region, competing in 11 sports and securing cups and diplomas for 2nd and 3rd places.

Uralkali's employees actively engage in significant federal and regional sporting events. The Company facilitated participation in the Moscow Half-Marathon, Kazan Marathon, St. Petersburg International Economic Forum race, Kaliningrad Half Marathon, Samara International Marathon, various cross-country skiing races, regional sports competi-tions, and the Berezniki and Solikamsk championships in 2023.

Furthermore, a youth gathering was organised in Moscow to foster joint sports activities and enhance the involvement of young professionals in the Company's operations.

## Support at the Regional and Federal Levels

Uralkali traditionally supports sports clubs and federations both regionally and nationally.

In 2023, the Company forged cooperation agreements with the following sports organisations:

- Russian Kickboxing Federation;
- Russian Boxing Federation;
- Russian Air Power Athletics Federation;
- Russian Sambo Federation.

# Support and Development of Sports

Additionally, as part of its commitment to children's and youth sports, Uralkali extends its support to various federations including federations of MMA, sambo, judo, boxing, rhythmic gymnastics, triathlon, swimming, and the Perm Regional Kickboxing Federation.

Uralkali actively participates in significant sporting events, including the Sport Business Awards Forum where it was honoured with a finalist diploma in the category 'Corporate Event of the Year'. The Company also engages in the St. Petersburg International Economic Forum addressing sports issues, the Sport Forum Live organised by the Association for Health Tourism, and the Federal Agency for Youth Affairs Forum titled 'Noise'.

Moreover, Uralkali remains steadfast in its support for professional and grassroots sports in Berezniki and Solikamsk, serving as the principal sponsor for major sporting events. Notable projects in 2023 include:

- **Russian Kickboxing Championship:** This prestigious sporting event, held in Perm, stands as one of the highlights of the year. Over 559 athletes from 54 regions across the country competed in disciplines such as K1, Low Kick, Full Contact, Light Contact, Point Fighting, and Solo Compositions. The event received support from the Government of the Perm Region, Uralchem, and Uralkali, forming part of the event programme celebrating the 300th anniversary of the regional capital.
- **14th Snowkiting Competition 'Stroganov Mile 2023':** Held in February on the frozen waters of the Kama River, this event attracted 64 athletes from cities including Moscow, Kazan, Yekaterinburg, and St. Petersburg. As part of the event, the second and final stage of the Russian Cup in the Course-Race and Freestyle disciplines took place. Spectators and participants enjoyed various activities and exhibitions at museum complexes such as the Stroganov Chambers, Bragin's House, and the House-Museum of Prince Golitsyn. Free kite flying training was also offered to all attendees.
- **Stroganov Regatta 2023:** This regional youth sailing competition featured more than 30 athletes aged 9–18 from sailing schools across the Perm Region, Votkinsk, Nizhny Tagil, Zlatoust, and Ozyorsk. The event included guided tours of the historic architectural complex Usolye Stroganovskoye, knot-tying master classes, animation zones, and board games, attracting approximately 6,000 spectators over two days.

Furthermore, Uralkali provided support for various sporting events, including the 74th Russian Sambo Championship held in Perm, the Perm Region Swimming Championship, regional championships to qualify for the Jolly Dolphin Russian swimming competition, and the Perm Marathon, which saw participation from Uralkali employees.

## Ural FC International Mixed Martial Arts Tournament

In 2023, Uralkali collaborated in arranging the international mixed martial arts tournament Ural FC as part of the forum titled 'Russia – a Sports Power'. This event witnessed the participation of athletes from 10 countries, including Iran, Morocco, Uzbekistan, Portugal, Belgium, Tajikistan, Azerbaijan, Venezuela, the Netherlands, and Russia, who showcased their skills in Perm.

The tournament was organised under a trilateral agreement between the Perm Region's Government, Uralkali, and the Ural FC International Professional League. Alongside hosting the event, the agreement entails cooperation to promote physical culture and sports, popularise martial arts among youth and other age groups in the Perm Region.

The Champion's Mission interregional programme backed by Uralkali and Uralchem brings Olympic champions and influential figures to towns, aiming to spark youth interest in sports.

During these events, Olympic champions lead master classes and autograph sessions, giving young athletes and coaches a chance to interact directly.

In 2023, Roman Vlasov, a three-time Greco-Roman Wrestling World Champion and two-time Olympic champion, visited Perm. Alongside a colleague, Vlasov conducted a master class in Greco-Roman wrestling for 1,000 young wrestlers from the Kama region. Furthermore, Berezniki and Solikamsk welcomed esteemed figures such as Alexey Mishin (Olympic Champion in Greco-Roman wrestling), Alexander Popov (Soviet and Russian swimmer, four-time Olympic champion, six-time world champion, and 21-time European champion, among other accolades), Vladimir Selkov (Soviet and Russian swimmer, specialising in backstroke, with three Olympic silver medals and numerous other titles), Alexander Guskov (Russian hockey player, Honoured Master of Sports of Russia, and World Championship silver medallist), Kirill Sidelnikov (Russian professional athlete, a champion in combat sambo and mixed martial arts), and Albert Batyrgaziev, an Olympic champion in boxing.

Through direct engagement with accomplished athletes and influential figures, Uralkali aims to inspire and guide the younger generation towards success.

## Uralchem Run Factory and Uralchem Ski Factory

In 2023, as part of Uralchem Group, Uralkali continued to participate in the implementation of a landmark Uralchem Run Factory project, aimed at promoting running and amateur sports. This initiative provides free offline and online training sessions conducted by professional coaches, along with consultations, nutritional advice, equipment recommendations, and motivational talks. Participation in the project is available for everyone, regardless of age or fitness level.

Thanks to years of ongoing support, Uralchem Run Factory has evolved into a vibrant running community, bringing together individuals from 10 cities across Russia. The project boasts a team of 30 certified trainers with extensive experience in running training. Regular training groups are established for distances of 10 km, 21 km, and 42 km, welcoming participants at any time.

In addition to nurturing the running community, Uralchem Group has expanded its focus to include skiing, resulting in the creation of Uralchem Ski Factory. This initiative provides joint training sessions, supports coaching staff, and facilitates connections among enthusiasts. Presently, the community encompasses 8 clubs in Moscow and the Moscow Region, along with 10 clubs situated in key skiing destinations across Russia.

During the reporting period, the Company organised over 3,000 running and ski training sessions, engaging over 12,000 participants. Additionally, the Company hosted 3 ski races and supported over 20 marathons and races across Russia.

In 2023, the Company also continued to implement the landmark Kali-Basket project to popularise basketball among young people in the towns of Berezniki and Solikamsk.

As part of this initiative, 12 primary national teams were formed to represent the cities and the region in competitions at various levels, ranking among the top 10 basketball teams in the country.

Graduates and players from the Kali Basket club receive invitations to join leading youth basketball clubs nationwide, such as CSKA, Uralmash, Zenit, and others.

Moreover, in 2023, the Kali-Basket project for girls was initiated, with a total of 1,687 basketball players taking part in the initiative.

**12**

primary national teams

**1,687**

basketball players took part in the project Kali Basket

## Sports Facilities Development

Throughout the reporting period, Uralkali remained committed to advancing sports infrastructure in the Perm Region, demonstrating its dedication to fostering a culture of athleticism and well-being within the community.

In 2023, a momentous event took place with the grand opening of a multifunctional martial arts centre in Berezniki. This centre offers comprehensive facilities for training sessions and competitions across a spectrum of disciplines including wrestling, sambo, MMA, boxing, hand-to-hand combat, and crossfit. Equipped with top-tier professional sports gear, the centre is accessible to all, with complimentary classes available for children.

**11 THOUSAND M²**

total area of the Basket Hall

**25 MLN RUB**

invested in the construction of the Basket Hall

Furthermore, the Company invested RUB 25 million in the construction of the Basket Hall, a versatile sports complex in Berezniki.

This contribution financed the design and survey work. Scheduled for completion between 2024 and 2025 and spanning 11 thousand square metres, Basket Hall will feature four training grounds, seating for 1,500 spectators, and fully equipped gyms and fitness rooms. Plans also include an 80-bed hotel for athletes and coaches, along with a conference room on the second floor.

As part of the ongoing Uralkali to Future Champions project, the Company installed two versatile sports grounds in kindergartens located in Solikamsk and Yayva.

Moreover, Uralkali continues to support existing sports facilities. Notable examples include the Kaliets sports house, the Dolphin swimming pool, and a skiing base in Solikamsk.

# Cultural Support

Throughout the reporting period, in partnership with Uralkali, the historic architectural complex Usolye Stroganovskoye in Berezniki hosted the 17th international festival of bell ringing and sacred music, known as 'Rings of Russia'. The festival's main highlight was a captivating gala concert featuring esteemed bell ringers from Arkhangelsk, Chelyabinsk, Perm, the Perm Region, Bashkortostan, and Minsk (Belarus). Attendees also had the opportunity to partake in guided tours of the complex, engage in bell-ringing master classes, and participate in role-playing games.

In the village of Tolstik, within the Solikamsk Urban District, Uralkali supported the 'Biarmia: Perm Land' festival. The festival aims to promote the ethno-cultural potential, traditions, and creativity of the various nationalities in the Kama Region.

In addition to the festival, Uralkali actively participated in organising various community events and celebrations, including City Day festivities in Berezniki and Solikamsk, alongside events commemorating Victory Day and Miner's Day, among others. In total, the Company supported over 100 events.

Uralkali's commitment to preserving cultural heritage is evident through its ongoing support for restoration projects. For instance, the Company allocated funds for the restoration of the Solikamsk Krasnoselsky St. John the Baptist Convent. Furthermore, construction continued on the St. Nicholas Church in Berezniki, with Uralkali's support facilitating the completion of the temple structure. Finishing works are now underway, including exterior painting and installation of the iconostasis.

Moreover, the Company extends support to proactive budgeting, social projects, and youth initiatives, with 12 projects receiving assistance in 2023. Additionally, Uralkali made charitable contributions to various non-profit organisations, including the Bibliograd Non-Profit Partnership and the Solikamsk Foundation for the Support and Development of Territorial Public Self-Administration and Public Initiatives.

**12**

projects received assistance from Uralkali in 2023

# Healthcare Support

Supporting healthcare in the regions of operation is a cornerstone of Uralkali's social policy. The Company has a longstanding commitment to bolstering medical institutions in Berezniki and Solikamsk, contributing to building renovations, equipment upgrades, and financing social programmes for medical personnel.

Over the years, Uralkali has undertaken various projects, including equipping a PCR laboratory and providing assistance to the Solikamsk children's hospital. Additionally, the Company has purchased beds for in-patient facilities at the Solikamsk city hospital and acquired high-tech medical equipment such as blood analysers, hemodynamic monitors, and arthroscopic stands.

In 2023, Uralkali earmarked funds for design projects aimed at enhancing the surroundings of the municipal and children's hospitals in Solikamsk, as well as for acquiring vehicles for the municipal hospital.

As part of initiatives to support medicine in 2023, the Company implemented the following activities:

- re-paving of the hospital campus in Berezniki;
- purchasing of endoscopes for the Solikamsk municipal hospital;
- allocating funds for the development of design for the improvement of the Solikamsk municipal hospital surroundings and passageways;
- procuring a vehicle for the Solikamsk municipal hospital;
- supporting social programmes for medical personnel at the Wagner Regional Hospital.

# Educational Support

In 2023, Uralkali continued its commitment to supporting educational institutions in the Perm Region, as well as organisers of events aimed at preschool and school age children, students, and teachers.

A significant aspect of this support revolves around career guidance activities. One notable project is the 'Engineering Classes', which commenced in Solikamsk in 2022. In 2023, this initiative expanded to three schools in Berezniki and Solikamsk, resulting in a total of five engineering classes now operational across both towns.

Additionally, the Company facilitated the Parade of Stars campaign to recognise outstanding students in schools across Berezniki and Solikamsk districts, represented by deputies from potash mines. Uralkali also allocates funds for gifts and expressions of gratitude to teachers and educators in Berezniki and Solikamsk as part of the 'We Are Always Grateful to You' project. Every year, all first-graders in Uralkali's host towns receive gifts from the Company on Knowledge Day.

## Summer Employment Projects for Children and Youth

Uralkali prioritises organising summer employment programmes for children and youth in Berezniki and Solikamsk. In 2023, the Company facilitated 'SOLid People labour' crews at schools and youth centres, enabling teenagers to contribute to local improvement projects, with around 350 participants.

Moreover, Uralkali's Rural Holidays project involved children and adolescents from rural areas in activities promoting a healthy lifestyle, including preventive measures, sports, and cultural events led by teachers. Over 2,000 children participated in this programme. Additionally, the Company hosted sports tournaments 'Active Childhood' and 'Summer to Start!' in preschools. More than 3,000 children participated in these tournaments.

## Construction of a Polytechnic College and a Dormitory in Berezniki

In December 2023, Uralkali signed an agreement with the Government of the Perm Region to construct an educational and laboratory building for the Polytechnic College, along with a dormitory for non-resident students in Berezniki, with an investment of RUB 100 million. The facility will feature modern classrooms, workshops, laboratories, a physical education and sports block, a library and information centre, an assembly hall, and a dining room. Additionally, plans include the construction of a dormitory with 400 beds for non-resident students.

The Polytechnic College plays a crucial role in training future laboratory assistants for quality control of raw materials, reagents, mineral processing agents, and other technical staff. The new facility will address the shortage of technical and engineering personnel while expanding educational opportunities for the youth of the Kama region.

## Interactive Exhibition of Professions

During the reporting period, Uralkali implemented the Interactive Exhibition of Professions project to introduce school students to the Company's in-demand professions.

Throughout the academic year, Uralkali employees interactively informed students about the specifics of their profession and the benefits of working for the Company. The project covered 20 educational institutions in Berezniki.

## Opening of the Youth of Solikamsk Multifunctional Centre

Uralkali provided support for the unveiling of the Youth of Solikamsk multifunctional centre in 2023. This modern facility is equipped with amenities such as classrooms, recreational spaces, media studios, and a stage for dynamic performances. Additionally, it accommodates vocal, dance, and design studios, along with specific areas dedicated to video editing and computer graphics classes. Moreover, the centre functions as a local centre for various all-Russian youth movements, including the emerging Russian movement of children and youth. It welcomes residents aged 14 to 35. The Company's support enabled the development of a design project for the youth centre and the purchase of computers, sound systems, lighting equipment, and stage structures.

# Initiatives to Support Specific Population Categories

In 2023, Uralkali continued its initiatives to support specific demographics through charitable projects, focusing on veterans, people with disabilities, and various non-profit organisations.

## Supporting Non-Profit Organisations

During this period, supporting non-profit organisations was a key priority. The Company extended assistance to various entities, including the Thanksgiving Charitable Foundation, the Chernobyl Union public organisation of people with disabilities, the Berezniki and Solikamsk city organisations of the Russian Society of the Disabled, as well as the Society of the Blind.

## Supporting Veterans

Uralkali also gave priority to supporting veterans, showcasing our commitment to social responsibility. The Company extended assistance to the Berezniki and Solikamsk City Councils of Veterans. Notably, the Thank You for the Victory! project honoured veterans, former juvenile prisoners of concentration camps, and residents of besieged Leningrad on Victory Day. Additionally, in Solikamsk, the Solid Age project aimed to enhance the quality of life for retirees through various activities.

## Perm Regional Sports Festival of Disabled Persons

Uralkali also participated in sports initiatives by sponsoring the 29th Sports Festival of Disabled Persons in the Perm Region. This event marked the beginning of the 13th Perm Regional Paralympic Sports Festival.

As part of the Federal project titled 'United Country with Accessible Environment,' the festival aimed to promote a healthy lifestyle, socialisation, rehabilitation, and integration into society for people with disabilities.

Over 500 para-athletes from various cities and regions of the Kama region participated in the festival, competing in multiple sports disciplines tailored to their medical groups: 60-metre track and field running, standing jumps, wheelchair racing, darts, kettlebell lifting, boccia, archery, bench press, chess, and draughts.

**>500**

para-athletes participated in the festival

# Sustainable Agriculture

## Why this is important to us:

Ensuring global food security is a cornerstone of Uralkali's mission. Year after year, the Company reaffirms its commitment to improving the sustainability of the agricultural sector not only by producing quality products, but also by collaborating with the scientific community and working with farms to promote knowledge about the proper use of potash fertilisers.

## 2023 Highlights

**6,871** PARTICIPANTS

in agronomic literacy activities

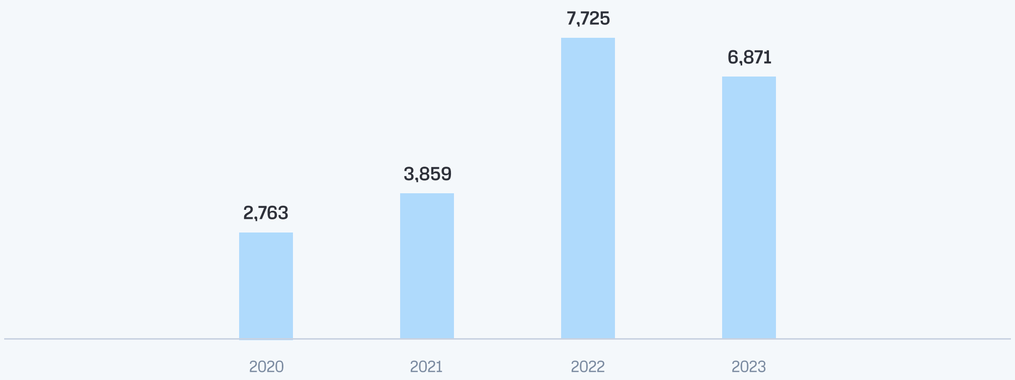
**>91** THOUSAND

of fertilisers were supplied by Uralchem Group, free of charge, to Africa in 2023, in particular to Kenya, Zimbabwe, and Nigeria

**19** EDUCATIONAL EVENTS

held to improve agronomic literacy

### Number of participants of agronomic literacy activities, pers.




## Strategy and Goals

### Key Goals and Objectives[1]

Covering over 20,000 farmers with agronomic literacy programmes

### 2023 Performance Highlights

The number of farmers enrolled in educational programmes exceeded the target for 2023 (4,000 farmers) and amounted to 6,871 people

### 2024 Targets

Covering at least 4,000 farmers and other agricultural community members from abroad with educational programmes

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# Governance Approach

## Senior Leadership and Management

At Uralkali, supporting sustainable agriculture stands as one of the top priorities within the Company's ESG Strategy.

It is the Marketing Service's responsibility to spearhead development in this area and engage with consumers.

# Promoting Sustainable Agricultural Practices

The Company considers partnership and exchange of experience with the professional community to be important conditions for spreading the ideas of sustainable agriculture. By engaging colleagues in a dialogue on this topic and demonstrating a scientific approach to the use of potash fertilisers in agriculture, the Company actively supports industry science and creates conditions for the collaboration of various agricultural market players.

Uralkali is committed to popularising potash fertilisers, particularly as many farmers in Russia, including those in the Perm Region, currently underutilise this type of fertiliser. This not only hinders farmers from unlocking the full potential of their crop yields and quality but also exacerbates the potash deficiency in Russian soils observed over recent decades. According to statistics from the Russian Academy of Sciences, the amount of potash fertilisers applied over the years has progressively failed to compensate for the potassium uptaken by agricultural crops[1]. Insufficient potash fertiliser application in the long term may lead to soil potassium depletion and reduced soil fertility. This detrimental impact is already noticeable in certain regions of Russia.

To address this issue, Uralkali actively engages in industry events, collaborates with leading experts in agricultural chemistry, international research institutes, and advanced agricultural organisations. Educational events are frequently complemented by local research initiatives.

## Research Paper Competition

Uralkali hosted a significant event aimed at supporting sustainable agriculture: a large-scale research and development (R&D) competition titled 'Effective Application of Potash Fertilisers in Agriculture.' This competition received information support from the Ministry of Agriculture of the Russian Federation. The Company's initiative aimed to showcase the effectiveness of potash fertilisers, enhance approaches to their agricultural usage, and contribute to industry science.

Several Russian educational and scientific institutions participated in the competition, resulting in a total of 14 applications and nine R&D results. The award ceremony for the winners and participants took place during the 25th 'Golden Autumn' Russian Agricultural Exhibition. The Udmurtia State Agrarian University claimed the first place, followed by the Altai State Agrarian University, and the Perm Federal Research Centre of the Ural Department of the Russian Academy of Sciences. All winners received a cash prize.

## Research

In its efforts to promote the sustainable agriculture principles, Uralkali actively implements experimental projects and conducts field tests to showcase the benefits of proper potash fertiliser usage. The Company's approach involves applying varying fertiliser amounts to designated land plots, ensuring clear experiment results. Subsequently, Uralkali statistically processes the data obtained over multiple seasons. The findings form the basis for informational materials disseminated among farmers at exhibitions and workshops.

Additionally, in 2023, Uralkali conducted a significant study evaluating the effectiveness and commercial viability of using salt slurries on agricultural lands in the Cis-Ural region. Throughout the reporting period, the Company conducted three field experiments to study the impact of clay-salt slurries on the yield of wheat, barley, and fescue, and on soil fertility indicators. Following the study, Uralkali issued a report highlighting the enhancement in soil properties from the use of the slurry. Testing will continue in 2024.

The Company makes some research results and electronic versions of educational publications available on its corporate website within the Agrotheque section.

[1] V.N. Kudeyarov, 'The Balance of Nitrogen, Phosphorus and Potassium in Agriculture of Russia.' Agrokhimiya. 2018. No.10. pp. 3–11.

## The Scientific Agricultural Experiment in Solikamsk District

In 2023, Uralkali continued its joint project with Uralchem and the administration of Solikamsk, focusing on scientific experimentation with potash fertiliser usage in Russian soils.

The experiment in the Solikamsk District encompassed various crops such as potatoes, oats, barley, and wheat. To ensure reliable results, the Company established plots employing both traditional farming practices without mineral fertilisers and plots utilising a nutrition scheme tailored to each farm.

This scheme included several fertilisers including calcium ammonium nitrate, NPKS 10:26:26:2, granular potash, and others.

The experiment showcased a substantial yield increase attributed to the utilisation of a mineral nutrition scheme adapted based on soil analysis. Farmers can independently apply the recommendations received from the Company.

# Improving Agronomic Literacy

To support sustainable agriculture, Uralkali actively disseminates knowledge about potash fertilisers.

Every year the Company organises webinars, workshops and other educational events at which Uralkali's specialists share information about the smart technologies for using potash fertilisers.

The theoretical and demonstration training provided contributes to increased productivity and preservation of soil fertility. Participants in educational projects include agricultural producers, agronomists, distributors, as well as scientists and students of relevant fields.

## Farmer Training

Uralkali conducts educational projects for farmers in the regions where the use of potash fertilisers is relatively low, despite a significant untapped potential. Often, this happens due to farmers' insufficient agronomic literacy and their preference for nitrogen fertilisers over potash ones.

In 2023, the Company organised 16 in-person workshops for farmers in Vietnam, attended by a total of 2,014 individuals, as well as two online webinars for 2,002 Indonesian farmers.

These educational events provided scientifically based recommendations on the use of potash fertilisers in conjunction with nitrogen and phosphorus for the region's main crops. To clearly demonstrate the positive effects, Uralkali utilised demonstration plots to compare the practice of insufficient fertiliser application with the Company's scientifically based recommendations for its balanced application. This approach not only enabled participants to learn best practices in mineral fertiliser usage but also convinced them of its effectiveness.

**6,871** PARTICIPANTS

of agronomic literacy activities in 2023

## Training for Agricultural Professionals and Students

Uralkali hosts educational initiatives catering not only to farmers, but also to various stakeholders within the agricultural industry, including agrochemical centre staff, distributors, and students. In 2023, the Company organised a practical science webinar titled 'Potassium: An Undervalued Element in Plant Nutrition — Addressing Challenges and Solutions.' This event took place at the Russian State Agrarian University — Timiryazev Agricultural Academy in Moscow, attracting 164 attendees. The webinar featured presentations from leading agricultural chemists and representatives of Uralchem.

Additionally, Uralkali's educational efforts continued in Argentina throughout the reporting period. Despite the absence of formal workshops and webinars directly organised by its specialists, the Company's educational partners in Argentina persisted in hosting their own events. These initiatives aimed to promote the use of potash fertilisers and disseminate educational materials effectively.

## Hotline for Farmers

Uralkali and Uralchem jointly operate a dedicated hotline accessible to employees, contractors, and Russian agricultural producers alike. This hotline serves as a valuable resource for clarifying information regarding product availability and range across Russian regions. Additionally, it offers prompt consultation services with agronomists and product specialists on various agricultural matters. Furthermore, the hotline facilitates coordination of fertiliser quantities and prices for deliveries during the autumn field season.

# Humanitarian Fertiliser Shipments to Africa

Fertiliser application is essential for food security. The current acute food crisis observed in different parts of the world can be largely overcome through the effective use of mineral fertilisers.

As one of the key suppliers of mineral fertilisers to international markets, Uralchem Group recognises its exceptional role in ensuring food security in parts of the world where people face threats of food shortages.

In an effort to overcome the consequences of the unprecedented global food crisis and prevent crop losses in countries facing famine, Uralchem Group donated more than 91,000 tonnes of mineral fertilisers to developing countries.

The initiative serves UN Sustainable Development Goal 2 — End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Uralchem Group covered the sea freight and other transportation expenses through separate agreements with recipient countries.

**>91 THOUSAND T**

of fertilisers were supplied by Uralchem Group free of charge to developing countries in 2023
of which 64,000 t are potash fertilisers

**>134 THOUSAND T**

of fertilisers were supplied by Uralchem Group free of charge to developing countries since the end of 2022

## Timeline of Humanitarian Fertiliser Shipments to Africa

These examples of fertiliser shipments to African countries highlight the significance of the humanitarian initiative undertaken by Uralchem Group in ensuring food security for the local populations.

**2023**

### Delivery to Kenya

April

Type of fertilisers: potash, urea, complex fertilisers

Quantity: 34 thousand tonnes in total,
of which 13.6 thousand tonnes are potash fertilisers

Location: Mombasa, Kenya

Ceremony held on 31 May 2023 in Mombasa

### Delivery to Nigeria

December

Fertiliser type: potash

Quantity: 34 thousand tonnes

Location: Onne, Nigeria

Unloading completed in December 2023 in Onne

### Delivery to Zimbabwe

December

Fertiliser type: potash, complex fertilisers

Quantity: 23 thousand tonnes in total, of which
16 thousand tonnes are potash fertilisers

Location: Beira, Mozambique

Unloading completed on 9 February 2024 in Beira,
followed by land transport to Zimbabwe

# CORPORATE GOVERNANCE


| | |
|---|---|
| Corporate Governance | 84 |
| Anti-corruption and Ethics | 89 |
| Supply Chain | 95 |
| Cybersecurity and Personal Data Protection | 99 |




# Corporate Governance

## Why this is important to us:

Uralkali continually enhances its corporate governance and sustainable development systems to foster transparency in operations and bolster trust among all stakeholders. We believe that transparency of information and adherence to high governance standards are essential for the success of a responsible business.

8 DECENT WORK AND ECONOMIC GROWTH

## 2023 Highlights

**22**
meetings of the Board of Directors

**5**
meetings of the Sustainable Development Committee

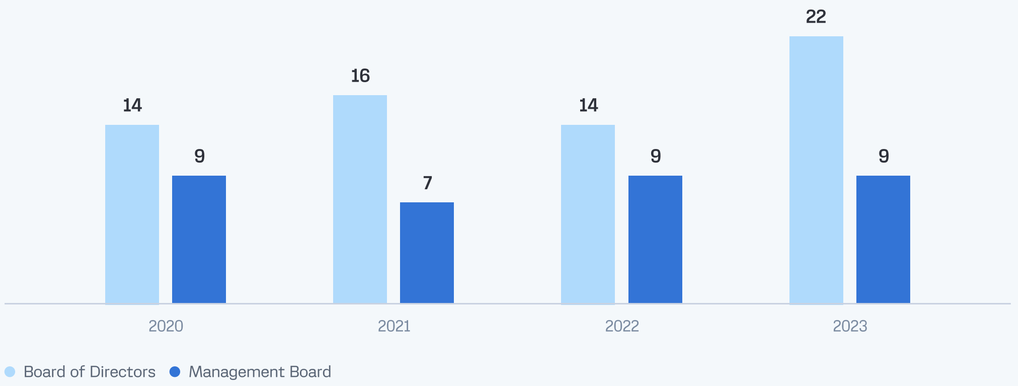
**9**
meetings of the Management Board

**1 OUT OF 7**
woman representation on the Board of Directors

**2 OUT OF 7**
women representation on the Management Board

**7 OUT OF 7**
members of the Board of Directors have expertise in sustainable development

### Number of meetings of the Board of Directors and the Management Board




## Strategy and Goals

### Key Goals and Objectives[1]

Align the corporate governance system with the best international practices

### 2023 Performance Highlights

New versions of the following documents were approved:

- Code of Corporate Culture;
- Regulations on Remuneration and Expenses of Directors;
- Risk Management and Internal Control Policy;
- Director Induction Regulations.

### 2024 Targets

Further enhance the corporate governance system by updating existing documents and developing new ones, all tailored to meet the evolving needs and objectives of the Company

[1] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# Governance Approach

Uralkali has established a robust corporate governance framework, facilitating the exercise of shareholder and investor rights while enhancing the Company's investment appeal and operational transparency.

## Corporate Governance Performance Assessment

Internal assessments gauge the Company's adherence to corporate governance standards and best practices. Uralkali conducts annual evaluations to ensure alignment with the principles and recommendations outlined in the Corporate Governance Code of the Bank of Russia.

In line with the Bank of Russia's directives, the Company conducts an internal audit annually to evaluate the efficacy and reliability of its risk management and internal control systems, as well as to appraise corporate governance practices. To guide these evaluations, Uralkali has endorsed the Internal Audit Policy.

## Regulatory Framework

At the core of the Company's governance structure is the Code of Corporate Governance designed primarily to safeguard the rights and interests of Uralkali shareholders. The document was developed in accordance with the recommendations of the Bank of Russia's Corporate Governance Code.

In 2023, Uralkali revised and approved the following documents:

- Regulations on Remuneration and Expenses of Directors;
- Code of Corporate Culture;
- Director Induction Regulations;
- Risk Management and Internal Control Policy.

Main relevant documents are available on the Company's Website.

## Director Induction Regulations

During the reporting period, the Company developed and approved an induction programme for newly-elected members of the Board of Directors to introduce the succession within the Board. Its primary objective is to swiftly familiarise newly-elected Directors with the Company's significant aspects and corporate governance practices, ensuring their effective performance of duties.

The programme comprises several key activities, including:

- review of internal documents of the Company;
- meetings with the Company's Management and the CEO;
- meetings with the Corporate Secretary;
- visits to the Company's production facilities.

The Induction Programme is conducted for new Directors within three months after their election by the General Meeting of Shareholders. The Corporate Secretary oversees the Programme's completeness and timeliness, ensuring the smooth integration of newly-elected Directors.

## Other key documents:

- Charter
- Regulations on Remuneration and Expenses of Directors
- Regulations on the General Shareholders Meeting
- Regulations on the Board of Directors
- Regulations on the Management Board
- Corporate Governance Policy
- Code of Corporate Culture
- Regulations on the Revision Commission
- Regulations on Committees of the Board of Directors
- Anti-Corruption Policy
- Director Induction Regulations
- Regulations on Information Policy
- Procurement Policy
- Risk Management and Internal Control Policy

# Corporate Governance Structure

## Governing Bodies

The governing bodies of Uralkali are the General Meeting of Shareholders, the Board of Directors, the Management Board, and the CEO.

Each of these bodies operates within the scope of powers and responsibilities outlined in the Company's Charter and relevant internal regulations.

| Governing and advisory bodies | Functions | Number of meetings in 2023 |
|---|---|---|
| General Meeting of Shareholders | Supreme governing body | 6 General Meetings of Shareholders: 1 annual and 5 extraordinary ones |
| Board of Directors | The Board of Directors ensures the protection of shareholder rights and interests, oversees the overall management of the Company's business, establishes its development strategy, and monitors the execution of this strategy | 22 meetings of the Board of Directors, including 8 in person and 14 in absentia |
| Board Committees | The Committees of the Board of Directors aim to improve the Board's performance, acting as advisory bodies to support its functions | 10 meetings of the Audit Committee, 9 of the Appointments and Remuneration Committee, 14 of the Strategy and Investment Committee, and 5 of the Sustainable Development Committee |
| CEO and the Management Board | The CEO, who also serves as the Chairperson of the Management Board, oversees the implementation of decisions made by the General Meeting of Shareholders and the Board of Directors, as well as the execution of the Company's strategy | 9 meetings of the Management Board |
| Committees under the CEO | Reporting to the CEO, there are 12 specialised committees and commissions (Working Groups) responsible for monitoring and analysing information within their respective areas, including associated risks, and overseeing the implementation of necessary actions | 71 Working Group meetings |
| Corporate Secretary | The Corporate Secretary is responsible for maintaining continuous communication with shareholders, coordinating actions to safeguard their rights and interests, ensuring adherence to corporate procedures by the Board of Directors, and facilitating collaboration between the Board and the management team | |

## Involving the Board of Directors in the ESG Agenda

The Board of Directors and its Sustainable Development Committee play a direct role in overseeing sustainability matters within the Company. Both bodies regularly review management reports and engage in discussions concerning the implementation and refinement of Uralkali's ESG Strategy.

**12%**

share sustainability-related matters in the total agenda items considered by the Company's Board of Directors

Key sustainable development topics addressed during the 2023 Board of Directors meetings included:

- reviewing reports on the progress of the Climate Strategy and ESG Strategy for 2022;
- approving the ESG Report for 2022;
- endorsing the Technical Policy, Code of Corporate Culture, and Risk Management and Internal Control Policy;
- developing and approving the Director Induction Regulations;
- determining the size and composition of the Sustainable Development Committee.

## Sustainability Management

Uralkali's sustainable development initiatives are overseen directly by the Board of Directors and its Sustainable Development Committee. To execute decisions made by these bodies, Uralkali has established a dedicated function – the Sustainable Development Directorate.

Throughout the reporting year, matters pertaining to sustainable development discussed at Board of Directors meetings were first examined in meetings of the Sustainable Development Committee. The Committee also reviewed the Monitoring of Sustainable Development Ratings and assessed reports detailing the progress of the ESG Strategy and the Climate Strategy for 2022.

Moreover, the Sustainable Development Committee regularly monitors the Company's performance in areas such as occupational health and safety, industrial safety, and environmental protection.

In 2023, for instance, the Committee scrutinised reports from the HSE Directorate regarding key performance indicators and implemented measures, as well as reports from the Technical Directorate concerning safety measures at the Company's mines.

Furthermore, during the reporting period, the Company's Management Board approved the terms of the collective bargaining agreement.

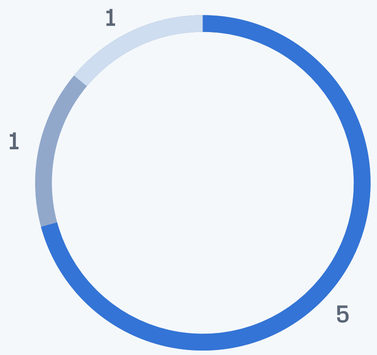
Uralkali's approach to sustainable development issues is articulated in its ESG policies and codes, which are publicly accessible on the Company's official website. Additionally, visitors to the website can explore the ESG Data Pack section to review data pertaining to the Company's sustainable development endeavours.

Stakeholder engagement on sustainability issues is delegated to the respective directorates.

# Diversity in Composition of the Governing Bodies

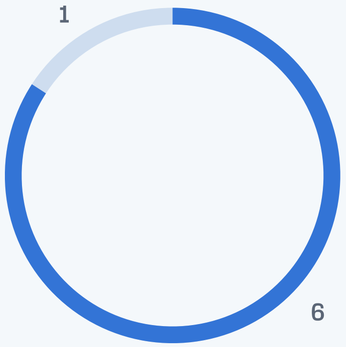
Uralkali recognises diversity within its governance structures as a pivotal asset, ensuring impartiality and effectiveness in their operations. To achieve this, the Company prioritises a balanced representation across its governance bodies, considering factors such as age, professional experience, and competencies, including those pertinent to sustainable development.

## Composition of the Board of Directors



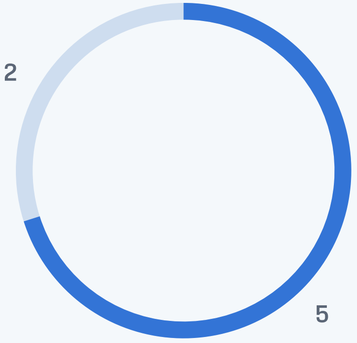

- Non-executive directors
- Executive directors
- Independent directors

## Composition of the Board of Directors at the end of 2023




- Number of men
- Number of women

## Composition of the Management Board at the end of 2023



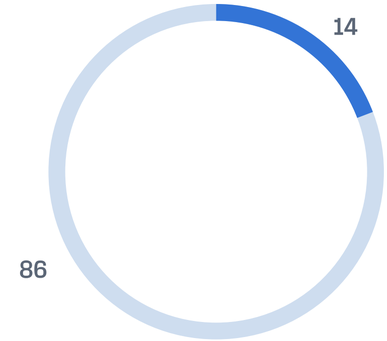

- Number of men
- Number of women

Uralkali upholds a commitment to Diversity and Inclusion Policy, which encompasses fostering diversity within the Board of Directors. Appointments to all levels of positions, including the Board of Directors, hinge on merit, experience, knowledge, and skills, thereby cultivating a well-rounded and diverse pool of expertise. The Company places a premium on adequate female representation across the Board of Directors, its Committees, and the Management Board. In line with the Human Rights Policy, Uralkali prohibits discrimination within its governance bodies based on any grounds, such as gender, nationality, age, race, or other characteristics unrelated to professional competencies of an employee or member of the governance body.

All seven members of the Board of Directors possess the necessary skills and experience in sustainability management and the ESG agenda, exemplified by their diverse proficiencies:

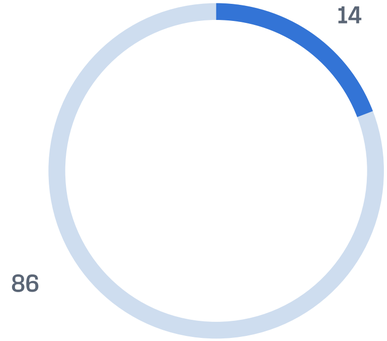
- Mineral fertiliser production: 6 out of 7 Board members;
- Investment and banking: 7 out of 7 Board members;
- Law and corporate governance: 4 out of 7 Board members;
- Sustainability (ESG): 7 out of 7 Board members.

## Gender distribution of the Board of Directors, %




- Women
- Men

## Age distribution of the Board of Directors, %




- 40–50 years old
- 50–60 years old

# Remuneration of the Governing Bodies

Uralkali ensures equitable remuneration for members of its management bodies, regulated by internal documents. The remuneration procedure for the Board of Directors, Management Board, and CEO is governed by relevant internal policies.

## Remuneration of the Board of Directors

The remuneration process for Board members is outlined in the Regulations on Remuneration and Expenses of Directors of P]SC Uralkali. In March 2023, a new version of these regulations was approved by the Extraordinary General Meeting of Shareholders.

Directors's remuneration includes:

- payment for participation in regular Board meetings;
- additional compensation for specific duties, such as serving as Chairperson of the Board of Directors or Board Committees.

Independent and non-executive directors receive remuneration for their roles as members of the Board of Directors. According to the Regulations, independent directors are individuals on the Board who have no affiliations with the Company, its major shareholders, business partners, competitors, or governmental bodies. They are also determined to be independent by a majority vote of the Board, regardless of meeting one or several specific independence criteria. In 2023, the Board composition consisted of one independent director, one executive director, and five non-executive directors.

Uralkali also covers expenses accrued by members of the Board of Directors while fulfilling their responsibilities. For instance, the Company reimburses travel or lodging expenses for Board members attending meetings. All Board members are eligible to receive reimbursement for expenses and insurance coverage for property interests.

## Remuneration of the Management Board

The remuneration process for the CEO and Management Board members is governed by the Regulations on Bonuses for Senior Executives.

Members of the Management Board receive fixed monthly salaries in accordance with their positions, as stipulated in their employment contracts. Management Board members receive bonuses at the end of the year based on Key Performance Indicators (KPIs) established for each top manager and achieved during the year. These KPIs are outlined in performance scorecards, where their performance based on implemented activities is recorded.

Apart from salaries and bonuses, Management Board members and the CEO are entitled to expense reimbursement for costs incurred in the performance of their official duties, including expenses related to representing the Company in professional communities and other organisations.

### Linking the ESG Strategy to Management's Remuneration

Apart from job-specific KPIs, executive compensation is directly tied to the ESG Strategy through additional indicators for members of the Management Board and select key officers.

In the past year, remuneration decisions took into consideration various activities aligned with the ESG Strategy, including mandatory state reporting on greenhouse gas emissions, supplier assessments based on ESG criteria, development and endorsement of the Biodiversity Conservation Programme, ISO 45001 certification for P]SC Uralkali, initiatives to enhance agronomic literacy, contributions to Diversity and Equality Programme and Employee Well-Being Programme, and projects aimed at enhancing local community welfare.

# Prevention of Conflicts of Interest

The Company takes responsibility for both preventing and resolving corporate conflicts, focusing on promptly and thoroughly identifying any actual or potential conflicts and ensuring seamless coordination among all its governance bodies. Under the Regulations on the Procedure of Corporate Conflict Resolution in the P]SC Uralkali, the Company governs the identification and prevention of conflicts of interest among members of the Board of Directors. The Corporate Secretary plays a pivotal role in fostering transparent communication among stakeholders.

To address this risk proactively, the Company implements a series of preventive measures that fully comply with national legislation governing conflicts of interest among corporate governance members. These measures encompass:

- regularly updating the list of Uralkali's related parties;
- prohibiting voting on related party transactions;
- mandating disclosure by members of the Board of Directors, the Management Board, and the CEO of any individuals under their control, along with their direct affiliations and positions in other companies.

In accordance with Uralkali's Corporate Governance Code, the Board of Directors actively oversees conflicts of interest. Members are required to disclose any such conflicts and refrain from voting on associated matters.

Additionally, the Board's Audit Committee evaluates the absence of conflicts of interest among external auditors.

# Anti-corruption and ethics

## Why this is important to us:

As a top potash producer globally, Uralkali maintains a zero-tolerance policy towards corruption and unethical conduct. Upholding stringent standards of business ethics, which encompass combating all forms of corruption and upholding human rights, is pivotal to enhancing the Company's reputation and fostering trust among its employees, clients, and partners.

8 DECENT WORK AND ECONOMIC GROWTH

## 2023 Highlights

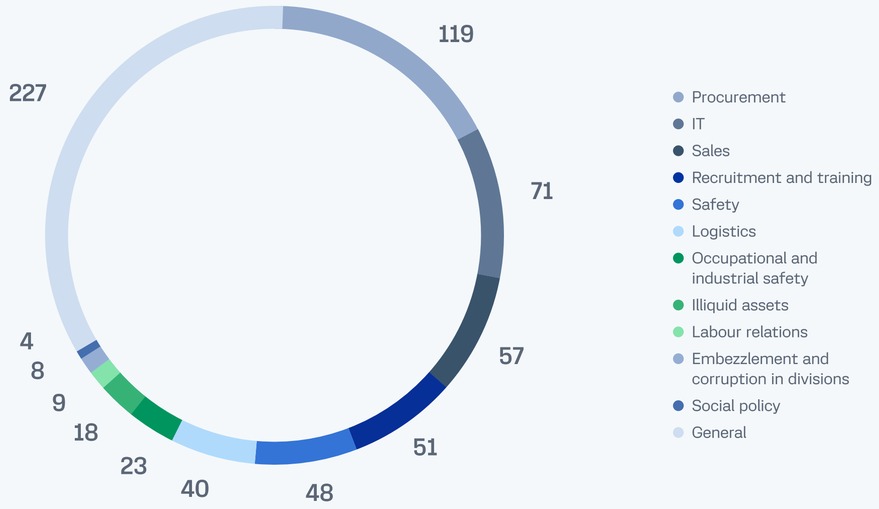
**675 CALLS**

received by the Company's hotline

**>83 ACTIVITIES**

were implemented in the field of anti-corruption and fraud prevention

### Number of hotline calls in 2023 by topic[1]




[1] The 'General' category encompasses invitations to conferences and competitions, advertising mailings, requests to connect with other departments, and inquiries regarding the mobile application.

## Strategy and Goals

### Key Goals and Objectives[2]

- Update anti-corruption procedures and documents to comply with best practice
- Ensure that 100% of employees exposed to corruption risks are educated and informed about corruption and fraud matters

### 2024 Targets

- Update documents related to Uralkali's Anti-Corruption Compliance System
- Updating compliance procedures
- Conducting training and information events for employees with a focus on compliance topics
- Hosting Compliance Week
- Filing a declaration regarding the implementation of the Anti-Corruption Charter provisions
- Engaging in the Anti-Corruption Rating by the Russian Union of Industrialists and Entrepreneurs (RSPP)

### 2023 Performance Highlights

Uralkali updated:

- Code of Corporate Culture
- Risk Management and Internal Control Policy

Uralkali conducted a Compliance Week:

- Released videos emphasising the significance of compliance and featured articles in the corporate newspaper RU.DA
- Conducted gamified tests and quizzes to assess employees' understanding of the Code of Corporate Culture
- Launched a new season of the corporate podcast focusing on ethical compliance
- Organised an exhibition showcasing compliance posters
- Developed and delivered training sessions on the application of the Code of Corporate Culture for all Company employees

[2] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

# Governance Approach

## Senior Leadership and Management

Business ethics issues are considered at the highest level in the Company. They are regularly included in the agenda of meetings of the Board of Directors and its committees.

Operationally, the responsibility for managing business ethics and enforcing the control procedures is decentralised across various internal divisions and governance bodies. These include:

- HR and Communications Directorate;
- Internal Audit Directorate;
- Security Directorate;
- Legal and Corporate Affairs Directorate.

To address complex ethics matters, Uralkali has established the Institute of Ethical Commissioners.

For more detailed information, please refer to the Company's website.

## Regulatory Framework

- Code of Corporate Culture
- Anti-Corruption Policy
- Risk Management and Internal Control Policy
- Regulations on Ethical Commissioners
- Main Principles of Global Antitrust Compliance Policy
- Charity and Sponsorship Policy
- Regulations on the Conflict of Interest
- Supplier Code of Ethics
- Regulations on the Call Centre
- Anti-Fraud and Corruption Programme
- Human Rights Policy

## Risk Management

Uralkali upholds a strict stance against violations of business ethics and corrupt behaviour, extending this principle not only to its employees but also to its counterparties and partners. The Company dedicates significant efforts to promptly identifying and preventing risks associated with non-compliance with ethical standards and business conduct principles, and implement a comprehensive array of mitigation measures.

The Company systematically assesses risks related to corruption and fraud across all key business processes, including procurement, sales, charitable activities, investments, financial transactions, and personnel management, including payroll calculation and pay-out.

Uralkali has developed and regularly updates a matrix that outlines corruption risks and corresponding mitigation controls. Additionally, the Company's Anti-Corruption Policy defines the duties and responsibilities of employees in minimising corruption risk.

The Company places trust in its employees to identify and prevent risks of non-compliance with business ethics principles. To facilitate this, Uralkali has established the Uralkali Hotline and the Institute of Ethical Commissioners, accessible for employees to report suspected fraud, theft, abuse of power, or other significant violations of corporate rules. Uralkali encourages a responsible and proactive approach among its employees and offers additional rewards for timely reporting.

# Hotline

The Hotline (Call-centre) serves as one of the feedback mechanisms, allowing any Uralkali employee to report violations of the law and corporate principles confidentially or anonymously through various communication channels, including phone and email in both Russian and English. The operation of the Hotline is governed by the Regulations on the Call Centre. Information regarding the Hotline is accessible for review on internal corporate resources and displayed on the screensavers of employees' workstations.

For more detailed information about the Hotline, please refer to the Company's website.

## Grievance Mechanism

The Hotline processes all requests and forwards them to the heads of relevant departments based on the subject matter. Uralkali conducts internal checks on all reports requiring verification, including those submitted anonymously. Consideration of an appeal is carried out within 14 working days. In cases requiring additional verification, the term of consideration may be extended up to 30 working days. Official inspections are conducted in accordance with the Regulations 'On the Procedure for Conducting Internal Reviews.'

If the application is not anonymous, Uralkali provides the applicant with a response on the results of consideration of the report, measures taken, and the intention to conduct further activities within 3 working days after the decision is made. Alternatively, the Company provides a response on the decision to ignore the application, along with the reasons. The applicant is informed of the measures taken in relation to the information received, including the results of an internal investigation, within 30 working days of the decision.

If the call is for reference purposes or seeks clarification and does not involve allegations of fraud or corruption, the response may be shared with the media, omitting the contact details of the applicant if necessary. In such instances, the operator promptly notifies the applicant (if contact details are provided) regarding the status of their message within 3 working days.

The Company ensures careful, objective, and competent handling of received requests, prioritising confidentiality and preventing unauthorised access to transmitted information.

No reprisals will be taken against employees reporting violations, aligning with the Code of Corporate Culture. Any attempts to influence reporting employees face liability under Russian Federation legislation and the Company's regulations.

In 2023, the Uralkali Hotline received 675 messages, covering diverse topics such as procurement, IT, health and safety, recruitment and training, security, and logistics.

WITHIN
**3 WORKING DAYS**

operator promptly notifies the applicant regarding the status of their message

WITHIN
**14 WORKING DAYS**

consideration of an appeal is carried out

WITHIN
**30 WORKING DAYS**

the applicant is informed of the measures taken in relation to the information received, including the results of an internal investigation

**675 MESSAGES**

were received by Uralkali's Hotline in 2023

# Business Ethics

Uralkali places a paramount importance on fostering open and trusting relationships with its stakeholders, underpinned by a steadfast commitment to upholding rigorous standards of business ethics and anti-corruption measures.

At the core of the Company's ethical framework lies the Code of Corporate Culture, a foundational document that extends its reach across all employees and subsidiaries, and guides interactions with counterparties. Ensuring 100% familiarity, the Code is ingrained in the onboarding process for new employees. Going forward, dissemination efforts include regular publications in the corporate newspaper, distribution via a mobile application, and printed copies circulated within departments. Additionally, the Code is readily accessible to all stakeholders on the official Company website.

In 2023, the Company continued conducting test games to assess employees' knowledge of the Code. Throughout the year, Uralkali organised four test games, each attracting approximately 50 participants. Winners of these games received a gift copy of the Code along with souvenirs.

The responsibility for ensuring employee adherence to the Code lies with the HR and Communications Directorate. In the same year, the Directorate confirmed three instances of internal business conduct violations. Among these, two cases were reported through the Call Centre, while one was brought forward via the Institute of Ethical Commissioners. These violations pertained to incidents of unprofessional conduct, dereliction of official duties, and breaches of ethical norms governing business communication and intrateam relations.

## Announcing the Updated Code of Corporate Culture

In 2023, following the approval of the latest revision of the Code of Corporate Culture, Uralkali took proactive steps to inform and engage its employees through a series of informative events. Notably, a tailored training programme entitled 'Application of the Code of Corporate Culture' was developed and delivered to Company personnel. Furthermore, the Company introduced a weekly quiz to assess employees' knowledge of the Code, broadcasting it via TV screens across the Company premises with winners receiving memorable prizes on a regular basis.

## Supporting Employees on Ethical Issues

Uralkali is committed to supporting its employees during challenging circumstances, ensuring a workplace environment that fosters psychological safety. In instances of complex conflicts, employees have avenues for recourse, including reaching out to the Ethical Commissioners or utilising the Company's Hotline. These channels connect individuals with qualified specialists who assist in finding optimal solutions to resolve the situation. Additionally, the Company has devised concise guidelines outlining appropriate conduct in cases of ethical violations.

For intricate and contentious ethical matters, Uralkali has established the Institute of Ethical Commissioners. This body is tasked with deliberating on ethical issues raised by employees and other stakeholders, including those concerning human rights compliance. Following the examination of incoming inquiries, Ethical Commissioners formulate tailored recommendations on proper corporate conduct for each individual employee.

## Institute of Ethical Commissioners

| Who can appeal? | Where to appeal? | When to appeal? |
|---|---|---|
| Uralkali's employees and other stakeholders | ethics@uralkali.com | Matters related to violations of corporate culture and business ethics, conflict situations, and difficulties in relationships within the team |

The Ethical Commissioners operate in accordance with the Regulations on Ethical Commissioners and consist of the Deputy CEO – Human Resources and Communications Director, the Deputy CEO – Legal and Corporate Affairs Director and the Deputy CEO – Technical Director.

The HR and Communications Directorate coordinates the oversight of the Ethical Commissioners' operations, including receiving requests from employees and preparing and disseminating materials.

# Individual Aspects of Business Ethics

## Charity and Sponsorship

The Company's internal guidelines govern procedures concerning charitable and sponsorship activities, as well as the giving and receiving of business gifts. These documents outline basic requirements for organising and conducting events for potential contractors, media representatives, and other stakeholders.

The Company abstains from supporting political parties or providing funds or donations for political activities. Furthermore, Uralkali refrains from engaging in charitable projects aimed at influencing the adoption of decisions by state or local authorities that could benefit the Company.

For additional details regarding interactions with authorities, please refer to the Local Communities section.

## Prevention of Conflicts of Interests

The Regulations on Conflicts of Interest of Uralkali provide detailed guidelines for identifying and resolving conflicts of interest. In the event of a conflict of interest, employees are required to declare it, and efforts are made to reconcile employee and Company interests. Regardless of the circumstances, Uralkali employees are expected to adhere to universally accepted principles of legality, morality, and ethics. When making business decisions, they must prioritise the interests of the Company.

For further information on preventing conflicts of interest, please refer to the Corporate Governance section.

## Handling of Confidential Information

Protocols for managing insider and confidential information are established in relevant internal documents to strike a balance between the Company's transparency, its commercial interests, and the prevention of unlawful information use.

For additional details regarding information security measures, please refer to the Cybersecurity and Personal Data Protection section.

# Anti-corruption

Uralkali upholds a zero-tolerance stance towards corruption, considering it a fundamental principle of ethical business conduct. The Company categorically condemns bribery, extortion, abuse of power, commercial bribery, and facilitation payments — deeming any form of corruption and fraud entirely unacceptable.

To uphold this commitment, Uralkali has adopted an Anti-Corruption Policy aimed at fostering a conducive environment for compliance with anti-corruption legislation. All employees of Uralkali and its subsidiaries are obliged to comply with the provisions of the Policy, and counterparties are advised to follow the requirements.

The Anti-Corruption Policy establishes the foundational principles and elements of Uralkali's Anti-Corruption Compliance System, which adheres to the international standard ISO 37001. In striving to implement best practices in anti-corruption and to comply with legal requirements, the Company continuously updates internal procedures and regulatory documents.

**0 FINES**

were paid by Uralkali due to corruption violations in 2023

Uralkali actively incorporates the Ministry of Labour's guidelines in developing and adopting measures to prevent and combat corruption. Additionally, the Company actively participate in the Anti-Corruption Charter of the Russian Business.

Prior to engaging in business relationships, recruiting candidates, or partnering with legal entities, Uralkali applies the principle of due diligence. This involves conducting thorough checks to ensure the reliability of contractors and other stakeholders, identify potential conflicts of interest, assess relationships with government officials, and analyse reputation-related information.

The Security Directorate plays a pivotal role in verifying and addressing (if any) violations related to corruption and fraud. In the year 2023, Uralkali identified a total of 21 confirmed cases of corruption and fraud. The Company promptly undertook appropriate measures for each case.

No fines were imposed or paid in connection with corruption offences in the reporting period.

# Anti-corruption

## Uralkali's Anti-corruption Compliance System

### Key principles

- Setting an example by senior management
- Applying proper procedures
- Assessing risks on a regular and timely basis
- Conducting due diligence when selecting employees and counterparties
- Informing all stakeholders
- Training all staff, senior management and members of the Board of Directors
- Continuing monitoring and control
- Ensuring access to Hotline channels

### Key elements

- Stakeholder engagement
- GR and PR
- Disclosure of information to stakeholders
- Hospitality expenses and gifts
- Charity and sponsorship activities
- Liability for corruption
- No retaliation policy[1]

Throughout the reporting period, Uralkali diligently reviewed all internal regulatory documents pertaining to anti-corruption compliance. As part of this process, the Company updated draft Regulations on the Conflict of Interest and developed draft Regulations on Business Gifts. Looking ahead to 2024, Uralkali has outlined several key objectives:

- Updating the Anti-Corruption Policy and internal compliance regulations at Uralkali's subsidiaries
- Engaging in the Anti-Corruption Rating by the Russian Union of Industrialists and Entrepreneurs (RSPP)
- Affirming participation in the Anti-Corruption Charter
- Updating the compliance procedures

[1] The Company assures that employees who refuse to engage in any illegal activities, including corruption, will face no sanctions, even if such refusal results in the Company not gaining additional material or non-material benefits, or incurring losses. The Company deems it unacceptable and actively endeavours to swiftly identify and counter any retaliatory measures taken against employees who, in good faith, report suspected cases of corruption, regardless of whether such suspicions are ultimately confirmed.

## Anti-Fraud and Anti-Corruption Programme

Uralkali upholds the integrity of its operations through its proactive Anti-Fraud and Anti-Corruption Programme. As part of this initiative, the Company actively develops action plans for the upcoming year, encompassing various aspects such as employee education, information oversight, and on-sitevactivities at Uralkali subsidiaries.

In the reporting period, more than 83 activities were carried out to detect and suppress corruption and fraud. These activities targeted several key areas, including:

- procurement procedures, inventory accounting, product movement, and construction processes;
- training sessions for employees responsible for the security system;
- addressing identified irregularities through internal media coverage;
- assessing the reliability of employees and counterparties, and identifying potential conflicts of interest.

## Awareness and Training

All newly hired employees are required to acquaint themselves with the Company's Anti-Corruption Policy. In 2023, 100% of employees were informed about the content of the Anti-Corruption Policy by posting the Policy and its main principles on the corporate portal, official website, and mobile application.

Training and informing employees about Uralkali's anti-corruption principles and requirements are integral components of regularly held compliance weeks. In 2023, the focus of these events shifted towards women's leadership. The Company hosted five business breakfasts dedicated to women's leadership and work-life balance.

Additionally, videos emphasising the importance of adhering to compliance principles were broadcasted on TV screens, the mobile application, and the corporate portal. These videos covered various topics including:

- compliance with standards and rules for giving and receiving gifts;
- conflicts of interest during procurement activities;
- penalties for bribery;
- ethics and integrity;
- workplace conduct guidelines.

Moreover, in 2023, Uralkali launched a new season of a corporate podcast dedicated to ethical compliance, accompanied by an exhibition of fairy-tale-themed posters highlighting compliance themes. The Company also published feature articles on compliance in the corporate newspaper RU.DA.

**100%**

of employees studied the Anti-Corruption Policy

## Antitrust Compliance

Uralkali adheres strictly to antitrust laws and refrains from any actions that could impede market competition. The core principles governing its approach to antitrust compliance are outlined in the Main Principles of the Global Antitrust Compliance Policy. This document encompasses 12 key principles, including a commitment to zero tolerance for violations of antitrust laws and comprehensive training on compliance with antitrust requirements.

Over the past five financial years, Uralkali has not incurred any fines for breaching antimonopoly laws. Furthermore, in 2023, the Company faced no lawsuits or legal actions related to allegations of hindering competition or violating antitrust regulations.

# Supply Chain

## Why this is important to us:

Uralkali aims to establish enduring, mutually beneficial partnerships with its counterparts. A pivotal aspect of this collaboration is the commitment of the Company's business partners to align their operations with industry-leading sustainability practices. Formation of a sustainable supply chain helps to ensure uninterrupted and efficient operations of the Company.

In its interactions with buyers and consumers, Uralkali prioritises open dialogue, striving to meet customer needs to the fullest extent. The Company is dedicated to maintaining consistently high standards of customer service and product delivery quality.




## 2023 Highlights

**38%**
of suppliers underwent the ESG assessment

**1,384**
suppliers of equipment and materials in total

**97%**
share of local suppliers[1]

**27%**
share of suppliers from the Perm Region

**81%**
share of small and medium-sized suppliers

**89%**
NPS in the domestic market

**39%**
of customers took part in the customer loyalty survey

[1] 'Local suppliers' refers to Russia-based suppliers.

## Strategy and Goals

### Key Goals and Objectives[2]

Cover ESG-assessment of more than 50% of suppliers by purchase amount

### 2023 Performance Highlights

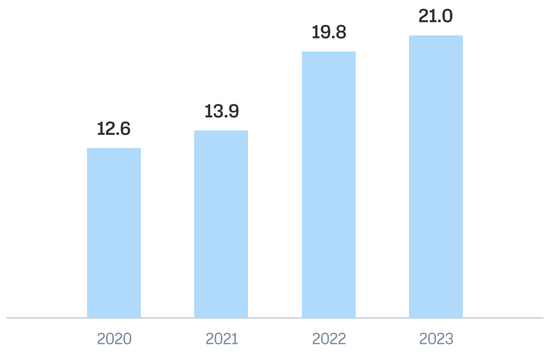
- Assessing 38% of suppliers against ESG criteria
- Integration of the ESG assessment process for suppliers into the automated procurement system

### 2024 Targets

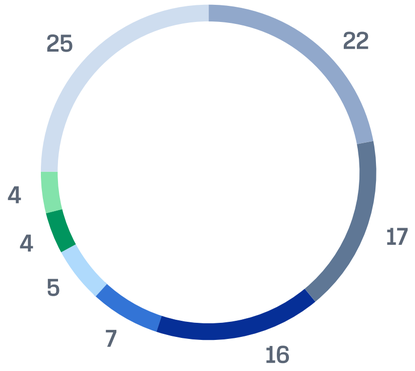
- Assessing more suppliers in line with ESG criteria
- Launching the supplier ESG assessment within the automated procurement system

[2] The key goals and objectives are formulated based on the ESG Strategy 2025 goals.

## Total procurement amount, bln RUB

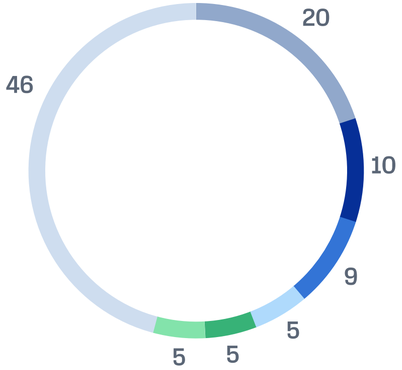



## Procurement structure from domestic suppliers by region, %[1]




- Moscow and Moscow Region
- Kemerovo Region
- Perm Region
- Vologda Region
- Sverdlovsk Region
- Rostov Region
- St. Petersburg and Leningrad Region
- Other

## Main procurement categories, %[1]




- Conveyors and spare parts
- Chemicals
- Mining equipment and spare parts
- High-voltage equipment
- Oil and lubricants
- Automation and control systems
- Other

[1] By procurement amount.



# Governance Approach

## Senior Leadership and Management

Uralkali has established a robust supply chain management system, encompassing procurement organisation and engagement with consumers of the Company's products. The Procurement Directorate, headed by Procurement Director, is responsible for overseeing the procurement process. Uralkali's subsidiaries, which carry out independent procurement, have relevant specialised services. The Sustainable Development Directorate offers methodological support in integrating ESG practices into the Company's procurement procedures. Meanwhile, the Marketing Service is tasked with enhancing the efficiency of client interactions.

## Regulatory Framework

In the domain of supply chain management, the pivotal documents are the Procurement Policy and the Supplier Code of Ethics, which extends to all of the Company's suppliers. This Code outlines requirements for business partners across various domains, including:

- environmental protection;
- climate change mitigation;
- occupational health and safety;
- employee well-being and human rights;
- relationships with local communities;
- corporate governance;
- anti-corruption and ethics;
- confidentiality and data protection.

The Code is publicly accessible on the Company's website and the electronic trading platform (ETP). All suppliers engaged in procurement via the ETP are required to acknowledge their adherence to the Code's principles.

Regarding customer interactions, Uralkali has endorsed a Policy in the Field of Appeal Management for Products, as well as the Regulations on Appeals Handling and the Regulations on Customer Satisfaction Assessment.

## Risk Management

The risks associated with supplier operations are incorporated into the Uralkali risk register. Among these, the risks of delayed delivery, substandard quality of goods or services, and inflated prices exert the most significant impact on the Company's operations. Currently, these risks are assessed at a medium level.

To mitigate these risks, Uralkali has devised and enacted an import substitution programme. This programme entails ongoing efforts to identify alternative suppliers, foster collaboration with research institutions and design firms to develop innovative products, and support research initiatives aimed at producing chemical reagents, among other measures.

# Supply Chain

Uralkali endeavours to collaborate with suppliers who exhibit a dedication to sustainability principles, actively pursue ESG practices, or adhere to elevated standards in this realm.

In forging supplier partnerships, the Company upholds the principles of competitiveness, long-term commitment, and risk mitigation throughout the supply chain. Key performance indicators such as the timely fulfilment of purchase requests and economic efficiency serve as vital tools for evaluating the effectiveness of procurement.

Maintaining a consistently high level of product satisfaction among customers stands as a top priority for the Company. The system for handling product complaints encompasses not just product buyers, but also other supply chain stakeholders, such as terminals, warehouses, and inspection companies



# Responsible Procurement

Uralkali is deeply committed to fostering a responsible supply chain. Enhancing the sustainability of procurement practices forms an integral part of the Company's ESG Strategy until 2025, for which the Company devises an annual action plan. In line with this Strategy, Uralkali has developed a Supply Chain Development Plan extending until 2025, which delineates key objectives and initiatives, including the implementation of ESG assessments for suppliers.

Supplier selection at the Company is conducted through competitive procedures, ensuring adherence to internal regulations and anti-corruption policies.

## Participation in the National ESG Alliance

Uralkali actively engages in the National ESG Alliance to foster the development of ESG practices and broaden its network of sustainability partners.

The ESG Alliance stands as the primary business association in Russia dedicated to the ESG agenda, bringing together companies that have either implemented or are in the process of integrating sustainability principles into their operations.

By participating in the green supply chains working group, Uralkali gains opportunities to exchange best practices with fellow member companies of the Alliance.

## Supplier ESG Assessment

As part of its ESG Strategy implementation, Uralkali conducts ESG assessments of its suppliers. This assessment process involves the completion of a questionnaire comprising quantitative and qualitative information on the three key ESG factors: environmental, social, and governance.

The questionnaire comprises 26 questions, necessitating both responses and submission of supporting documentation. In 2023, the Company commenced integration of the ESG supplier assessment process into the automated procurement system. Full automation and the rollout of the assessment within the automated procurement system are slated for completion in 2024.

At present, the questionnaire serves to conduct a broad analysis of compliance with sustainability principles among the Company's primary suppliers and does not serve as a barrier to cooperation. However, it serves as a means to engage suppliers in discussions surrounding sustainable development initiatives.

**38%**

of suppliers underwent the ESG assessment

# Customer Interaction

Uralkali is dedicated to enhancing the efficiency of its customer communication and delivering high-quality products and services. The Company places great value on customer trust and actively encourages feedback and inquiries on product-related matters. Uralkali is committed to promptly and carefully addressing all incoming appeals, ensuring customer satisfaction, and reinforcing the Company's position in both domestic and global markets.

Uralkali has implemented a system for managing product quality appeals, aimed at swiftly resolving incoming issues and implementing improvement suggestions. This system adheres to the ISO 10002:2018 standard 'Guidelines for Complaints Handling in Organisations.'

Customer appeals are electronically registered and processed, followed by classification based on the severity of their impact. Uralkali conducts thorough analyses to assess how reported issues affect customers and the Company's operations. Invtotal, 42 product appeals were registered in 2023.

The Company is committed to ensuring convenient and efficient communication channels. On its website, Uralkali provides comprehensive information about its products, including quality characteristics, and contact details for buyers from various regions.

Annually, Uralkali conducts customer satisfaction assessments to monitor their perception of the Company and identify areas for improvement. Net Promoter Score (NPS) includes various criteria, including logistics, commercial performance, and other indicators.

Throughout 2023, 39% of the total customer base participated in the satisfaction surveys. Notably, foreign customer satisfaction rate significantly increased from 66% in 2022 to 93% in 2023. In the domestic market, the customer loyalty index reached 89%.

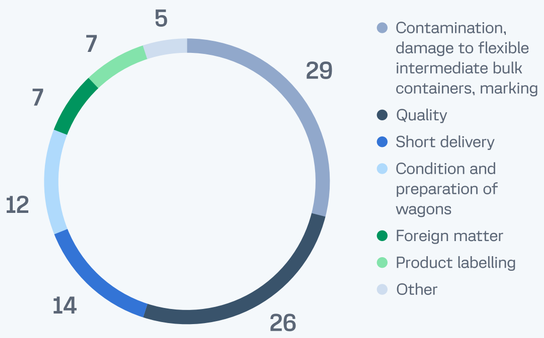
**89%**

customer loyalty index in the domestic market

**93%**

customer loyalty index in the foreign market

**Structure of appeals by main topic,** number of appeals



# Cybersecurity and Personal Data Protection

## Governance Approach

The Company's senior management actively oversees cybersecurity and personal data protection matters. Pursuant to Presidential Decree No. 250 dated 1 May 2022, the CEO of Uralkali holds personal responsibility for ensuring information security (InfoSec) within the Company. On a quarterly basis, the CEO approves a report detailing the current status of InfoSec.

In 2023, Uralkali established the Information Security Directorate, a dedicated unit responsible for InfoSec functions. Its Director has the following functions:

- plans, organises, and coordinates efforts to ensure InfoSec and monitors its status within the Company;
- implements measures to detect, prevent, and mitigate the effects of cyber-attacks, and responds to incidents promptly;
- develops InfoSec policies and oversees their implementation;
- facilitates the development of InfoSec skills among the Company's employees;
- engages with government authorities on matters pertaining to InfoSec.

The Director for Information Security reports on the Directorate's activities to the Board of Directors at least twice a year.

## Regulatory Framework

The principal documents governing cybersecurity matters within the Company include:

- Information Security Policy
- Personal Data Processing Policy
- Regulations on the Information Security Management System (ISMS)
- Regulations on Data Backup at Uralkali
- Regulations on Information Security Requirements for Users Working in a Corporate Data Network
- Information Security Development Strategy of Uralkali Group for 2023–2025 (InfoSec Strategy)
- Regulations on Cryptographic Protection of Information, among others

In 2023, Uralkali approved several new documents to provide clarity on the technical aspects of security within the Company. These include:

- Regulations on InfoSec requirements for connecting individuals and legal entities that provide services under contracts to Uralkali's corporate data transmission network
- Regulations governing the Commission responsible for categorising critical information infrastructures
- Order outlining the assignment of responsibility for ensuring InfoSec

# Information Security Management System

The Information Security Management System (ISMS) was implemented at Uralkali in 2021, with its operations governed by relevant Regulations. Responsibility distribution matrices and performance assessment metrics ensure effective management of the InfoSec System. The Company adopts international standards ISO/IEC 27000 for the establishment and enhancement of an ISMS, and aligns its objectives with ISO 27001. Uralkali has opted for a set of metrics outlined in the CMMI (Capability Maturity Model Integration) to monitor and evaluate the maturity of InfoSec processes. Following this model, the Company aims to achieve the fourth level of maturity. Diagnostic assessments of the InfoSec processes maturity are conducted on a monthly basis.

# Risk Management

At Uralkali, InfoSec is primarily organised through a risk-oriented approach. Decisions regarding the need to safeguard information and resources not mandated by legal requirements are based on thorough assessments of risks and potential consequences posed by security threats to these specific assets. These assessments are part of Uralkali's broader risk management system.

The risk management process is geared towards ensuring the Company's stable and successful operation by mitigating InfoSec risks and minimising the impact of adverse factors that could jeopardise its interests. Risk assessments are conducted annually and whenever there are indications from internal or external sources of changes in the level of InfoSec risks. These sources of information may include technological advancements, changes in business processes, monitoring results, performance evaluations, audits, compliance assessments, as well as external events such as regulatory changes.

## Uralkali's Approach to Information Security

At Uralkali, ensuring InfoSec serves as a crucial tool to accomplish strategic objectives and mitigate risks. The primary focus areas of InfoSec include safeguarding the integrity, availability, and confidentiality of digital assets, ensuring uninterrupted production processes, and countering both internal and external cyber threats.

In the midst of widespread digitisation, ensuring InfoSec has become essential for the Company's successful business operations. The establishment of a multi-tiered InfoSec system aligns with global trends, characterised by increasingly sophisticated cyber threat methods and a rise in their overall frequency.

In response to the expanding InfoSec regulatory landscape and the heightened penalties for non-compliance, the Company is undertaking specific measures to ensure adherence to these regulations.

## InfoSec Incident Management

Employees within the Information Security Directorate at Uralkali actively investigate InfoSec incidents.

To enhance the effectiveness of InfoSec incident management, the Company established the Analytics and Internal Incident Investigation Department in 2023. This Department operates under the direct supervision of the Director for Information Security. The Head of the Department is responsible for coordinating its activities, which include:

- identifying, preventing, and addressing leaks of confidential information, including personal data, through technical communication channels;
- recording, retrospectively analysing, interpreting, and investigating InfoSec incidents;
- organising access and monitoring the actions of privileged users.

The Company conducts vulnerability assessments of data requirements using automated tools and simulates hacker attacks. Additionally, an application disaster recovery plan is in place, specifically targeting critical business applications. To mitigate potential incidents, the Company conducts annual testing of IT services.

## Implementation of Infosec Strategy

During the reporting year, the Security Directorate successfully executed a series of measures aimed at implementing the Information Security Strategy 2023-2025 (InfoSec Strategy). These initiatives encompassed the following:

- completion of staff training in InfoSec, including participation in specialised forums and InfoSec events;
- extension of technical support for the identity management system (IdM);
- extension of technical support for the cryptographic information protection system;
- extension of technical support for the data leak protection system (DLP);
- implementation of a Brand Protection (SaaS) class solution;
- extension of licences for the Next Generation Firewall class solution, incorporating the Sandbox protection system against targeted attacks;
- implementation of an Anti-Spam solution;
- implementation of a multi-factor authentication (MFA) system.

## Cybersecurity

The rise in cyber-attacks targeting Russian IT infrastructure, including industrial companies, can be attributed to heightened external uncertainty. This circumstance prompted the Company to adopt an integrated approach to cybersecurity.

To address this challenge, the Company introduced several technologies and tools in 2023:

- Implemented a Two-Factor Authentication system. This system enables users to confirm the second stage of authentication via SMS, call, messenger, or mobile application. It is seamlessly integrated with VPN access, with plans to extend this solution to cover all external information assets
- Deployed an EDR class solution, designed to detect atypical threats and targeted attacks on automated workstations. This solution enables specialists from the Security Directorate to proactively hunt for threats by analysing atypical behaviour and suspicious activity within the Company's IT infrastructure
- Adopted the Brand Protection Platform, serving as the primary source of information on published leaks of user authentication data. This platform facilitates swift password changes or account blocking in case of compromise. Additionally, it monitors the network for cloned sites of official resources and gathers data from public communication platforms and social networks containing false information about the Company
- Integrated an Anti-Spam class solution, which collaborates with the Check Point firewall to protect incoming and outgoing messages from malicious objects, spam, phishing, and performs content filtering. Leveraging the new Anti-Spam solution within the framework of a previously acquired licence for mail servers resulted in savings of approximately RUB 3.5 mln

**>250 THOUSAND**

attacks on the Company's infrastructure were blocked in 2023

In 2023, through the implementation of a comprehensive information protection system and the diligent efforts of employees within the Information Security Directorate, the Company successfully thwarted any damage from cyber-attacks. During this period, it repelled over 250,000 various attacks on its infrastructure.

## Digital Competence of Employees

The Company has established an effective personnel training system focused on cybersecurity and personal data protection. This system utilises the Security Awareness Bi.Zone platform, reducing the risk of incidents stemming from human error. Through an integrated approach, the system enhances employees' cyber literacy via training courses.

Upon employment, each staff member is enrolled in courses covering three essential topics:

- basic safety procedures;
- secure handling of personal data;
- safe practices for web browsing and email usage.

Regular training courses are conducted for all employees as part of the programme, with certificates of completion issued thereafter. These certificates remain valid for one year, after which employees undergo retraining. Additionally, the Company assigns repeat or unscheduled training to employees who violate InfoSec requirements or perform unsatisfactorily during training attacks using social engineering methods. Uralkali continuously and automatically tracks the training progress of individuals, integrating the results into monthly reports.

The Company offers specialised courses tailored to employees' specific responsibilities. For employees of foreign companies of Uralkali Group, courses are provided in English. Additionally, specialised Uralkali personnel receive training at the Corporate University.

Uralkali periodically conducts simulated attacks by sending emails with illegitimate links. Employees who fail these attacks undergo repeated InfoSec training. Such initiatives enhance employee engagement in InfoSec matters and foster the development of appropriate response skills to potential threats. In 2023, 95% of employees successfully navigated simulated attacks, with 24% of employees reporting potentially hazardous emails to the Information Security Directorate.

In 2023, the Company established a corporate mailbox for the Information Security Directorate to disseminate newsletters. The Company regularly distribute information via corporate media about current InfoSec threats, along with relevant recommendations. Furthermore, the Company developed, produced, and distributed information materials addressing InfoSec issues, such as posters and calendars, among employees. Throughout the reporting year, the Company circulated 15 newsletters and publications to raise awareness in the field of InfoSec.

# APPENDICES


About the Report. Appendix 1 103

Independent Assurance Report. Appendix 2 107

Main Quantitative Data. Appendix 3 109

GRI Index Table. Appendix 4 119

SASB Index Table. Appendix 5 127

TCFD Index Table. Appendix 6 129

Contacts 130

# About the Report

APPENDIX 1

## Reporting Approach

The 2023 Sustainability Report (henceforth, the Report) of P]SC Uralkali and its subsidiaries (henceforth, Uralkali or the Company) features the key outcomes of the Company's sustainable development efforts for the period from 1 ]anuary to 31 December 2023, alongside its future aspirations. The Report is published in Russian and English.

The Report offers a comprehensive overview of middle-term and strategic plans, key implemented activities, and results of environmental, social, and corporate governance activities.

Uralkali has consistently disclosed non-financial information as part of its integrated reporting since 2012. Starting in 2020, the Company resumed the practice of issuing separate Sustainability Reports.

Digital versions of previous reports are available on Uralkali's official website in the Reports and Presentations section.

Uralkali's Sustainable Development Working Group played an integral role in identifying material topics, outlining the contents, and supporting the approval process of the Report. Subsequently, the Report underwent thorough review and approval processes by both the Board's Sustainable Development Committee and the Board itself.

In the development of this Report, the Company adhered to the following standards and guidelines:

### Global:

- GRI (Global Reporting Initiative) Sustainability Reporting Standards
- Recommendations of the International Task Force on Climate-Related Financial Disclosures (TCFD)
- IFRS S2 Climate-Related Disclosures reporting standards
- SASB (Sustainability Accounting Standards Board) reporting standards

### National:

- Methodological recommendations for preparing sustainable development reports, as endorsed by Order No. 764 of the Ministry of Economic Development of Russia dated 1 November 2023
- Indicators provided by the Interfax Group and the National ESG Alliance (ESG-disclosure.ru);
- Reference performance indicators in alignment with the recommendations of the Russian Union of Industrialists and Entrepreneurs (RSPP) on management practices and non-financial reporting

## Identification of Material Topics

The identification and prioritisation of material topics, also known as a materiality assessment, followed the stipulations of international standards and integrated recommendations from the Russian Union of Industrialists and Entrepreneurs.

The main purpose of this process is to pinpoint Company's impacts relevant to stakeholders and disclose them in this Report. The materiality assessment comprised three primary steps.

**STEP 1.**
**Identifying Material Topics**

- identifying the Company's current and potential impacts
- analysing the Company's ESG risks
- reviewing the information requests from business partners, investors, ESG rating agencies, and the expert community
- consulting open sources of information such as industry trends and risks, researches, and media reports
- analysing the national and global context

↓

**List of material topics**

**STEP 2.**
**Ranking of Material Topics**

- engaging with a diverse range of stakeholders through surveys to assess the magnitude and likelihood of the impacts of the Company's operations on the economy, environment and people, including human rights impacts, and to prioritise material topics
- analysing the ranking results obtained from each stakeholder group; forming a consolidated list of material topics based on the analysis of ranking results across all stakeholder groups

↓

**Ranked list of material topics**

**STEP 3.**
**Approval of Ranked Material Topics List**

- reviewing and reaching consensus on the final list of material topics by the Sustainable Development Working Group and the CEO

↓

**Approved list of material topics to guide the structure and content of the Report**

# Materiality Matrix

The structure and content of this Report are based on a compilation of material topics derived from all stakeholder groups. However, a detailed analysis of survey results segmented by stakeholder groups revealed specific trends.

For Uralkali employees, the most significant topics were food safety, occupational and industrial safety, cybersecurity. Our suppliers prioritised customer engagement, corporate governance, sustainable supply chain, anti-corruption and ethics, cybersecurity.

The buyers emphasised product safety and quality, customer relations, and anti-corruption and ethics. Finally, state authorities highlighted cybersecurity, food security, and consumer engagement.

Below are the material topics ranked by their level of significance in terms of the Company's impact, with topics categorised as Levels 1 and 2 receiving more detailed coverage.

| PRIORITY LEVEL | E | S | G |
|---|---|---|---|
| LEVEL 1 | • Waste<br>• Climate change<br>• Energy efficiency<br>• Water | • Health and safety<br>• Food security<br>• Geological safety<br>• Human capital<br>• Local communities | • Corporate governance<br>• Anti-corruption and ethics<br>• Consumer engagement |
| LEVEL 2 | • Product safety and quality | • Emergency preparedness<br>• Sustainable agriculture<br>• Human rights | • Sustainable supply chain<br>• IT security |
| LEVEL 3 | • Air emissions<br>• Biodiversity | • Diversity and equal opportunity | |

# Reporting Boundaries

The Company is committed to continually broadening the scope of information disclosure, ensuring uniform boundaries for disclosure across all topics and indicators.

The Report offers non-financial insights into the performance results of Uralkali and its Russian and foreign subsidiaries. Detailed boundaries for disclosing quantitative information across key thematic blocks are outlined in the Table.

If the indicators disclosed in the Report's text deviate from the described reporting boundaries, relevant footnotes are provided to highlight this discrepancy.

## Environmental Aspect

| Entities within Reporting Boundaries | Water | Waste | Air Emissions | Biodiversity and Reclamation | Carbon Management and Energy |
|---|---|---|---|---|---|
| P]SC Uralkali[1] | + | + | + | + | + |
| LLC Uralkali-Remont | | + | + | | + |
| LLC Avtotranskali | + | + | + | | + |
| LLC Balakhontsy Wagon Depot | | + | + | | + |
| LLC SMT BSSU | + | + | + | | + |
| LLC N-Resurs | | | | | + |
| LLC Silvinit-Transport | | | | | |
| LLC Vodokanal | | + | + | | |
| ]SC Novaya Nedvizhimost | | | | | |
| ]SC Solikamsk Construction Trust | | | | | |
| ]SC VNII Galurgii | | | | | |
| P]SC Uralkali Subsidiary[2] | + | + | + | | + |
| LLC Uralkali-Proyekt | | | | | |
| SIA Uralkali Trading | | | | | |
| LLC Uralkali-Invest | | | | | |
| LLC Uralkali-Med | | | | | |
| LLC Rfood Invest | | | | | |
| LLC Uralkali-Stroy | | | | | |
| LLC Uralkali-Trans | | | | | |

[1] Hereinafter: In 2023, the Ust-Yaivinsky mine, which was commissioned during the reporting period, was integrated into Uralkali P]SC.

[2] In respect of this entity, the Company has exercised its right under the current Russian legislation not to disclose information on its shareholding/interest in the authorised capital. Therefore, the relevant information is not disclosed in all sources that provide access to an unlimited number of persons.

## Social Aspect

| Entities within Reporting Boundaries | Safety | Health and Well-Being of Employees | Local Communities |
|---|---|---|---|
| P]SC Uralkali | + | + | + |
| LLC Uralkali-Remont | + | + | + |
| LLC Avtotranskali | + | + | + |
| LLC Balakhontsy Wagon Depot | + | + | + |
| LLC SMT BSSU | + | + | + |
| LLC N-Resurs | + | + | + |
| LLC Silvinit-Transport | | + | |
| LLC Vodokanal | + | + | + |
| ]SC Novaya Nedvizhimost | + | + | + |
| ]SC Solikamsk Construction Trust | + | + | + |
| ]SC VNII Galurgii | + | + | + |
| P]SC Uralkali Subsidiary[2] | + | + | + |
| LLC Uralkali-Proyekt | | + | |
| SIA Uralkali Trading | | + | |
| LLC Uralkali-Invest | | + | |
| LLC Uralkali-Med | | + | + |
| LLC Rfood Invest | | + | |
| LLC Uralkali-Stroy | | + | |
| LLC Uralkali-Trans | | + | |

## Governance Aspect

| Entities within Reporting Boundaries | Corporate Governance | Anti-corruption and Ethics[1] | Supply Chain |
|---|---|---|---|
| P]SC Uralkali | + | + | + |
| LLC Uralkali-Remont | | | |
| LLC Avtotranskali | | | |
| LLC Balakhontsy Wagon Depot | | | |
| LLC SMT BSSU | | | |
| LLC N-Resurs | | | |
| LLC Silvinit-Transport | | | |
| LLC Vodokanal | | | |
| ]SC Novaya Nedvizhimost | | | |
| ]SC Solikamsk Construction Trust | | | |
| ]SC VNII Galurgii | | | |
| P]SC Uralkali Subsidiary[2] | | | |
| LLC Uralkali-Proyekt | | | |
| SIA Uralkali Trading | | | |
| LLC Uralkali-Invest | | | |
| LLC Uralkali-Med | | | |
| LLC Rfood Invest | | | |
| LLC Uralkali-Stroy | | | |
| LLC Uralkali-Trans | | | |

[1] The reporting boundaries for 2020–2022 have been adjusted due to a refinement of the data collection approach. All historical data includes P]SC Uralkali.

[2] In respect of this entity, the Company has exercised its right under the current Russian legislation not to disclose information on its shareholding/interest in the authorised capital. Therefore, the relevant information is not disclosed in all sources that provide access to an unlimited number of persons.

# Independent Assurance Report

## APPENDIX 2

ДРТ ДЕЛОВЫЕ РЕШЕНИЯ И ТЕХНОЛОГИИ
BUSINESS SOLUTIONS AND TECHNOLOGIES

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To the Board of Directors of P]SC Uralkali:

### Scope of limited assurance engagement

We performed an assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (revised) to provide limited assurance of Selected Data prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ('GRI Standards') presented in the Sustainability Report of P]SC Uralkali ('the Company') for the year ended 31 December 2023 ('the Report').

### Limited assurance procedures and roles

#### Selected Data

We carried out limited assurance on accuracy of the following data for the year ended 31 December 2023 and included into the Report:

- Selected key performance indicators specified below in the section 'Selected non-financial performance data for limited assurance', related to the year ended 31 December 2023 and included into the Report;
- Company's self-declaration of preparing its Report in accordance with the GRI Standards as stated in section 'Appendix 4. GRI Index Table' of the Report.

### Key limited assurance procedures

To achieve limited assurance, the ISAE 3000 (revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our limited assurance conclusion.

To form our conclusion, we undertook the following procedures:

- Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;
- Interviewed employees of the Company responsible for sustainability performance, policies and corresponding reporting;
- Conducted selective substantive testing to confirm accuracy of received data to the selected key performance indicators;
- Inquired management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of the sustainability issues and selected performance indicators;
- Performed selective review of disclosures in the Report on compliance with the GRI Standards.

### Inherent limitations and restriction on use

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, errors or non-compliance may occur and not be detected. Additionally non-financial information, such as that included in the Report is subject to more inherent limitations than financial information, given the nature and methods used for determining, calculating and sampling or estimating such information.

Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this report, or for the conclusions we have formed.

Our engagement provides limited assurance as defined in the ISAE 3000 (revised). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Roles and responsibilities

- The Board of Directors is responsible for the preparation, accuracy, completeness and reliability of the sustainability information and statements contained within the Report. It is responsible for determining the Company's sustainability objectives and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived;
- Our responsibility is to express a conclusion on the Selected Data based on our procedures. We conducted our engagement in accordance with the ISAE 3000 (revised) published by The International Auditing and Assurance Standards Board (IAASB).

### Independence and quality control

- We have complied with the independence and other ethical requirements established by the Rules on Independence of Auditors and Audit Firms and the Code of Professional Ethics for Auditors approved by the Audit Council of the Ministry of Finance of the Russian Federation and by the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.
- We apply International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Selected non-financial performance data for limited assurance

We have been engaged by the Board of Directors of the Company to perform limited assurance procedures on accuracy of the following key performance data for the year ended 31 December 2023 included into the Report:

| | |
|---|---|
| **Greenhouse gas emissions** | Direct GHG emissions (Scope 1), total tonnes of $CO_2$-equivalent and broken down by recorded gas:<br>• Carbon dioxide ($CO_2$), tonnes of $CO_2$-equivalent;<br>• Methane ($CH_4$), tonnes of $CO_2$-equivalent;<br>• Nitrous oxide ($N_2O$), tonnes of $CO_2$-equivalent;<br>Energy indirect GHG emissions (Scope 2), tonnes of $CO_2$-equivalent;<br>GHG emissions intensity (Scope 1 and Scope 2), tonnes of $CO_2$-equivalent / tonne of product. |
| **Energy** | Total energy consumption, GJ;<br>Total electricity purchased, GJ;<br>Total electricity transferred, GJ;<br>Total heat purchased (including steam), GJ;<br>Total heat transferred, GJ;<br>Total fuel consumption by fuel type, GJ;<br>Energy intensity, GJ/tonne of product. |
| **Waste** | Total waste generated, tonnes and broken down:<br>• by hazard classes, tonnes;<br>Total waste recycled and reused, tonnes and by handling method, tonnes;<br>Total waste disposed, tonnes and by disposal method, tonnes;<br>Share of production waste utilised through backfilling, %. |
| **Water resources** | Total water withdrawn, thousand $m^3$ and broken down:<br>• by source type, thousand $m^3$;<br>Total water discharge, thousand $m^3$;<br>Total water discharge broken down by destination, thousand $m^3$;<br>Water sold to third parties, thousand $m^3$;<br>Total water discharge broken down by effluent quality, thousand $m^3$. |
| **Air emissions** | Total air emissions, tonnes, for each of the following:<br>• Nitrogen oxides (NOx), tonnes;<br>• Sulphur oxides (SOx), tonnes;<br>• Particulate matter (PM), tonnes;<br>• Volatile Organic Compounds (VOCs), tonnes;<br>• Carbon oxide (CO), tonnes;<br>• Other gaseous and liquid substances, tonnes. |
| **Employee well-being** | Headcount at the year-end, person and broken down:<br>• by gender, person;<br>• by categories of employees, person;<br>• by age, person;<br>Employee turnover, %;<br>Diversity of senior management:<br>• by gender, person;<br>• by age, person. |
| **Occupational and Industrial Safety** | Indicators for the company's employees:<br>• Total number of accidents, pcs;<br>• Number of fatalities, pcs;<br>• Fatal Injury Frequency Rate (FIFR), number of cases per 200 000 hours worked;<br>• Rate of high-consequence work-related injuries, number of cases per 200 000 hours worked;<br>• Lost Time Injury Frequency Rate (LTIFR), number of cases per 200 000 hours worked. |
| **Development of the region of presence** | Charity expenses, mln rubles. |

## Limited assurance conclusion

Based on the procedures performed and evidence obtained as part of limited assurance engagement, nothing has come to our attention that causes us to believe that the aforementioned Selected Data is not prepared in accordance with the GRI Standards or is materially misstated.




Tursunov Timur Musliddinovich
Engagement Partner

AO 'Business Solutions and Technologies'
(ORNZ № 12006020384)

28 June 2024

# Main Quantitative Data

APPENDIX 3

## Environmental Aspect (E)

### Management Approach to Environmental Issues

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total environmental costs and investments** | | | | | |
| **Total environmental costs and investments** | thousand RUB | 5,245,162 | 6,762,439[1] | 7,693,709 | 7,622,014 |
| Current environmental protection costs | thousand RUB | 2,239,448 | 2,506,401 | 2,917,120 | 3,402,646 |
| Capital investments in environmental protection activity | thousand RUB | 2,987,287 | 4,235,352 | 4,761,776 | 4,203,250 |
| Payments for negative impact on the environment | thousand RUB | 16,562 | 17,795 | 13,837 | 14,867 |
| Environmental levy | thousand RUB | 1,865 | 2,890 | 976 | 1,243 |
| Funds collected in compensation for damage caused by violation of environmental legislation (excluding fines paid for environmental impact) | thousand RUB | 0 | 0 | 0 | 8 |
| **Non-compliance with environmental laws and regulations (PJSC Uralkali)** | | | | | |
| Number of notes of breaching environmental | pc. | 0 | 3 | 0 | 0 |
| Total amount of fees, fines, and penalties for non-compliance with environmental laws and regulations | thousand RUB | 0 | 200 | 0 | 0 |

### Water Resources

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total water withdrawal by source type** | | | | | |
| **Total water withdrawn** | thousand $m^3$ | 23,880 | 24,072 | 19,990 | 22,186 |
| surface water (including swamps, rivers, lakes) | thousand $m^3$ | 19,427 | 19,154 | 15,566 | 17,323 |
| groundwater | thousand $m^3$ | 2,487 | 2,013 | 1,714 | 1,943 |
| rainwater collected and stored by the Company | thousand $m^3$ | 1,114 | 1,377 | 1,065 | 1,037 |
| seawater | thousand $m^3$ | 0 | 0 | 0 | 0 |
| produced water | thousand $m^3$ | 0 | 0 | 0 | 0 |
| Third-party water (municipal and other water supply systems), including: | thousand $m^3$ | 852 | 1,528 | 1,644 | 1,882 |
| surface waters (including swamps, rivers, lakes) | thousand $m^3$ | 0 | 0 | 0 | 0 |
| groundwater | thousand $m^3$ | 764 | 1,403 | 1,525 | 1,767 |
| rainwater collected and stored by the Company | thousand $m^3$ | 0 | 0 | 0 | 0 |
| waters of the seas and oceans | thousand $m^3$ | 0 | 0 | 0 | 0 |
| produced water | thousand $m^3$ | 0 | 0 | 0 | 0 |
| drinking water from water supply systems | thousand $m^3$ | 88 | 125 | 120 | 116 |

[1] Data have been adjusted due to a refinement of the calculation approach.

## Water Resources

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total water discharge** | | | | | |
| **Total water discharge** | thousand $m^3$ | 15,450 | 14,851 | 14,657 | 14,426 |
| Total water discharge by destination, including: | thousand $m^3$ | 11,646 | 10,991 | 10,907 | 10,564 |
| surface water (including swamps, rivers, lakes) | thousand $m^3$ | 8,253 | 7,759 | 7,620 | 7,889 |
| groundwater | thousand $m^3$ | 0 | 0 | 0 | 0 |
| rainwater collected and stored by the Company | thousand $m^3$ | 0 | 0 | 0 | 0 |
| seawater | thousand $m^3$ | 162 | 150 | 158 | 149 |
| third-party water | thousand $m^3$ | 3,231 | 3,082 | 3,128 | 2,526 |
| Water sold to third parties | thousand $m^3$ | 3,805 | 3,860 | 3,749 | 3,861 |
| **Total water discharge by effluent quality** | | | | | |
| Effluent discharge, including: | thousand $m^3$ | 11,646 | 10,991 | 10,874 | 10,564 |
| clean (according to the standard) | thousand $m^3$ | 0 | 0 | 0 | 0 |
| treated (according to the standard) | thousand $m^3$ | 7,465 | 4,790 | 4,831 | 5,063 |
| insufficiently treated | thousand $m^3$ | 3,209 | 5,405 | 5,331 | 4,794 |
| contaminated (without treatment) | thousand $m^3$ | 971 | 796 | 712 | 708 |
| **Total water consumption** | | | | | |
| **Total water consumption** | thousand $m^3$ | 8,430 | 9,221 | 5,333 | 7,760 |
| **Water consumption intensity** | | | | | |
| Water consumption intensity | $m^3$/tonne of product | 0.74 | 0.75 | 0.75 | 0.79 |

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Volume of water consumption in recycling and circulating water supply systems (PJSC Uralkali)** | | | | | |
| Water consumption in recycling and circulating water supply systems | thousand $m^3$ | 122,720 | 122,800 | 91,080 | 104,070 |
| Recycling and circulating water surplus against water consumption rate | times | 15 | 14 | 19 | 14 |
| **Chemical oxygen demand (COD) of wastewater discharged** | | | | | |
| Chemical oxygen demand of wastewater discharged | tonne | 229 | 237 | 201 | 188 |

## Waste and Slurry Tailings

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total waste generation by hazard classes** | | | | | |
| **Total waste generation** | tonne | 30,528,754 | 32,934,458 | 19,970,611 | 28,983,789 |
| Hazardous waste, including: | tonne | 1,107 | 2,354 | 1,919 | 1,375 |
| hazard class I | tonne | 8 | 6 | 2 | 3 |
| hazard class II | tonne | 13 | 12 | 7 | 10 |
| hazard class III | tonne | 1,086 | 2,336 | 1,909 | 1,362 |
| Non-hazardous waste, including: | tonne | 30,527,647 | 32,932,104 | 19,968,692 | 28,982,414 |
| hazard class IV | tonne | 4,387 | 4,436 | 4,319 | 5,582 |
| hazard class V | tonne | 30,523,260 | 32,927,668 | 19,964,372 | 28,976,832 |

## Waste and Slurry Tailings

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total waste recycled and reused** | | | | | |
| **Total waste recycled and reused** | tonne | 23,647,810 | 25,913,521 | 21,635,447 | 27,868,422 |
| Waste recycled, including: | tonne | 22,474,456 | 25 886 196 | 18 763 483 | 27,832,267 |
| hazardous waste | tonne | 0 | 0 | 0 | 0 |
| non-hazardous waste | tonne | 22,474,456 | 25,886,196 | 18,763,483 | 27,832,267 |
| Waste reused, including: | tonne | 0 | 651 | 0 | 0 |
| hazardous waste | tonne | 0 | 648 | 0 | 0 |
| non-hazardous waste | tonne | 0 | 2 | 0 | 0 |
| Transferred to third-party organisations for recycling, including: | tonne | 1,173,354 | 26,674 | 2,871,964 | 36,155 |
| hazardous waste | tonne | 398 | 460 | 1,656 | 1,214 |
| non-hazardous waste | tonne | 1,172,955 | 26,214 | 2,870,308 | 34,941 |
| **Total waste disposed** | | | | | |
| **Total waste disposed** | tonne | 9,228,619 | 8,903,271 | 2,565,998 | 6,175,006 |
| Waste disposal at the enterprises, including: | tonne | 9,203,991 | 8,869,326 | 2,545,897 | 6,153,388 |
| hazardous waste | tonne | 0 | 0 | 0 | 0 |
| non-hazardous waste | tonne | 9,203,991 | 8,869,326 | 2,545,897 | 6,153,388 |
| Waste disposal at a municipal landfill, including: | tonne | 23,851 | 31,996 | 19,576 | 21,171 |
| hazardous waste | tonne | 0.7 | 1.4 | 7.5 | 1.6 |
| non-hazardous waste | tonne | 23,850 | 31,995 | 19,568 | 21,170 |

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Transferred to third-party organisations for | tonne | 777 | 1,949 | 367 | 284 |
| hazardous waste | tonne | 709 | 1,893 | 253 | 157 |
| non-hazardous waste | tonne | 69 | 56 | 114 | 127 |
| Transferred to third-party organisations for processing, including: | tonne | 0 | 0 | 159 | 163 |
| hazardous waste | tonne | 0 | 0 | 0 | 0 |
| non-hazardous waste | tonne | 0 | 0 | 159 | 163 |
| Waste incineration, including: | tonne | 0 | 0 | 0 | 0 |
| hazardous waste | tonne | 0 | 0 | 0 | 0 |
| non-hazardous waste | tonne | 0 | 0 | 0 | 0 |
| Landfilling, including: | tonne | 0 | 0 | 0 | 0 |
| hazardous waste | tonne | 0 | 0 | 0 | 0 |
| non-hazardous waste | tonne | 0 | 0 | 0 | 0 |
| **Waste generation intensity** | | | | | |
| Waste generation intensity | t/tonne of product | 2.69 | 2.67 | 2.95 | 2.96 |

## Climate and Energy Efficiency

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total GHG emissions (Scopes 1 and 2)** | | | | | |
| **Greenhouse gas emissions** | t $CO_2$-eq | 1,524,464 | 1,612,607 | 1,216,210 | 1,503,862 |
| Direct GHG emissions (Scope 1) | t $CO_2$-eq | 977,474 | 1,022,530 | 774,725 | 945,682 |
| Energy indirect GHG emissions (Scope 2) | t $CO_2$-eq | 546,990 | 590,077 | 441,485 | 558,180 |
| **GHG emission intensity (Scopes 1 and 2)** | | | | | |
| GHG emission intensity (Scopes 1 and 2) | t $CO_2$-eq/ tonne of product | 0.134 | 0.131 | 0.180 | 0.153 |
| **Total direct GHG emissions by recorded gas (Scope 1)** | | | | | |
| **Direct GHG emissions (Scope 1)** | t $CO_2$-eq | 977,474 | 1,022,530 | 774,725 | 945,682 |
| Carbon dioxide ($CO_2$) | t $CO_2$-eq | 975,685 | 1,020,633 | 771,684 | 942,111 |
| Methane ($CH_4$) | t $CO_2$-eq | 555 | 581 | 446 | 529 |
| Nitrous oxide ($N_2O$) | t $CO_2$-eq | 1,234 | 1,316 | 2,595 | 3,042 |
| **Total other indirect GHG emissions (Scope 3)** | | | | | |
| Other indirect GHG emissions (Scope 3) | t $CO_2$-eq | 1,774,420 | 1,403,299 | 1,267,226 | 1,693,796 |
| **Total fuel consumption by fuel type** | | | | | |
| **Total fuel consumption** | GJ | 19,443,793 | 17,788,761 | 13,502,086 | 14,907,915 |
| Natural gas | GJ | 14,745,942 | 13,215,811 | 10,320,930 | 10,844,783 |
| Associated gas | GJ | 3,953,532 | 3,678,391 | 2,592,052 | 3,373,949 |
| Diesel | GJ | 345,062 | 390,283 | 421,037 | 459,170 |
| Petrol | GJ | 36,363 | 37,659 | 37,861 | 38,096 |
| Metallurgical coke | GJ | 667 | 1,927 | 911 | 789 |
| Liquefied gas | GJ | 132 | 6,274 | 4,098 | 3,776 |
| Kerosene | GJ | 0 | 302 | 903 | 789 |
| Fuel oil | GJ | 362,095 | 458,114 | 124,294 | 186,564 |

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total energy purchased for own needs by energy type** | | | | | |
| **Total energy purchased** | GJ | 6,550,223 | 7,041,663 | 4,694,240 | 6,366,214 |
| Electricity | GJ | 5,466,858 | 5,926,792 | 3,783,132 | 5,227,852 |
| Heat (including steam) | GJ | 1,083,365 | 1,114,871 | 911,108 | 1,138,362 |
| **Total energy transferred to third-party consumers** | | | | | |
| **Total energy transferred** | GJ | 100,602 | 121,143 | 115,233 | 99,425 |
| Electricity | GJ | 16,617 | 17,148 | 18,839 | 17,849 |
| Heat | GJ | 83,985 | 103,995 | 96,394 | 81,576 |
| **Total energy consumption** | | | | | |
| Total energy consumption | GJ | 25,913,591 | 24,726,429 | 18,196,325 | 21,174,704 |
| Energy intensity | GJ/tonne of product | 2.284 | 2.003 | 2.687 | 2.161 |

## Air Emissions

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total air emissions[1]** | | | | | |
| **Gross air emissions** | tonne | 7,312 | 7,520 | 5,973 | 5,022 |
| Nitrogen oxides ($NO_x$) | tonne | 2,658 | 2,629 | 2,508 | 1,194 |
| Sulphur oxides ($SO_x$) | tonne | 357 | 362 | 92 | 182 |
| Particulate matter (PM) | tonne | 2,531 | 2,628 | 1,840 | 2,521 |
| Volatile Organic Compounds (VOCs) | tonne | 199 | 205 | 152 | 111 |
| Carbon oxide | tonne | 1,483 | 1,603 | 1,307 | 931 |
| Other gaseous and liquid substances | tonne | 83 | 93 | 73 | 83 |
| **Air emission intensity** | | | | | |
| Air emission intensity | kg/tonne of product | 0.64 | 0.61 | 0.88 | 0.51 |

## Biodiversity and Reclamation

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Total sterlet fry released (P]SC Uralkali)** | | | | | |
| Sterlet fry released, total | thousand | 39 | 41 | 50 | 71 |
| **Disturbed and reclaimed land (P]SC Uralkali)** | | | | | |
| Disturbed land at the beginning of the year | ha | 1,918,4 | 1,916,0 | 1,884,2 | 1,863,6 |
| Disturbed land | ha | 15.7 | 0 | 0 | 88.3 |
| Reclaimed land | ha | 15.7 | 31.8 | 20.7 | 43.8 |
| Disturbed land at the end of the year | ha | 1,916.0 | 1,884.2 | 1,863.6 | 1,908.1 |
| **Biodiversity conservation costs (P]SC Uralkali)** | | | | | |
| Biodiversity conservation costs | thousand RUB | 953 | 1,032 | 1,301 | 1,911 |

[1] In accordance with the new methodology for inventory of emission sources, diesel locomotives are accounted for and categorised as 'mobile sources'.

# Social Aspect (S)

## Safety

### Employee Indicators

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Workers covered by an occupational health and industrial safety (h&s) management system** | | | | | |
| Workers covered by the H&S management system | person | 12,737 | 13,304 | 13,531 | 13,417 |
| | % | 100 | 100 | 100 | 100 |
| Number of the Company's workers covered by the H&S management system that has been internally audited[1] | person | 12,737 | 13,304 | 13,531 | 13,417 |
| | % | 100 | 100 | 100 | 100 |
| **Lost time incident frequency rate (LTIFR)[2]** | | | | | |
| Lost Time Incident Frequency Rate (LTIFR) | number of cases per 200,000 hours worked | 0.069 | 0.066 | 0.082 | 0.080 |
| | number of cases per 1,000,000 hours worked | 0.345 | 0.330 | 0.411 | 0.402 |
| **Total Recordable Incident Rate (TRIR)** | | | | | |
| Total Recordable Incident Rate (TRIR) | number of cases per 200,000 hours worked | 0.257 | 0.516 | 0.106 | 0.121 |
| **Lost Day Rate (LDR)** | | | | | |
| Lost Day Rate (LDR) | | 10,260 | 6,713 | 4,306 | 6,960 |

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Work-related accidents and injuries** | | | | | |
| Total number of accidents[2] | number of cases | 11 | 11 | 14 | 14 |
| Number of fatalities | number of cases | 0 | 1 | 2 | 1 |
| Work-related fatal injury frequency rate (FIFR) | number of cases per 200,000 hours worked | 0.000 | 0.006 | 0.012 | 0.006 |
| Number of high-consequence work-related injuries[3] | number of cases | 3 | 4 | 1 | 5 |
| Rate of high-consequence work-related injuries[3] | number of cases per 200,000 hours worked | 0.019 | 0.024 | 0.006 | 0.029 |
| Number of minor injuries | number of cases | 30 | 75 | 4 | 7 |
| **Number of hours worked** | | | | | |
| Total number of hours worked | person-hour | 31,910,541 | 33,310,961 | 34,093,378 | 34,825,884 |
| **Number of days lost for temporary disability** | | | | | |
| Number of days lost for temporary disability due to work-related injuries | days | 1,637 | 1,118 | 734 | 1,212 |
| **Work-related ill health** | | | | | |
| Number of identified work-related ill health among employees (first identified cases) | number of cases | 0 | 1 | 0 | 2 |
| Number of fatalities as a result of work-related ill health | number of cases | 0 | 0 | 0 | 0 |

[1] All employees of the Company are presumed to be covered by an occupational health and industrial safety management system that has undergone internal auditing if at least one unit/asset of the Company has undergone internal auditing.

[2] Total injuries including fatalities are disclosed within the scope of work-related incidents.

[3] Excluding deaths and minor cases.

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **H&S training** | | | | | |
| Industrial safety | person-course | 4,053 | 5,559 | 10,331 | 9,004 |
| Occupational health | person-course | 2,042 | 3,457 | 3,329 | 3,312 |
| Total | person-course | 6,095 | 9,016 | 13,660 | 12,316 |
| **Transport incidents** | | | | | |
| Total number of transport incidents | number of cases | – | – | – | 81 |

## Contractor Indicators

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Lost Time Injury Frequency Rate (LTIFR)[1]** | | | | | |
| Lost Time Injury Frequency Rate (LTIFR) | number of cases per 200,000 hours worked | – | – | 0.175 | 0.048 |
| | number of cases per 1,000,000 hours worked | – | – | 0.874 | 0.242 |
| **Accidents and injuries** | | | | | |
| Total number of accidents[1] | number of cases | 3 | 3 | 6 | 2 |
| Number of fatalities | number of cases | 1 | 1 | 1 | 0 |
| Number of high-consequence work-related[2] | number of cases | 0 | 0 | 2 | 0 |

[1] Total injuries, including fatalities, are disclosed within the scope of work-related incidents.

[2] Excluding deaths and minor cases.

## Employee Well-Being

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Average headcount** | | | | | |
| Total employees | person | 20,150 | 20,712 | 21,317 | 21,692 |
| **Headcount by gender (at the year-end)** | | | | | |
| **Total employees** | person | 20,467 | 21,072 | 21,957 | 22,144 |
| Total men | person | 14,319 | 14,866 | 15,309 | 15,596 |
| Total women | person | 6,148 | 6,206 | 6,648 | 6,548 |
| **Headcount by age (at the year-end)** | | | | | |
| **Total employees** | person | 20,467 | 21,072 | 21,957 | 22,144 |
| 18 to 30 years old | person | 2,833 | 3,006 | 3,203 | 3,238 |
| 30 to 35 years old | person | 3,289 | 3,108 | 2,822 | 2,515 |
| 35 to 40 years old | person | 3,479 | 3,752 | 3,969 | 4,000 |
| 40 to 50 years old | person | 6,124 | 6,324 | 6,714 | 6,865 |
| 50 to 60 years old | person | 3,786 | 3,783 | 4,061 | 4,242 |
| Over 60 years old | person | 956 | 1,099 | 1,188 | 1,284 |
| **Headcount by employment contract (at the year-end)** | | | | | |
| Open-ended (permanent) contract | person | 19,878 | 20,394 | 21,166 | 21,233 |
| Fixed-term contract | person | 589 | 678 | 791 | 911 |
| Share of open-ended contracts | % | 97.1 | 96.8 | 96.4 | 95.9 |
| **Headcount by employment type (at the year-end)** | | | | | |
| Part-time employment | person | 48 | 60 | 75 | 95 |
| Full-time employment | person | 20,419 | 21,012 | 21,882 | 22,049 |
| **Headcount by employee category (at the year-end)** | | | | | |
| Managers, specialists | person | 6,396 | 6,528 | 6,930 | 6,777 |
| Clerks | person | 103 | 94 | 132 | 133 |
| Workers | person | 13,968 | 14,450 | 14,895 | 15,234 |

## Employee Well-Being

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Headcount by region (at the year-end)** | | | | | |
| **Total employees** | person | 20,467 | 21,072 | 21,957 | 22,144 |
| Moscow | person | 76 | 56 | 63 | 71 |
| St. Petersburg | person | 502 | 498 | 457 | 465 |
| Perm Region | person | 19,824 | 20,419 | 21,358 | 21,516 |
| Outside the Russian Federation | person | 65 | 99 | 79 | 92 |
| **Ratios of standard entry level wage of employees[1] compared to local minimum wage in significant regions of the company's presence** | | | | | |
| Moscow | | 4.98 | 6.25 | 3.91 | 3.71 |
| St. Petersburg | | 1.06 | 1.24 | 1.11 | 1.70 |
| Perm Region | | 1.05 | 1.00 | 1.00 | 1.00 |
| **Ratio of wages for men and women[2]** | | | | | |
| Ratio of average hourly wages for men and women | | – | 1.5 | 1.6 | 1.6 |
| Ratio of bonus payments between men and women | | – | 2.0 | 2.0 | 2.8 |
| **Proportion of senior management[3] hired from the local community** | | | | | |
| Perm Region | % | 86.8 | 88.4 | 88.8 | 90.3 |
| Moscow | % | 83.3 | 90.0 | 100.0 | 100.0 |
| St. Petersburg | % | 93.8 | 100.0 | 100.0 | 100.0 |
| Other | % | 100.0 | 100.0 | 0.0 | 0.0 |
| Total for the Company | % | 87.3 | 89.4 | 88.7 | 90.1 |
| **New employee hires and employee turnover** | | | | | |
| **Newly employee hires** | person | 3,056 | 4,413 | 4,477 | 4,452 |
| Employee turnover | % | 7.8 | 9.6 | 9.8 | 9.8 |
| Voluntary employee turnover | % | 4.6 | 6.1 | 6.4 | 6.6 |

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Recruitment costs** | | | | | |
| Total new employee hires | RUB | 5,288,486 | 5,842,000 | 8,124,000 | 11,943,438 |
| including full-time employees | RUB | 5,110,065 | 5,802,514 | 7,836,641 | 11,943,438 |
| **Share of employees receiving individual performance reviews taken into account when determining remuneration[4]** | | | | | |
| Share of employees | % | 100 | 100 | 100 | 100 |
| **Employee engagement[5]** | | | | | |
| Total employee engagement, including: | % | – | 58 | 64 | 61 |
| among men | % | – | 58 | 65 | 62 |
| among women | % | – | 59 | 63 | 60 |
| Survey coverage (of total employees) | % | – | 43 | 46 | 46 |
| **Diversity of senior management by gender** | | | | | |
| **Total** | person | 217 | 216 | 222 | 222 |
| Women | person | 46 | 43 | 44 | 47 |
| Men | person | 171 | 173 | 178 | 175 |
| Share of women in top management positions | % | 21 | 20 | 20 | 21 |
| **Diversity of senior management by age** | | | | | |
| **Total** | person | 217 | 216 | 222 | 222 |
| 18 to 30 years old | person | 0 | 0 | 0 | 0 |
| 30 to 35 years old | person | 8 | 8 | 6 | 3 |
| 35 to 40 years old | person | 21 | 19 | 23 | 24 |
| 40 to 50 years old | person | 112 | 111 | 108 | 101 |
| 50 to 60 years old | person | 61 | 60 | 67 | 72 |
| Over 60 years old | person | 15 | 18 | 18 | 22 |

[1] Regardless of gender, all categories of employees receive equal wages for equal work, considering factors such as the amount of time worked and the performance. The entry-level wage denotes the minimum wage paid to lower-grade employees for full-time work.

[2] The pay gap between men and women is due to the impossibility of employing women in highly paid professions that are prohibited for women according to the legislation of the Russian Federation.

[3] Senior management positions include CEO, Area Director, Deputy CEO, Chief Accountant and its Deputy, Head of Department, Chief Engineer, Head of Mine, Head of Plant, Head of Complex, and Project Manager and Project Manager's Deputy.

[4] Management by objectives. This process involves setting predefined and measurable goals for employees at least once a year with the participation of their manager. The fulfilment of these goals is systematically monitored.

[5] In 2020, the engagement survey was not conducted due to COVID-19 pandemic restrictions. Lower coverage is attributed with the way it was conducted — in 2021, the survey was conducted via a mobile app for the first time.

## Employee Well-Being

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Number of employees with disabilities and share of total employees** | | | | | |
| Number of employees with disabilities at the year end | person | 123 | 129 | 140 | 133 |
| Share of employees with disabilities in the total employees at the year end | % | 0.6 | 0.6 | 0.6 | 0.6 |
| **Number of employees in the talent pool** | | | | | |
| Workers | person | 428 | 481 | 505 | 479 |
| Managers | person | 840 | 890 | 892 | 946 |
| Specialists/clerks | person | 687 | 616 | 617 | 631 |
| Number of employees in the Group's talent pool | person | 1,955 | 1,987 | 2,014 | 2,056 |
| **Hours of training** | | | | | |
| Total hours of training | hour | 1,003,348 | 1,391,023 | 1,478,224 | 1,473,443 |
| Total hours of training (without compulsory training) | hour | 622,832 | 582,314 | 605,012 | 642,109 |
| Hours of training per employee | hour | 49.8 | 67.2 | 69.6 | 67.9 |
| **Number of employees trained** | | | | | |
| Number of employees trained | person | 15,412 | 20,540 | 18,179 | 20,503 |
| **Share of employees receiving regular performance and career development reviews** | | | | | |
| Share of employees | % | 30.0 | 30.0 | 30.3 | 60.30 |
| **Total training costs** | | | | | |
| Total training costs | RUB | 49,378,536 | 72,615,363 | 81,023,895 | 90,828,397 |
| **Employees of security contractors trained in human rights** | | | | | |
| Share of employees of security contractors trained in human rights | % | – | 100 | 100 | 100 |
| **Share of employees covered by collective bargaining agreements** | | | | | |
| Share of employees covered by collective bargaining agreements | % | 95.1 | 95.1 | 93.8 | 93.5 |

## Local Communities

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Charity expenses by main areas**[1] | | | | | |
| **Total charity expenses** | mln RUB | 1,327 | 763 | 1,032 | 1,290 |
| Uralchem for Veterans | mln RUB | – | – | – | 1 |
| Uralchem for Children | mln RUB | – | – | – | 24 |
| Uralchem for Cultural Traditions | mln RUB | – | – | – | 657 |
| Uralchem for Education and Science | mln RUB | – | – | – | 245 |
| Uralchem for the Regions | mln RUB | – | – | – | 207 |
| Uralchem for Sport | mln RUB | – | – | – | 155 |
| **Share of production units that implement local community programmes** | | | | | |
| Share of production units that implement local community programmes | % | 100 | 100 | 100 | 100 |

## Sustainable Agriculture

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Number of people covered by agronomic literacy programmes** | | | | | |
| Number of events | event | 48 | 157 | 53 | 19 |
| Number of people covered by agronomic literacy programmes | person | 2,763 | 3,859 | 7,725 | 6,871 |

[1] Charity expenses are accounted for on an accrual basis, aligning with IFRS requirements. Area-wise breakdown commenced in 2023, hence area-specific expenses are not reflected for the years 2020–2022. It's important to note that charity accruals do not encompass the costs associated with humanitarian deliveries of products to African countries.

# Governance Aspect (G)

| Name | Uom | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Business ethics** | | | | | |
| Number of confirmed violations of internal codes of business conduct | violation | 1 | 7 | 2 | 3 |
| **Compliance with legislation** | | | | | |
| Significant fines for violating antitrust laws | RUB | 0 | 0 | 0 | 0 |
| Litigation related to obstructing competition and violating antitrust laws | litigation | 0 | 0 | 0 | 0 |
| **Feedback channels** | | | | | |
| **Total number of hotline calls, including:** | call | 322 | 441 | 902 | 675 |
| procurement | call | 89 | 105 | 209 | 119 |
| general | call | 51 | 126 | 256 | 227 |
| recruitment and training | call | 64 | 44 | 74 | 51 |
| IT | call | 42 | 69 | 78 | 71 |
| safety | call | 17 | 41 | 63 | 48 |
| labour relations | call | 7 | 9 | 9 | 9 |
| sales | call | 5 | 7 | 114 | 57 |
| H&S | call | 2 | 7 | 8 | 23 |
| permit and access system | call | 2 | 8 | 0 | 0 |
| social politicy | call | 6 | 12 | 12 | 4 |
| illiquid assets | call | 4 | 4 | 8 | 18 |
| stocks | call | 1 | 0 | 0 | 0 |
| fraud and corruption across departments | call | 26 | 9 | 10 | 8 |
| information security | call | 1 | 0 | 0 | 0 |
| corporate newspaper delivery | call | 0 | 0 | 1 | 0 |
| logistics | call | 5 | 0 | 60 | 40 |
| **Supply chain** | | | | | |
| Total number of suppliers | supplier | 1,269 | 1,339 | 1,376 | 1,384 |
| Share of local suppliers in the total number of suppliers[1] | % | 95.7 | 96.1 | 96.4 | 97.5 |
| Share of local suppliers in total procurement expenditures[1] | % | 84.4 | 84.8 | 74.0 | 80.2 |
| **Number of customer appealsby main topic** | | | | | |
| **Total** | inquiry | 58 | 78 | 41 | 42 |
| Short delivery | inquiry | 2 | 7 | 4 | 6 |
| Inclusions | inquiry | 10 | 18 | 2 | 3 |
| Contamination and damaged package; marking issues | inquiry | 8 | 16 | 9 | 12 |
| Quality | inquiry | 38 | 37 | 19 | 11 |
| Product labelling | inquiry | – | – | 2 | 3 |
| Condition and preparation of wagons | inquiry | – | – | 5 | 5 |
| **Customer satisfaction survey** | | | | | |
| Customer satisfaction, domestic market | % | 100 | 100 | 97 | 89 |
| Customer satisfaction, export markets | % | 70 | 66 | 66 | 93 |
| Share of customers participated in the survey, % of total customers | % | 39 | 43 | 48 | 39 |

[1] Local suppliers refers to Russian suppliers.

# GRI Index Table

## APPENDIX 4

The information contained in this Report is prepared by P]SC Uralkali in accordance with GRI Standards for the period from 1 ]anuary 2023 to 31 December 2023.

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 1: FOUNDATION 2021** | | | | |
| **GRI 2: GENERAL DISCLOSURES 2021** | | | | |
| **1. The organization and its reporting practices** | | | | |
| GRI 2-1 | Organizational details | About the Company<br>Appendix 1. About the Report<br>The Company's headquarters are located in Berezniki, the Perm Region, Russia. | Ministry of Economic Development No. 1<br>For revenue information, please refer to Uralkali's 2023 Annual Report. | 5<br>103 |
| GRI 2-2 | Entities included in the organization's sustainability reporting | Appendix 1. About the Report<br>The reporting boundaries include P]SC Uralkali and the Russian and foreign subsidiaries listed in Appendix 1. About the Report.<br>The financial reporting boundaries of P]SC Uralkali are presented in the audited disclosed consolidated financial statements of P]SC Uralkali for 2023. | | 103 |
| GRI 2-3 | Reporting period, frequency and contact point | Appendix 1. About the Report<br>Contacts<br>Financial and sustainability reports are prepared annually for the calendar year.<br>P]SC Uralkali publishes its Sustainability Report in accordance with GRI Standards for the reporting period from 1 ]anuary 2023 to 31 December 2023.<br>Date of the Report: 28/06/2024 | | 103<br>130 |
| GRI 2-4 | Restatements of information | Appendix 1. About the Report<br>Information on changes in the data of previous periods is indicated in the Report — in the text or footnotes under the relevant indicators. | | 103 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **1. The organization and its reporting practices** | | | | |
| GRI 2-5 | External assurance | Appendix 2. Independent Assurance Report<br>The Company engaged AO BST to provide independent assurance of sample data presented in the 2023 Sustainability Report to ensure high quality, accuracy and completeness of the information presented in the Report and to help improve the sustainability reporting process as a whole. | | 107 |
| **2. Activities and workers** | | | | |
| GRI 2-6 | Activities, value chain and other business relationships | About the Company<br>Supply Chain<br>There have been no significant changes to the organisation's operations or its supply chain. | | 5<br>95 |
| GRI 2-7 | Employees | About the Company<br>Employee Well-being<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting for a number of categories. | Ministry of Economic Development No. 25 | 5<br>48<br>109 |
| GRI 2-8 | Workers who are not employees | Supply Chain<br>Safety<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 95<br>36<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **3. Governance** | | | | |
| GRI 2-9 | Governance structure and composition | Corporate Governance<br>Appendix 3. Main Quantitative Data<br>Corporate Governance section of the Company's official website.<br>Information on the indicator is not disclosed since the Company considers it confidential. | Ministry of Economic Development No. 37, No. 44 | 84<br>109 |
| GRI 2-10 | Nomination and selection of the highest governance body | Corporate Governance | | 84 |
| GRI 2-11 | Chair of the highest governance body | Corporate Governance<br>The Chairperson of the Board of Directors of the Company is not its Chief Executive Officer. | | 84 |
| GRI 2-12 | Role of the highest governance body in overseeing the management of impacts | Corporate Governance | | 84 |
| GRI 2-13 | Delegation of responsibility for managing impacts | Corporate Governance | | 84 |
| GRI 2-14 | Role of the highest governance body in sustainability reporting | Corporate Governance<br>Appendix 1. About the Report | | 84<br>103 |
| GRI 2-15 | Conflicts of interest | Corporate Governance<br>Information on the indicator is not disclosed since the Company considers it confidential. | | 84 |
| GRI 2-16 | Communication of critical concerns | Corporate Governance<br>Members of the Board of Directors and Committee regularly review management reports, including reports on critical issues, and discuss the implementation and updating of Uralkali's ESG Strategy goals. | | 84 |
| GRI 2-17 | Collective knowledge of the highest governance body | Corporate Governance<br>No sustainable development training for Board members took place during the reporting period. | | 84 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **3. Governance** | | | | |
| GRI 2-18 | Evaluation of the performance of the highest governance body | In 2023, the Board of Directors did not self-assess its performance due to the membership changes. The Board of Directors deems self-assessment an important and useful tool and intends to resume this practice in 2024. | | 120 |
| GRI 2-19 | Remuneration policies | Corporate Governance<br>Information on the indicator is not disclosed since the Company considers it confidential. | | 84 |
| GRI 2-20 | Process to determine remuneration | Corporate Governance<br>Information on the indicator is not disclosed since the Company considers it confidential. | | 84 |
| GRI 2-21 | Annual total compensation ratio | Information on the indicator is not disclosed since the Company considers it confidential. | | 120 |
| **4. Strategy, policies and practices** | | | | |
| GRI 2-22 | Statement on sustainable development strategy | Statement from the CEO<br>About the Company<br>2025 ESG Strategy | Ministry of Economic Development No. 35 | 3<br>5<br>9 |
| GRI 2-23 | Policy commitments | Climate Change<br>Environment<br>Safety<br>Employee Well-Being<br>Human Rights<br>Local Communities<br>Anti-corruption and Ethics<br>Supply Chain<br>Cybersecurity and Personal Data Protection | | 19<br>26<br>36<br>48<br>63<br>67<br>89<br>95<br>99 |
| GRI 2-24 | Embedding policy commitments | Climate Change<br>Environment<br>Safety<br>Employee Well-Being<br>Human Rights<br>Local Communities<br>Anti-corruption and Ethics<br>Supply Chain<br>Cybersecurity and Personal Data Protection | | 19<br>26<br>36<br>48<br>63<br>67<br>89<br>95<br>99 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **4. Strategy, policies and practices** | | | | |
| GRI 2-25 | Processes to remediate negative impacts | Human Rights<br>Local Communities<br>Anti-corruption and Ethics<br>As of now, the Company's stakeholders do not participate in developing, improving and evaluating complaints handling. | | 63<br>67<br>89 |
| GRI 2-26 | Mechanisms for seeking advice and raising concerns | Human Rights<br>Anti-corruption and Ethics | | 63<br>89 |
| GRI 2-27 | Compliance with laws and regulations | Anti-corruption and Ethics<br>Appendix 3. Main Quantitative Data | | 89<br>109 |
| GRI 2-28 | Membership associations | Membership in Associations | | 17 |
| **5. Stakeholder engagement** | | | | |
| GRI 2-29 | Approach to stakeholder engagement | Stakeholder Engagement | | 15 |
| GRI 2-30 | Collective bargaining agreements | Employee Well-being<br>Appendix 3. Main Quantitative Data<br>For employees not covered by collective bargaining agreements, working conditions are determined under individual employment contracts. | Ministry of Economic Development No. 32 | 48<br>109 |
| **GRI 3: MATERIAL TOPICS 2021** | | | | |
| GRI 3-1 | Process to determine material topics | Appendix 1. About the Report | | 103 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 3: MATERIAL TOPICS 2021** | | | | |
| GRI 3-2 | List of material topics | Appendix 1. About the Report<br>The topic 'Climate Risks' was excluded as a separate topic, relevant questions are included in the new topic 'Climate Change.'<br>The topic 'Reclamation' was excluded as a separate topic, relevant issues are included in the topic 'Biodiversity.'<br>The topic 'Tax Policy' was excluded (due to restrictions on financial disclosure).<br>Other material topics remained unchanged. | | 103 |
| GRI 3-3 | Management of material topics | The information on managing material topics is disclosed in the relevant chapters of the Report. | | 19, 26, 36, 48, 63, 67, 79, 84, 89, 95, 99 |
| **GRI 200: ECONOMIC** | | | | |
| **GRI 202: Market Presence 2016** | | | | |
| GRI 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting for a number of categories. | | 109 |
| GRI 202-2 | Proportion of senior management hired from the local community | Employee Well-Being<br>Brazilian Asset<br>Appendix 3. Main Quantitative Data | | 48<br>12<br>109 |
| **GRI 203: Indirect Economic Impacts 2016** | | | | |
| GRI 203-1 | Infrastructure investments and services supported | Sustainable Agriculture<br>Brazilian Asset<br>Local Communities<br>Appendix 3. Main Quantitative Data<br>In the reporting period, there were no negative impacts on local communities and the local economy from the implementation of infrastructure projects. | Ministry of Economic Development No. 32 | 79<br>12<br>67<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 203: Indirect Economic Impacts 2016** | | | | |
| GRI 203-2 | Significant indirect economic impacts | Sustainable Agriculture<br>Brazilian Asset<br>Local Communities<br>These chapters provide an exhaustive list of indirect economic impacts identified in the reporting period. The absence of information on any type of impacts indicates their absence during the reporting period. | | 79<br>12<br>67 |
| **GRI 204: Procurement Practices 2016** | | | | |
| GRI 204-1 | Proportion of spending on local suppliers | Supply Chain<br>Appendix 3. Main Quantitative Data<br>Perm Region is the main region where the Company operates. | Ministry of Economic Development No. 8, No. 9 | 95<br>109 |
| **GRI 205: Anti-Corruption 2016** | | | | |
| GRI 205-1 | Operations assessed for risks related to corruption | Anti-corruption and Ethics<br>Information on the indicator is not disclosed since the Company considers it confidential. | | 89 |
| GRI 205-2 | Communication and training about anti-corruption policies and procedures | Anti-corruption and Ethics | | 89 |
| GRI 205-3 | Confirmed incidents of corruption and actions taken | Anti-corruption and Ethics<br>Information on the indicator is not disclosed since the Company considers it confidential. | | 89 |
| **GRI 206: Anti-Competitive Behavior 2016** | | | | |
| GRI 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Anti-corruption and Ethics<br>Appendix 3. Main Quantitative Data | | 89<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 300: ENVIRONMENTAL** | | | | |
| **GRI 302: Energy 2016** | | | | |
| GRI 302-1 | Energy consumption within the organization | Climate Change<br>Appendix 3. Main Quantitative Data<br>The share of consumed renewable energy stands at 0%. When calculating this indicator, calculation methodologies are used in accordance with the legislation of the Russian Federation.<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 22 | 19<br>109 |
| GRI 302-2 | Energy consumption outside of the organization | Energy consumption outside of the organisation is not metered. | | 122 |
| GRI 302-3 | Energy intensity | Climate Change<br>Appendix 3. Main Quantitative Data<br>The energy intensity calculation uses data for all fuel, electricity and heat used within the organisation within the specified boundaries. | | 19<br>109 |
| GRI 302-4 | Reduction of energy consumption | Climate Change<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 19<br>109 |
| **GRI 303: Water and Effluents 2018** | | | | |
| GRI 303-1 | Interactions with water as a shared resource | Environment<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories.<br>After treatment, wastewater is discharged into water bodies based on and in accordance with permits (standards) by means of controlled water outlets. Currently, the Company does not have any targets for water discharge, and it is performed in compliance with approved standards. | Ministry of Economic Development No. 35 | 26 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 303: Water and Effluents 2018** | | | | |
| GRI 303-2 | Management of water discharge-related impacts | Environment<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 26 |
| GRI 303-3 | Water withdrawal | Environment<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 13, No. 14, No. 16 | 26<br>109 |
| GRI 303-4 | Water discharge | Environment<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 15 | 26<br>109 |
| GRI 303-5 | Water consumption | Environment<br>Appendix 3. Main Quantitative Data<br>The Company does not consume water in water-scarce regions. | Ministry of Economic Development No. 13, No. 14, No. 16 | 26<br>109 |
| **GRI 304: Biodiversity 2016** | | | | |
| GRI 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Environment<br>Uralkali's operational sites are not located in protected areas and areas of high biodiversity value, including those adjacent to protected areas. | | 26 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 304 Biodiversity 2016** | | | | |
| GRI 304-2 | Significant impacts of activities, products and services on biodiversity | Environment<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 26 |
| GRI 304-3 | Habitats protected or restored | Environment<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 26 |
| GRI 304-4 | IUCN Red List species and national conservation list species with habitats in areas affected by operations | Environment<br>The Company's operations do not pose a threat to species listed in the Red List of the International Union for Conservation of Nature (IUCN) or the Red Books of Russia. | | 26 |
| **GRI 305: Emissions 2016** | | | | |
| GRI 305-1 | Direct (Scope 1) GHG emissions | Climate Change<br>Appendix 3. Main Quantitative Data<br>There are no $CO_2$ emissions from the combustion or decomposition of biomass. The base year for calculating GHG emissions is 2020, being the base year of the Climate Strategy.<br>Emission are consolidated in compliance with the Company's operational control (for more information, please refer to the Reporting Boundaries section in Appendix 1). | Ministry of Economic Development No. 20 | 19<br>109 |
| GRI 305-2 | Energy indirect (Scope 2) GHG emissions | Climate Change<br>Appendix 3. Main Quantitative Data<br>The base year for calculating GHG emissions is 2020, being the base year of the Climate Strategy. | Ministry of Economic Development No. 20 | 19<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 305: Emissions 2016** | | | | |
| GRI 305-3 | Other indirect (Scope 3) GHG emissions | Climate Change<br>Appendix 3. Main Quantitative Data<br>Uralkali has no biogenic emissions. Pursuant to GHG Protocol, Scope 3 includes categories 1–5, 8, and 9. For calculations during the reporting period, GWPs (global warming potentials) are used according to the Sixth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC). | | 19<br>109 |
| GRI 305-4 | GHG emissions intensity | Climate Change<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 20 | 19<br>109 |
| GRI 305-5 | Reduction of GHG emissions | Climate Change<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 19 |
| GRI 305-6 | Emissions of ozone-depleting substances (ODS) | Information on the indicator is not disclosed due to the lack of centralised data accounting and collection. | | 124 |
| GRI 305-7 | Nitrogen oxides ($NO_x$), sulfur oxides ($SO_x$), and other significant air emissions | Environment<br>Appendix 3. Main Quantitative Data<br>There are no persistent organic pollutants (POPs) in P]SC Uralkali's emissions. The data are collected in accordance with the Procedure for Reporting Form 2-TP (air). The Company co-operates with state authorities (Federal Service for Supervision of Natural Resources Management, etc.) within the framework of fulfilment of legal requirements. In case of receiving letters and enquiries from the population and other persons, the Company provides relevant information. Interaction with local residents is carried out by filing complaints. No such complaints were recorded in the reporting period. There is no interaction with other stakeholders within the framework of the topic 'Atmospheric Air Protection'. | Ministry of Economic Development No. 19 | 26<br>109 |
| **GRI 306: Waste 2020** | | | | |
| GRI 306-1 | Waste generation and significant waste-related impacts | Environment | | 26 |
| GRI 306-2 | Management of significant waste-related impacts | Environment | | 26 |
| GRI 306-3 | Waste generated | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 17 | 26<br>109 |
| GRI 306-4 | Waste diverted from disposal | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 18 | 26<br>109 |
| GRI 306-5 | Waste directed to disposal | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 18 | 26<br>109 |
| **GRI 308: Supplier Environmental Assessment 2016** | | | | |
| GRI 308-1 | New suppliers that were screened using environmental criteria | Supply Chain<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 95 |
| GRI 308-2 | Negative environmental impacts in the supply chain and actions taken | Supply Chain<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 95 |
| **GRI 400: SOCIAL** | | | | |
| **GRI 401: Employment 2016** | | | | |
| GRI 401-1 | New employee hires and employee turnover | Employee Well-Being<br>Appendix 3. Main Quantitative Data<br>The share of new employee hires stands at 21%. Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 25, No. 33 | 48<br>109 |
| GRI 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Employee Well-Being<br>In all significant regions of operation, temporary or part-time employees receive the same benefits as full-time employees. Benefits are not available to external part-time employees. Significant regions of operation mean Russian regions where the Company operates. | | 48 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 401: Employment 2016** | | | | |
| GRI 401-3 | Parental leave | Information on the indicator is not disclosed due to the lack of centralised data accounting and collection. | | 125 |
| **GRI 403: Occupational Health and Safety 2018** | | | | |
| GRI 403-1 | Occupational health and safety management system | Safety | | 36 |
| GRI 403-2 | Hazard identification, risk assessment, and incident investigation | Safety | | 36 |
| GRI 403-3 | Occupational health services | Safety | | 36 |
| GRI 403-4 | Worker participation, consultation, and communication on occupational health and safety | Safety | | 36 |
| GRI 403-5 | Worker training on occupational health and safety | Safety | Ministry of Economic Development No. 27 | 36 |
| GRI 403-6 | Promotion of worker health | Safety<br>Employee Well-Being<br>Local Communities | Ministry of Economic Development No. 28 | 36<br>48<br>67 |
| GRI 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Safety | | 36 |
| GRI 403-8 | Workers covered by an occupational health and safety management system | Safety<br>Appendix 3. Main Quantitative Data<br>The OHS management system covers only permanent employees. When selecting a contractor, the Company pays attention to whether it has its own system covering its employees. | | 36<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 403: Occupational Health and Safety 2018** | | | | |
| GRI 403-9 | Work-related injuries | Safety<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 29 | 36<br>109 |
| GRI 403-10 | Work-related ill health | Safety<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 36<br>109 |
| **GRI 404: Training and Education 2016** | | | | |
| GRI 404-1 | Average hours of training per year per employee | Employee Well-Being<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 30, No. 31 | 48<br>109 |
| GRI 404-2 | Programs for upgrading employee skills and transition assistance programs | Employee Well-Being | | 48 |
| GRI 404-3 | Percentage of employees receiving regular performance and career development reviews | Employee Well-Being<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 48<br>109 |
| **GRI 405: Diversity and Equal Opportunity 2016** | | | | |
| GRI 405-1 | Diversity of governance bodies and employees | Human Rights<br>Employee Well-Being<br>Corporate Governance<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | Ministry of Economic Development No. 37, No. 44, No. 25 | 63<br>48<br>84<br>109 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| GRI 405-2 | Ratio of basic salary and remuneration of women to men | Employee Well-Being<br>Appendix 3. Main Quantitative Data<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting for a number of categories. | Ministry of Economic Development No. 26 | 48<br>109 |
| **GRI 406: Non-discrimination 2016** | | | | |
| GRI 406-1 | Incidents of discrimination and corrective actions taken | Human Rights | | 63 |
| **GRI 410: Security Practices 2016** | | | | |
| GRI 410-1 | Security personnel trained in human rights policies or procedures | Human Rights<br>Appendix 3. Main Quantitative Data | | 63<br>109 |
| **GRI 413: Local Communities 2016** | | | | |
| GRI 413-1 | Operations with local community engagement, impact assessments, and development programs | Local Communities<br>Appendix 3. Main Quantitative Data<br>In the reporting period, the Hotline was one of the complaint handling mechanisms from representatives of the local community. | | 67<br>109 |
| GRI 413-2 | Operations with significant actual and potential negative impacts on local communities | There were no such impacts in the reporting year. | | 126 |
| **GRI 414: Supplier Social Assessment 2016** | | | | |
| GRI 414-1 | New suppliers that were screened using social criteria | Supply Chain<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 95 |

| GRI Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **GRI 414: Supplier Social Assessment 2016** | | | | |
| GRI 414-2 | Negative social impacts in the supply chain and actions taken | Supply Chain<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 95 |
| **GRI 416: Customer Health and Safety 2016** | | | | |
| GRI 416-1 | Assessment of the health and safety impacts of product and service categories | Product Safety<br>Information on the indicator is partially disclosed due to the lack of centralised data accounting and collection for a number of categories. | | 32 |
| GRI 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services during the reporting period. | | 126 |
| **ADDITIONAL STANDARDS** | | | | |
| **Methodological recommendations from the Ministry of Economic Development that do not overlap with GRI Standards** | | | | |
| – | Labour productivity | Employee Well-Being | Ministry of Economic Development No. 5 | 48 |
| – | Expenditure on environmental protection measures | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 21 | 26<br>109 |
| – | The number of the Board of Directors meetings and their attendance rate | Corporate Governance | Ministry of Economic Development No. 36 | 84 |
| – | Involvement in sustainability (ESG) indices and ratings | About the Company | Ministry of Economic Development No. 39 | 5 |

# SASB Index Table

## APPENDIX 5

| SASB Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **ENVIRONMENTAL ASPECT** | | | | |
| **Greenhouse gas emissions** | | | | |
| RT-CH-110a.1 | Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations | Climate Change<br>Appendix 3. Main Quantitative Data<br><br>There are no CO emissions from the combustion or decomposition of biomass. The base year for calculating GHG emissions is 2020, being the base year of the Climate Strategy. Emission are consolidated in compliance with the Company's operational control (for more information, please refer to the Reporting Boundaries section in Appendix 1). | Ministry of Economic Development No. 20 | 19<br>109 |
| RT-CH-110a.2 | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | Climate Change | Ministry of Economic Development No. 35 | 19 |
| **Air quality** | | | | |
| RT-CH-120a.1 | Air emissions of the following pollutants:<br>(1) NOx (excluding NO), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs) | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 19 | 26<br>109 |

| SASB Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **ENVIRONMENTAL ASPECT** | | | | |
| **Energy management** | | | | |
| RT-CH-130a.1 | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy | Climate Change<br>Appendix 3. Main Quantitative Data<br><br>The share of consumed renewable energy stands at 0%. | Ministry of Economic Development No. 22 | 19<br>109 |
| **Water management** | | | | |
| RT-CH-140a.1 | (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress | Environment<br>Appendix 3: Main Quantitative Data<br><br>The Company does not consume water in regions with high or extremely high baseline water stress. | Ministry of Economic Development No. 13, No. 14, No. 16 | 26<br>109 |
| RT-CH-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks | Environment | Ministry of Economic Development No. 35 | 26 |
| **Hazardous waste management** | | | | |
| RT-CH-150a.1 | Amount of hazardous waste generated, percentage recycled | Environment<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 17, No. 18 | 26<br>109 |

| SASB Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **SOCIAL ASPECT** | | | | |
| **Workforce health & safety** | | | | |
| RT-CH-320a.1 | (1) Total recordable injury rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees | Safety<br>Appendix 3. Main Quantitative Data | Ministry of Economic Development No. 29 | 36<br>109 |
| RT-CH-320a.2 | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks | Safety | Ministry of Economic Development No. 35 | 36 |
| **Safety & environmental stewardship of chemicals** | | | | |
| RT-CH-410.b1 | (1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment | Product Safety | | 32 |
| **Operational safety, emergency preparedness & response** | | | | |
| RT-CH-540a.2 | Number of transport incidents | Safety | | 36 |

| SASB Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **SOCIAL ASPECT** | | | | |
| **Community relations** | | | | |
| RT-CH-210a.1 | Discussion of Company practices in engaging with local communities, including detailed processes, procedures, and risk management approaches | Local Communities | Ministry of Economic Development No. 34 | 67 |
| **RESPONSIBLE MANAGEMENT PRACTICES** | | | | |
| **Management of the legal & regulatory environment** | | | | |
| RT-CH-530a.1 | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry | Local Communities<br>Membership in Associations<br>Anti-corruption and Ethics | Ministry of Economic Development No. 29 | 67<br>17<br>89 |

# TCFD Index Table

## APPENDIX 6

| TCFD Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **1. GOVERNANCE** | | | | |
| **Disclosure of the organization's governance around climate-related risks and opportunities** | | | | |
| a) | Description of the board's oversight of climate-related risk and opportunities | Climate Change<br>2025 ESG Strategy<br>Corporate Governance | IFRS S2 Climate-related Disclosures<br>Governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities | 19<br>9<br>84 |
| b) | Description of management's role in assessing and managing climate-related risks and opportunities | Climate Change | IFRS S2 Climate-related Disclosures<br>Governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities | 19 |
| **2. STRATEGY** | | | | |
| **Disclosure of actual and potential impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material** | | | | |
| a) | Description of the climate-related risks and opportunities the organization has identified over the short, medium, and long term | Climate Change | IFRS S2 Climate-related Disclosures<br>A company's strategy for managing climate-related risks and opportunities | 19 |
| **3. RISK MANAGEMENT** | | | | |
| **Disclosure of how the organization identifies, assesses, and manages climate-related risks** | | | | |
| a) | Description of the organization's processes for identifying and assessing climate-related risks | Climate Change | IFRS S2 Climate-related Disclosures<br>Processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including, whether and how those processes are integrated into and inform the company's overall risk management process | 19 |
| b) | Description of the organization's processes for managing climate-related risks | Climate Change | IFRS S2 Climate-related Disclosures<br>Processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including, whether and how those processes are integrated into and inform the company's overall risk management process | 19 |

| TCFD Index | | Report Section / Comments | Other Standards | Page |
|---|---|---|---|---|
| **4. METRICS AND TARGETS** | | | | |
| **Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material** | | | | |
| a) | Disclosure of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | Climate Change | IFRS S2 Climate-related Disclosures<br>An entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation | 19 |
| b) | Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks | Climate Change<br>Appendix 3. Main Quantitative Data<br><br>There are no $CO_2$ emissions from the combustion or decomposition of biomass. The base year for calculating GHG emissions is 2020, being the base year of the Climate Strategy.<br><br>Emissions are consolidated in compliance with the Company's operational control (for more information, please refer to the Reporting Boundaries section in Appendix 1). | IFRS S2 Climate-related Disclosures<br>An entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation | 19<br>109 |
| c) | Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets | Climate Change<br>2025 ESG Strategy | IFRS S2 Climate-related Disclosures<br>An entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation | 19<br>9 |

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