

# Remuneration report

The Board of Directors directly supervises Nor Nickel's remuneration framework. The Corporate Governance, Nomination, and Remuneration Committee of the Board of Directors is responsible for:

- developing the Remuneration Policy for Members of the Board of Directors, Members of the Management Board, and the President of Nor Nickel
- overseeing the implementation and execution of the Policy
- reviewing the Policy on a regular basis.

The Company does not provide loans to members of the Board of Directors or the Management Board.

USD 58 million

Remuneration paid to members of the Board of Directors and the Management Board in 2024 totalled RUB

## 5.4 BILLION<sup>1</sup>

## Directors' remuneration

### Remuneration principles

The annual remuneration of the Board of Directors is set in accordance with the Remuneration Policy, which was revised and approved at the Annual General Meeting of Shareholders on 28 June 2024. The revised version of the Remuneration Policy supplements the definition of an executive director, increases the remuneration payable to Board members for serving on Board committees, and clarifies that remuneration amounts are stated net of tax, while reimbursable expenses take into account taxes payable. Based on current market conditions, the aggregate amount of liability insurance coverage for the Company's directors, officers, and other insured employees was also adjusted. By resolution of the General Meeting of Shareholders, members of the Board of Directors receive remuneration for their service on the Board of Directors and are reimbursed for expenses incurred in the performance of their duties as Board members. As an

extra benefit, all members of the Board of Directors are covered by liability insurance paid for by the Company under its directors' liability insurance programme. In addition, indemnity agreements are signed with members of the Board of Directors to cover potential losses they may incur in connection with their service on the Board. The Corporate Governance Code recommends that companies pay for their directors' liability insurance to ensure that, in the event of damage caused to the Company, such losses can be recovered through insurance payouts.

### Remuneration of the Chairman of the Board of Directors

Remuneration of the Chairman of the Board of Directors differs from that of other non-executive directors due to the Chairman's enhanced scope of expertise and responsibilities. Subject to a resolution of the General Meeting of Shareholders, the Chairman of the Board of Directors may be entitled to additional remuneration and benefits beyond those set out in the Policy. Under the Policy, the annual base remuneration of the Chairman of the Board of Directors is USD 1 million (net of tax). The Chairman of the Board of Directors is not entitled to any additional remuneration for serving on Board committees.

### Remuneration of non-executive directors

All non-executive directors receive equal remuneration. According to the Policy, the annual remuneration of non-executive directors includes:

- USD 120 thousand as base remuneration for Board membership
- USD 75 thousand for serving on a Board committee
- USD 150 thousand for chairing a Board committee. .

Non-executive directors are not eligible for any form of short-term or long-term cash incentives, nor for any non-cash remuneration, including performance-based bonuses, share options, benefits packages, or pension plans.

### Remuneration of executive directors

In line with the approved Policy, executive directors do not receive any additional remuneration for their service on the Board of Directors to avoid any potential conflict of interest.

### Directors' remuneration

Type of remuneration	2024	
	RUB mln	USD mln
For serving on the Board of Directors and Board committees	463.8	5.0
Salary	10.4	0.1
Bonuses	12.4	0.1
Reimbursement	0.6	0.007
Other	–	–
<b>Total</b>	<b>487.2</b>	<b>5.2</b>

<sup>1</sup> The amount of remuneration paid does not include the remuneration accrued but not yet paid as at end-2024, as well as insurance premiums and voluntary health insurance (VHI) contributions. Adding the amounts accrued as described above, the total remuneration of members of Nor Nickel's governance bodies for 2024, as per the IFRS statements, amounted to RUB 6.6 billion (USD 72 million).

## Remuneration of executive bodies

In line with Nornickel’s Articles of Association, the remuneration and reimbursement payable to members of the Management Board are determined by the Board of Directors.

### KPI system

Remuneration of the Company’s senior management, including individuals who are members of the Management Board, is comprised of basic salary and bonuses (variable part). Bonuses comprising the variable part of senior management’s

remuneration are based on a KPI system aligned with Nornickel’s strategic goals, depend on the Company’s performance, and are linked to both financial (EBITDA and FCF; weight: 40%) and non-financial metrics (work-related injury rate (weight: 10%), zero environmental incidents (weight: 10%)) as well as other individual KPIs. KPIs are updated on an annual basis by the Corporate Governance, Nomination, and Remuneration Committee of the Board of Directors. In 2024, health, safety, and environment (HSE) KPIs had a significant weight (20%) in

senior management’s KPI scorecards, which confirms that safety culture remains top of mind for Nornickel.

Determining the remuneration and bonuses payable to the Company’s President falls within the remit of the Board of Directors.

### Remuneration of Board members and the President

Type of remuneration	2024	
	RUB mln	USD mln
For serving on the Management Board	2.6	0.03
Salary	3,563.9	38.5
Bonuses	1,325.7	14.3
Reimbursement	0.2	0.003
Other	-	-
<b>Total</b>	<b>4,892.4</b>	<b>52.8</b>

## Control bodies

The Company has in place a risk management and internal control system (RMICS) covering all business processes and all management levels across the Group. The control system, integrated into the Company’s corporate governance processes, is geared towards achieving goals related to accurate financial reporting, operational efficiency, and compliance.

The system comprises the following control bodies:

- Audit Commission
- Audit Committee of the Board of Directors
- Internal Audit Department
- Internal control system
- Risk Management Service
- Independent audit (external control)

