

Tax strategy

GRI 207-1, 207-2, 207-3

GRI 14.23.4, 14.23.5, 14.23.6

Tax management system at Nornickel

The Company's general approach to tax matters

- Strict compliance with all applicable tax laws of the Russian Federation and other countries of operation¹
- Paying taxes and making other statutory payments to governments in a full and timely manner
- Disclosing information relevant to stakeholders on the corporate portal
- Zero tolerance for non-transparent corporate structures intended to conceal income and avoid taxation
- Applying market prices for tax purposes in intra-group transactions
- Complying with the core principles set out in the Organisation for Economic Co-operation and Development (OECD) Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations
- Applying a conservative approach to resolving all ambiguous or disputable tax matters arising in the jurisdictions where the Group operates
- Zero tolerance for aggressive tax planning schemes

Key internal documents

The Norilsk Nickel Group's Tax Strategy Policy outlines the operating principles of the Company's tax function and addresses matters related to the management of tax burden and tax risks.

Taxation: allocation of responsibilities

The Management Board approves the tax strategy, which is developed, updated as needed, and overseen by the Director of the Tax Department. This functional unit is also responsible for managing tax risks of Russian business units. Risk factors related to additional taxation and penalties, contingent tax liabilities, and the external auditor's opinion confirming the accuracy of tax information are disclosed in [Nornickel's Consolidated Financial Statements for 2024](#).

For a detailed governance structure with allocation of responsibilities for tax matters, please see [Nornickel's 2023 Sustainability Report](#).

Relations with tax authorities

The Group's interaction with tax authorities includes tax audits, advisory support on applicable laws, and the conclusion of pricing agreements. The real-time tax monitoring system enables the Company to regularly grant tax authorities automated access to its tax and accounting data, obtain reasoned opinions during the monitoring process, and accelerate risk resolution.

>97%

of the Group's turnover is monitored by tax authorities in real time

2x

fewer document requests, leading to a lower administrative burden

60%

reduction in the number of tax audits

¹ The Group's foreign entities interpret applicable tax laws and resolve controversial tax issues independently.

Corporate security

To maintain a high level of emergency preparedness across facility security teams and equipment, the Company delivered a range of activities including:

630

training sessions conducted in 2024

90

general drills carried out in 2024

35

tactical and special drills organised in 2024

To support the resilience and uninterrupted, safe operation of the Group's facilities and infrastructure, Nornickel implements a comprehensive approach based on embedding corporate security elements and factors in the Company's business processes and activities.

The Group's corporate security system encompasses planning, organisation, and management across the following areas:

- Facility, transport, internal, economic, and personnel security
- Security-related investment projects

These processes are owned and managed by the Corporate Security business vertical of PJSC MMC Norilsk Nickel.

Security at the Group's facilities combines physical protection with engineering and technical safety systems. In accordance with applicable laws, the Company engages security providers from a vetted list of Nornickel's reliable partners – organisations with strong business reputation both within the Group and in the broader security market.

The Corporate Security business vertical includes units responsible for countering emerging threats (such as UAVs) and advancing promising areas of corporate security, including the digital transformation of security processes.

Nornickel's network of security operations centres operates on a unified software and analytics platform that aggregates security-related data from facilities covered not only by Corporate Security but also by other Company units.

To promote the corporate security agenda, strengthen partnerships with industry peers, and share lessons learned, Nornickel's Corporate Security team actively participated in security-focused national and international events throughout the year – such as conferences, forums, panel sessions, and round tables – including as speakers or moderators.

