EN+ GROUP IPJSC

Consolidated Interim Condensed Financial Information for the six months ended 30 June 2024

Contents

Statement of Management's Responsibilities........3
Report on Review of Consolidated Interim Condensed Financial Information........4
Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income........6
Consolidated Interim Condensed Statement of Financial Position........8
Consolidated Interim Condensed Statement of Cash Flows........9
Consolidated Interim Condensed Statement of Changes in Equity........11
Notes to the Consolidated Interim Condensed Financial Information........12

Statement of Management's Responsibilities for the Preparation and Approval of the Consolidated Interim Condensed Financial Information for the six months ended 30 June 2024

The following statement, which should be read in conjunction with the auditors' responsibilities stated in the auditors' report on the review of the consolidated interim condensed financial information set out on pages 4-5, is made with a view to distinguishing the respective responsibilities of management and those of the auditors in relation to the consolidated interim condensed financial information of EN+ GROUP IPJSC and its subsidiaries.

Management is responsible for the preparation of the consolidated interim condensed financial information for the six months ended 30 June 2024 in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34").

In preparing the consolidated interim condensed financial information, management is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Stating whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the consolidated interim condensed financial information; and
- Preparing the consolidated interim condensed financial information on a going concern basis, unless it is inappropriate to presume that the Group will continue in the business for the foreseeable future.

Management, within its competencies, is also responsible for:

- Designing, implementing and maintaining an effective system of internal controls throughout the Group;
- Maintaining statutory accounting records in compliance with local legislation and accounting standards in the respective jurisdictions in which the Group operates;
- Taking steps to safeguard the assets of the Group; and
- Detecting and preventing fraud and other irregularities.

This consolidated interim condensed financial information was approved by the Board of Directors on 28 August 2024 and was signed on its behalf by:

General Director of EN+ GROUP IPJSC Vladimir Kolmogorov

B1
NEW CHALLENGES
NEW SOLUTIONS

ООО «ЦАТР – аудиторские услуги»
Россия, 115035, Москва
Садовническая наб., 75
Тел.: +7 495 705 9700
+7 495 755 9700
Факс: +7 495 755 9701
ОГРН: 1027739707203
ИНН: 7709383532
ОКПО: 59002827
КПП: 770501001

TSATR – Audit Services LLC
Sadovnicheskaya Nab., 75
Moscow, 115035, Russia
Tel: +7 495 705 9700
+7 495 755 9700
Fax: +7 495 755 9701
www.b1.ru

Report on Review of Consolidated Interim Condensed Financial Information

To the Board of Directors of
International public joint-stock company
EN+ GROUP

Introduction

We have reviewed the accompanying consolidated interim condensed financial information of International public joint-stock company EN+ GROUP and its subsidiaries (the "Group"), which comprise the consolidated interim condensed statement of profit or loss and other comprehensive income for the six months ended 30 June 2024, consolidated interim condensed statement of financial position as at 30 June 2024, consolidated interim condensed statements of cash flows and changes in equity for the six months then ended, and notes to the consolidated interim condensed financial information ("the consolidated interim condensed financial information"). Management of the Group is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on these consolidated interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial information are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

NEW CHALLENGES
NEW SOLUTIONS

Emphasis of matter

We draw attention to Note 1 (f) to the consolidated interim condensed financial information, which indicates that the geopolitical tensions and sanctions imposed by a range of countries, accompanied by the volatility of commodity, stock and currency markets, may significantly affect operational, investing and financing activity of the Group. As stated in Note 1 (f), these events or conditions, along with other matters as set forth in Note 1 (f) to the consolidated interim condensed financial information, indicate that material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Mikhail Sergeyevich Khachaturian
Partner
TSATR – Audit Services Limited Liability Company

28 August 2024

Details of the auditor

Name: TSATR – Audit Services Limited Liability Company
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.
Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 75.
TSATR – Audit Services Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". TSATR – Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

Details of the entity

Name: International public joint-stock company EN+ GROUP
Record made in the State Register of Legal Entities on 9 July 2019, State Registration Number 1193926010398.
Address: Russia 236006, Kalinigrad, Oktyabrskaya street, 8, office 34.

		Six months ended 30 June	
		2024 (unaudited)	**2023 (unaudited)**
	Note	**USD million**	**USD million**
Revenue	5	7,021	7,283
Cost of sales		(4,939)	(5,720)
Gross profit		**2,082**	**1,563**
Distribution expenses		(403)	(405)
General and administrative expenses		(419)	(434)
Impairment of non-current assets		(104)	(77)
Other operating expenses, net	6	(117)	(56)
Results from operating activities		**1,039**	**591**
Share of profits of associates and joint ventures	10	223	303
Finance income	7	364	182
Finance costs	7	(383)	(437)
Profit before tax		**1,243**	**639**
Current income tax expense	8	(179)	(286)
Deffered income tax (charge)/credit	8	(107)	309
Income tax (charge)/credit		**(286)**	**23**
Profit for the period		**957**	**662**
Attributable to:			
Shareholders of the Parent Company		708	480
Non-controlling interests		249	182
Profit for the period		**957**	**662**
Earnings per share			
Basic and diluted earnings per share (USD)	9	1.409	0.956

The Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to, and forming part of, the Consolidated Interim Condensed Financial Information set out on pages 12 to 28.

		Six months ended 30 June	
		2024 (unaudited)	**2023 (unaudited)**
	Note	**USD million**	**USD million**
Profit for the period		**957**	**662**
Other comprehensive income or loss			
Items that will never be reclassified subsequently to profit or loss (net of tax)			
Actuarial loss on post retirement benefit plans		(2)	(5)
		(2)	**(5)**
Items that are or may be reclassified subsequently to profit or loss (net of tax)			
Foreign currency translation differences on foreign subsidiaries		276	(782)
Foreign currency translation differences for equity-accounted investees	10	188	(914)
		464	**(1,696)**
Other comprehensive income or loss for the period		**462**	**(1,701)**
Total comprehensive income or loss for the period		**1,419**	**(1,039)**
Attributable to:			
Shareholders of the Parent Company		999	(569)
Non-controlling interests		420	(470)
Total comprehensive income or loss for the period		**1,419**	**(1,039)**

The Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to, and forming part of, the Consolidated Interim Condensed Financial Information set out on pages 12 to 28.

	Note	30 June 2024 (unaudited) USD million	31 December 2023 USD million
Assets			
Non-current assets			
Property, plant and equipment		10,990	10,472
Goodwill and intangible assets		2,088	2,086
Interests in associates and joint ventures	10	5,217	4,542
Deferred tax assets		204	264
Investments in equity securities measured at fair value through profit and loss	11(f)	336	340
Derivative financial assets	14	4	13
Other non-current assets	11(e)	267	303
Total non-current assets		**19,106**	**18,020**
Current assets			
Inventories		3,861	3,575
Trade and other receivables	11(a)	1,748	1,723
Prepayments and VAT recoverable	11(b)	820	593
Income tax receivable		17	14
Short-term investments		125	97
Derivative financial assets	14	60	19
Cash and cash equivalents		1,532	2,347
Total current assets		**8,163**	**8,368**
Total assets		**27,269**	**26,388**
Equity and liabilities			
Equity	12		
Share capital		–	–
Share premium		1,516	1,516
Additional paid-in capital		9,193	9,193
Revaluation reserve		3,480	3,480
Other reserves		(1,493)	(1,492)
Foreign currency translation reserve		(6,286)	(6,578)
Retained earnings		1,510	802
Total equity attributable to shareholders of the Parent Company		**7,920**	**6,921**
Non-controlling interests		5,080	4,660
Total equity		**13,000**	**11,581**
Non-current liabilities			
Loans and borrowings	13	5,934	8,477
Deferred tax liabilities		1,071	991
Provisions – non-current portion		325	351
Other non-current liabilities		199	196
Total non-current liabilities		**7,529**	**10,015**
Current liabilities			
Loans and borrowings	13	4,727	2,587
Provisions – current portion		122	124
Trade and other payables	11(c)	1,323	1,369
Advances received	11(d)	264	339
Other taxes payable		304	373
Total current liabilities		**6,740**	**4,792**
Total equity and liabilities		**27,269**	**26,388**

The Consolidated Interim Condensed Statement of Financial Position is to be read in conjunction with the notes to, and forming part of, the Consolidated Interim Condensed Financial Information set out on pages 12 to 28.

		Six months ended 30 June	
		2024 (unaudited)	2023 (unaudited)
	Note	USD million	USD million
Operating activities			
Profit for the period		**957**	**662**
Adjustments for:			
Depreciation and amortization		362	373
Impairment of non-current assets		104	77
Foreign exchange gain	7	(238)	(112)
(Gain)/loss on disposal of property, plant and equipment	6	(1)	5
Share of profits of associates and joint ventures	10	(223)	(303)
Interest expense	7	376	385
Interest income	7	(83)	(42)
Change in fair value of derivative financial instruments	7	(41)	40
Revaluation of financial assets	7	7	12
Dividend income	7	(2)	(28)
Income tax charge/(credit)	8	286	(23)
Recovery of write-down of inventories to net realisable value		(10)	(10)
Impairment of trade and other receivables	6	11	2
Operating profit before changes in working capital and provisions		**1,505**	**1,038**
(Increase)/decrease in inventories		(253)	115
(Increase)/decrease in trade and other receivables		(681)	357
Decrease in trade and other payables and provisions		(214)	(547)
Cash flows generated from operations before income taxes paid		**357**	**963**
Income taxes paid		(180)	(157)
Cash flows generated from operating activities		**177**	**806**
Investing activities			
Proceeds from disposal of property, plant and equipment		7	7
Acquisition of property, plant and equipment		(670)	(576)
Acquisition of intangible assets		(16)	(7)
Cash received from/used in other investments		11	(28)
Cash paid for investment in equity securities measured at fair value through profit and loss		–	(5)
Interest received		80	40
Dividends from associates and joint ventures		416	–
Dividends from financial assets		2	2
Acquisition of a joint venture	10	(251)	–
Change in restricted cash		(1)	1
Cash flows used in investing activities		**(422)**	**(566)**

The Consolidated Interim Condensed Statement of Cash Flows is to be read in conjunction with the notes to, and forming part of, the Consolidated Interim Condensed Financial Information set out on pages 12 to 28.

		Six months ended 30 June	
		2024 (unaudited)	**2023 (unaudited)**
	Note	**USD million**	**USD million**
Financing activities			
Proceeds from borrowings		1,638	4,774
Repayment of borrowings		(1,773)	(6,336)
Restructuring fees		(11)	(22)
Interest paid		(430)	(406)
Settlement of derivative financial instruments		20	96
Cash flows used in financing activities		**(556)**	**(1,894)**
Net change in cash and cash equivalents		**(801)**	**(1,654)**
Cash and cash equivalents at beginning of the period, excluding restricted cash		2,345	3,474
Effect of exchange rate fluctuations on cash and cash equivalents		(15)	(152)
Cash and cash equivalents at end of the period, excluding restricted cash		**1,529**	**1,668**

Restricted cash amounted to USD 3 million, USD 2 million and USD 2 million at 30 June 2024, 31 December 2023 and 30 June 2023, respectively.

	Attributable to shareholders of the Parent Company								
USD million	**Share premium**	**Additional paid-in capital**	**Revaluation reserve**	**Other reserves**	**Foreign currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2023	**1,516**	**9,193**	**3,480**	**(1,497)**	**(5,422)**	**210**	**7,480**	**5,252**	**12,732**
Total comprehensive income									
Profit for the period (unaudited)	–	–	–	–	–	480	480	182	662
Other comprehensive loss for the period (unaudited)	–	–	–	(3)	(1,046)	–	(1,049)	(652)	(1,701)
Total comprehensive (loss)/income for the period (unaudited)	**–**	**–**	**–**	**(3)**	**(1,046)**	**480**	**(569)**	**(470)**	**(1,039)**
Balance at 30 June 2023 (unaudited)	**1,516**	**9,193**	**3,480**	**(1,500)**	**(6,468)**	**690**	**6,911**	**4,782**	**11,693**
Balance at 1 January 2024	**1,516**	**9,193**	**3,480**	**(1,492)**	**(6,578)**	**802**	**6,921**	**4,660**	**11,581**
Total comprehensive income									
Profit for the period (unaudited)	–	–	–	–	–	708	708	249	957
Other comprehensive (loss)/income for the period (unaudited)	–	–	–	(1)	292	–	291	171	462
Total comprehensive (loss)/income for the period (unaudited)	**–**	**–**	**–**	**(1)**	**292**	**708**	**999**	**420**	**1,419**
Balance at 30 June 2024 (unaudited)	**1,516**	**9,193**	**3,480**	**(1,493)**	**(6,286)**	**1,510**	**7,920**	**5,080**	**13,000**

The Consolidated Interim Condensed Statement of Changes in Equity is to be read in conjunction with the notes to, and forming part of, the Consolidated Interim Condensed Financial Information set out on pages 12 to 28.

1 Background

(a) Organisation

EN+ GROUP IPJSC (the "Parent Company" or EN+) was established as a limited liability company according to the legislation of the British Virgin Islands on 30 April 2002 under the name of Baufinanz Limited. On 18 March 2004, the Parent Company registered a change of its legal name to Eagle Capital Group Limited. On 25 August 2005, the Parent Company changed its domicile to Jersey and was renamed to En+ Group Limited. On 1 June 2017, the Parent Company changed its status to a public company and was renamed to EN+ GROUP PLC. On 9 July 2019, the Parent Company changed its domicile to the Russian Federation with a registration as EN+ GROUP International public joint-stock company (EN+ GROUP IPJSC). The Parent Company's registered office is Oktyabrskaya st. 8, office 34, Kaliningrad, Kaliningrad Region, 236006, Russian Federation.

On 8 November 2017, the Parent Company successfully completed an initial public offering of global depositary receipts on the London Stock Exchange. On 17 February 2020, the Parent Company's ordinary shares were included into the "Level 1" part of the list of securities admitted to trading on Moscow Exchange. Since 3 March 2022, the London Stock Exchange has suspended trading in securities of most Russian companies, including EN+.

EN+ GROUP IPJSC is the parent company for a vertically integrated aluminium and power group, engaged in aluminium production and energy generation (together with the Parent Company referred to as "the Group").

As at 30 June 2024 and 31 December 2023 Mr. Oleg Deripaska beneficially controls and exercises voting rights in respect of 35% of the voting shares of the Parent Company and his direct or indirect shareholding cannot exceed 45% of the shares of the Parent Company.

The other significant holders as at 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024	**31 December 2023**
Special financial organisation	21.37%	21.37%
Glencore Group Funding Limited	10.55%	10.55%
Other shareholders	23.13%	23.13%

Glencore Group Funding Limited is a subsidiary of Glencore Plc.

Based on the information at the Group's disposal at the reporting date, there is no individual that has an indirect prevailing ownership interest in the Parent Company exceeding 50%, who could exercise voting rights in respect of more than 35% of the Parent Company's issued share capital or has an opportunity to exercise control over the Parent Company.

Related party transactions are detailed in note 17.

The consolidated financial statements of the Group as at and for the year ended 31 December 2023 are available at the Parent Company's website https://www.enplusgroup.com.

(b) Operations

The Group is a leading vertically integrated aluminium and power producer, which combines the assets and results of its Metals and Power segments.

The Metals segment operates in the aluminium industry primarily in the Russian Federation, Guinea, Jamaica, Ireland, Italy and Sweden and is principally engaged in the mining and refining of bauxite and nepheline ore into alumina, the smelting of primary aluminium from alumina and the fabrication of aluminium and aluminium alloys into semi-fabricated and value-added products.

The Power segment engages in all major areas of the power industry, including electric power generation, power trading and supply. It also includes supporting operations engaged in the supply of coal resources to the Group. The Group's principal power plants are located in East Siberia and Volga Region, the Russian Federation.

(c) Business environment in emerging economies

The Russian Federation, Jamaica and Guinea have been experiencing political and economic changes that have affected, and may continue to affect, the activities of enterprises operating in these environments. Consequently, operations in these countries involve risks that typically do not exist in other markets, including reconsideration of privatisation terms in certain countries where the Group operates following changes in governing political powers.

The imposition of economic sanctions on Russian individuals and legal entities by the European Union, the United States of America, Japan, Canada, Australia and others, as well as counter sanctions imposed by the Russian government, has resulted in increased economic uncertainty including more volatile equity, commodity and currency markets. The longer term effects of implemented sanctions, as well as the threat of additional future sanctions, are difficult to determine.

The consolidated interim condenced financial information reflect management's assessment of the impact of the Russian, Jamaican and Guinean business environments on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

(d) Seasonality

Demand for heat and electricity is subject to seasonal fluctuations and depends on weather conditions. The highest revenues from heat sales are generated in the period from October to March. Electricity sales are also subject to seasonality, though to a lesser extent, with the highest revenue period also being from October to March. The seasonality factor affects fuel consumption and energy purchases.

Furthermore, equipment repair and maintenance costs tend to grow in the period from April to September. The seasonality of these operations does not have an impact on the accounting treatment of operating income and expenses.

(e) OFAC sanctions

On 6 April 2018, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") designated, amongst others, the Parent Company, JSC EuroSibEnergo ("EuroSibEnergo") and UC RUSAL Plc ("UC RUSAL") as Specially Designated Nationals ("SDN") (the "OFAC Sanctions").

As a result, all property or interests in property of the Parent Company and its subsidiaries located in the United States or in the possession of U.S. Persons were blocked, frozen, and could not have been transferred, paid, exported, withdrawn, or otherwise dealt in. Several general licences were issued at the time of the designation and subsequently certain transactions were authorised with the Parent Company, EuroSibEnergo and UC RUSAL, and with their respective debt and equity.

On 27 January 2019, OFAC announced the removal of the Parent Company and its subsidiaries, including UC RUSAL and EuroSibEnergo, from OFAC's SDN list and Blocked Persons with immediate effect. The removal was subject to and conditional upon the satisfaction of a number of conditions including, but not limited to:

- Ending Mr Oleg Deripaska's control of the Group, through the reduction of his direct and indirect ownership interest in the Parent Company to below 50%;
- Establishing independent voting arrangements for the Parent Company's shares held by certain shareholders;
- Corporate governance changes, including, inter alia, overhauling the composition of the EN+ Board to ensure that independent directors constitute the majority of the Board, and ongoing reporting and certifications by the Parent Company and UC RUSAL to OFAC concerning compliance with the conditions for sanctions' removal.

(f) Going concern

This consolidated interim condensed financial information have been prepared assuming that the Group will continue as a going concern. Accordingly, these statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, the amounts and classification of liabilities or any other adjustments that might result from the Group being unable to continue as a going concern.

Ban of Australian government for the export of alumina and bauxite to Russia and stoppage of production at Nikolaev Alumina Refinery Company Ltd due to developments in Ukraine influenced the availability of alumina and bauxite or increase the purchase prices for the Group. Difficulties with logistics caused the Group to rebuild the supply and sales chains and lead to additional logistics costs. If the situation in Ukraine and overall geopolitical tension persists or continues to develop significantly, including the loss of significant parts of foreign markets, which cannot be reallocated to new markets, it may affect the Group's business, financial condition, prospects and results of operations.

Potentially the Group may have difficulties with equipment deliveries that may postpone realization of some investment projects and modernization programs for existing production facilities.

The facts described above, as well as the volatility of commodity markets, stock, currency markets and interest rates, create material uncertainty in the Group's ability to meet its financial obligations on time and continue as a going concern entity. Management constantly evaluates the current situation and prepares forecasts taking into account different scenarios of the events and conditions development. The Group's management expects that prices on the world commodity markets will grow and improve the results of operating activities. The Group is also revising supply and sales chains, ensuring an optimal equity and debt ratio, searching for resolutions of logistic difficulties, as well as the ways to service its obligations in order to adapt the current economic changes to maintain the continuance of the Group's operations.

2 Basis of preparation

(a) Statement of compliance

This consolidated interim condensed financial information has been prepared in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting*.

This consolidated interim condensed financial information does not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and therefore should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2023.

3 Significant accounting policies

The accounting policies applied in this consolidated interim condensed financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of amendments to the existing standards effective as of 1 January 2024:

- Amendments to IAS 1 *Presentation of Financial Statements* named *Classification of Liabilities as Current or Non-current*. The amendments clarify requirements for classifying liabilities as current or non-current;
- Amendments to IFRS 16 *Leases Related to Lease Liability in a Sale and Leaseback*. The amendments require from the seller-lessee to measure lease liability arising from leaseback in such a way, that no profit or loss is recognised in respect of the right-of-use retained;
- Amendments to IAS 1 *Presentation of Financial Statements* named *Non-current Liabilities with Covenants*. The amendments presume that liability is classified as non-current if the company has a substantial right to defer settlement for at least 12 months after the reporting date. The amendments clarify the criteria of classification (included that "future" covenants as well as management intentions do not affect classification as of the reporting date) and require certain additional disclosures;
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures named Supplier Finance Arrangements*. The amendments clarify the influence of supplier finance arrangements on liabilities, cash flows, exposure to liquidity risk and risk management. Also the amendments presume certain additional disclosures.

The amendments mentioned above did not have a significant impact on the consolidated interim condensed financial information.

4 Segment reporting

(a) Reportable segments

Based on the current management structure and internal reporting the Group has identified two operating segments:

a) *Metals.* The Metals segment comprises UC RUSAL with disclosures being based on the public financial statements of UC RUSAL. All adjustments made to UC RUSAL financial statements, including any adjustments arising from different timing of IFRS first time adoption, are included in "Adjustments" column.

Power assets of UC RUSAL are included within the Metals segment.

b) *Power.* The Power segment mainly comprises the power assets, as described in note 1(b).

These business units are managed separately and the results of their operations are reviewed by the key management personnel and Board of Directors on a regular basis.

(b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior management monitors the results, assets and liabilities and cash flows attributable to each reportable segment on the following bases:

- Total segment assets include all tangible, intangible assets and current assets.
- Total segment liabilities include all current and non-current liabilities.
- Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.
- The measure used for reporting segment results is the net profit and Adjusted EBITDA (key non-IFRS financial measure used by the Group as reference for assessing operating effectiveness). Segment profit or loss and Adjusted EBITDA are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.
- Adjusted EBITDA for any period represents the results from operating activities adjusted for amortisation and depreciation, impairment charges and loss on disposal of property, plant and equipment for the relevant period.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), the carrying value of investments and share of profits/(losses) of associates and joint ventures, depreciation, interest income and expenses, other finance income and costs, income tax, gain or loss on disposal of property, plant and equipment, impairment of non-current assets used by the segments in their operations. Inter-segment pricing is determined primarily on a consistent basis using market benchmarks.

The Group acquired property, plant and equipment in the total amount of USD 744 million for the six months ended 30 June 2024 (USD 620 million for the six months ended 30 June 2023). The carrying amount of property, plant and equipment disposed during the six months ended 30 June 2024 comprised USD 68 million (USD 352 million for the six months ended 30 June 2023).

USD million	**Metals**	**Power**	**Adjustments**	**Total**
Six months ended 30 June 2024				
Statement of profit or loss and other comprehensive income				
Revenue from external customers	*5,597*	*1,424*	–	*7,021*
Primary aluminium and alloys	4,502	–	–	4,502
Alumina and bauxite	330	–	–	330
Semi-finished products and foil	286	168	–	454
Electricity	56	859	–	915
Heat	30	211	–	241
Other	393	186	–	579
Inter-segment revenue	*98*	*444*	*(542)*	–
Total segment revenue	**5,695**	**1,868**	**(542)**	**7,021**
Operating expenses (excluding depreciation and gain or loss on disposal of PPE)	(4,909)	(1,155)	547	(5,517)
Adjusted EBITDA	**786**	**713**	**5**	**1,504**
Depreciation and amortisation	(249)	(114)	1	(362)
(Loss)/gain on disposal of PPE	(1)	2	–	1
Impairment of non-current assets	(96)	(8)	–	(104)
Results from operating activities	**440**	**593**	**6**	**1,039**
Share of profits and impairment of associates and joint ventures	223	–	–	223
Interest expense, net	(107)	(186)	–	(293)
Other finance income, net	173	101	–	274
Profit before tax	**729**	**508**	**6**	**1,243**
Income tax charge	(164)	(122)	–	(286)
Profit for the period	**565**	**386**	**6**	**957**

USD million	**Metals**	**Power**	**Adjustments**	**Total**
30 June 2024				
Statement of financial position				
Segment assets, excluding cash and cash equivalents and interests in associates and joint ventures	15,512	5,815	(807)	20,520
Investment in Metals segment	–	4,595	(4,595)	–
Cash and cash equivalents	1,325	207	–	1,532
Interests in associates and joint ventures	5,195	22	–	5,217
Total segment assets	**22,032**	**10,639**	**(5,402)**	**27,269**
Segment liabilities, excluding loans, borrowings and bonds	2,379	1,380	(151)	3,608
Loans and borrowings	7,690	2,971	–	10,661
Total segment liabilities	**10,069**	**4,351**	**(151)**	**14,269**
Total segment equity	11,963	6,288	(5,251)	13,000
Total segment equity and liabilities	**22,032**	**10,639**	**(5,402)**	**27,269**

USD million	Metals	Power	Adjustments	Total
Six months ended 30 June 2024				
Statement of cash flows				
Cash flows (used in) / from operating activities	**(403)**	**531**	**49**	**177**
Cash flows used in investing activities	**(232)**	**(141)**	**(49)**	**(422)**
Acquisition of property, plant and equipment, intangible assets	(516)	(170)	–	(686)
Dividends from the jointly controlled entities and other associates	416	–	–	416
Cash from / (used in) other investments	47	13	(49)	11
Interest received	67	13	–	80
Acquisition of a joint venture	(251)	–	–	(251)
Other investing activities	5	3	–	8
Cash flows used in financing activities	**(104)**	**(452)**	**–**	**(556)**
Interest paid	(184)	(246)	–	(430)
Restructuring fees	(4)	(7)	–	(11)
Settlements of derivative financial instruments	20	–	–	20
Other financing activities	64	(199)	–	(135)
Net change in cash and cash equivalents	**(739)**	**(62)**	**–**	**(801)**

USD million	Metals	Power	Adjustments	Total
Six months ended 30 June 2023				
Statement of profit or loss and other comprehensive income				
Revenue from external customers	*5,841*	*1,442*	–	*7,283*
Primary aluminium and alloys	4,740	–	–	4,740
Alumina and bauxite	286	–	–	286
Semi-finished products and foil	279	160	–	439
Electricity	69	829	–	898
Heat	34	252	–	286
Other	433	201	–	634
Inter-segment revenue	*104*	*558*	*(662)*	–
Total segment revenue	**5,945**	**2,000**	**(662)**	**7,283**
Operating expenses (excluding depreciation and gain or loss on disposal of PPE)	(5,655)	(1,269)	687	(6,237)
Adjusted EBITDA	**290**	**731**	**25**	**1,046**
Depreciation and amortisation	(251)	(123)	1	(373)
Loss on disposal of PPE	(5)	–	–	(5)
Impairment of non-current assets	(67)	(10)	–	(77)
Results from operating activities	**(33)**	**598**	**26**	**591**
Share of profits and impairment of associates and joint ventures	303	–	–	303
Interest expense, net	(188)	(155)	–	(343)
Other finance (costs)/income, net	187	(99)	–	88
Profit before tax	**269**	**344**	**26**	**639**
Income tax expense	151	(127)	(1)	23
Profit for the period	**420**	**217**	**25**	**662**

USD million	**Metals**	**Power**	**Adjustments**	**Total**
31 December 2023				
Statement of financial position				
Segment assets, excluding cash and cash equivalents and interests in associates and joint ventures	14,856	5,551	(908)	19,499
Investment in Metals segment	–	4,595	(4,595)	–
Cash and cash equivalents	2,087	260	–	2,347
Interests in associates and joint ventures	4,521	21	–	4,542
Total segment assets	**21,464**	**10,427**	**(5,503)**	**26,388**
Segment liabilities, excluding loans, borrowings and bonds	2,582	1,405	(244)	3,743
Loans and borrowings	7,866	3,198	–	11,064
Total segment liabilities	**10,448**	**4,603**	**(244)**	**14,807**
Total segment equity	11,016	5,824	(5,259)	11,581
Total segment equity and liabilities	**21,464**	**10,427**	**(5,503)**	**26,388**

USD million	**Metals**	**Power**	**Adjustments**	**Total**
Six months ended 30 June 2023				
Statement of cash flows				
Cash flows (used in) / from operating activities	**236**	**571**	**(1)**	**806**
Cash flows from / (used in) investing activities	**(398)**	**(171)**	**3**	**(566)**
Acquisition of property, plant and equipment, intangible assets	(417)	(167)	1	(583)
Cash paid for investment in equity securities measured at fair value through profit and loss	(5)	–	–	(5)
Cash (used in) / from other investments	(11)	(19)	2	(28)
Interest received	29	11	–	40
Other investing activities	6	4	–	10
Cash flows used in financing activities	**(1,443)**	**(449)**	**(2)**	**(1,894)**
Interest paid	(242)	(164)	–	(406)
Restructuring fees	(21)	(1)	–	(22)
Settlements of derivative financial instruments	96	–	–	96
Other financing activities	(1,276)	(284)	(2)	(1,562)
Net change in cash and cash equivalents	**(1,605)**	**(49)**	**–**	**(1,654)**

5 Revenue

(a) Revenue by types

	Six months ended 30 June	
	2024	2023
	USD million	USD million
Sales of primary aluminium and alloys	**4,502**	**4,740**
Third parties	4,409	4,608
Related parties – companies capable of exerting significant influence	92	130
Related parties – associates and joint ventures	1	2
Sales of alumina and bauxite	**330**	**286**
Third parties	202	171
Related parties – associates and joint ventures	128	115
Sales of semi-finished products and foil	**454**	**439**
Third parties	454	439
Sales of electricity	**915**	**898**
Third parties	897	878
Related parties – associates and joint ventures	18	20
Sales of heat	**241**	**286**
Third parties	239	284
Related parties – companies capable of exerting significant influence	2	2
Other revenue	**579**	**634**
Third parties	475	529
Related parties – companies capable of exerting significant influence	15	14
Related parties – associates and joint ventures	89	91
	7,021	**7,283**

(b) Revenue by primary regions

	Six months ended 30 June	
	2024	2023
	USD million	USD million
CIS	3,276	3,291
Asia	2,371	1,978
Europe	1,264	1,885
America	72	95
Other	38	34
	7,021	**7,283**

All revenue of the Group relates to revenue from contracts with customers.

6 Other operating expenses, net

	Six months ended 30 June	
	2024	2023
	USD million	USD million
Charitable donations	(35)	(26)
Gain/(loss) on disposal of property, plant and equipment	1	(5)
Impairment of trade and other receivables	(11)	(2)
Other operating expenses, net	(72)	(23)
	(117)	**(56)**

7 Finance income and costs

	Six months ended 30 June	
	2024	**2023**
	USD million	**USD million**
Finance income		
Foreign exchange gain	238	112
Interest income	83	42
Change in fair value of derivative financial instruments (note 14)	41	–
Dividend income	2	28
	364	**182**

	Six months ended 30 June	
	2024	**2023**
	USD million	**USD million**
Finance costs		
Interest expense	(376)	(385)
Revaluation of financial assets	(7)	(12)
Change in fair value of derivative financial instruments (note 14)	–	(40)
	(383)	**(437)**

8 Income tax

	Six months ended 30 June	
	2024	**2023**
	USD million	**USD million**
Current income tax expense		
Current tax for the period	(179)	(286)
Deferred income tax (charge)/credit		
Origination and reversal of temporary differences	(107)	309
	(286)	**23**

The Parent Company is a resident of Russia's SAR (special administrative region) and a Russian tax resident. Companies which register in the SAR as part of the continuance out of a foreign jurisdiction (such as the Parent Company) may have a number of tax benefits, subject to certain conditions.

The Parent Company and its subsidiaries pay income taxes in accordance with the legislative requirements of their respective tax jurisdictions. For the Parent Company and subsidiaries domiciled in the Russian Federation the applicable tax rate is 20%, Guinea – 0% to 35%, China − 25%, Kazakhstan − 20%, Australia − 30%, Jamaica − 25%, Ireland − 12.5%, Sweden − 20.6% and Italy − 27.9%, Qatar – 0%, Switzerland – 9.08% and 11.85% and United Arab Emirates – 0% to 9%. For the RUSAL's significant trading companies, the applicable tax rates range from 0% to 25%. The applicable tax rates for the period ended 30 June 2023 were the same as for the period ended 30 June 2024 except for tax rates for subsidiaries domiciled in Switzerland which amounted to 9.06% and 11.8% accordingly. The applicable tax rates for the year ended 31 December 2023 were the same as for the period ended 30 June 2024 except for tax rates for subsidiaries domiciled in Switzerland which amounted to 9.07% and 11.82% accordingly.

Management continues to monitor and evaluate the domestic implementation by relevant countries of the Organisation for Economic Co-operation and Development's (OECD) Pillar Two which seeks to apply a 15% global minimum tax. In order to be implemented, the Pillar Two rules must be adopted at the national tax legislation level of each respective country. Management estimates the exposure to additional taxation under Pillar Two as of the date of authorization of this consolidated interim condensed financial information for issue as immaterial for the Group. The Group applies the IAS 12 *Income Tax* temporary mandatory exception from deferred tax accounting for Pillar Two.

9 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders for the six months ended 30 June 2024 and 30 June 2023.

	Six months ended 30 June	
	2024	**2023**
Weighted average number of shares	502,337,774	502,337,774
Profit for the period attributable to the shareholders of the Parent Company, USD million	708	480
Basic and diluted earnings per share, USD	**1.409**	**0.956**

There were no outstanding dilutive instruments during the periods ended 30 June 2024 and 30 June 2023.

10 Interests in associates and joint ventures

The Group has the following movements in investments in associates and joint ventures:

	Six months ended 30 June	
	2024	**2023**
	USD million	**USD million**
Balance at beginning of the period	**4,542**	**5,194**
Group's share of post acquisition profits and impairment	223	303
Acquisition of Hebei Wenfeng New Materials Co., Ltd	264	–
Foreign currency translation	188	(914)
Balance at end of the period	**5,217**	**4,583**
Goodwill included in interest in associates	2,053	2,029

Investment in Norilsk Nickel

The Group's share of profit of Norilsk Nickel was USD 174 million, the foreign currency translation gain of USD 158 million for the six months ended 30 June 2024. The carrying value of the Group's investment in the investee comprises USD 4,002 million as at 30 June 2024.

The market value of the investment in Norilsk Nickel as at 30 June 2024 was USD 6,132 million (31 December 2023: USD 7,273 million). The market value was determined by multiplying the quoted bid price per share on the Moscow Exchange on reporting date by the number of shares held by the Group.

Investment in Hebei Wenfeng New Materials Co., Ltd

In October 2023 the Group entered into a share-purchase agreement to acquire 30% interest in the share capital of Hebei Wenfeng New Materials Co., Ltd. – the alumina production plant, located in China. All rights attached to the interest acquired were transferred to the Group in April 2024, therefore the Group recognized the investment in its consolidated interim condensed financial information for the six months ended 30 June 2024. The consideration paid comprised USD 264 million. As of the date of authorisation of these consolidated interim condensed financial information for issue, the valuation process of the fair value of the Group's share in the investment's net assets as of the date of its acquisition was not finalised and may be retrospectively adjusted within the next twelve months after the transaction date.

Most significant decisions on relevant activities of the investment shall be made by resolution approved unanimously by investee's all Board members or all shareholders. Accordingly, the Group concluded that it has joint control over the Hebei Wenfeng New Materials Co., Ltd. Based on analysis of the relevant facts the management of the Group concluded that, in substance, the arrangement gives the investors rights to the net assets of the arrangement. Therefore it has determined that the Group's investment in Hebei Wenfeng New Materials Co., Ltd. should be accounted for as a joint venture rather than a joint operation.

Simultaneously, the Group entered into several put and call option agreements with the seller of the investment with the aim to protect the Group's or the seller's interests in the investment. Mostly, exercise of these options are subject to occurrence of specific corporate events, which are not under the Group's control and are hard to predict. These options did not affect the classification of the investment as a joint venture.

11 Non-derivative financial instruments

(a) Trade and other receivables

	30 June 2024 USD million	31 December 2023 USD million
Trade receivables from third parties	1,401	1,127
Trade receivables from related parties, including	166	45
- Related parties – companies capable of exerting significant influence	*29*	*33*
- Related parties – associates and joint ventures	*137*	*12*
Other receivables from third parties	220	192
Dividends receivable	–	412
Other current assets	47	27
	1,834	**1,803**
Impairment of receivables	(86)	(80)
	1,748	**1,723**

(b) Prepayments and VAT recoverable

	30 June 2024 USD million	31 December 2023 USD million
VAT recoverable	444	397
Advances paid to third parties	315	214
Advances paid to related parties, including	168	87
- Related parties – companies capable of exerting significant influence	*2*	–
- Related parties – associates and joint ventures	*166*	*87*
Other taxes receivable	29	30
	956	**728**
Impairment of prepayments and VAT recoverable	(136)	(135)
	820	**593**

(c) Trade and other payables

	30 June 2024 USD million	31 December 2023 USD million
Accounts payable to third parties	827	867
Accounts payable to related parties, including	177	161
- Related parties – companies capable of exerting significant influence	*4*	*7*
- Related parties – associates and joint ventures	*173*	*154*
Other payables and accrued liabilities	268	288
Dividends payable	5	5
Income tax payable	46	48
	1,323	**1,369**

Lease liabilities that are expected to be settled within one year for the amount of USD 21 million are included in other payables and accrued liabilities as at 30 June 2024 (31 December 2023: USD 22 million).

Non-current part of lease liabilities as at 30 June 2024 amounted to USD 52 million (31 December 2023: USD 49 million) is presented in other non-current liabilities.

(d) Advances received

	30 June 2024	31 December 2023
	USD million	USD million
Advances received from third parties	264	339
	264	**339**

Advances received represent contract liabilities to perform obligations under contracts with customers. Advances received are short-term and revenue in respect of the contract liability at the beginning of the period is expected to be recognized as revenue within next 12 months from the reporting date.

(e) Other non-current assets

	30 June 2024	31 December 2023
	USD million	USD million
Long-term deposits	124	124
Other non-current assets	143	166
Prepayment for joint venture acquisition	–	13
	267	**303**

(f) Investments in equity securities measured at fair value through profit and loss

As at 30 June 2024 and 31 December 2023 the Group’s effective interest in RusHydro shares was 9.73% (nominal 9.64%). Investment is treated as equity securities measured at fair value through profit and loss.

Fair value is estimated in accordance with Level 1 of the fair value hierarchy. The market value was determined by multiplying the quoted bid price per share on the Moscow Exchange on reporting date by the number of shares held by the Group.

(g) Fair value measurement

Management believes that the fair values of financial assets and liabilities approximate their carrying amounts.

12 Equity

(a) Share capital, additional paid-in capital and transactions with shareholders

As at 30 June 2024 and 31 December 2023 the Parent Company’s share capital is divided into 638,848,896 ordinary shares with a nominal value of USD 0.00007 each. The Parent Company may also issue 75,436,818.286 ordinary shares.

As at 30 June 2024 and 31 December 2023 all issued ordinary shares were fully paid.

(b) Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the consolidated interim condensed financial information of foreign subsidiaries and equity-accounted investees.

(c) Other reserves

Other reserves represents the cost of Parent Company’s shares owned by the special financial organisation (under IFRS due to specific provisions of the contracts shares disposed in 2023 were not derecognised by the Group), the cumulative unrealised actuarial gains and losses on the Group’s defined post-retirement benefit plans, the effective portion of the accumulated net change in fair value of cash flow hedges and the Group’s share of other comprehensive income of associates.

(d) Revaluation reserve

The revaluation reserve comprises the cumulative net change in the fair value of hydro assets at the reporting date.

(e) Dividends

The Parent Company may distribute dividends from retained earnings and profit for the reporting period in compliance with the current legislation of the Russian Federation and the provisions of its Charter.

During the six months ended 30 June 2024 and 30 June 2023, the Parent Company did not declare or pay any dividends.

13 Loans and borrowings

This note provides information about the contractual terms of the Group's loans and borrowings.

	30 June 2024	31 December 2023
	USD million	USD million
Non-current liabilities		
Secured bank loans	2,827	3,366
Unsecured bank loans	1,367	1,499
Bonds	1,740	3,612
	5,934	**8,477**
Current liabilities		
Secured bank loans	975	1,324
Unsecured bank loans	928	508
Accrued interest	93	140
Bonds	2,731	615
	4,727	**2,587**

(a) Loans and borrowings

Metals

The nominal value of the Metals segment loans and borrowings was USD 4,144 million at 30 June 2024 (31 December 2023: USD 4,447 million).

Power

The nominal value of Power segment loans and borrowings was USD 2,057 million at 30 June 2024 (31 December 2023: USD 2,371 million).

As at 30 June 2024 the amount of interest payable on Group's secured bank loans and unsecured bank loans was USD 55 million and USD 10 million, respectively (31 December 2023: USD 95 million and USD 20 million, respectively).

Security and pledges

The Group's bank loans and guarantees are secured by pledges of shares of the Group's subsidiaries and by a pledge of shares of an associate, the details of which are disclosed in the Group's consolidated financial statements as of and for the year ended 31 December 2023.

The secured bank loans are also secured by property, plant and equipment with a carrying amount of USD 156 million (31 December 2023: USD 125 million).

As at 30 June 2024 and 31 December 2023, rights, including all monies and claims, arising out of certain sales contracts between the Group's trading subsidiaries and its ultimate customers, were assigned to secure the syndicated Pre-Export Finance Term Facility Agreements (PXFs) dated 28 January 2021.

(b) Bonds payable

As at 30 June 2024 the Group had bonds nominated in roubles, Chinese yuan and eurobonds nominated in US dollars outstanding.

Metals

Type	Series	The number of bonds traded in the market	Nominal value, USD million	Nominal interest rate	Put-option date	Maturity date
Bond	BO-01	30,263	–	0.01%	–	07.04.2026
Bond	BO-001P-04	370,000	101	5.95%	–	05.09.2025
Eurobond	–	23,500	24	5.3%	–	03.05.2023
Eurobond	–	20,469	20	4.85%	–	01.02.2023
Bond	BO-05	2,000,000	270	3.90%	05.08.2024	28.07.2027
Bond	BO-06	2,000,000	270	3.90%	05.08.2024	28.07.2027
Bond	BO-001P-01	6,000,000	810	3.75%	–	24.04.2025
Bond	BO-001P-02	1,000,000	135	3.95%	–	23.12.2025
Bond	BO-001P-03	3,000,000	405	LPR1Y + 0.2%	–	24.12.2025
Bond	001PC-01	2,379,660	320	3.75%	–	07.03.2025
Bond	001PC-02	2,352,869	318	3.75%	–	07.03.2025
Bond	001PC-03	2,367,763	321	3.75%	–	07.03.2025
Bond	001PC-04	1,778,060	240	3.75%	–	07.03.2025
Bond	BO-001P-05	600,000	81	6.70%	–	08.05.2026
Bond	BO-001P-06	1,000,000	135	7.20%	–	05.08.2026
Bond	BO-001P-07	900,000	121	7.90%	–	09.10.2026

On 7 February 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-06 in the total amount of CNY 1,000 million with a coupon – 7.20%. The maturity of the bonds is 2.5 years.

On 12 April 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-07 in the total amount of CNY900 million with a coupon – 7.90%. The maturity of the bonds is 2.5 years.

Power

Type	Series	The number of bonds traded in the market	Nominal value, USD million	Nominal interest rate	Put-option date	Maturity date
Bond	001PC-01	2,075,377	280	4.45%	−	22.12.2025
Bond	001PC-02	1,792,146	242	5.45%	−	27.03.2026
Bond	001PC-03	1,026,910	139	5.45%	−	22.05.2025
Bond	001PC-01	670,000	90	5.40%	−	06.05.2026
Bond	001PC-05	1,100,000	148	8.10%	−	17.11.2026

On 21 May 2024 the Power segment company placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series 001PC-05 in the total amount CNY 1,100,000,000 with a coupon – 8.10% p.a. Maturity of the bonds is November 2026.

As at 30 June 2024, the amount of interest payable on Group's bonds was USD 28 million (31 December 2023: USD 25 million).

14 Derivative financial assets

Derivative financial instruments are attributable to the following contracts of UC RUSAL:

	30 June 2024 USD million	31 December 2023 USD million
Cross-currency swaps	17	–
Forward contracts for aluminium and other instruments	47	32
	64	**32**
Non-current	4	13
Current	60	19

Derivative financial instruments are recorded at their fair value at each reporting date. Fair value is estimated in accordance with Level 3 of the fair value hierarchy based on management estimates and consensus economic forecasts of relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer. There were no changes in valuation techniques during the six months ended 30 June 2024.

The movement in the balance of Level 3 fair value measurements of derivatives is as follows:

	Six months ended 30 June	
	2024 USD million	2023 USD million
Balance at the beginning of the period	**32**	**168**
Unrealised changes in fair value recognised in the consolidated interim condensed statement of profit or loss (finance income/(costs)) during the period	41	(40)
Realised portion of metals, electricity and cross currency swaps	(9)	(36)
Balance at the end of the period	**64**	**92**

Sensitivity analysis showed that derivative financial instruments are not particularly sensitive to changes in main inputs.

15 Commitments

Capital commitments

The Group had outstanding capital commitments which had been contracted for at 30 June 2024 and 31 December 2023 in the amount of USD 1,271 million and USD 944 million, including VAT, respectively. These commitments are due over a number of years.

16 Contingencies

(a) Taxation

Russian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activities of the Group may be challenged by the relevant local, regional and federal authorities. Recent developments in the Russian environment suggest that the authorities in this country are becoming more active in seeking to enforce, through the Russian court system, interpretations of the tax legislation, in particular in relation to the use of certain commercial trading structures, which may be selective for particular tax payers and different from the authorities' previous interpretations or practices. Recent events within the Russian Federation suggest that the tax authorities are taking a more assertive and substance-based position in their interpretation and enforcement of tax legislation.

(b) Environmental contingencies

The Group and its predecessor entities have operated in the Russian Federation, Jamaica, Guyana, the Republic of Guinea and the European Union for many years and certain environmental problems have developed. Governmental authorities are continually considering environmental regulations and their enforcement and the Group periodically evaluates its obligations related thereto. As obligations are determined, they are recognised immediately. The outcome of environmental liabilities under proposed or any future legislation, or as a result of stricter enforcement of existing legislation, cannot reasonably be estimated. Under current levels of enforcement of existing legislation, management believes there are no possible liabilities, which will have a material adverse effect on the financial position or the operating results of the Group. However, the Group anticipates undertaking capital projects to improve its future environmental performance.

(c) Legal contingencies

The Group's business activities expose it to a variety of lawsuits and claims which are monitored, assessed and contested on the ongoing basis. Where management believes that a lawsuit or another claim would result in the outflow of the economic benefits for the Group, a best estimate of such outflow is included in provisions in the consolidated interim condensed financial information. As at 30 June 2024 the amount of claims, where management assesses outflow as possible approximates USD 25 million (31 December 2023: USD 25 million).

17 Related party transactions

(a) Transactions with related parties

The Group transacts with related parties, the majority of which are capable of significant influence on the Metals segment and associates and joint ventures.

Sales to related parties for the period are disclosed in note 5. Receivables from related parties and payables to related parties as at the reporting date are disclosed in note 11. Purchases of raw materials and services from related parties for the period were as follows:

	Six months ended 30 June	
	2024	**2023**
	USD million	**USD million**
Purchase of raw materials	**(340)**	**(266)**
Companies capable of exerting significant influence	(34)	(17)
Associates and joint ventures	(306)	(249)
Energy costs	**(44)**	**(51)**
Companies capable of exerting significant influence	(22)	(25)
Associates and joint ventures	(22)	(26)
	(384)	**(317)**

All trade and other receivables and payables with related parties are non-secured and expected to be settled in cash within 12 months after the reporting date.

At 30 June 2024, included in non current liabilities are balances of related parties – associates and joint ventures of USD 17 million (31 December 2023: USD 17 million).

(b) Remuneration to key management

For the six months ended 30 June 2024 remuneration to key management personnel comprised short-term benefits and amounted to USD 10 million from which Board members received USD 5 million (for the six months ended 30 June 2023: USD 9 million from which Board members received USD 3 million).

18 Events subsequent to the reporting date

On 12 July 2024, Federal Law No. 176-FZ *On Amendments to Parts One and Two of the Tax Code of the Russian Federation, Certain Legislative Acts of the Russian Federation and Invalidation of Certain Provisions of Legislative Acts of the Russian Federation* was adopted, providing for an increase in the income tax rate from 20% to 25%, effective from 1 January 2025.

The application of this law will result in changes to deferred tax assets and liabilities as well as deferred income tax expenses/credits. As of the date of authorisation of these consolidated interim condensed financial information for issue, the Group has not completed an assessment of this impact. This legislative change will not affect the amount of current income tax for 2024.

On 2 July 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-09 in the total amount of RUB 30,000 mln with a coupon rate linked to the Key rate of the Central Bank of Russia + spread at 2.20%. The maturity of the bonds is 3 years.

On 30 July 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-08 in the total amount of USD 85 mln with a coupon rate set at 9.25% p.a. The maturity of the bonds is 3 years.

On 5 August 2024 UC RUSAL repurchased bonds series BO-05 nominated in Chinese yuan in the amount of CNY 1.5 billion. The balance in the amount of CNY 467.8 million is in the market, the coupon rate is 8.5%, maturity – 1 year.

On 5 August 2024 UC RUSAL repurchased bonds series BO-06 nominated in Chinese yuan in the amount of CNY 1.8 billion. The balance in the amount of CNY 117.9 million is in the market, the coupon rate is 8.5%, maturity – 1 year.

On 24 June 2024 Metals segment entered into a new credit facility with a Russian bank in the total amount up to RUB 50 billion. Under this agreement the funds were drawdown in June and July 2024 for the general corporate purposes and scheduled debt repayments.