



En+

ESG presentation 2023

July 2024

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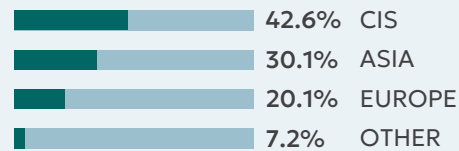
About the Company

EN+

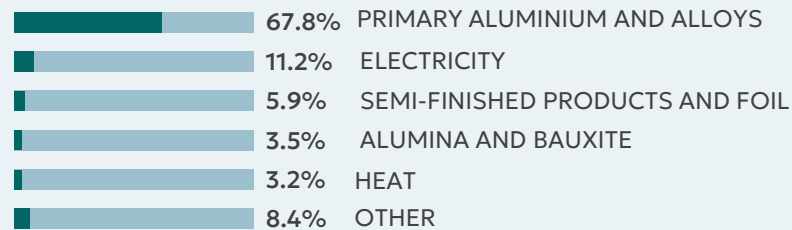
En+ review

USD **14,648** mn¹

REVENUE BY REGION



REVENUE BY PRODUCT



En+ Group is the world's largest producer of low-carbon aluminium and renewable energy. The Group's main assets are located in Siberia, a region of global importance, which is the Group's area of special responsibility.

N° 1

producer of low-carbon aluminium globally (outside of China)

5.5%

of the world's aluminium production

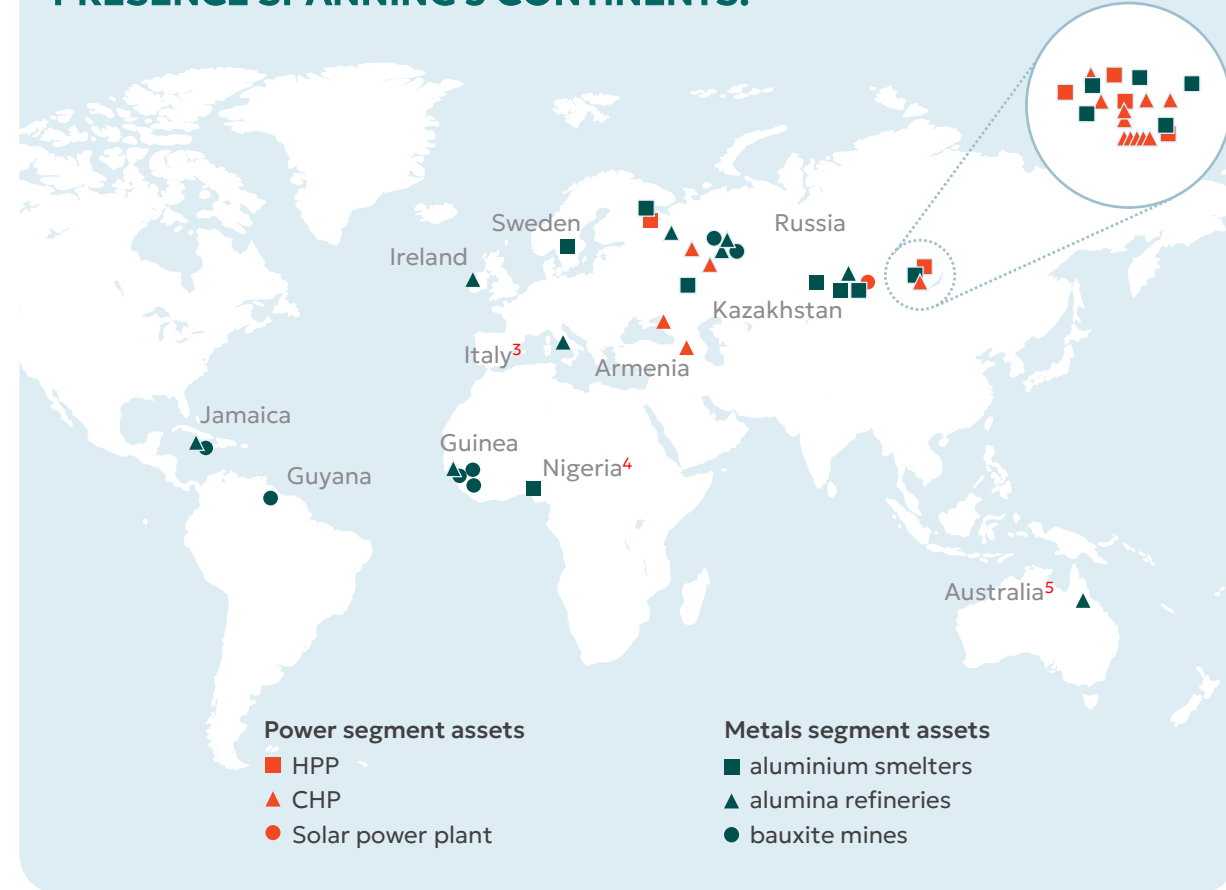
68.8 TWh

low-carbon hydropower production

19.5 GW

total installed electrical capacity²

PRESENCE SPANNING 5 CONTINENTS:



¹ From external customers.

² Including Onda HPP with the installed capacity of 0.08 GW (located in the European part of Russia, leased to RUSAL).

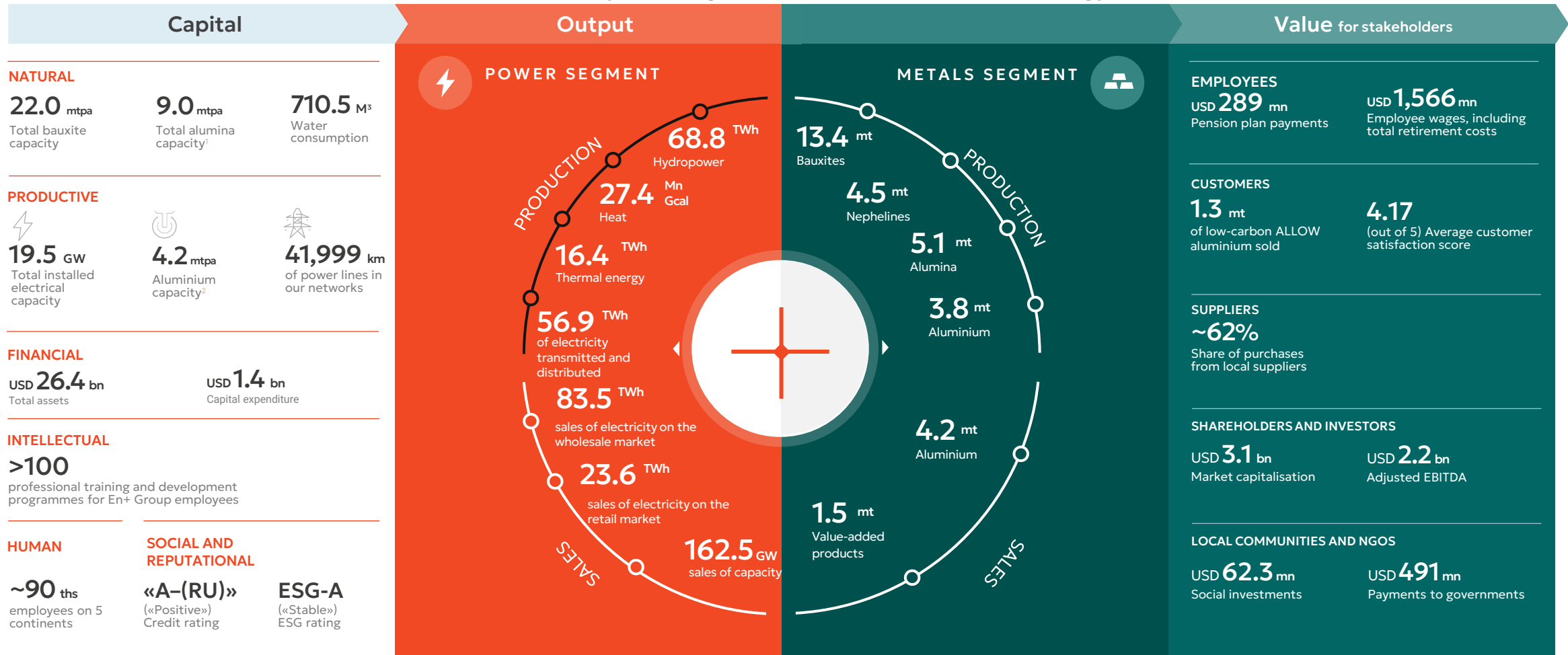
³ Eurallumina in Italy is mothballed.

⁴ ALSCON in Nigeria is mothballed.

⁵ Since April 2022, the Australian government has banned alumina and bauxite exports to Russia.

BUSINESS MODEL

The Group's strategy is focused on leading the Company to become the world's foremost vertically integrated producer of high-value-added products made from low-carbon aluminium by utilising self-produced renewable energy and raw materials.



¹ RUSAL attributable capacity.
² Excluding Boguchany Aluminium Smelter (BoAZ), a joint 50/50 project of RUSAL and strategic partner. Ten aluminium smelters in operation (ALSCON in Nigeria is mothballed).

02

About the Report

ENT+

Progress in publishing reports

En+ continuously improves the quality of information on sustainable development and expands the list of thematic reports in order to communicate its activities in this area as accurately and comprehensively as possible, taking into account the needs of all stakeholders.



2020

2021

2022

2023

2024

SDG Report for 2020

En+ Group Pathway to net zero report 2021

SDG Report for 2021

En+ Group Pathway to net zero progress

SDG Report for 2022

SDG Report for 2023

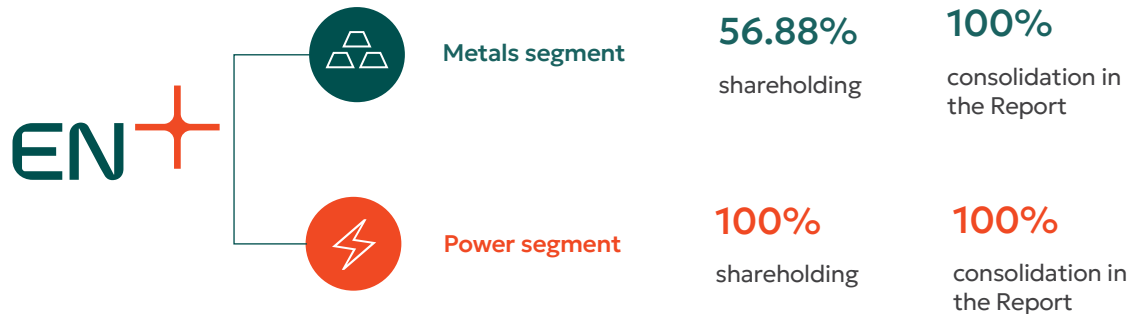
En+ Pathway to net zero progress 2023

About the Report

En+ Group presents its Consolidated Report, an annual document for a wide range of stakeholders that reflects the Company’s key financial metrics and sustainability performance results.

To ensure credible disclosure, En+ Group prepared its consolidated financial statements in accordance with IFRS, including an auditor’s report, and engaged B1 as an independent practioners to verify the sustainability data. To ensure data comparability, the Company’s material performance metrics are provided for the last three years (2021–2023).

Boundaries of the 2023 Report



The Report is aligned with the following requirements and recommendations:



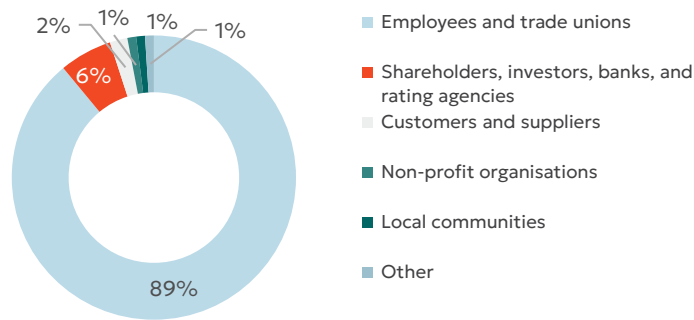
- Global Reporting Initiative (GRI) Standard
- Standards of the Sustainability Accounting Standards Board (SASB), including standards for the Metals & Mining and the Electric Utilities & Power Generators industries
- Streamlined Energy and Carbon Reporting (SECR)
- IFRS sustainability disclosure standards
- EU Taxonomy for Sustainable Finance metrics
- London Stock Exchange (LSE) requirements and recommendations
- The requirements of Directive 2014/95/EU implemented through the UK Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 No. 1245
- The Aluminium Carbon Footprint Technical Support Document
- Bank of Russia’s recommendations for public joint stock companies to disclose non-financial information related to their activities
- Bank of Russia’s recommendations on ESG rating methodology
- Guidelines provided by Russia’s Ministry of Economic Development for preparing sustainability reports
- A Guide for Issuers: How to Comply with Best Sustainability Practices released by the Moscow Exchange
- Voluntary ESG standard for the energy sector devised by the non-profit partnership Market Council
- Federal Law No. 39-FZ On the Securities Market, dated 22 April 1996
- Regulations of the Bank of Russia No. 714-P On Information Disclosure by Issuers of Issue-Grade Securities, dated 27 March 2020
- The Corporate Governance Code recommended for use by joint stock companies by the Bank of Russia’s Letter No. 06-52/2463 dated 10 April 2014 (the “Russian Corporate Governance Code”)
- Other requirements and recommendations in the field of sustainable development.

Approach to materiality assessment

Materiality assessment is an integral part of En+ Group’s integrated reporting process. When conducting the assessment, the Company engages stakeholders into the process.

157
 Representatives from diverse stakeholder community took part in the assessment of the significance of En+ Group’s impacts

Overview of stakeholder groups involved in the survey, %



Materiality assessment stages

- 1 Determining the Company's impacts on the economy, the environment and people, including their rights
- 2 Assessing the significance of the impact through an online survey of stakeholders
- 3 Prioritising and grouping impacts into topics
- 4 Approval of the list of material topics

Features of the assessment in 2023

- 1 The list of impacts was revisited
- 2 All impacts were grouped into negative and positive across environmental (E), social (S), and governance (G) pillars
- 3 A new theme was highlighted—“Just energy transition and low-carbon products”

All the identified topics are essential for En+, regardless of the priority level.

I Priority

- Economic performance
- Human rights
- Social and cultural diversity and equal opportunity
- Occupational health and safety
- Sustainable supply chain
- Just energy transition and low-carbon products

II Priority

- Safe waste management
- Employees management and engagement
- Air quality
- Local community engagement
- Energy management
- Climate change
- Water and wastewater management
- Biodiversity
- Innovation management
- Business ethics

III Priority

- Environmental compliance and the best available technologies (BAT)
- Corporate governance

Value creation model

En+ strives to apply the principles of sustainable development in all areas of its activities. Adherence to the highest standards provides the Company with a competitive advantage.

	Bauxite mining	Alumina refining	Energy and heat production	Aluminium production
Key input	<ul style="list-style-type: none"> Bauxite reserves Land surface Water 	<ul style="list-style-type: none"> Bauxite Caustic Soda Calcine Water Fuel 	Energy and heat production (CHP) <ul style="list-style-type: none"> Land surface Coal Water 	Energy production (HPP) <ul style="list-style-type: none"> Water Land surface
Key output	<ul style="list-style-type: none"> Bauxite Rehabilitated land Waste 	<ul style="list-style-type: none"> Alumina Air emissions GHG emissions Waste 	<ul style="list-style-type: none"> Energy and heat Air emissions Rehabilitated land 	<ul style="list-style-type: none"> Energy Noise Water level fluctuations and flood protection
Key effect	<ul style="list-style-type: none"> Biodiversity impact Effect on the landscape 	<ul style="list-style-type: none"> Contribution to climate change Biodiversity impact 	<ul style="list-style-type: none"> Effect on the landscape Biodiversity impact 	<ul style="list-style-type: none"> Biodiversity impact

For the Group

- Labour
- Production and distribution infrastructure
- Financial resources
- Governance system
- Royalties

- Financial results
- Taxes
- Payments to suppliers
- Salaries and social benefits for employees
- Skilled employees
- Social investments
- Affordable energy and heat for consumers

Measures to mitigate effect

Climate change strategy

Modernisation of equipment

Engagement with local communities

Environmental monitoring

The biodiversity conservation programme

Collaboration with scientific community

Transparency in sustainability indicators through the disclosure of annual reporting

- Value for shareholders
- National and local economic development
- Employment stability
- Regional development
- Professional development of employees
- Product development
- Innovation development

03

Sustainability management

ENT+

Sustainability management

● Power segment

● Metals segment

Sustainability management at En+ Group contributes to inclusive economic growth, more equitable social development, environmental sustainability, and ecosystem safety.

E

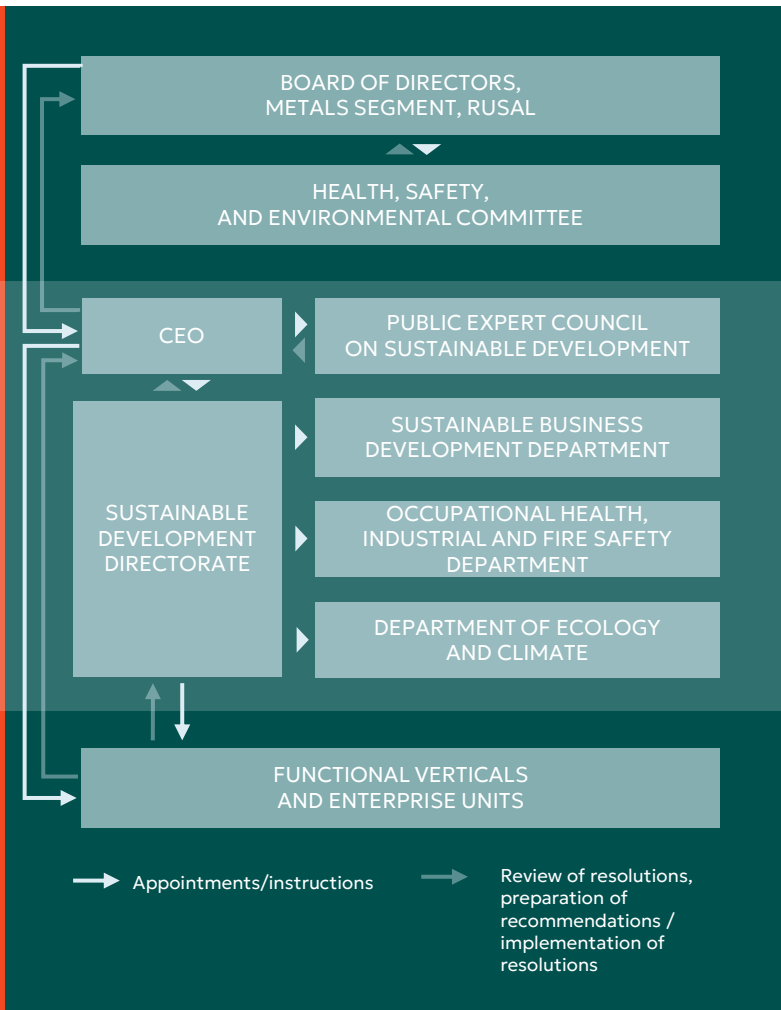
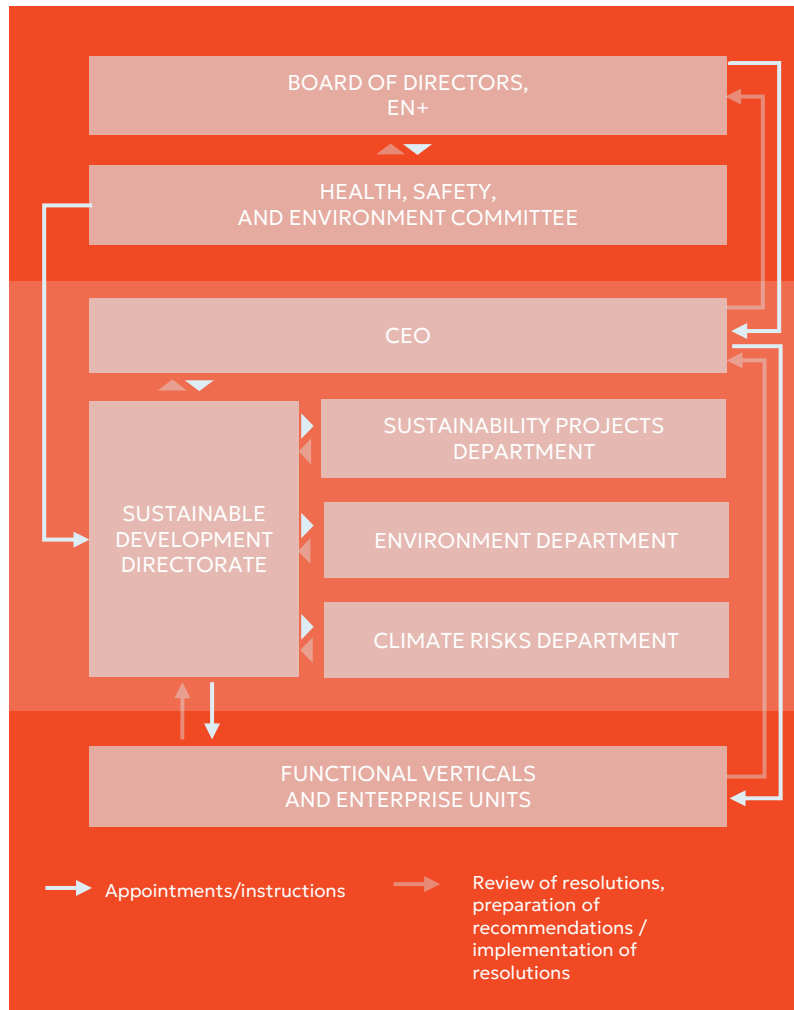
- Environmental Policy
- Biodiversity Policy

S

- Policy on Human Rights
- Health, Occupational, Industrial, and Fire Safety Policy
- Stakeholder Engagement Policy
- Diversity and Equal Opportunities Policy

G

- Corporate Code of Ethics
- Board of directors Diversity Policy
- Anti-bribery and Corruption Policy
- Quality Policy
- Supplier Standards



E

- Biodiversity Policy

S

- Communication Policy
- Health, Occupational, Industrial, and Fire Safety Policy
- Policy on Human Rights

G

- Internal Audit Policy
- Corporate Code of Ethics

Review of progress in sustainable development

En+ has been demonstrating high results in sustainable development for many years.

E Environmental

2.3 t CO₂e / t Al

ALLOW aluminium's carbon footprint
Scope 1 and 2

31%

Share of ALLOW, our low-carbon aluminium,
in the aluminium's total sales volume for 2023

USD 207 mn

Environmental investments

68%

of total waste reused or recycled

77%

Share of reused and recycled water

18

ASI-certified plants

S Social

28.4%

of employees are women

0.76

Lost Time Injury Frequency Rate (LTIFR)
per 1 million hours worked

85%

of employees covered by collective bargaining
agreements

USD 62.3 mn

social investments

323

employees have taken advantage of the preferential
mortgage lending programme

↑14%

average salary increase for employees

G Governance

66%

of directors are independent as at 31 December 2023

33%

female representation on the Board of Directors as at
31 December 2023

>80%

of employees trained on anti-corruption

374

employee reports received by the Signal hotline

62%

share of purchases from local suppliers

Contribution to national and global Sustainable Development Goals

The UN SDGs and the national development goals of the Russian Federation are one of the key guidelines for En+ in determining strategic priorities and forming an action plan in the field of sustainable development.

<p>1 Preservation of the population, the health and welfare of the people</p> <ul style="list-style-type: none"> Setting up corporate healthcare centre and facilitating access to medical care for employees Employment of people with disabilities Provision of access to sports facilities for employees Get on Your Skis project Construction of martial arts centres 	<p>2 Conditions for self-fulfillment and the unlocking of talent</p> <ul style="list-style-type: none"> Knowledge with a Plus Sign programme UNIVER training portal My Career 2.0 programme World with a Plus Sign and Helping Is Easy volunteer support programmes Support for cultural initiatives 	<p>3 Decent and effective jobs and successful enterprise</p> <ul style="list-style-type: none"> Setting up workers' associations in various forms Support for the Dobroservice advisory support line Meal allowance for employees Pension plans for employees Occupational health strategy implementation Support for Russian suppliers, small and medium-sized businesses 	<p>4 Comfortable and safe environment</p> <ul style="list-style-type: none"> Preferential mortgage schemes and a housing programme for employees Support for infrastructure projects Environmental project grant competition Environmental risk management plan Participation in the Clean Air federal project Climate Strategy implementation Biodiversity conservation programmes Lake Baikal protection programme 	<p>5 Digital transformation</p> <ul style="list-style-type: none"> Development of an internal electronic document management system Implementation of the Digital Transformation Strategy The IT Academy project
<p>RESULT</p> <ul style="list-style-type: none"> 100% employees got access to VHI 3 martial arts centres were built 900 People with disabilities employed by the Company USD 5.0 mn – investments in healthcare USD 9.3 mn – investments in sports facilities 	<p>RESULT</p> <ul style="list-style-type: none"> ~USD 23.2 mn – investments in educational projects >100 number of courses available for employee training USD 0.5 mn – investments in culture promotion 30 employees are to be promoted following their participation in the My Career programme USD 0.9 mn – investments in volunteer projects 	<p>RESULT</p> <ul style="list-style-type: none"> USD 111.4 mn – spending on employee welfare USD 64 mn – OHS investments 79.8% – employee satisfaction -5.9% – LTIFR reduction compared to 2021 62% – share of purchases from local suppliers 13.7% – share of purchases from SMEs 	<p>RESULT</p> <ul style="list-style-type: none"> 323 – employees have purchased housing on preferential terms USD 13.8 mn – investments in infrastructure projects 21 projects were supported as part of the Environmental project grant competition 79 number of identified fisheries offences USD 207 mn – investments in environmental projects >30 mn Carbon Zero certificates sold by En+ Group 16.6% – reduction of intensity of air emissions per revenue (mn RUB) in Power segment compared to 2021 	<p>RESULT</p> <ul style="list-style-type: none"> 700 people – number of participants in the RoboSib robotics festival 226 people – number of participants in the IT Academy project



Ratings, rankings, awards

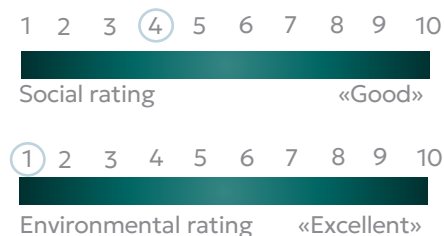
En+'s efforts in the field of sustainable development do not go unnoticed, the Company receives recognition from rating agencies and competitions.

ESG ratings

Expert RA ESG rating

ESG-A

according to the Bank of Russia's scale (or ESG-II(b))



ISS ESG's E&S Quality Disclosure Score in 2023

ESG awards

Third round finalist

of the Responsible Business Leaders national award

Recognition of the 2022 Consolidated Report

1 place

Secured first place in the Visionary Leaders in Change Management awards in three categories: Best Sustainability Report Under Non-Financial Reporting Standards, Best Economic Impact Disclosure, and Best Social Impact Disclosure.

2 place

Awarded second place in the Best Annual Report of a Company with a RUB 200 bn+ Market Cap category at the 26th Moscow Exchange Annual Report Contest 2023.



Certificate of Public Assurance of the Corporate Non-Financial Report.

ESG rankings and indices



National Rating Agency

One of the leaders in the ESG ranking of Russian industrial companies

Expert RA

One of the leaders in the ESG transparency ranking among Russian companies and banks.

The Company was an award winner in the High Level of ESG Transparency category.

National credit ratings

High level in the ESG Index of Russian Business

Expansion of Low-Carbon Product Line

The growing consumer demand for products with a lower carbon footprint fuels our efforts to expand and promote the dedicated line of sustainable products that meet these demands.

Low-Carbon aluminium brand ALLOW

<2.3 t of CO₂ e/t Al
ALLOW aluminium carbon footprint (Scope 1 and 2)

31%
the share of ALLOW low-carbon aluminium in the aluminium total sales volume for 2023

ALLOW sales volume, kt

Year	ALLOW sales volume, kt
2017	126
2018	196
2019	375
2020	662
2021	955
2022	1 200
2023	1 300

ALLOW INERTA Low-Carbon aluminium brand

Using inert anode technology reduces GHG emissions and cut down production costs. This technology has undergone comprehensive international carbon footprint verification process in 2023 and found its application in the production of SAYANA foil towards the end of 2023.

0.01 t CO₂ e/t Al

carbon footprint of ALLOW INERTA aluminium (Scope 1 and 2)

4,400 tonnes of aluminium

produced using inert anode technology since the launch

Use of recycled aluminium

The Company actively incorporates recycled aluminium into its production processes, expanding the line of recycled products with a focus on the following areas:

- closed scrap loop
- using recycled metal in billet and slab production at KUBAL and billets at VgaZ
- producing primary foundry alloys for the automotive industry from recycled materials

Expansion of low-carbon energy

Growing global demand for low-carbon energy is driving En+ to expand its renewable capacity across hydro, wind, and solar.

Current installed capacity



15.2 GW

Installed hydro capacity



5.2 MW

Installed solar capacity



Expected installed capacity

↑ **+2.5 GW**

Total installed capacity of new HPP projects

↑ **+200 MW**

Total installed capacity of new small-scale HPP projects

↑ **+1 GW**

Potential capacity of the wind farm in the Amur Region

Renewable energy certificates

En+ Group is contributing to the growing demand for renewable energy by selling green/renewable energy certificates. These certificates authenticate the generation of electricity from renewable sources, i.e. energy from water, aligning with the national voluntary Carbon Zero standard and unlocking an additional revenue stream for the Company.

Renewable energy certificates help:

- cut Scope 2 GHG emissions and product carbon footprints
- offer proof of the origin of the consumed low-carbon electricity

Key modernisation projects

The investment program and modernisation are implemented in accordance with the strategic goals of the Group.

Power segment

«New energy» — HPPs modernisation

2023 results:

At Bratsk and Krasnoyarsk HPP, the runners were replaced with another runner replacement now underway.

2.4 TWh

Additional HPP generation starting from 2026

RES expansion projects

2023 results:

- Assessment and elaboration of new HPP projects
- The wind farm in Amur Region - En+ Group and CHN Energy signed a joint letter
- En+ Group is evaluating the feasibility of constructing new solar power plants

2.5 GW

Total installed capacity of new HPP projects

1 GW

Potential capacity of wind farm

CHP development projects

2023 results:

- Full supply of power from CHP-6 (TG-1), Novo-Irkutsk CHP (TG-3), CHP-10 (TG-2) commenced. The program continues at the facilities of six CHP of the Irkutsk region
- Applications were submitted for participation in the competitive selection of new generating facilities capacity, based on the results of which two blocks of CHP-11 were selected

Modernisation

33.6%

of the total installed CHP capacity

460 MW

additional CHP capacity

Metals segment

Modernisation to support transition to pre-baked anodes technology

2023 results:

Design documentation of KraZ and BraZ received positive opinions from the Main Department of State Expertise (Glavgosexpertiza) and the State Environmental Review Office.

1,380 ktpa

Total capacity to be modernised

Production enterprise expansions

Goals:

- Improve raw-material security
- Increase production capacity
- Cut primary aluminium production costs
- Increase the share of value-added products

 Taishet Aluminium Smelter (TAZ)

428.5 kt

Aluminium production capacity of the TAZ project's first stage

2023 results:

- Significant progress was made on the TAF project, including assembling frames for main process buildings and structures, ongoing installation of enclosing and interior structures, as well as the construction of engineering infrastructure facilities.
- The TAZ project continued to achieve further commissioning milestones, with 85 RA-400 electrolyzers up and running.

 Taishet Anode Factory (TAF)

~400 ktpa

Second stage capacity, expected to be launched in 2025

Development of new products types

- Master alloys
- Fire-retarding agents
- Expansion of the line of aluminum foil using brand ALLOW INTERTA
- Development of new alloys

04

Climate and environment

ENT+

Climate change and energy management

2.3 t CO₂e/ t Al

intensity of GHG emissions (Scope 1 and 2)

3%

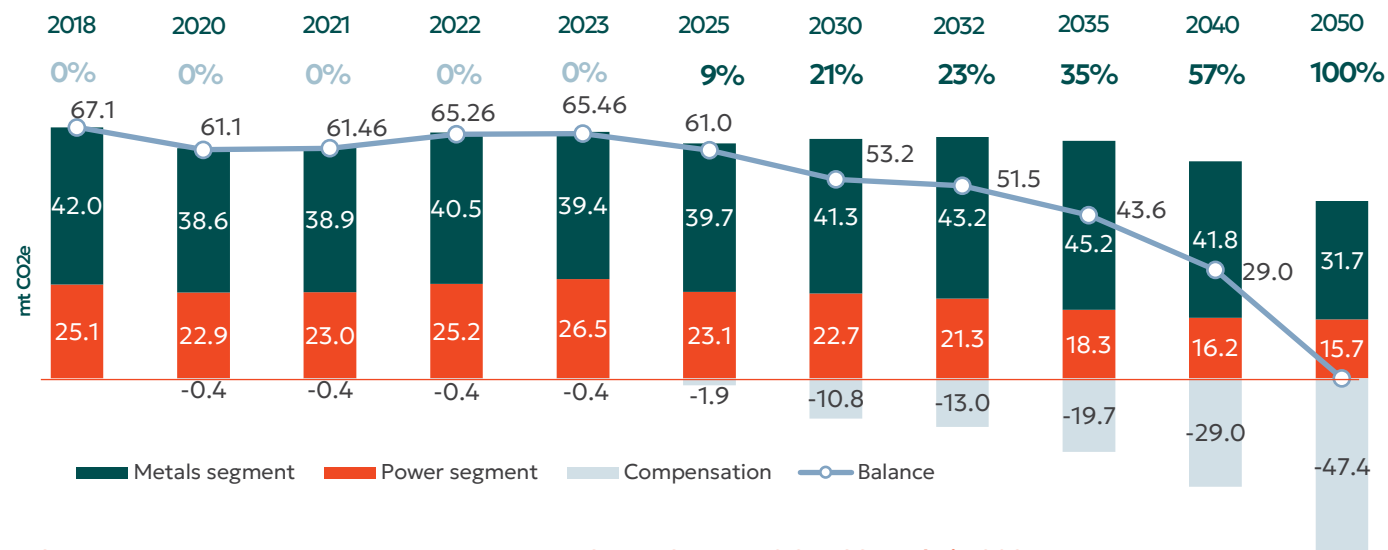
decreasing of emissions from the Metals segment (Scope 1,2,3) compared with 2022

5,948.6 ths GJ

of energy saved through energy-efficiency measures

En+ takes measures to reduce and prevent GHG emissions, and implements neutralisation measures. Improving energy efficiency also helps reduce emissions. The Company has developed a decarbonisation roadmap which sets the estimated timeline for planned reductions in GHG emissions for each segment.

Decarbonisation Roadmap



GOALS	STATUS	PROGRESS made in 2023
Reduce GHG emissions by 35% by 2035 compared with 2018	On track	GHG emissions in scopes 1, 2 and 3 increased by 0.3% compared with 2022 due to the low water supply of the Yenisei, the increase in energy consumption in the Irkutsk region and the associated increase in condensation generation from CHPs
Achieve net zero GHG emissions balance by 2050	On track	
Reduce the average carbon intensity of electricity produced and consumed	On track	The Company is developing initiatives focused on bolstering the capacity of renewable energy production, executing energy efficiency schemes, and pursuing research to identify techniques for optimising load flexibility within a cluster of CHPs
Increase the use of alternative energy sources by 2030	On track	Metals segment has reached the target. The Power segment is increasing the production of electricity from HPPs
Increase the efficiency of HPPs, increase the production of clean electricity	On track	Annual hydroelectricity output surged by 2.2 TWh.

Climate strategy

En+ has developed a strategy that will help it consistently reduce greenhouse gas emissions during its operations

En+ climate targets:

- Achieving the carbon neutrality by 2050
- Reduction GHG emissions by 35% by 2035¹

Scope: Total GHG emissions, Scope 1 and 2, Scope 3 (specific categories)

Assessment scope: Metals and Power segments

Application: All transactions, value chain and products

Mitigation strategy: Emissions reduction and compensation



For additional information see the report «Pathway to net zero progress 2023» and <https://netzero.ru>

Jan 2021	En+ announced its medium- and long-term targets to reduce greenhouse gas emissions
Feb 2021	A Working Group has been established to develop a roadmap and assess available options
Sep 2021	En+ published a report «Pathway to net zero» with a detailed climate strategy and held a webinar «Pathway to net zero» with the participation of management
Dec 2022	RUSAL approved the climate targets
Sep 2023	En+ postponed the achievement of the medium-term targets from 2030 to 2035

KEY ACTIONS ON PRODUCTION STAGES TO ACHIEVE CLIMATE TARGETS

<p>Bauxite mining</p> <ul style="list-style-type: none"> • Optimization of raw materials supplies 	<p>Alumina production</p> <ul style="list-style-type: none"> • Energy efficiency measures • CO₂ capture • Hydrogen using 	<p>Electrolysis</p> <ul style="list-style-type: none"> • Eco-Søderberg transition • Pre-baked anode technology transition • Inert anode technology transition 	<p>Energy for electrolysis</p> <ul style="list-style-type: none"> • Increasing the share of RES use • Energy efficiency measures • Conversion of CHP to gas 	<p>Transportation</p> <ul style="list-style-type: none"> • Conversion of vehicles to electricity or biofuel 	<p>Other</p> <ul style="list-style-type: none"> • Scrap recycling • Peatland watering • Forest climate projects
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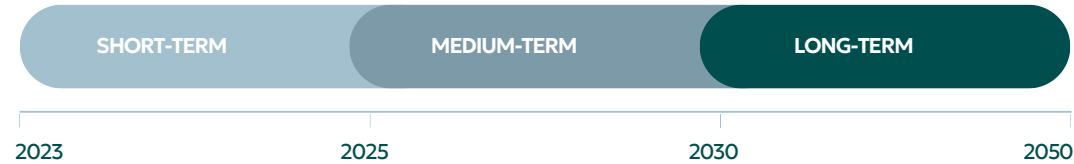
¹ Compared with 2018.

Climate risk and opportunities assessment (1/2)

Climate risks are taken into account in the Company's business strategy, as they may affect its operations and financial performance.

In 2021, En+ Group conducted an assessment of climate-related risks and opportunities following the Task Force on Climate-related Financial Disclosures (TCFD) guidelines, encompassing over 50 enterprises across various regions. Every year the Company updates the list of climate risks and planning horizons. In the reporting year, as part of this initiative, two additional enterprises in Volgograd and Krasnoturinsk were included in the risk assessment scope

The strategy of En+ determines three time planning horizons:



For the risk assessment purposes, the Company uses three Shared Socioeconomic Pathways (SSP) climate change scenarios:

- SSP 126 – 1.5–2 °C warming Sustainability
- SSP 245 – 2–4 °C warming «Middle of the road»
- SSP 585 – 4–7 °C warming «Increasing use of fossil fuels and accelerating global warming»

Climate change scenarios used:

SSP126	SSP245	SSP585
Sustainability	Middle of the road	Increasing use of fossil fuels
1.5–2°C	2–4°C	4–7°C



- Climate risk factors:
- Abnormal precipitation
 - Thunderstorms
 - Temperature transition through 0 °C
 - Wildfires
 - Abnormal heat

Climate risk and opportunities assessment (2/2)

En+ has identified the most relevant physical and transitional climate risks, as well as related opportunities.



Physical risks factors

- unusually hot or cold temperatures
- flooding, road erosion due to prolonged and heavy rains and showers
- floods due to abnormal rainfalls
- storms
- drought
- wildfires
- strong winds
- gradual increase in average annual temperatures
- increased number of zero temperature phase transitions
- increased rainfall volume

Physical climate risks

- infrastructure disruptions
- breaching of the integrity of production facilities
- supply disruptions
- reduced productivity

Opportunities associated with physical climate factors

- increased energy generation from renewable sources;
- increased demand for heat for residential heating due to low temperatures;
- saving money and fuel resources to a reduced heating season

Transition climate risks

Regulatory

- tightening of ASI main requirements
- development of the Aluminium Sector Greenhouse Gas Pathway by IAI
- development of the Carbon Border Adjustment Mechanism
- emergence of new Russian legislation requirements in the field of GHG emissions regulation

Market

- loss of consumer interest in the Company's products due to their high carbon footprint, if compared with products of competitors
- lower demand for coal

Opportunities associated with transition climate factors

- use of new modern and effective technology innovations
- profit growth due to increased volume of sales of low carbon footprint products
- penetrating new and evolving markets

Reputation

- reputational costs caused due to a failure to comply with new legal requirements in the field of emissions regulation

Technology

- costs of introducing new technologies to reduce the product carbon footprint
- unstable operation of new equipment
- increased volume of emissions caused due to the use of technology innovations and new materials

Environmental protection

USD **207** mn
investments in environmental protection

77%
share of recycled and circulating water

68%
of waste was recycled

350.5 ha
were reclaimed

En+ Group acknowledges its environmental responsibility and is committed to preventing and mitigating the impact of its operations on the atmosphere, water bodies, land resources, and biodiversity. The Company adheres strictly to legal regulations, engages in R&D activities, actively participates in the Clean Air federal project, and continuously upgrades its equipment.

GOALS	STATUS	PROGRESS made in 2023
Reduce above-limit air emissions by 100% by 2027	On track	Modernisation of aluminium plants, installation of new gas treatment facilities, use of air pollution monitoring systems continue
Provide a significant reduction in emissions of pollutants per tonne of aluminium, including total fluorides by 25% by 2035	On track	
Retrofit ash collectors at Novo-Irkutsk CHP, Ust-Ilimsk CHP, and CHP-6 by 2035	On track	Installation operations for the electrostatic precipitators of boiler units Nos. 3 and 5 at CHP-6 are complete, as is the development of design documentation and delivery of core equipment for boiler unit No. 7 at CHP-6
Push the share of recirculating water supply in the production of alumina, aluminium, and finished products to 100% by 2027	On track	The share of recirculating water in the total amount of water used for production was 91.9% in 2023
Eliminate the discharge of untreated wastewater generated by the Power segment by 2030	On track	Ongoing efforts are directed towards mitigating the risk of untreated wastewater discharges from heat generation facilities
Streamline technological systems to minimise non-production water losses at the Power segment by 2030	On track	Analysis is underway to explore avenues for optimising fresh water usage and minimising discharges
Ensure a progressive reduction of non-recyclable and non-reusable waste generation intensity by at least 10% per tonne of metal, and safe disposal of 100% of such waste by 2030 in the Metals segment	On track	To ensure the safety of waste disposal, a comprehensive inspection of hydraulic structures, sludge collectors and ash dumps was conducted
Put back to economic use or utilise at least 15% of alumina production waste and at least 95% of aluminium and silicon production waste by 2035	On track	The Metals segment reused 1,516 kt of red and nepheline slime and transferred another 344 kt to external consumers. Advancements are being made in developing technology for producing scandium oxide from red slime
Implement large-scale projects related to the use of ash and slag waste under BEC LLC's plan	On track	The Power segment managed to reuse 63% of ash and slag waste

Environmental protection

En+ takes measures to reduce the environmental impact of its production activities.

Air protection

The main sources of air emissions are aluminum factories in Metals segment and CHPs in Power segment.

Main events:

- Application of best available technologies
- Installation and upgrade of gas cleaning units
- R&D activities
- Fitting out fixed sources with automatic emission control and accounting systems
- Modernisation of aluminium smelters
- CHP modernisation

Waste management

Coal combustion at CHPs of Power segment, as well as processing of bauxite and nepheline ores by Metals segment leads to waste generation.

Main events:

- Inventory of generated and accumulated waste
- Comprehensive HS inspection
- Sludge reuse
- Long-term ash management program
- «Green Office» programme

Water resources

The Company's production processes require a large amount of water resources.

Main events:

- Monitoring of the Company's impact on water resources
- Wastewater quality control
- Implementation of a closed water supply system
- Modernisation and construction of treatment facilities

In 2023, Metals segment released the first voluntary «Water report»

Land rehabilitation

Bauxite mining activity of Metals segment leads to land disturbance.

Main events:

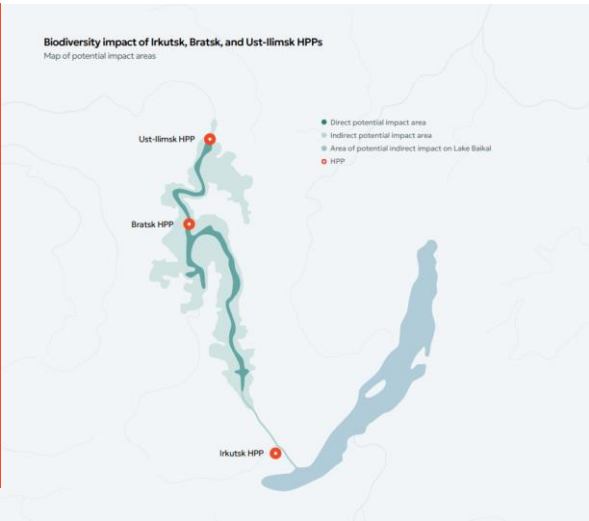
- Land reclamation at enterprises and control over the condition of restored plots
- Regular reforestation Green Wave campaign
- Continuation of the forest aerial protection project

Biodiversity conservation

The Company recognizes its responsibility for biodiversity conservation and reduction of impact on Lake Baikal. En+ is engaged in public education, develops biodiversity conservation measures, and performs environmental monitoring in the area of influence of Angara HPPs.

GOALS	STATUS	PROGRESS made in 2023
By 2024, develop biodiversity conservation programmes and action plans for pilot facilities (three operating facilities in each segment)	On track	The Metals segment is 30% complete (one of three stages completed for each facility). The Power segment has developed a biodiversity conservation programme and action plan
By 2030, develop biodiversity conservation programmes and action plans for En+ Group’s facilities, with identified biodiversity risks	On track	The Metals segment is assessing potential biodiversity impacts and reviewing ecosystem services for its ASI-certified facilities. Currently, this effort is nearing completion at three of the 18 certified enterprises. In the Power segment, the Company has kicked off work to preserve aquatic biological resources: an initiative supporting public fish conservation efforts in the Bratsk Reservoir is on track.

In 2023, the Corporate Biodiversity Conservation Programme for Irkutsk, Bratsk, and Ust-Ilimsk HPPs was initiated. The Biodiversity Conservation Action Plan contains information concerning scheduled tasks, resource allocations, and specific indicator species requiring observation and support.



Scientific monitoring of Lake Baikal

Baikal Plastic Free Alliance

The activity of the association created at the initiative of En+ is aimed at changing the attitude of society to the problem of Lake Baikal pollution. Selected events for 2023 include:

- Rise of abandoned fishing nets;
- Conferences for representatives of the tourism business «Modern trends and challenges in the tourism sector of the Baikal area» and young scientists «Chemistry of the Future»;
- Meetings and round tables with locals from Baikal protected areas;
- Eco-lessons at children’s camps and schools

05

People

ENT+



Employees

90,064 employees
at the end of 2023

85%
of employees covered by collective
bargaining agreements

28.4%
of the workforce represented by
women

12.8%
employee turnover

People are the Company's most important asset. Achieving En+ Group's strategic goals and objectives is impossible without human capital, which is why the Company makes every effort to support and develop its people.

GOALS	STATUS	PROGRESS made in 2023
Conduct employee appraisals	Completed	In 2023, a total of 1,708 employees took the Web Expert tests. Power segment completed the goal.
Ensure high levels of qualification among existing employees to match the specific hazardous production settings and raise requirements for mandatory knowledge and skills	On track	The Company remains committed to advancing the skills and qualifications of its people
Hold events to bring high-potential employees into the Future Leaders programme	Completed	The programme was joined more than 280 employees
Develop a company-wide mentoring system	On track	A draft company-wide regulation governing the shop-floor mentoring process has been developed, and the dedicated remote learning course themed En+ Group Mentorship has been published on the UNIVER portal
Improve data collection on internal training by automating UNIVER portal processes	Completed	Training-related data collection through UNIVER has been automated
Increase the number of scholarship recipients employed or wishing to be employed by the Company	Completed	The number of scholarship recipients majoring in energy-related fields and employed by the Company has increased. In 2023, there were a total of 177 scholarship recipients

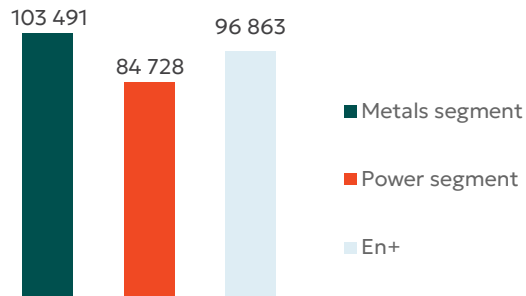
Social support to employees and their families

- Preferential mortgage programme
- Supplementary health insurance
- Health resort treatment
- Supporting employed parents
- Meal allowance
- Promotion of sports and healthy lifestyle
- Retiree support
- Dobroservice advisory support line

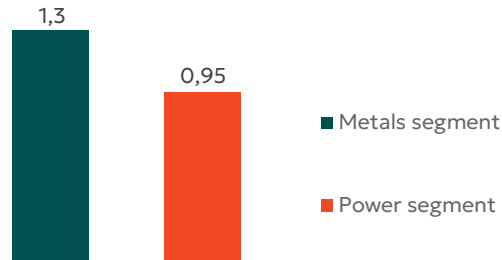
Employees

En+ Group’s HR policy is driven by a desire to create equal conditions and opportunities for all employees.

Average pay of En+ Group employees in Russia, RUB



Female-to-male basic salary ratio at Russian entities



USD **1,566** mn
total labour costs

USD **111.4** mn
social expenses for personnel

100%
of employees are eligible to take part in our VHI programmes

6%
percentage of employees of retirement age

17 contracts
in effect with secondary vocational and higher education institutions.

900
the average headcount of disabled employees

Human rights

En+ Group does not tolerate discrimination on any grounds and provides employees and candidates with equal opportunities in hiring, compensation, performance evaluation, and training.

No complaints of labour rights violations were recorded in 2023.

Rights and freedoms of En+ Group employees and suppliers

- Right to work and favourable working conditions
- Right to health
- Gender equality and non-discrimination
- No child, forced, or compulsory labour
- The right to safe environment

Occupational health and safety

1.05

Total recordable work-related injury rate (TRIR) per 1 million person-hours worked

0.76

Lost time injury frequency rate (LTIFR) per 1 million person-hours worked

7%

Decrease in lost-time injuries

USD 64 mn

OHS costs at the Group

The Company prizes its people as its core asset and places paramount importance on the safety of its workforce. En+ Group is dedicated to achieving zero fatalities and injuries among its employees.

GOALS	STATUS	PROGRESS made in 2023
Decrease LTIFR by 10% and zero fatal accidents at the workplace	Not achieved	<ul style="list-style-type: none"> LTIFR decreased by 7% from 0.81 to 0.76 Two fatal accidents among employees
Certification audits of OHS management systems across all enterprises	On track	<ul style="list-style-type: none"> The project is on track
Development of an additional company-wide OHS training system for all employee groups, including a revision of existing training programmes and the development of additional ones	On track	<ul style="list-style-type: none"> The Corporate University is on track to develop and revise existing training programmes

Main events



Digital transformation

In the reporting year, the Group implemented additional modules on occupational health and safety based on the 1C platform, integrated them with other assistance platforms and developed report forms for managers.



Improvement of the contractor management process

In 2023, the Group revised procedures for approving work execution plans, schedules, and process sheets, changed the reporting procedures and the assignment of approver roles and established a unified list of work in progress.



Health protection

In 2023, the Group opened a healthcare centre and a day-care unit, introduced a cardiovascular disease prevention programme and launched a project to introduce healthy eating principles in canteens.



Development of a safety culture

An external safety culture audit was conducted in 2023 and Strategic Action Plans for 2024-2026 were developed. The Group developed a comprehensive training course on BSA issues, and a BSA registration information system was piloted. 330 internal trainers were trained to train employees in corporate HSE programmes.

Contribution to local communities

42

cities and municipalities covered by the Sustainable Cities Responsibility Index

46

PPP projects are co-financed by En+

21

projects eventually approved for grant support

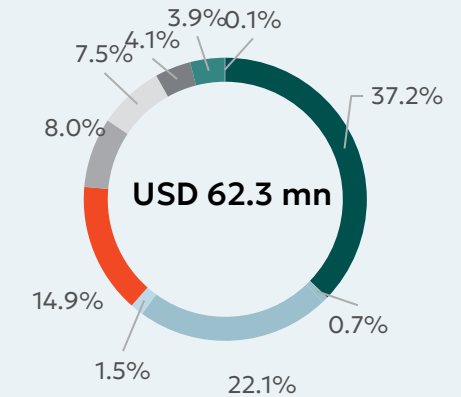
> 6,500 employees

participating in volunteer programmes

En+ Group cares about the well-being of people living in the regions where it operates, contributing to addressing the social and economic challenges they may face.

GOALS	STATUS	PROGRESS made in 2023
Expand social initiatives and engagement with stakeholders, including fostering robust dialogue with youth and work councils and partnering with NGOs and national parks	Completed	The Group implemented infrastructure projects through partnerships with local authorities, environmental projects in partnership with national parks, and social initiatives through partnerships with NPOs
Develop innovative tools to engage local community members through workshops, task-based activities, games, etc.	Completed	The Group implemented environmental volunteer projects, engaging communities in its operating regions through interactive events and innovative communication channels, including chatbots
Commission several sports infrastructure facilities, including a football pitch and a multi-use track for bicycles, kick scooters, and skateboards	Completed	The Metals segment opened several new martial arts centres in host cities A new skate park was opened
Expand the volunteer movement	Completed	Over 6,500 volunteers participated in our initiatives
Align 100% of community investments with the Sustainable Cities Responsibility Index methodology as part of the Metals segment's transformational project	On track	The methodology of the Local Community Life Quality and Sustainable Development Index has been incorporated into the Company's system for assessing, planning, and implementing social investments

Social investments



- Educational projects
- Culture
- Development of infrastructure and urban environment
- Volunteering
- Sports
- Healthcare
- Development of NGOs and local communities
- Social support
- Environment and animal protection
- Other

06

Governance

ENT+

Corporate governance

8 out of **12** directors are independent and non-executive

6 Board committees
All Board committees are chaired by independent non-executive directors

33% women representation on the Board of Directors

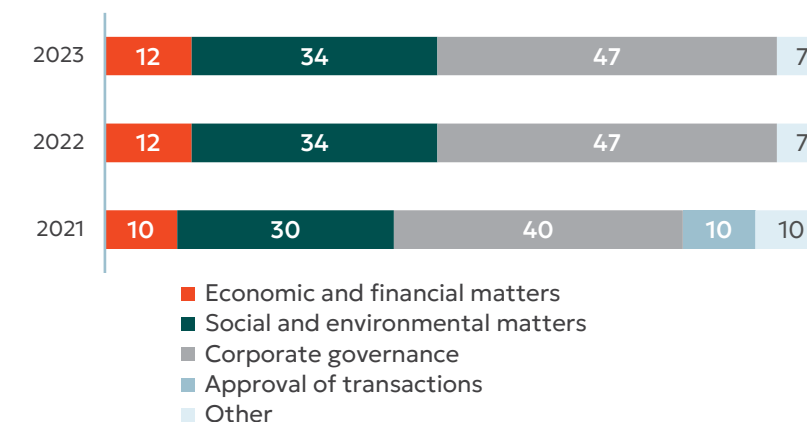
100% Attendance at all meetings of all Board of directors

The Company is committed to high standards of corporate governance. The Group intends to further improve its performance in this area and to adhere to internationally recognised standards of corporate governance, transparency, disclosure, and accountability applicable to listed companies.

GOALS	STATUS	PROGRESS made in 2023
To conduct self-evaluation and independent evaluation of the Board of Directors, its members, and committees in order to assess the Board’s performance	On track	Independent evaluation of the Board’s performance in 2023 was conducted
To arrange for professional advanced training of Board members, which was cancelled or postponed due to the COVID-19 pandemic and the geopolitical situation	On track	The planned training session on sanctions compliance was conducted in October 2023 as part of an off-site strategy session

- ### Principles of corporate governance
- 1 Open and clear decision making
 - 2 Transparency
 - 3 Ongoing growth in the Company’s value for the benefit of all stakeholders
 - 4 Legal compliance, including clear and robust compliance with requirements for the Company to be and remain clear from OFAC’s sanctions

Nature and number of critical issues brought escalated to the Board of Directors, %



¹ As of the date of this Report.

Internal control and risk management

The Company maintains a **risk management system** which helps to reduce the likelihood of non-compliance with corporate governance standards and drives the steady and sustainable growth of the Group's business.

At the Group level, the responsibility of company/division managers for the completeness of risk reflection, timely control of the development and implementation of risk mitigation measures is determined.

GOALS	STATUS	PROGRESS made in 2023
Deploy an automated risk management system (ARMS) across En+ Group companies	Achieved	ARMS implemented
Implement commercial efficiency measures to drive out the risk of overcharging as part of procurement risk management	Achieved	Cost reduction for procuring services, construction and installation works, and essential goods and materials was achieved by refining the negotiation process and broadening the competitive landscape as part of the procurement function oversight
Assess the risk identification completeness	Ongoing	Identifying risks omitted from the Risk Map during the audit of Group companies and ensuring the development of relevant mitigation measures
Assess procedures for monitoring the execution of risk mitigation measures	Ongoing	Assessing the effectiveness of controls in place to execute measures for minimising or eliminating risks (as part of Group companies' audit)

Key risks of the Company

High

- Environment risks ↑
- Laws and regulations risks ↑
- Market risks ↑
- Geopolitical risks ↑
- Maintenance risks ~

Medium

- Force-majeure risks ~
- Legal risks ~
- Commercial and project risks ↑
- IT security& resilience risks ~
- Financial risks ↑

Low

- Health and safety risks ~

Change in 2023

- ↑ Higher impact
- ~ No change

Corporate ethics and compliance

374

employee reports received by the Signal hotline in 2023

>80%

of employees trained on anti-corruption

100%

of security staff were briefed on the Policy on Human Rights

673

instances of potential conflicts of interest were examined by The Ethics Committee

27

of which, based on the results of risk assessment, were resolved

En+ Group fosters a cohesive corporate culture embraced by all employees and creating an environment of mutual respect, trust, and transparency.

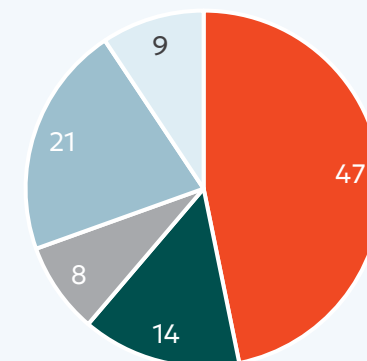
The Compliance Committee of the Board of Directors ensures control and continuous improvement of the Group’s compliance management system taking into account current legal requirements, recommendations from regulatory bodies, specific industry requirements, and best practices.

GOALS	STATUS	PROGRESS made in 2023
Have the Company listed in the consolidated register of signatories to the Anti-Corruption Charter of Russian Business and conduct an independent assessment of the anti-corruption management system to verify compliance with the ISO 37001:2016 criteria	Achieved	The Company has been included in the register of signatories to the Anti-Corruption Charter of Russian Business. The assessment yielded an AA+ class rating, indicating a robust level of anti-corruption
Ensure that at least 80% of Group employees take remote learning courses on corporate ethics and anti-corruption	Achieved	At the end of 2023, over 80% of Group employees have completed corporate ethics and anti-corruption training
Develop a training course tailored for ethics officers across the Group’s subsidiaries	Achieved	The course has been developed and uploaded onto a unified learning platform, ready for future launch

The Signal hotline

En+ Group operates the 24/7 Signal hotline for employees and other stakeholders.

Subjects of specific reports received via Signal, %



- Labour relations
- Other
- Asset safety
- Counterparty engagement
- HSE issues

Supply chain management

62%

share of purchases from local suppliers

100%

of suppliers operate with no actual or potential negative social impact

A responsible approach to the selection of suppliers is the key to the sustainability of the En+ supply chain and the successful development of the Company in the long term.

GOALS	STATUS	PROGRESS made in 2023
Streamlining supplier assessment and supplier claims processes in the Power segment through automation	On track	First stage completed
Expanding the Advanced Product Quality Planning (APQP) process	On track	The Regulations for the qualification of manufacturers of raw materials and materials in terms of quality have been revised and expanded
Developing and testing a pilot module for the counterparty assessment system	On track	The automation stages of the modules included in the rating assessment and collecting data for calculating the assessment have been completed

Main events



Launching of the Supplier Online Account of Metals Segment

The opportunity to undergo ESG accreditation has been implemented, as a result of which suppliers receive recommendations for improving practices. At the same time, the Metals Segment has created a training course on using the platform for procurement services and suppliers who are going to undergo ESG accreditation.



Verification of suppliers according to environmental and social criteria

Constant audits and analysis of supplier performance are carried out to ensure that there is no negative impact on society and the environment in the supply chain. In 2023, 100% of contractors were tested according to social criteria, and the Metals Segment tested 30 new suppliers according to environmental criteria.

Quality management

96%

share of responding customers who gave RUSAL the highest rate

7 aluminium smelters

Were certified according to GOST R 58139 standard for the automotive industry

25 facilities

Were certified according to the ISO 9001 quality standard

2 aluminium smelters

Were certified according to the IATF 16949 standard for the automotive industry

The Group strives to prioritise customer satisfaction and deliver top-notch products by adopting innovative solutions and continuously improving operating processes.

GOAL	STATUS	PROGRESS made in 2023
Develop online services for customers	On track	Add new functionality to the Company's online services

Main events



Enhancement of customer mobile services

In the reporting year, the Group strengthened the contact center by increasing the number of operators and redistributing the workload during the day. Customers can submit a request via the app, social media accounts, or order a callback.



Improving quality through the deployment of modern technologies

En+ Group started to roll out remote control systems for heat pumping stations at its facilities in Irkutsk. The innovation enables the dispatcher to not only monitor parameters and equipment at the pumping station but also remotely control them from the central control room. This reduces the response time to emergency situations and facilitates rapid switching to backup equipment when necessary.



Improving the quality and reliability of electricity supply

In 2023, thanks to five new substations of the Company, within the framework of the Teplovoy Luch project, energy supply was improved for tens of thousands of consumers in Irkutsk, Irkutsk and Shelekhovskiy districts. The new heat pipeline will enable the disconnection of coal and fuel oil-fired boilers while connecting residential buildings and social facilities to the network.

Digital transformation



A new automated predictive diagnostic system was launched at Bratsk HPP



A new automated predictive diagnostic system was launched at Bratsk HPP



Ust-Ilimsk HPP has held a trial run of the Mobile Walkaround Inspector

En+ Group consistently enhances operating processes, ensuring effective management and timely oversight by implementing digital products, services, and solutions for business units and employees, alongside the automation of business processes.

GOAL	STATUS	PROGRESS made in 2023
Execute end-to-end automation projects in accordance with the established plans	On track	Measures are being taken in accordance with the schedule
Develop and implement a comprehensive Power Segment Digital Transformation project	On track	Measures are being taken in accordance with the schedule
Launch the Digital Project Office project and open Artificial Intelligence and Big Data, Industry 4.0, and Digital Logistics laboratories	On track	The Artificial Intelligence and Big Data and Industry 4.0 laboratories were opened
To establish a consolidated digital ESG data loop within the Metals Segment by 2025, followed by the integration of 100% of ESG metrics into a single information platform. This platform will enable big data-driven decision making on environmental, social, and corporate governance aspects	On track	An ESG data collection and calculation system has been developed, commissioned, and seamlessly integrated with various data sources. ESG data sources are being analysed to assess their viability for generating ESG metrics.

Digitalisation

- Introduction of a product-based approach to digital solution development
- Development of a digital skills training and advancement system for all Company employees
- Implementation of business-specific digital solutions

Automation

- Routine task automation for all Company services
- Development of analytical tools and automated reporting systems
- Creation of a single enterprise-wide data warehouse
- Deployment of disruptive digital technologies
- Deployment of management enterprise systems (MES) to streamline operations automation
- Standardisation and centralisation of processes, expertise, competencies, and automation tools
- Protection of IT data and supporting infrastructure against accidental or intentional interference
- Incorporation of ESG considerations into automation and digitalisation projects

R&D management

USD **25.5** mn
allocated to R&D projects

By continuously developing and sourcing new technologies, En+ Group maintains its leadership position in the global market while constantly improving its environmental, social, and economic performance.

GOAL	STATUS	PROGRESS made in 2023
Broaden the scope of partnerships and engage new scientific collaborators in R&D projects of particular interest to the Company	On track	The Company has gathered data regarding cutting-edge scientific and technical advances by leading scientific and educational organisations and major manufacturers and has built partnerships with them
Continue to explore new areas for the Company, including CO ₂ capture and storage (CCS), energy storage, hydrogen economy, and the development and production of cathode materials for batteries	On track	The Group is exploring the industrial methodologies employed by Chinese companies for CO ₂ capture and storage alongside innovation-driven developments from researchers En+ Group is expanding partnerships in hydrogen economy and energy storage, working closely with the Competence Centre of the National Technology Initiative (NTI), Hydrogen as the Cornerstone of a Low-Carbon Economy

Main events



Perovskite solar cells

This project is being implemented. Current challenges include enhancing the stability of laboratory samples, advancing EuroSibEnergо's patented vacuum layer deposition technology, and scaling up cell manufacturing methods.



Development of heavy-duty resource-saving electrolyzers

Heavy-duty electrolyzers have been developed and are currently in operation at the pilot facility of the Sayanogorsk Aluminium Smelter. The innovative electrolyzers offer high performance and energy efficiency and contribute to reduce environmental impact.



Collaboration between En+ Group and top Russian R&D universities

The National Research University Moscow Power Engineering Institute and En+ Group signed a partnership agreement to pursue major projects.

En+ Group experts also held meetings with representatives from top institutions such as Novosibirsk State University and Novosibirsk State Technical University, as well as several research institutes affiliated with the Siberian Branch of the Russian Academy of Sciences and developed a plan for implementing R&D projects.

Business system

USD **86.2** mn

Total economic benefit from the implementation of the business system projects and suggestions

17,596

Kaizen suggestions were submitted in 2023

En+ Group's business system allows to involve its employees in driving the Company's continued growth.

GOAL	STATUS	PROGRESS made in 2023
Roll out a mobile application for submitting Kaizen suggestions	Achieved	The app was tested and launched in October 2023. By the year-end, over 2,700 Kaizen suggestions had been submitted through the system
Continue with the business system training programme for new employees with the aim of achieving 100% of trained workforce	Achieved	739 people trained (100%)
Introduce a mandatory business system training programme at the operational site tailored for engineers and technical staff of various proficiency levels	On track	A training programme for engineers and technical staff consisting of six modules was developed

Main events

Project of the Year Competition

USD **933.72** ths
total economic benefit from projects of the competition

270 participants
from the Power Segment participated in competition



En+ Group launched the Kaizen Digital mobile app and website

In the app, employees submit ideas and control their deadlines for consideration and implementation. In addition, employees can evaluate colleagues' suggestions and leave comments. After the introduction of the application, the number of kaizen offers increased by 11%.



A dedicated business system development training programme for engineers and technical staff

The programme consists of six modules, each focusing on a distinct business system tool. After completing each module, trainees are given homework assignments and assessed at the end of training. En+ Group expects this approach to improve the quality of training for this employee category and encourage adoption of relevant business system tools.

STILL GOT QUESTIONS?

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Save a contact



Go to the EN+
website