



# SDGs Report **2021**

# About the Report

We are pleased to present our SDG Report 2021. This is the third SDG report for En+ Group. The Report details information about our approach, programmes, projects and progress towards the SDGs. The Report discloses information relevant for the date of publication covering events that happened from August 2020 to August 2021. [The SDGs Report 2020](#) was published in October 2020 and is available on the corporate website.

For more information, please refer to our corporate website

## Our actions towards UN SDG's



## Pathway to net zero



## Sustainability Report



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# The vital role of aluminium in the future net zero economy

Incredibly strong, lightweight, non-corroding and endlessly recyclable, aluminium is a building block of the future green economy. Demand is set to grow by 33 million tonnes by 2030 primarily through the transportation, construction, packaging and renewable energy sectors. Aluminium will increasingly replace steel in automotive, aviation, rail and shipping and is the key component of the rapidly developing electric vehicle market. An expansion in construction and infrastructure projects around the world as governments seek to drive recovery from the economic impact of COVID-19 will also drive demand for aluminium, which can boost the sustainability performance of buildings. And with consumers rapidly turning away from plastic packaging, they are turning to aluminium for its almost infinite recyclability. In addition, aluminium plays a vital role in the green energy transition and is central to the production of solar panels and wind turbines.

However, despite its undoubted role in the future green economy, the global aluminium industry is also a significant emitter of GHGs and is recognised as one of the nine 'hard to abate' industrial sectors. Every year, the industry accounts for over 1.1 billion tonnes of CO<sub>2</sub> - equivalent to more than 2% of global emissions. According to the International Aluminium Institute (IAI), 90% of these emissions come from primary aluminium production. While the IAI is exploring credible sector-wide pathways to reduce GHG emissions to 250 million tonnes a year to bring the industry in line with a 'below 2 degrees' scenario, individual companies must look to their own operations. This is why in January 2021, En+ Group publicly announced its ambitious goal to **achieve net zero greenhouse gas (GHG) emissions by 2050, and reduce emissions by at least 35% by 2030**. Through our Pathway to Net Zero strategy, we will lead other key producers, by example, towards decarbonisation solutions.

# Introduction from the Executive Chairman



As we approach COP26 in Glasgow later this year, and in light of the latest report by the Intergovernmental Panel on Climate Change (IPCC), never has the spirit of collaboration and cooperation fostered by the United Nations' Sustainable Development Goals (UN SDGs) been more important. Nor has the very serious and early focus that we put on the 'green' agenda been more important to us a group.

The challenges of the past eighteen months have shown us, I believe, just what can be achieved when policymakers come together, businesses share resources and communities support each other in the face of a common threat. The global fight against COVID-19 is a lesson in how we can address the critical sustainability challenges ahead of us. Collaboration between both nations and the public and private sectors, allowed the development of vaccines that have the potential to halt the spread of the virus. Equally effective collaboration must now follow to address the world's other most intractable problems.

In the UN SDGs, we have the best framework for uniting the world in addressing the most pressing issues of our time.

In last year's report I said that I was pleased we had added SDG 17 - Partnerships - to our list of priority SDGs. I passionately believe that this goal is critical, particularly in the hard to abate industrial sectors such as aluminium if we are to achieve the essential global energy transition and move the world towards full decarbonisation. So, over the past 12 months, we have been focused on deepening our partnerships and associations, ensuring we take on more responsibilities to help drive our industry to a cleaner future.

This was recognised by the UN Global Compact which, in late 2020, invited En+ Group to partner in its Climate Ambition Accelerator, a programme established by the UNGC, SBTi and the World Resources Institute to help accelerate corporate ambition towards climate neutrality. En+ Group became a global sponsor of the initiative. While the recognition is, of course, gratifying, I take significantly more pleasure in the opportunity it provides us to drive global progress in an area where there is still much to do. That's what really matters.

In 2021, the Group took part in the UNGC's SDG Ambition Accelerator, to hone and focus our own SDG targets and benchmarks. We have also joined the global voice of sustainable business, the World Business Council on Sustainable Development, and have joined their discussions around climate mitigation and nature preservation.

In this year's report we detail our latest initiatives and update on the progress of our ongoing programmes. Our teams across the world have worked incredibly hard to ensure that pandemic restrictions have not impeded our advancement. Over the past year, we have made two major announcements that will significantly impact our contribution to the SDGs. We became the first company in Russia to trade I-REC certificates providing our customers with the ability to limit their own carbon impact and, critically we have announced our own 2050 net zero carbon target along with our sector's most stretching decadal targets for 2030. For a hard to abate industry like ours, this is an incredibly ambitious undertaking, but I have absolute confidence that we will achieve this with our corporate focus on unstinting innovation, investment in pioneering new technologies and the ability to adapt our operations to new developments. Plus, most importantly, through working in partnership with peers, NGOs, academics, associations and policymakers across the world in a true reflection of our commitment to SDG 17.

We are very lucky to have across our Group one of the best sustainability teams in the business. However, I find it particularly satisfying to see their passion and commitment increasingly shared right across our workforce. We are our sector's low carbon leaders and thanks to our people, right around the world, in the coming year we will drive that mission forward with even greater conviction.

**Rt Hon Lord Barker of Battle,**  
Executive Chairman

# SDG Goal Development

The beauty of the UN Sustainable Development Goals is the way in which they are all interconnected and support each other in addressing some of the most critical challenges facing the world today. For example, instigating Responsible Production and Consumption (SDG 12) and increasing the supply of Clean and Affordable Energy (SDG 7) supports Climate Action (SDG 13) which, in turn, helps mitigate major climate changes, that may impact ecosystems, and cause potential harm to biodiversity (SDG15). Every one of the SDGs is positively impacted by progress against the others. At En+ Group, we are focused on delivering a measurable

impact on eight of the SDGs, but we are confident that our work supports all 17 of the goals.

Over the months since our last annual SDG Report, En+ Group participated in the UN Global Compact's SDG Ambition Accelerator programme, which supports private sector organisations' accelerated integration of the Goals into corporate strategy and management systems. The Accelerator empowers and equips participating companies to establish and implement business goals that support and increase their positive impact on the SDGs.

Representatives from across En+ Group took part in the Accelerator programme from December 2020 to June 2021, working through a three-stage programme to:



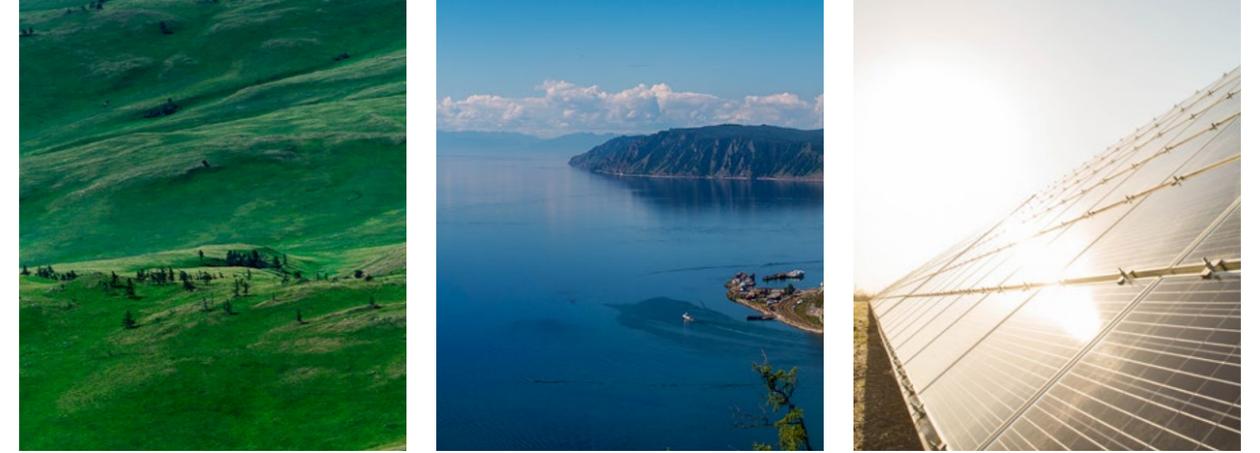
1. determine our priority sustainability benchmarks and overall sustainability priorities;
2. setting a goal for each of our sustainability benchmarks or priorities; and
3. integrating those goal into our corporate strategy.

Throughout this process, we focused specifically on benchmarks supporting SDG 13 Climate Action, SDG 6 Clean Water and Sanitation and SDG 7 Clean and Affordable Energy, recognising that support for these three will have a wider impact across other UN SDGs.

Although the Group's net zero target had been established ahead of our participation in the programme, it was an important opportunity to

assess the impact of our ambition on the SDGs, and assess whether our process aligned with the international methodology recommended by the UN Global Compact.

The Goals were presented to the Health, Safety and Environment committee under the En+ Group Board of Directors, who made a decision to approve further research into goal integration into the Company strategy.



## Benchmark

Science-based emissions reduction in line with a 1.5°C pathway

Net-positive water impact

Accessible, reliable and sustainable energy systems based on renewable energy resources

## Key SDG



## Other SDGs supported



## En+ Group goals

Reduce emissions by at least 35% by 2030, and achieve net zero greenhouse gas (GHG) emissions by 2050

By 2030, eliminate untreated wastewater discharge generated by the Power segment

Increase use of alternative energy sources by 2030

By 2030, minimise non-production water losses through technological optimisation

Reduce the average carbon intensity of generated and consumed electricity

By 2025, deploy recycled water systems for main processes in the Metals segment<sup>1</sup>

By improving hydropower plant efficiency, increase clean electricity generation by 2.5TWh, from the same amount of water passing through the turbines, and prevent over 2.5 million tonnes of CO<sub>2</sub> emissions per annum from 2025

<sup>1</sup> At the BAZ, UAZ, RBA facilities.

# Climate Leadership



Our new net zero strategy, combined with our entry onto the I-REC market, hydrogen technology development and the ongoing modernisation of our hydropower plants, demonstrates that a commitment to energy transition, climate change mitigation and a more sustainable global future is at the core of the Company's values.



**Vyacheslav Solomin,**  
Chief Operating Officer,  
Head of Net Zero  
Taskforce



For more than a decade, we have been working to address the climate crisis. As the world's largest producer of renewable energy from hydropower, which powers our aluminium smelters and provides a clean and affordable source of electricity to communities across Siberia, we believe we have an important role to play in driving and supporting the clean energy transition. It is in recognition of this role that our climate leadership activities are centred around two of the UN Sustainable Development Goals: SDG 7 and SDG 13. And it is our commitment to these goals that underpins our own ambitious 2050 net zero target.



**4 tCO<sub>2</sub>e /tAl**  
the average carbon footprint of ALLOW (Scope 1 and Scope 2)

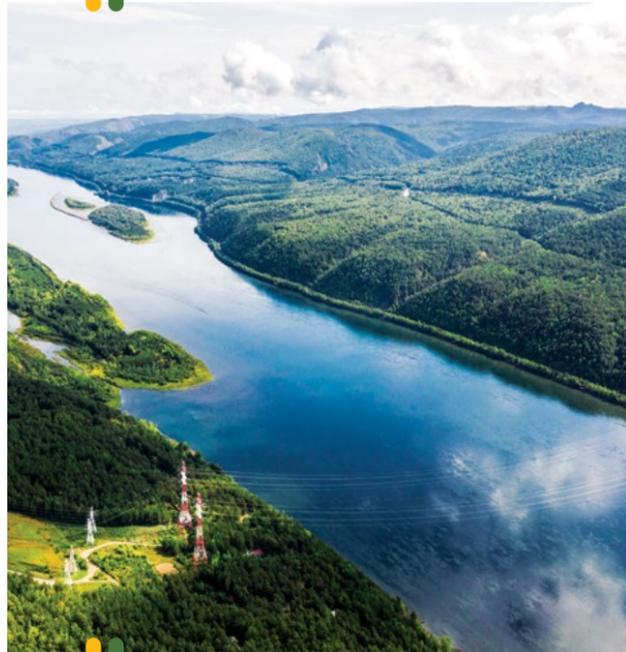
**440,000 tCO<sub>2</sub>**  
annually removed from the atmosphere as a result of aerial forest protection

**8.1 MW**  
clean renewable energy capacity of the future Segozerskaya HPP

**2.5 bn kWh pa**  
increase in clean power generation above a 2007 baseline by 2025

**2.5 m**  
tCO<sub>2</sub> of annual GHG emissions reductions to be achieved by 'New Energy' programme by 2026

## Latest Developments



### GHG Inventory of Hydro Reservoirs

With growing stakeholder interest in low-carbon products, the demand for carbon transparency is increasing exponentially. At En+ Group, we actively support this and have initiated a project to accurately determine the complete greenhouse gas (GHG) inventory of the Group, by measuring the full carbon footprint of our electricity production. By national standards, Hydropower plants (HPP) reservoirs are considered to be GHG-neutral; however, according to emerging international and scientific perceptions, HPP reservoirs both release and absorb GHGs. Research suggests that northern reservoirs emit less than the global average. At En+ Group, rather than follow global averages and statistics, we have committed to calculating the exact impact of our reservoirs, in line with best practices of hydropower members of the International Energy Agency. The results of the work will be reflected in the Russian GHG register.

### Green Hydrogen

Currently, En+ Group is working on a series of pilot projects across the entire hydrogen supply chain from production and storage to transportation and final use. If successful, green hydrogen will be generated using electricity output from our existing hydropower plants at Irkutsk, Bratsk and Onda. Operating as both an energy and aluminium producer,

we are perfectly positioned to focus on hydrogen storage; we are currently in the R&D phase of the development of aluminium tank-containers for storage and transporting of liquid hydrogen. Finally, we are investigating the development of hydrogen transport infrastructure in Siberia, such as charging stations and public transportation.

### Renewable Energy Certificates (I-RECs)

In November 2020, En+ Group became the first power producer and supplier in Russia to trade I-RECs. Each certificate represents one megawatt hour (MWh) of electricity produced by renewable sources. The certificates are sold to end-consumers to minimise their carbon impact by facilitating their consumption of clean energy. In launching Russia's first I-RECs, we demonstrate our commitment to addressing the global climate crisis and supporting the global energy

transition. Currently, our Krasnoyarsk hydropower plant (HPP) at Krasnoyarsk and our Abakan solar power plant (SPP) are certified for I-REC production.

By mid-June 2021, and just eight months since entering the market, we had concluded 16 agreements with brokerage companies, providing 21 deliveries of certificates amounting to over 614,000 I-RECs.

### Electric Charging Stations

In 2020, En+ Group began the creation of a network of electric vehicle charging stations in the Irkutsk region. In December 2020, three En+ Group charging stations were installed – two in Irkutsk and one in Listvyanka near Lake Baikal. The stations are compatible with most electric vehicles on the market, and are fitted with modern equipment, enabling fast, quality and safe charging: a 50 kW current ensures charging in 20 minutes (up to 80% capacity). Over the past six months,

there has been a great interest from electric vehicle owners – over 500 clients regularly use the service, amounting to a total consumption of over 25,000 kWh.

By fall of 2021, the Group plans to install five additional stations: three in Irkutsk, one in Angarsk and one in Kultuk (southern coast of Lake Baikal). The station in Kultuk will be installed along the federal highway.



### Inert Anode - Decarbonising the Smelting Process

The use of inert anodes in the GHG reduction process is recognised as a revolutionary solution to decarbonisation of the metal production industry. Inert anode technology replaces classic carbon anodes with inert non-consumable materials such as ceramics or alloys. Launched by the Group's Metals segment in 2020, the technology can reduce pollutants, completely eliminate emissions of greenhouse gases, polyaromatic hydrocarbons, benz(a)pyrene and sulphur from the production

process, reduce the cost of production, and automate the production process.

RUSAL, the Group's Metals segment, is a global pioneer in the creation and development of this technology. At present, for the first time in history, the technology is being tested and finessed in aluminium production at an industrial level. We have already incorporated inert anode production at our Krasnoyarsk aluminium smelter.

### Climate Ambition Accelerator

Recognising En+ Group's climate efforts within the hard-to-abate sectors, the UN Global Compact invited the Group to partner in one of its Global Impact Initiatives to educate and encourage new companies to join the climate action efforts and align those with SBTi. Together with Orsted and Natura&Co, En+ Group supports the Climate Ambition Accelerator.

Engaging actively with local businesses, the Group helps bring experts together, host discussions, and promote the climate agenda on a national and international level.



## Long-term Sustainability Commitments

### SBTi

En+ Group signed the Business Ambition for 1.5°C pledge in 2019 and committed to develop a decarbonisation pathway in line with the 1.5°C scenario. In early 2021, En+ Group strengthened its commitment by setting a goal to achieve

at least a 35% reduction in GHG emissions by 2030 and net zero by 2050. A decarbonisation pathway was developed and is to be submitted to the Science Based Targets initiative (SBTi) in 2021.

### En+ Climate Change Taskforce

To manage our pathway to net zero, the En+ Climate Change Taskforce was established to drive the transformation. The Taskforce is headed by our Chief Operating Officer and reports directly to the Executive Chairman. To ensure full engagement across the multiple divisions, operations and regions of our business, each of the transformational verticals

is led by a senior executive from our management team. The key objective of the Taskforce is to assess climate change risks and opportunities and develop a climate strategy that will enable the Group to achieve our ambitious 2050 net zero GHG emissions goal.

### New Hydropower

Over the last 12 months, we have continued to increase renewable energy sources in the Group's portfolio. In 2020, the Group developed project documentation for the Segozerskaya HPP in the Republic of Karelia

(Russia) which, when commissioned in 2022, will have an installed capacity of 8.1 MW. Construction work is set to launch before the end of 2021.

### Research into Future Solar Energy Applications

En+ Group is partnering with the Russian Ministry of Science and Higher Education on a research project to develop new approaches to achieving and maintaining stability of light-harvesting materials based on hybrid perovskites. The new class of perovskite solar cells (PSC) is a highly promising addition to existing silicon technology.

and protected. Currently, six patents registered in Russia are undergoing national patenting in more than 45 countries and multicountry organisations around the world. Most recently, in June 2021, patents for our developments were approved in South Korea and the United States - countries where research and the photovoltaic market are developing most actively, and, as a result, legal protection of intellectual property is of particular importance.

To date, within the framework of the project, numerous intellectual property items have been obtained



### ALLOW - RUSAL's Low-Carbon Aluminium

The carbon footprint of ALLOW, En+ Group's low-carbon aluminium brand, is guaranteed to be less than 4 tonnes of CO<sub>2</sub>e per tonne of aluminium (Scope 1 and Scope 2) produced compared to the industry average of around 12.5 tonnes of CO<sub>2</sub>e.

We firmly believe that low-carbon materials are the building blocks of the future green economy, particularly aluminium that is lightweight, does not corrode and is almost endlessly recyclable. In 2020,

we sold over 500,000 tonnes of ALLOW and we have set ourselves the goal to increase this to 1 million tonnes in 2022.

ALLOW aluminium is provided with independently verified statements of its carbon footprint, traceable to individual smelters, ensuring transparency and enabling customers to make better-informed decisions about the primary aluminium they procure.



### New Energy Programme

In 2007, En+ Group launched the ambitious 'New Energy Programme' to deliver wide-scale modernisation of our largest hydropower plants in Siberia. Through this programme we are on track to generate at least 2.5 TWh more electricity from the same amount of water passing through our turbines by 2026, securing long-term, reliable and affordable power for the people of Siberia. This will reduce demand for electricity generated by coal, reducing GHG emissions by at least 2.5 million tonnes of CO<sub>2</sub> per year by 2026.

In the 14 years since the programme was launched, there has been steady progress. In 2020, the first of seven power transformers at the Krasnoyarsk HPP was replaced, and work on the replacement of the second transformer at the Irkutsk HPP began.

Long-term Sustainability Commitments

# Green Million

Russia is home to 21% of the world's forests, where the composition of the soil and marshes makes these forests up to seven times more efficient than rainforests at binding carbon emissions. However, Siberian forests are at high risk of fire and require both restoration and protection on an ongoing basis. Launched in 2019, our 'Green Million' initiative is Russia's first large-scale forest conservation and reforestation project to restore large areas of Siberian forest that have been affected by fires.

'Green Million' aims to achieve 1 million tonnes of CO<sub>2</sub> removals annually and consists of three major components:



• Reforestation

Since 2019, over 1.1 million trees have been planted in the Krasnoyarsk and Irkutsk regions to restore areas of land devastated by fire. This project not only offsets carbon emissions, but also helps reduce the vulnerability of these areas to climate change and industrial growth.

• Aerial Forest Protection

Aerial protection is the best way to control and rapidly respond to fires that can devastate forests. In partnership with the Krasnoyarsk Aerial Forest Protection Centre, we oversee 505,000 hectares of the Lower-Yenisei forest in Krasnoyarsk territory with airborne fire-fighting protection. Through the partnership, we have purchased fire-fighting equipment and recruited and trained new airborne fire-fighters. The aerial forest protection ensures this section of the forest can continue to capture more than 440,000 tonnes of CO<sub>2</sub> every year. We are currently exploring the possibility of expanding this work through aerial protection of new areas.



• Volunteer Initiatives

In addition to the large-scale projects above, we also engage with local communities in our regions to encourage their support for our reforestation efforts. We have brought together a group of volunteers and representatives of the Group and local government

to actively engage in 'greening' of the cities through tree planting initiatives. This allows us to educate the public on the importance and scope of forest preservation in the regions.

In 2020, a study, conducted by an expert third party, analysing the socio-economic effect of the forestry projects demonstrated a growing value of the project areas. It was determined that our forests have a significant positive impact on the regulation water regimes and thus are able to positively impact the ecological well-being of local populations and therefore, indirectly, their standard of living.



## 'Clean Air' National Ecology Project

Our Krasnoyarsk, Bratsk and Novokuznetsk aluminium smelters take part in the National Ecology Project on reducing pollution levels. The plants' emission reduction efforts are incorporated into

the comprehensive city pollution reduction and atmospheric air improvement plans in Krasnoyarsk, Bratsk and Novokuznetsk.

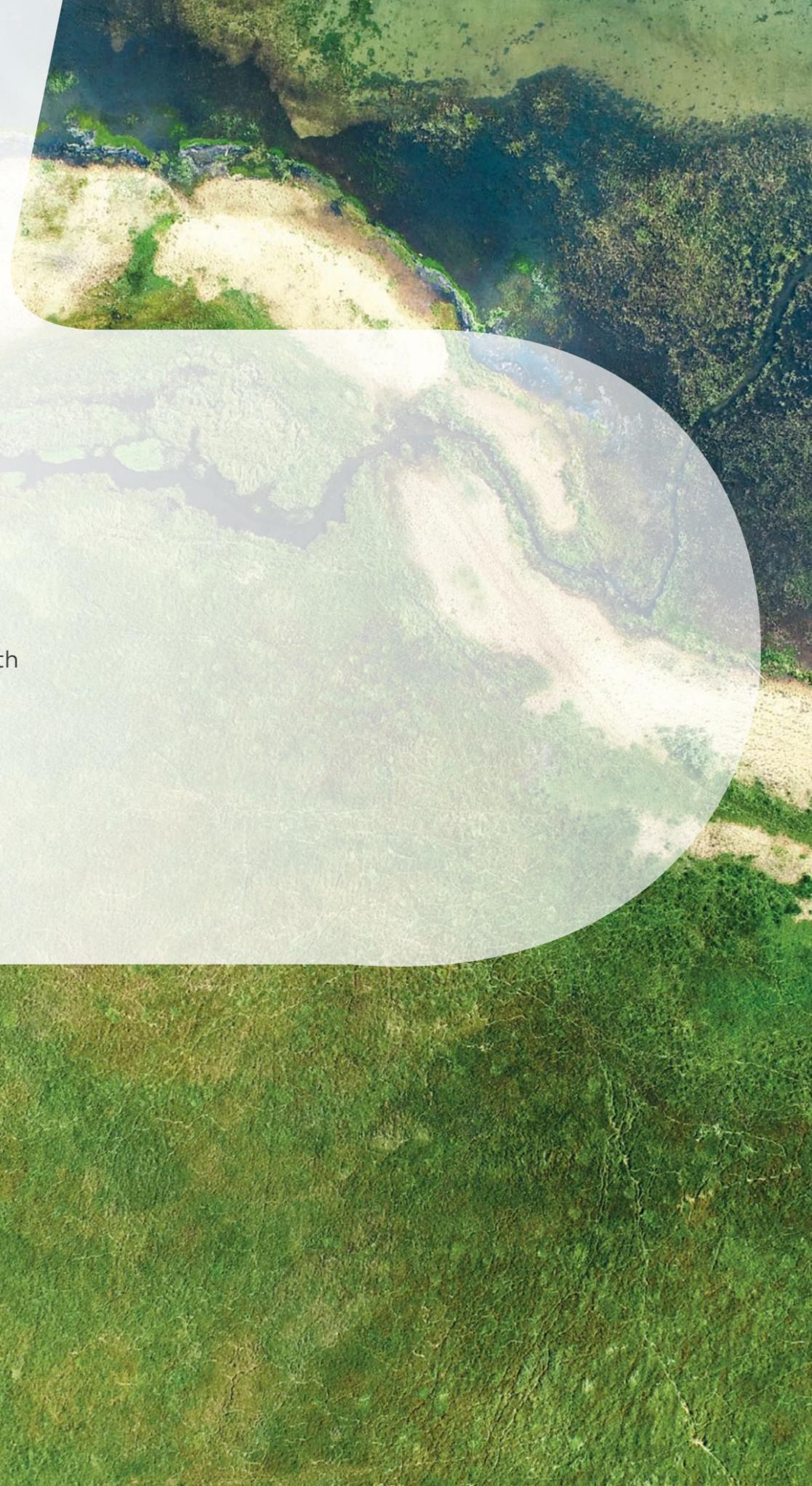
# Environmental Stewardship



We cannot achieve a sustainable future if we neglect biodiversity, whose importance is becoming ever more evident. The most challenging problems we face – climate, health and biodiversity – are intimately connected, and addressing them together is vital. Our future relies on effective environmental stewardship and our health – on protecting natural resources.

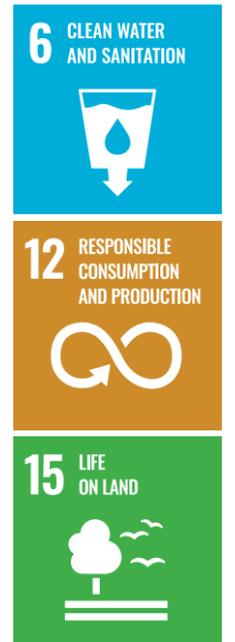


**Joan MacNaughton,**  
Member of En+ Group's Board of Directors, Head of the Health, Safety and Environment Committee



## Projects:

Our main hydropower production facilities are located in Siberia. Almost two thirds of their energy production depend on the water flow of the Angara, the sole river flowing out from Lake Baikal – the world's oldest, largest and deepest freshwater lake. Being reliant on the lake, we recognise we have a responsibility to create partnerships and coalitions to protect Baikal and its unique biodiversity, as well as our other regions of operation. These partnership initiatives, combined with our commitment to reduce our impact on water resources and cut levels of waste, comprise our broader Environmental Stewardship programme contributing to UN SDGs 6, 12 and 15.



36

regional sustainability initiatives supported through the Grant Programme since 2020



USD

80+ million

spent on modernisation of equipment that will ensure cleaner energy generation with reduced impact on Water Resources



4,540,000+

tonnes of waste collected by volunteers since 2011 as part of Project 360



1.5+ million

fry were released into the reservoirs of the Angara region since 2014

## Latest Developments

### Improving Operational Regime at our Hydropower Plants

In early 2021, En+ Group finalised research, conducted in collaboration with the Water Problems Institute at the Russian Academy of Sciences (WPI RAS), on the

optimal operational regimes of the Angara-Yenisei HPP cascade, based on current environmental and climate conditions.

Evolution of water legislation and management of similar water systems, as well as Baikal ecosystem's dependence on water levels, were examined, with the following findings:

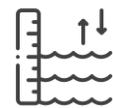


The relation between water level fluctuations and lake ecosystems is currently understudied.



Global practice suggests that in lake systems with control structures, it is impossible to keep water levels within firm limits without auxiliary measures or adverse effects on ecosystems and public safety.

WPI RAS recommended reconstruction of natural water fluctuation dynamics to minimise potential impact on ecosystems, without significant loss in electricity production or threat to public safety. As a result, environmentally friendly operational regimes for Lake Baikal and Angara HPP cascade were developed. Today, we engage with the public sector to help identify solutions to minimise anthropogenic impact on the unique ecosystems of Lake Baikal.



2.0 m

the range within which Baikal water levels fluctuated naturally, prior to the construction of the Irkutsk HPP

### Sewage Treatment at HPPs

Planning is underway for the modernisation of sewage treatment processes at En+ Group's HPPs. Some of them were designed and constructed many years ago, and effective sewage mechanisms were not included in the original construction plans. With the introduction of the new mechanisms, sewage water will be collected from the roads passing over the dams,

as well as from both sides of the dam. Wastewater will then be filtered to ensure no leakage of unclean water. We have completed the feasibility study and appointed a contractor; an engineering survey is currently in process to determine final solutions and methods for implementation.



### Social and Environmental Assessment

The Baikal Nature Territory (BNT) is a unique and valuable ecosystem in Russia, where the balance between nature conservation and comfortable living conditions for residents is fragile.

In early 2021, En+ Group established a project to identify and systemise socio-environmental problems of the BNT. A group of external highly qualified experts are conducting the complex research, encompassing multiple topics from application of Strategic Environmental Assessment (SEA) in regional conditions and cumulative impact assessment to civil society and NGO involvement.

The results of the project will form the basis for subsequent SEA and provide the agenda for further multi-stakeholder resolutions of identified problems. Results will be presented to a wide range of stakeholders, including public sector, representatives of scientific and non-profit organisations and the public at large.

### Avifauna Project

In the Irkutsk region, the riverbank of the Angara River and floodplain zone is a natural habitat for terns, gulls, ducks and other birdlife. When the government instructs HPPs in the region to discharge more water, water levels in the rivers rise and certain nesting areas of local birds are flooded. In 2020, En+ Group launched a scientific research to study the area where bird colonies are most concentrated 200 km

downstream from the Irkutsk HPP. The study examines species of birds residing there, how they nest and how they are affected by fluctuating water levels. Should research show that the birds are not able to adapt to the flooding, we will explore possible solutions, such as floating nesting islands, which have already been identified as a potential response.

### The Great Baikal Trail

In 2020, En+ Group partnered with the 'Great Baikal Trail' to repair and protect the ecological trail along Lake Baikal. The most popular trail from Listvyanka to Bolshoe Goloustnoye spans 54 km and is visited by over 28,000 people annually. The project focused on infrastructure renovation of the trail. More than 6 km of the trail, considered most

difficult and dangerous stretch, were restored by specialists, and two campgrounds and campfire sites were set up. In addition, we installed 50 signs and 10 information stands along the trail, containing historical, geomorphological and biological information about the territory, rules of behaviour in nature and navigational instructions.

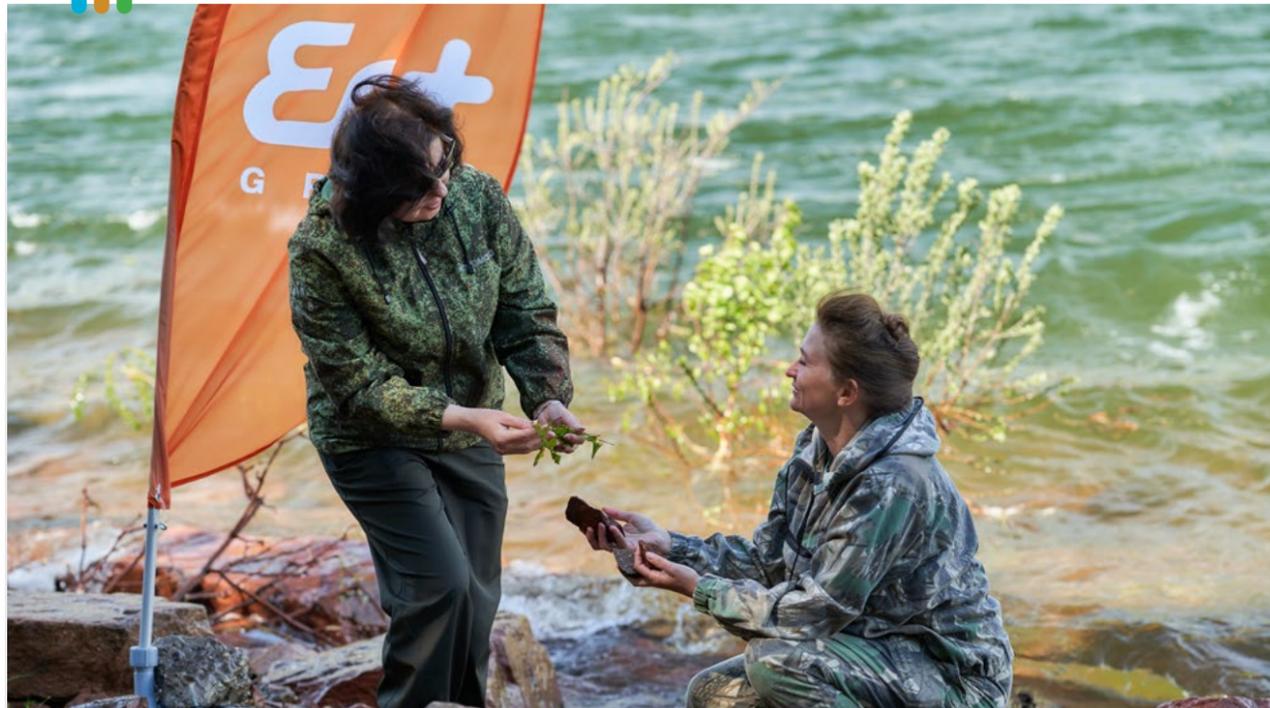
## Latest Developments

### International Water Hub

We are engaged in the major investment programme into the sustainable development of the city of Baikalsk, including the area of the previous Baikal Paper Mill. As part of the development of Baikalsk, En+ Group plans to construct an International Water Hub, which will bring together global knowledge and research around freshwater lakes. After the ongoing efforts to re-cultivate the land are completed, the International Water Hub will be built to incorporate a

research and educational centre, scientific laboratories to support studies of the Baikal, co-working zones, lecture halls and conference rooms, and a museum.

All aspects will focus on furthering the research around preservation of freshwater sources and creating an open platform for communities to engage with this knowledge.



### Grants supporting innovative ecological projects

Launched in 2020, our Ecological Grants Programme is designed to boost regional initiatives. Under the programme we make awards to local sustainable development entrepreneurs in four categories

- Support for local volunteering initiatives
- Local ecological entrepreneurship
- Ecological education projects
- Scientific research to protect local water resources

The programme is gathering momentum with the number of applicants in 2021 increasing from 83 to 150, and the value of the awards we make to winners also doubling.

## Long-term Sustainability Commitments

### Reducing Impact on Water Resources

Through En+ Group's New Energy Programme we are increasing the efficiency of our hydropower plants and maximising clean energy generation with minimal impact on water resources of the regions. Our RUB 5.3 billion

(USD 81.9 million) investment allowed us to upgrade our equipment at our hydropower plants, which is significantly reducing the risk of any lubricants and oils leaking into the water.



### Baikal Water Quality and Ecology Monitoring

In 2019, En+ Group established a scientific programme to monitor the water quality and ecology of Lake Baikal. The expeditions are determining general hydrochemical characteristics, content of heavy metals and microplastics in the lake water and investigating the causes of Baikal sponge disease and the development of filamentous algae, Spirogyra.

Despite the COVID-19 pandemic, the second annual expedition was conducted in 2020 in collaboration with the Institute of Ecology and Evolution of the

Russian Academy of Sciences. Seventy-five water samples were collected at 24 different locations on Lake Baikal, the Selenga and Angara rivers. Water samples were also taken from the drinking wells of shoreline communities. Key results were published in scientific articles and presented at the Russian Water Congress in October 2020. The 2021 expedition focused on gathering more specific information about the routes of nutrients flow and precise hydrochemical data using isotope and bio-indicator methods.

## Long-term Sustainability Commitments



### Species' Conservation in Protected Areas

The Company has been carrying out monitoring, studies and conservation of rare species in the transboundary territories of the protected areas of the Altai-Sayan ecoregion. Monitoring of snow leopards and forest reindeer was carried out with support from the regional scientific community. The monitoring included use of satellite collars and

camera traps, as well as annual expeditions to the high-mountain areas of the reserve. Expeditions allow to determine the number and special structure of snow leopard and forest reindeer populations, successfully coordinate operational and security measures, and develop recommendations for their preservation.



### Ecological Monitoring of Krasnoyarsk 'Stolby' National Park

In cooperation with the Krasnoyarsk 'Stolby' National Park, the Company has been monitoring the technogenic impact on natural complexes of protected areas.

Initially, the monitoring focused primarily on the study of the state of the National Park's snow cover as the main indicator of environmental pollution resulting from Krasnoyarsk's industrial agglomeration. In recent years, the monitoring programme has been significantly expanded. Currently, it includes studies of not only snow cover, but also of other components of the ecosystem, such as soil, vegetation, water, bottom sediments, and others.

### Ensuring Welfare of River Vym

From 2000, monitoring of aquatic biological resources in the River Vym has been carried out together with the Institute of Biology of the Komi Scientific Centre of the Ural Branch of the Russian Academy of Sciences. The purpose is to study the state of aquatic biological

resources and quality of surface waters (streams), which ensure the welfare of fish populations throughout the entire life cycle. Results help scientists prepare recommendations on the most effective measures to preserve fish stocks in the Vym River basin.



### Preservation of the Baikal Seal

En+ Group is a partner in a project developed by the Institute of Ecology and Evolution at the Russian Academy of Sciences to support the preservation of the Baikal seal, which is endemic to the region.

The project involves scientific tracing of the movements and distribution of the seal population and studies the main impacts upon the seals. From 2019, multiple censuses were conducted; several

seals were chipped with geolocation trackers; toxicological, virological and hormonal states of the seals were examined; and a study on their feed base was launched. Habitat conditions were studied using results from our Baikal eco-monitoring. This information will be used to develop initiatives to minimise negative impacts on the seal population and improve the protection of their key habitats within the lake.

### Replenishment of Fish Species

In 2021, En+ Group will launch a study with local institutes into the different ecosystems and fish species upstream and downstream of the HPPs.

Additionally, since 2014, En+ Group has been successfully restoring the aquatic biological resources endemic to the rivers of Eastern Siberia. In 1973, a year after the construction of the Krasnoyarsk HPP, the Beloyarsk Fish Hatchery was commissioned to

offset the impact on water bio-resources. Today, it is the oldest specialised sturgeon enterprise in the Yenisei River basin at the Krasnoyarsk Reservoir. Its young sturgeon production capacity allows to grow up to 1.2 million fish annually (0.8 million sturgeon and 0.4 million sterlet). The Krasnoyarsk HPP continues to cooperate with the Beloyarsk Fish Hatchery to replenish the diversity of the aquatic biological resources of the Yenisei River.

### Ensuring Safety of Our Tailing Dams

The rehabilitation of the land we use in our mining, refining and smelting operations is one of our key responsibilities, and detailed plans are developed for every site. To ensure the safety of tailings dams we develop comprehensive plans for land reclamation

and decommissioning ash and mud dumps. We systematically monitor the dams to identify full compliance with all regulations governing bauxite mud and ash disposal. Our tailing dams undergo full technical audits by independent experts.

## Long-term Sustainability Commitments

### Bauxite Residue Utilisation Project

The raw material for the production of aluminium - alumina - is obtained from bauxite and nepheline ores. 'Red mud', a bauxite residue, is a by-product of aluminium production. In 2020, work continued on improving the technology for extracting oxides

of non-ferrous metals, including scandium, from red mud. The process allows to increase the volume of recoverable scandium, optimise resource efficiency and standardise the resulting product.

### Aughinish

Aughinish, the alumina smelter in Ireland, is actively involved in numerous European projects focused on the development of red mud utilisation technologies. These include:

**Project RECOVER**, launched by the EU in 2016, with the aim to develop new technology for bauxite residue reuse for the production of technically complex products such as inorganic polymers, used to produce construction materials

**Project RemovAL**, a large research project funded by the EU, focused on bringing together various industries to tackle red mud utilisation

**Project ReActiv**, launched in November 2020, aimed to link the by-products of alumina and cement productions, and thus change the properties of industrial residues, turning them into an active material suitable for new cement products with low CO<sub>2</sub> emissions



### Bulk Waste Storage

We have developed a roadmap to optimise the safe storage of bauxite and nepheline mud and ash. Our 'dry mud disposal process' eliminates liquid and significantly reduces the scale and environmental

impact of mud disposal areas and improvements to our ash discharge plants allow us to safely handle larger quantities. Dry storage also facilitates the recycling of waste.

### Reclamation, Reuse and Repurpose of Bauxite Residue

At our alumina refinery at Aughinish we have developed an industry-leading approach to the management and land rehabilitation of 'bauxite residue disposal areas'. Aughinish incorporates sand, gypsum and compost with bauxite residue to create a soil. The bauxite residue soil is then seeded with

a range of Irish grass species, which attracts native birds, mammals and invertebrates. The success of this remediated grassland is seen in the nutrient profile of herbage samples. Additionally, many other plant species are naturally growing, further improving the vegetative cover and biodiversity.



### Project 360

Initially launched in 2011, Project 360 focuses on the regions where En+ Group has operations and in recent years has developed new volunteering formats: waste collection, tree planting, and construction of tourist facilities. Project 360 is now one of the largest voluntary eco-initiatives in Russia, gathering over 3,000 volunteers annually. Over the past 10 years, more than 148,000 volunteers have collected over

4,540 thousand tonnes of post-consumer waste, renovated several hundred metres of nature trails, disposed of construction waste from conservation areas, planted thousands of trees, and removed kilometres of fishing nets. In 2020, a new on-line format allowed a much greater number of people to get involved.

# Human Development



En+ Group works hard to ensure that all communities local to our operations benefit from our presence. We encourage healthy lifestyles through sport, provide support during health crises, offer access to industry-oriented education and training, and focus on delivering sustainable economic development.



**Mikhail Khardikhov,**  
Chief Executive Officer  
of Power segment



The last 18 months have shown us the vulnerabilities, but also the incredible potential, of mankind. Never has our key commitment to people – our staff at facilities across Russia and the rest of the world, and the communities that live and work near our sites – been more critical. This commitment to people underpins everything we do as a business and contributes to our work towards UN SDGs 3 and 8.

**3** GOOD HEALTH AND WELL-BEING



**8** DECENT WORK AND ECONOMIC GROWTH





**16,000+**

**elderly people and retired employees** provided with food supplies at the peak of the pandemic



**800,000**

**medical-class masks** donated to hospitals, healthcare institutions and social services



**8**

**new medical centres** to combat COVID-19 constructed and fully equipped by En+ Group in regions of the Group's presence



**60** bed

**in-patient treatment** facility opened in Guinea to treat COVID-19 patients, following an authorisation from the National Agency for Health Security



**USD 79.5** million

**investment of the Metals segment** into tackling COVID-19

# Adapting to the Pandemic

The COVID-19 pandemic hit the global community in the early months of 2020. Companies around the world were forced to quickly adapt their operations to the emerging condition. En+ Group was no different: the pandemic affected our operations and impacted our teams, both current and retired. To help protect our global workforce, in March 2020, ahead of any national regulations, all non-operational team members were moved to working remotely with an immediate effect, and anyone on a business trip was swiftly recalled. The Group ensured that all salaries remained the same.

As the largest provider of electricity in Siberia, it was essential for En+ Group to keep our facilities running. To protect our teams at operational sites, sanitary measures were enforced. Selected operational team members at our HPPs were offered additional voluntary work agreements, under which they volunteered to avoid any in-person contact with people outside the workplace for the period of increased alert in the regions. These colleagues were provided with secure hotel rooms and corporate transport to and from work. We are incredibly proud of our workers' response to the crisis and their voluntary sacrifices to ensure a reliable power supply could be maintained to the regions of Siberia.

## Health, Safety and Environment (HSE) Committee

The HSE Committee, chaired by Joan MacNaughton, was established in 2019 and meets at least quarterly. The Committee controls compliance with international health, safety and environmental standards, benchmarks the Group against global best practices, reviews leading international research, and prepares strategic recommendations to the Board of Directors

on new strategies and policies. In addition, it instructs the Group on matters of health, safety and environment and contributes to the development of the new policies and bylaws.

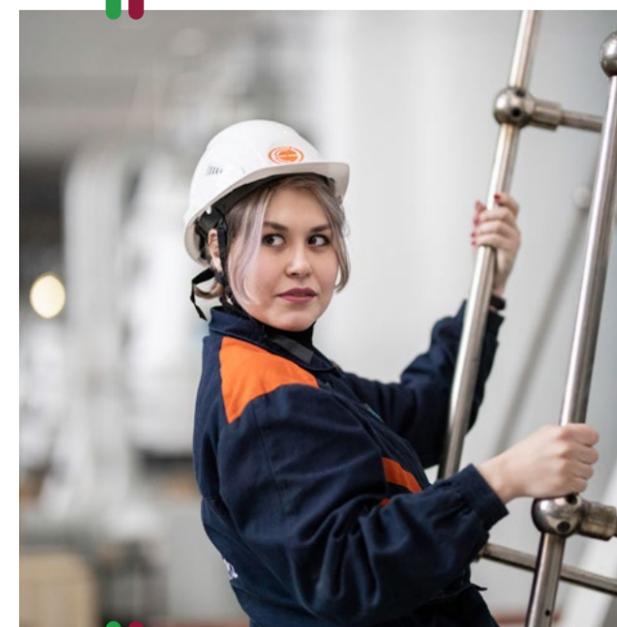
The Committee ensures En+ Group maintains the highest safety standards and expectations.

## Maintaining the Health of our Employees in Russia

The RUSAL Medical Centre (RMC) was established in 2005 to provide more than 45,000 team members and the local communities in Russia with access to high quality healthcare and facilities. With a network of 14 clinics throughout the nine regions where we

operate, the RMC employs over 560 highly qualified specialists and offers world-class emergency medical care and, in accordance with Russian Federation legislation, regular medical check-ups.

## Long-term sustainability commitments



### Female Representation in the Industry

The Group recognises that it operates in initially male dominated fields, but is nonetheless focused on gender equity, where women comprise 25% of executive management of the Group and 33% of Board members. We recognise that equity is a step towards equality, and that is why our Executive Chairman, has joined the 30% Club and made the commitment to achieve and maintain at least a 30% female representation at all levels of decision-making.



33%

of the Board of Directors are female

### Local Jobs for Local People

At our facilities outside of Russia, our strict policy is to always recruit from the local population first and only bring staff in from overseas when the necessary skills cannot be found among

the regional communities. All our roles are openly communicated to those living near our operations, and we provide preliminary training for all those seeking employment.



### Investing in Local Communities

The Group invests in communities in all its regions of presence, including those outside Russia. From education, to infrastructure projects, to investing in the local community initiatives, just in 2020, RUSAL invested USD 5.7 million to communities outside Russia. We are aware of the connection between education and economic growth, and thus provide Scholarships to young students in Guinea, Jamaica and Sweden. In Ireland and Sweden, RUSAL carries out numerous charity events and funds local sport teams to encourage active lifestyles. In Guinea, we invest in infrastructure to supply drinking water, electricity, medicine, and education in poor communities.

Long-term Sustainability Commitments



**Leading Medical and Emergency Healthcare in Guinea**

The Group has a presence in Guinea, where we operate Bauxite mining facilities. Our facilities offer high-quality medical care to both our staff and the local populations. These medical centres allowed the Group to lead the private sector response to Ebola outbreaks since 2014 and to COVID-19 since early 2020. Our investment, research and vaccination programmes continue to this day and are being rolled out across the entire country.

**Specialist Medical Services**

RUSAL's Compagnie des Bauxites de Kindia established two early treatment centres and three 24/7 clinics, providing our staff as well as local residents with free emergency and preventive medical care. Situated close to our operations, the facilities are available around the clock. The early treatment centres offer specialists in a range of disciplines including obstetrics and gynaecology, as well as a dedicated vaccination centre.

**World-class Maternity Facilities**

RUSAL's Friguia Bauxite and Alumina Complex operates two health centres and a 120-bed hospital with surgical and therapeutic departments. The hospital's maternity department, fully equipped with incubators, has safely delivered over 7,000 babies since 2006.

**Ebola Treatment Facilities and Vaccine Development**

In November 2014, RUSAL invested over USD 10 million to establish the Clinical Research Centre in Epidemiology, Microbiology and Medical Care project to develop an effective Ebola vaccine, screening services and quarantined treatment for those with the virus. Through collaboration with ICC Russia and the Ministry of Public Health, we developed the GamEvac Combi vaccine, cited by medical experts as the most effective of all Ebola vaccines. Following testing in 2018, more than 2,000 citizens of Guinea have been vaccinated against the Ebola threat.

**Encouraging Sports Participation**

Aware that a sustainable future is only possible with a healthy population, En+ Group runs a number of projects to encourage sports participation among local communities.

**'Baikal-Energy' Hockey**

Since its introduction into the region in the early 1920s, hockey has become a part of life for many in the region. The popular sport unites fans of all ages, professions, religions, and political convictions. Initially known as 'Lokomotiv' (1947-1992), then 'Sibskana' (1992-2004), the Baikal-Energy team today, is a sports symbol of Irkutsk.

The Group has been a proud sponsor of the historic team since 2001 and is today the main partner of the hockey club. Baikal-Energy regularly qualifies for national championships, as well as the World Cup. It is through our support that the club is able to improve, grow, and maintain support from the local communities.



**'Get on Your Skis!' Programme**

En+ Group consistently supports and promotes skiing in our Siberian regions of presence. Since 2016, we have been running the 'Get on your Skis!' project in the Irkutsk and Kemerovo regions, the Krasnoyarsk Territory, and the republics of Komi and Khakassia. In partnership with the Russian Ski Racing Federation, our programme focuses on renovation and construction of ski infrastructure, training of ski instructors, and provision of ski equipment for athletes and youth ski teams. In 2020, En+ Group hosted the second 'Best Ski Coach of the Year' competition, through which five trainers won scholarships.



**Corporate University**

En+ Group's corporate training programmes, which offer courses for employees of all levels within the company, build on the standard, mandatory training required throughout the power and energy sectors.

We supported the creation of the Corporate University at the Irkutsk National Research Technical University, which has, to date, trained over 300 specialists who are now employed at power facilities across Siberia.

Long-term Sustainability Commitments

**Engineering and Technology Centre**

RUSAL's Engineering and Technology Centre oversees our scientific and technological development programmes in the Metals segment. With R&D at its core, the Energy and Technology Centre has successfully implemented a range

of new technologies to reduce energy usage and environmental impact, develop greater efficiency in alumina production, boost employment, and improve labour conditions and industrial safety.



**RUSAL Laboratory**

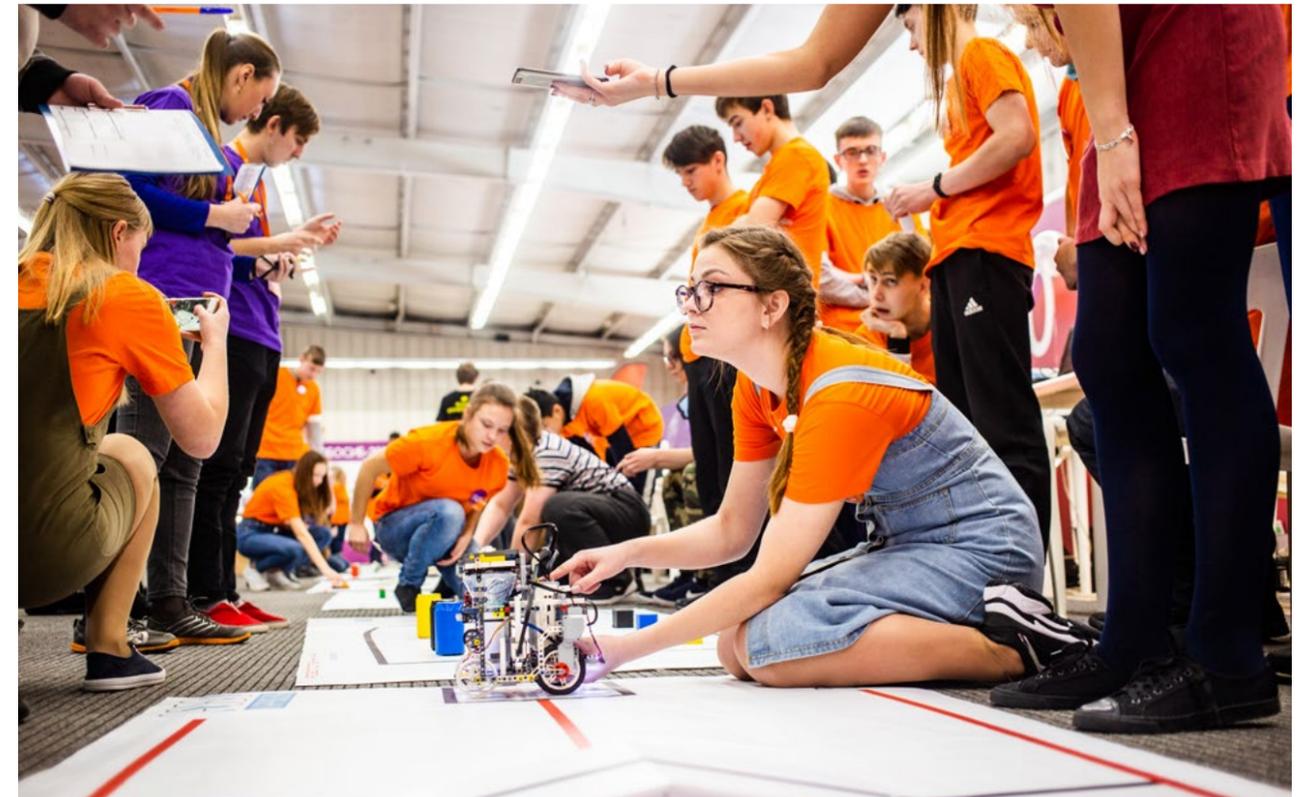
RUSAL Laboratory has opened student initiative centres at a number of universities – including Irkutsk National Research Technical University, Siberian State Industrial University, Siberian Federal University, and Volgograd State Technical University – to facilitate interaction between talented university students

and En+ Group specialists. Over the past years, students have worked on numerous projects to find innovative solutions to technical challenges faced by the Company.

**Supporting Engineers of the Future**

En+ Group supports the 'Robotics: Engineering and Technical Personnel of Innovative Russia' programme. It provides targeted training for youth considering a career in engineering, by encouraging the development of key skills, immersing the participants in real business environments,

and identifying priority areas for regional development. Siberia's most prominent robotics festival 'RoboSib' has been held since 2013 as part of this programme. 'RoboSib-2020' attracted 800 students and 5,000 spectators from across Russia and China.



**RUSAL Territory**

Since establishment of the programme in 2010, over 250 different social infrastructure facilities have been created or restored across Russia. Implementation of the infrastructure projects is based on the needs and interests of stakeholders. These interest and needs are identified through

social research. Despite the COVID-19 pandemic and the restrictions imposed, the projects were continued, as the strategic approach relied on implementation of top-quality infrastructure projects in residential buildings, concrete areas, and entire cities.

Latest Developments



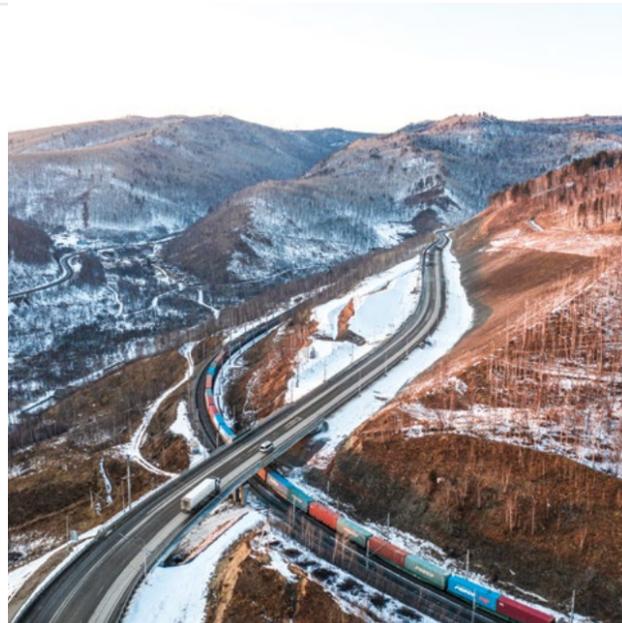
**Assessment of the Yenisei River's Impact on Air Quality**

In Krasnoyarsk there are periods, especially in winter, of poor weather conditions, when pollution from local households, traffic and industry develop into a tight smog and impact air quality. The Yenisei River downstream of Krasnoyarsk HPP remains unfrozen during the winter and promotes

mass air circulation above the city. In 2019, we launched a project to screen the air conditions along the river in Krasnoyarsk and surrounding areas to assess the effect of Yenisei on the local atmosphere and to analyse how water temperature and evaporation affects the formation of smog.

**Regional Development**

To facilitate economic growth and decent work in the regions of operation, the Group focuses on regional development, which will create new opportunities for employment and sustainably transform the regions, while maintaining the charm of historical importance of the regions. In Krasnoyarsk and Irkutsk regions, we are carrying out renovations of historical monuments, parks, town squares and riversides. Construction of children's playgrounds, and clusters for active social life are also carried out in Ulst Illimsk and Irkutsk.



**Energy in Every Drop**

In 2020, we began the development of an educational course for schoolchildren - 'Energy in Every Drop' - to support their learning of the principles of HPP operations. Experts from the Ust-Ilimsk and Bratsk HPPs took part in the development of the course. Testing of the course was carried out at schools

in Irkutsk and Krasnoyarsk and the results were incorporated into the finalised course. We have agreed with the Ministries of Education of the Irkutsk Region and the Krasnoyarsk Territory that the course will be run on a regular basis at 14 schools throughout 2021.

**Sustainable Development of Baikalsk**

En+ Group joined the large regional investment programme focused on sustainable development of the city of Baikalsk, home of the previous Baikal pulp and paper mill. The area of the previous Baikal paper mill will be transformed into a tourist cluster, which will help reform and re-profile the previous 'monotown' of Baikalsk.

Within this programme, En+ Group plans to implement a large-scale project to build the International Water Hub. The Hub will promote socio-economic development in Baikalsk, with the project creating new job opportunities, introducing modern technology, and consequently increasing budget revenues to the region.

**En+ Ski Bases**

In May 2020, En+ Group completed the construction of a 170 m<sup>2</sup> ski base in Tulun. The project formed part of the city's reconstruction project, following severe summer floods in 2019. The new infrastructure provides ample space both for athletes and storage. We also provided a snowmobile for preparing ski runs, as well as 70 sets of skis for young athletes and rentals. The base was handed over to the city, with the regional administration highly appreciative of the quality of the facility and equipment.

Construction of a ski base in Divnogorsk was also launched in 2020. The Group's contribution to the ski base extends to the expansion of ski slopes, reconstruction of tracks, installation of lighting, construction of fences and navigation systems. The base is on track to open in November 2021.

# Collaboration and Partnerships



No government, organisation or company will achieve the transition to the green economy alone. Our partnerships drive our sustainability initiatives. Collaboration with key stakeholders and sustainability-driven peers allows us to support the global Sustainable Development Goals more effectively.



**Anton Butmanov,**  
Chief Sustainability Officer,  
SDG Pioneer for  
a Low-Carbon Future



Our collaboration and partnerships look both outward towards international stakeholders and seek to address urgent sustainability issues on national and regional levels. Together with sustainability leaders and leaders of our respective industries, we come together to discuss, share, and develop the latest progress in sustainable development.

**Our partnerships span the following areas of focus:**



**Advocacy**  
**6** years

since the establishment of the 2030 Agenda for Sustainable Development. SDGs remain off track



**Transparency and Certification**  
Carbon Transparency

essential to track climate efforts from producers and increase the speed of industry decarbonisation



**Energy Transition**  
**3**%

annual energy efficiency improvement rate needed from 2018 to 2030 to meet the global energy efficiency target



**Climate**  
**1.2°C**

2020 global average temperature above pre-industrial baseline, woefully off the 1.5°C track as called for in the Paris Agreement

# Advocacy

Recognising that global change cannot come from one actor alone, En+ Group unites with the industry and like-minded peers to advocate for a shift of the entire market towards a green economy.

## UN Global Compact (UNGC)

The UNGC is the world's largest corporate sustainability initiative. As a special initiative of the UN Secretary-General, the UNGC calls on companies to align strategies and operations with universal principles on human rights, labour, environment and compliance and take actions that advance societal goals. The UNGC aims to create a world where business is as a force for good, supporting the UN Sustainable Development Goals and a sustainable future for our planet. The UNGC catalyses change, providing member companies with best practises, resources and networking opportunities.

Recognising En+ Group's climate efforts, the UNGC offered the Group the position as one of the global partners of the Climate Ambition Accelerator, one of the four programmes carried out by the UNGC to accelerate corporate commitment to the global Goals.



## World Business Council on Sustainable Development (WBCSD)

The WBCSD is the leading voice of corporate sustainability. The CEO-led organisation of over 200 leading businesses working together to accelerate the transition to a sustainable world represents a combined revenue of more than USD 8.5 trillion and 19 million employees from all business sectors and major economies.

These, in turn, allow members to accelerate the transformation of major economic systems, in line with the SDGs and the Paris Climate Agreement.

En+ Group joined the WBCSD in the spring of 2021 and engages in climate and nature platforms.

WBCSD builds impactful coalitions and networks that facilitate the sharing of knowledge, enable and accelerate the adoption of standards and tools, and create advocacy for common policy asks.



## Climate Partnership of Russia

En+ Group is a key member of the Climate Partnership of Russia. This partnership was established ahead of COP21 as an initiative to consolidate the efforts

of Russian business to mitigate environmental impacts and encourage Russian companies to move towards a decarbonised, green economy.

## International Chamber of Commerce (ICC) Russia

ICC works to promote international trade, responsible business conduct, and a global approach to regulation. As a member of the Commission on Economics of Climate Change and Sustainable Development

of ICC-Russia, experts from RUSAL are involved in developing ICC-Russia recommendations on sustainable development, low-carbon development, and green financing.

## Carbon Pricing Leadership Coalition (CPLC)

En+ Group and RUSAL are the only two Russian members of CPLC, a voluntary partnership under the auspices of the World Bank to advance global carbon pricing. En+ Group regularly contributes language to CPLC annual reports. In the CPLC Carbon Pricing Leadership Report 2020/2021 En+ Group stressed its ambitious targets to become net-zero by 2050. As a contribution of En+ Group's transition towards net-zero, in 2021 Lord Barker, Executive Chairman of En+ Group was appointed as one of the two CPLC High-Level Assembly Co-Chairs. Lord Barker's welcome address to CPLC members

and strategic partners was released in June 2021. In 2020, Lord Barker spoke at the CPLC High-Level Dialogue 'Realising the full potential of carbon pricing in a sustainable recovery'.



## International Policy Coalition for Sustainable Growth

En+ Group is a Knowledge Partner at the International Policy Coalition for Sustainable Growth launched by the U.S. Chamber of Commerce. The International

Policy Coalition for Sustainable Growth shared En+ Group's approach to green trade liberalisation on its website.

## Business 20 (B20)

En+ Group and RUSAL are among companies preparing policy recommendations on climate change, carbon pricing, sustainable development and green energy transition for the leaders of the Group of Twenty (G20), an international forum for 19 leading world economies and the European Union.

with a low-carbon footprint and high recyclability while preserving initial qualities were included into B20 Energy, Sustainability & Climate Taskforce Policy Paper. The document stressed the importance of a market for low-emissions materials, including aluminium. En+ Group's New Energy Programme was included in the list of G20 initiatives for a low-carbon economy as a part of Russia's contribution.

In 2020, En+ Group's proposals on product labelling and digital product passports to highlight a product's carbon content, on procurement of materials

### Business and Industry Advisory Committee to the Organisation for Economic Cooperation and Development (BIAC)

En+ Group and RUSAL are members of the Business and Industry Advisory Committee to the OECD (BIAC). En+ Group and other BIAC members contribute to the OECD's work on climate change, circular economy, resource efficiency and sustainable materials' management. In 2020, En+ Group's position on using the carbon footprint as a criteria for investments and on advancing fossil-free energy

sources, such as hydro, was reflected in the Business at OECD (BIAC) Development Strategy paper. Business Contribution to the OECD Ministerial Council Roundtable on 'Economic Recovery: Strong, Resilient, Green and Inclusive' included En+ Group's view on incentivising procurement of goods and materials with a low carbon footprint.

# Transparency and Certification

En+ Group supports the notion that emission transparency is the first stage towards increased climate commitments. We disclose our own emissions and promote industry-wide transparency and disclosure.

### Aluminium Stewardship Initiative (ASI)

ASI is a global, multi-stakeholder, non-profit standards and certification organisation. It unites producers, users and stakeholders in the aluminium value chain through a commitment to maximise the contribution of aluminium to a sustainable society. RUSAL is an active member of ASI, with representatives participating in various working groups for the revision of ASI standards. At ASI's annual Board election in 2021, Alexey Spirin, En+ Group's Director

of the Environmental and Climate Risk Management Department, was elected by ASI members to the Production and Transformation seat.



### International Aluminium Institute (IAI)

RUSAL has been a member of the IAI since 2002. The IAI is a platform through which the aluminium industry aims to demonstrate both its responsibility in producing metal and the potential benefits arising from sustainable applications of aluminium. IAI collects statistics and other relevant information

and helps drive in continuous progress in the safe and environmentally sound production of aluminium. RUSAL representatives are closely involved in industry-specific committees, including the Energy and Environment Committee and Health Committee, and in various projects and working groups.

### Carbon Disclosure Project (CDP)

The CDP is an international organisation that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. CDP aims to make environmental reporting and risk management a business norm, and to drive disclosure, insight

and action towards a sustainable economy. RUSAL has been involved in the CDP since 2015 and has committed to full disclosure of its GHG emissions.

In 2020, RUSAL received an 'A-' rating, the highest ever awarded by CDP to an aluminium producer.

### London Metal Exchange

Established over 150 years ago, the LME is the international nexus of the metals trade and has significant influence on the entire market. Since 2019, En+ Group has been actively calling on the LME to introduce new disclosure rules on emissions through the exchange. Our mission is to drive emissions transparency and disclosure - the first meaningful step in carbon reduction - across the aluminium sector and to inspire more ambitious decarbonisation targets.

Following a thorough consultation with various key aluminium industry stakeholders, in December 2020 the LME announced its first meaningful step towards carbon neutrality and unveiled the 'LMEpassport' a new trading platform that provides the opportunity for greater transparency for sustainably produced metal. By encouraging aluminium producers to reveal the carbon footprint of their metal, the LMEpassport promotes transparency along the entire value chain - and helps purchasers select materials aligning with their net zero ambitions.

# Energy Transition

As the world's largest independent hydropower producer, En+ Group places the energy transition at the core of its values. We believe the future green economy will be shaped by the energy transition and will depend on renewable energy sources. Through energy-focused partnerships, we aim to increase exposure around the future possibilities surrounding renewable energy.

### International Hydropower Association (IHA)

The IHA is a non-profit membership organisation committed to advancing sustainable hydropower. With close to a hundred members operating in more than 120 countries around the world, IHA represents the global voice of hydropower and champions continuous improvement and sustainable practices across the sector.

EuroSibEnergo, one of En+ Group's Power segment companies, joined the IHA in 2017. In 2020, the Group's Executive Chairman, Lord Barker, spoke in front of the IHA Board, calling on the organisation to bring hydropower to the forefront of the climate discussion. The call to action was met with unanimous approval, and throughout 2021, the IHA has been working to increase its visibility among hard-to-abate industries and has produced its San Jose declaration.

IHA is the custodian of the Hydropower Sustainability Assessment Protocol and ESG tools, an important point of reference for the industry.



### Global Sustainable Electricity Partnership (GSEP)

GSEP is a CEO-led alliance of leading global electricity companies promoting electrification and sustainable energy development. GSEP promotes cleaner electricity generation, energy efficiency and electrification as pathways towards global development and climate goals. EuroSibEnergjo joined GSEP in 2015. In 2021, GSEP published a report on electrification, with both segments of En+ Group participating in the study.



### Global Sustainable Electricity Partnership

### 'Hydropower of Russia' Association

The Hydropower of Russia Association is focused on promoting the development of hydropower in the Russian Federation and increasing the reliability and efficiency of hydropower production. It represents domestic hydropower interests at the government

level. In 2020, En+ Group took part in developing a national methodology for assessing sustainable hydropower. In 2021-2022 the methodology is expected to be tested, after which it will be released to the public.

## Climate

Operating among the hard-to-abate sectors, En+ Group is aware of the impact that industrial sectors are having on the climate. Therefore, we believe it is essential to reduce our GHG emissions to ensure contribution to the global efforts to mitigate climate change and align with the 1.5°C scenario. The partnerships below support our climate ambitions.

### Science Based Targets initiative (SBTi)

In 2019, En+ Group committed to SBTi, a joint initiative by the CDP, UNGC, World Resources Institute and WWF which aims to raise corporate ambition and help businesses pursue bolder solutions to climate change. The initiative supports

companies in setting emission reduction targets in line with the recommendations described in the Assessment Reports of the Intergovernmental Panel on Climate Change (IPCC).

### UN High-Level Political Forum on Sustainable Development

The first Voluntary National Review (VNR) of Russia's progress in the implementation of the 2030 Agenda for Sustainable Development covers En+ Group's sustainability efforts. The New Energy programme was referenced in the VNR as a successful example of SDG 7 implementation. The Group's efforts

around the preservation of Lake Baikal's ecosystem were included in the VNR as an example of SDG 15 implementation. The VNR was presented at UN High-Level Political Forum on Sustainable Development in July 2020. RUSAL's contribution to SDG 8, SDG 12, and SDG 13 was also included in the document.

### Conferences of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC)

En+ Group and RUSAL regularly attend UN Climate Change Conferences. In 2020, En+ Group spoke at the high-level conference: 'Towards COP-26: Global Efforts to Mitigate Climate Change and Russia's Role in This Process' organised by the Climate Partnership

of Russia. In 2021, En+ Group and RUSAL, as experts for the Russian delegation, participated in the activities of the UNFCCC including in the preparation for the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow.

### Business Ambition for 1.5°C

In September 2019, En+ Group joined Business Ambition for 1.5°C and committed to setting science-based emissions reduction targets ('SBTs') aligned with the 1.5°C trajectory. Business Ambition for 1.5°C is an urgent call by a broad coalition of business, civil society and UN leaders, for critical action to keep the global temperature increase within 1.5°C of pre-industrial levels.

In May 2020, En+ Group signed a post-COVID-19 Green Recovery Call-To-Action initiated by the UNGC and the Business Ambition for 1.5°C, calling on governments and policymakers to match the ambitions of companies already committed to the target and align with the net zero target well before 2050.



### Aluminium for Climate

En+ Group has been among the key members of the World Economic Forum's Aluminium for Climate initiative since its inception in September 2019. Launched at the 2019 UN Climate Week, the programme forms part of WEF's Mission Possible Partnership, which is working to build collaboration

to accelerate the decarbonisation of hard-to-abate industries. Aluminium for Climate provides a forum for industry associations, producers, and end users to agree on multi-stakeholder approaches to tackling the aluminium industry's most pressing environmental concerns.

### Race to Zero

Founded by the Climate Champions, Race to Zero is a global campaign to rally leadership and support from businesses, cities, regions, and investors for a healthy, resilient, zero carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth. It mobilises a coalition of leading net zero initiatives.

The objective is to build momentum around the shift to a decarbonised economy ahead of COP26, where governments must strengthen their contributions to the Paris Agreement. In 2020, En+ Group became a member of the umbrella initiative as a signatory of the Business Ambition 1.5°C.



# En+ Group Supporting All 17 SDGs

The eight priority SDGs for En+ Group were chosen based on the areas where the Group could have the most positive impact. Nonetheless, En+ Group supports all 17 SDGs, and due to the interconnectedness of the Global Goals, many of our projects support more than one single SDG.



Project	SDGs Supported
<b>Climate Leadership</b>	
GHG Inventory of Hydro Reservoirs	6, 8, 13
Green Hydrogen	7, 8, 9, 13
Renewable Energy Certificates	7, 8, 13, 17
Electric Charging Stations	7, 8, 9, 11, 13
Inert Anode	8, 9, 13
Climate Ambition Accelerator	4, 7, 8, 9, 13, 17
SBTi	7, 13, 17
New Hydropower Production Facilities	1, 7, 8, 9, 13
ALLOW	7, 9, 11, 13
En+ Climate Change Taskforce	7, 8, 9, 13, 17
Research into Future Solar Energy Applications	7, 9, 13
New Energy Programme	6, 7, 8, 9, 13, 15
Green Million	13, 15, 17
'Clean Air' National Ecology Project	13, 15, 17
<b>Environmental Stewardship</b>	
Improving Operational Regime at our Hydropower Plants	6, 15
Sewage Treatment at HPPs	6, 9, 15
Social and Environmental Assessment	15, 17
Avifauna Project	15, 17
The Great Baikal Trail	11, 15
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