

The background of the page is a composite image. On the left side, there is a close-up, high-angle shot of a waterfall, with water cascading down rocks, creating a misty spray. On the right side, there is a lush green forest of tall trees, likely pines or cypresses, extending to the top of the page. The two images are separated by a white, curved graphic element that frames the central text.

Committed to people and planet

SUSTAINABILITY REPORT 2020

En+
GROUP

We are committed to people and the planet

We are committed to integrating sustainable development principles and values into our daily operations.

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Our corporate reports

You can find our corporate reports on the Company's website

 **Annual Report 2020**
EN_AR2020_ENG.pdf
(enplusgroup.com)

 **SDG Report 2020**
En+ SDG Report ENG.pdf
(enplusgroup.com)

 **Financial results and Investor presentations**
Results and disclosure En+ Group
(enplusgroup.com)

More about sustainable development

You can find more information about our Sustainable Development projects and our news on the Company's website

 **Sustainable Development**
EN_AR2020_ENG.pdf
(enplusgroup.com)

 **Net zero**
Net zero (En)

Relevance to indices are indicated with the following icons:  



Financial

USD 1,128 mn

CAPEX

Non-financial

>98%

of aluminium is made with
hydropower

18%

Adj. EBITDA margins

USD 71 mn

total social investments

44%

share of VAPs in total sales
of aluminium

27%

of workforce were female

About the Report

We are pleased to present our 2020 Sustainability Report (the “Sustainability Report” or the “Report”). This is the third Sustainability Report for En+ Group since listing on the London Stock Exchange.

The Report is a comprehensive overview of the Company’s approach to sustainability management, risk management, performance, and key achievements in the field of sustainable development throughout the reporting period.

GRI 102-51, 102-52 The Report is published on an annual basis; this is the third Sustainability Report for En+ Group since listing on the London Stock Exchange. The Sustainability Report 2019 was issued on 21 September 2020. By publishing the Sustainability Report, En+ Group underlines its commitment to transparency with all its stakeholders, as the Report presents the most reliable and complete information about the Company’s sustainable development activities. We are aware that the Company’s activities have a significant impact on the regions in which it operates; accordingly, we pay great attention to such issues as climate change, environmental protection, corporate governance, labour protection, and the development of our local communities. Development of the environmental, social and governance (ESG) agenda is a priority task for En+ Group.

GRI 102-32 The Health, Safety, and Environment Committee (the “HSE Committee”) of the Board and the Board itself have reviewed and approved the Sustainability Report to ensure that all material ESG topics related to the Group’s activities have been covered. For more information, please see the section “Materiality assessment”.

GRI 102-50, 102-54 The 2020 Sustainability Report covers all of the Company’s activities in the field of sustainable development from 1 January 2020 to 31 December 2020 and, in some instances, discloses significant sustainability events that happened during the first half of 2021.

The Report is prepared in alignment with the following standards:

- the Global Reporting Initiative (GRI) standards (Core option); and
- the Sustainability Accounting Standards Board (SASB), including standards for the Metals & Mining and the Electric Utilities & Power Generators industries.

Moreover, when preparing the Sustainability Report 2020 En+ Group was guided by:

- the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD);
- the requirements and recommendations of the London Stock Exchange;
- 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;
- the Streamlined Energy and Carbon Reporting (SECR) technical guidelines; and
- the EU Taxonomy for Sustainable Finance metrics.

The Report covers all of the relevant topics, as well as additional ESG indicators.

To meet and exceed the expectations of our stakeholders, we were guided by the following core principles in the preparation of this Report: stakeholder inclusiveness, sustainability context, completeness, and materiality. We include topics in the Sustainability Report if we assess them as being of sufficient significance in terms of stakeholder concerns and business impact.

In order to reflect the ongoing progress of the Company’s sustainable development activities, we have presented information for 2018, 2019 and 2020 and have sought to ensure the quality of this Report by adhering to the principles of cover of the ESG performance of our business. The Report is intended to be accurate, timely, clear and reliable.

Boundaries of the Report

GRI 102-5 In this Report, the terms “En+”, “En+ Group”, “the Company”, “the Group” and “we” in various forms refer to EN+ GROUP IPJSC (or EN+ GROUP PLC) and its subsidiaries whose results are included in the Group’s consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS).

GRI 102-45 The 2020 Sustainability Report reflects information about En+ Group’s two segments – the Metals segment comprising RUSAL, including the power assets of RUSAL, and the Power segment, mainly comprising power assets. The Sustainability Report also contains consolidated information about En+ Group’s entities. Unless otherwise indicated, it covers entities that are consolidated under IFRS. Financial information included in the 2020 Sustainability Report is presented and calculated based on the consolidated financial statements of the Group as of 31 December 2020, prepared in accordance with IFRS, unless the notes indicate otherwise. LLC “KRAMZ” (KRAMZ) and “Strikeforce Mining and Resources” PLC (SMR) were included as part of the Metals segment for health and safety data. Starting from 2019, the Boguchan Aluminium Smelter (BoAZ) was included within the reporting boundaries for environmental data.

 For more information, please refer to our **Annual Report 2020**.

Limitation of liability

Unless otherwise indicated, the information presented in this Sustainability Report reflects the Company’s position during the review period from 1 January 2020 to 31 December 2020 (the “Review Period”) and, in some instances, discloses significant sustainability events that happened during the first half of 2021. Therefore, all forward-looking statements, analyses, reviews, discussions, commentaries, and risks presented in this Sustainability Report (save for this section, or unless otherwise specified) are based upon information on the Company covering the Review Period only.

This Sustainability Report includes statements that are, or may be deemed to be, forward-looking statements. In this Report, information about Company’s strategy, plans, objectives, goals, future events, or intentions as well as the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” in various forms shall indicate forward-looking statements. Nevertheless, forward-looking statements may and often do vary from the Company’s actual results. Any forward-looking statements are exposed to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s business, results of operations, financial position, liquidity, prospects, growth, or strategies.

Data presented in this Report on industry, market and competitive position comes from official or third-party sources. It is generally stated that the data from third-party industry publications, studies and surveys has been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Although the Company reasonably believes that each of these publications, studies and surveys has been prepared by a reputable party, neither the Company nor any of its respective directors, officers, employees, agents, affiliates, advisors, or agents, have independently verified the data contained therein. Moreover, certain industry, market and competitive position data reflected in this Sustainability Report comes from the Company’s internal research and estimates based on the knowledge and experience of the Company’s management. Although the Company reasonably believes that such research and estimates are accurate, they and their fundamental methodology and assumptions have not been verified by any independent source for accuracy.

Powering the future

**Uniquely placed to drive the low-carbon
economy of the future.**

“In such a crucial year for the global environment, I am determined that the En+ group will continue to lead our industry, not just with the sector’s most ambitious stretch targets for climate action and decarbonisation but with new standards for a host of other crucial environmental and biodiversity metrics too.”

Rt Hon Lord Barker of Battle,
Executive Chairman



Dear shareholders,

I am delighted to present En+ Group's third annual Sustainability Report building on the solid work of the first two.

For the En+ Group, as for businesses, communities and families across the globe, 2020 brought unprecedented challenges. Our primary concern, of course, was the safety and well-being of our employees – current and former – while maintaining the vital clean energy we supply to our smelters and to the people of Siberia. On the following pages my colleague, the CEO of our Group, provides more details of how we addressed the challenges arising from the pandemic at our operations around the world.

However, despite the terrible impact of COVID-19, I firmly believe that 2020 represented a turning point in understanding the world's collective responsibility to our planet and to the environment we will be handing on to future generations.

This year in May, I was pleased to join the CEOs of 154 leading global companies in signing the largest ever UN-backed advocacy initiative, 'Uniting Business and Governments to Recover Better' underlining the Group's unswerving commitment to ongoing investment in innovation that will ensure that we continue to lead the global aluminium industry into the low-carbon economy. In June I became co-chair of the World Bank's Carbon Pricing Leadership Coalition (CPLC). This public/private partnership works to catalyse action towards the successful implementation of universal carbon pricing with the common goal of limiting atmospheric carbon emissions and lessening the effects of climate change. Both issues are of fundamental importance to our Group.

The current year has also been a truly significant period for the Group too, setting the foundations for the two most significant announcements we have ever made in relation to fighting climate change.

In January 2021 we announced our industry-leading targets for greenhouse gas emissions reduction. Our stated target is to reduce all GHG emissions by at least 35% by 2030 with a clear ambition of achieving net zero by 2050. These targets cover absolute emissions across all our operations, including aluminium production plus heat and power generation and we believe they are the most ambitious to date in the global aluminium industry. Given our scale – in 2020 our metals segment produced almost 6% of the world's aluminium and our energy segment generated more than 69TWh of clean energy – the targets are undeniably stretching but I am determined that the Group sets a new standard in one of the world's most energy-intensive industrial sectors. My confidence in the Group's ability to achieve these targets is firmly rooted in our carbon-reduction success in recent years and the further acceleration of our development of innovative technologies in 2020.

It was this continued development of technological solutions over the last 12 months that led directly to our announcement in April 2021 of the production of the lowest carbon aluminium ever created. Following significant investment and extensive research, our new-generation inert anode electrolyzers have enabled us to produce aluminium with less than 0.01 tonnes of CO₂ equivalent per tonne of metal (Scope 1, Scope 2 – direct and indirect energy emissions). This process, which produces metal with purity higher than 99%, has an additional breakthrough benefit – the release of pure oxygen. Just one of our inert anode cells can generate the same volume of oxygen as 70 hectares of forest.

While I am incredibly proud of the Group's achievements during such a difficult year, our focus is firmly on the future. As encouraging as these very early steps are, there is still a huge amount of work for us to do. In September 2021 we will publish our Net Zero strategy, transparently detailing exactly how we will achieve our carbon reduction targets.

However our efforts to cut carbon are not just about technology but a whole range of activities across the value chain – such as determining the full GHG inventory of the Group (gCO₂e/year), by determining the full carbon footprint of the Group's electricity production. In order to avoid using global averages on hydro reservoir emissions, the Group is measuring each reservoir individually.

Another example; launched in 2019, “Green Million” is Russia’s first large-scale forest conservation and reproduction project to restore large areas of Siberian forest that have been affected by fires – some 1.1 million trees have since been planted in the Krasnoyarsk and Irkutsk regions, something I was privileged to see at first hand and even take part in myself!

This follows a period of extensive consultation with a wide range of external stakeholders including our suppliers, key customers, investors, local communities and international academics and industry experts. In addition, we will continue to rise to the challenge of building the capacity of our new inert anode electrolyser to produce the lowest-carbon aluminium at a truly commercial scale and at a consistent quality and price that will meet our consumers’ expectations. This is a core element of our own carbon reduction targets and will also inform the improved sustainability performance of the entire industry.

We remain committed to working in collaboration with our peers, governments, regulators, NGOs and the wider industrial sector to identify how, together, we can reduce the environmental impact of the industry to produce one of the most incredible building blocks of the future – strong, durable, endlessly recyclable aluminium produced with the lowest possible carbon footprint.

We remain committed to increasing the Group’s contribution to the United Nations’ vital Sustainable Development Goals which we recognise as the most powerful framework to unite governments, industries and people to address the world’s most intractable problems. And we remain fully committed to our membership in the United Nations Global Compact (UNGC) and the ten principles it lays out in the areas of human rights, labour, environment and anti-corruption. These principles underpin our culture, our values and all our operating processes and help guide the business in all that it does. We will be active, virtually, at the COP15 Convention on Biological Diversity being held in China in October and, hopefully in person at COP26 in Glasgow in November this year.

As the world cautiously starts to look to a future beyond the pandemic, I am increasingly confident. Confident that the world has learned vital lessons over the last 18 months. Confident that change really can happen and that together with our people, science and technology are the keys. And, as the clock ticks down to COP26, which promises to be one of the most significant UN meetings ever, we recognise the enormous effort still required by our whole global sector to ensure together we collectively drive progress at a pace and scale commensurate with the enormous climate and biodiversity challenges we face.

Rt Hon Lord Barker of Battle,
Executive Chairman

Committed to the planet

En+ Group leading the aluminium industry into the low carbon economy.

To cut GHG emissions by at least

35%

by 2030 (Scope 1 & 2 against a 2018 baseline)

2030

To achieve

net zero

GHG emissions by 2050

2050

Support to a renewed multilateralism

Fair economic growth decoupled from resource use, health resilience, and combating climate change are intrinsic elements to an interdependent sustainable development agenda. The Group delivers on eight of the SDGs, with a strong focus on goal 17, global partnerships. En+ also participates in the UNFCCC Conferences of Parties (UN Climate Conferences or COPs). A robust international system based on shared responsibility and solidarity is a prerequisite to deliver upon this agenda.

That is why En+ Group supports a rules-based world, the reform of the WTO, and a new multilateralism characterised by deeper cooperation between and among states, businesses and NGOs. As a global industrial sustainability champion, En+ Group signed the CEO statement on “Uniting Business and Governments to Recover Better”, a joint call from major multinationals representing over 5 million employees to governments to align their COVID-19 economic aid and recovery plans with the latest climate science, and with the double goal of achieving a zero carbon economy and of putting the world on a 1.5°C anthropic warming trajectory.

The Green Aluminium Vision is also the vision of a green multilateralism, inclusive of fair trade, respect of human rights, fight against corruption, ambitious corporate and social responsibility, and inclusive stakeholder engagement. These elements are crucial for a more sustainable, human-centred and climate-resilient world.

For more information, please refer to our **Green Aluminium Vision publication**.



More on our website: netzero.ru/en#agenda

Driving change

Our performance in 2020 has only strengthened our confidence in business strategy focused on sustainable development. The balanced development of the Group meets the interests of our employees, shareholders, investors, and the local communities.



USD 71 mn

social investments and charitable projects

>100k

tests were carried out including antibodies and PCR

15,000

office-based staff moved to work from home

>7,000

employees of En+ Group have been vaccinated against COVID-19, and the Group continues to participate in and promote vaccination

“We have been very fortunate in being able safely to maintain our operations at up to full capacity throughout 2020.”

Vladimir Kiriukhin,
Chief Executive Officer

Dear shareholders,

In ordinary times, I would use my opening statement to tell readers of En+ Group's performance across all our sustainability measures and the impact this has had on our business and our stakeholders. However, 2020 was not an ordinary year and this is why, for this report, I am focusing on the extraordinary commitment that staff at every one of our sites demonstrated to each other and to those we serve – our customers, our communities and our former colleagues. So much has been written about business response to the pandemic, but I have been truly humbled to witness the dedication, energy and humanity of our people during the most testing of times.

The Group's integrated supply chain, which represents operations on every continent in the world, means that we have faced a significant and challenging health crisis before when the West African Ebola outbreak hit Guinea in 2014-15. Our experience there helped guide us in 2020 and respond effectively to the pandemic.

We learned that speed is of the essence in protecting our own people and the health of the wider local community. In Kindia, Guinea, UC Rusal converted the Centre for Epidemic Microbiological Research and Treatment (CEMRT) – which it had built and staffed in 2015 to treat and combat the spread of Ebola – into a 60-bed in-patient COVID facility so rapidly that it was able to receive its first COVID-19 patient by 11 April.

An additional centre for the treatment of infectious diseases was commissioned and established in Frigia, also in Guinea, alongside our existing medical facilities. Both centres were fully equipped with medical equipment, PPE and trained medical staff, and both were open to employees, their families and the wider local community.

We had learned that an emergency as extreme as the pandemic puts pressure on even the best-prepared health systems. So, closer to our hydropower and smelting operations in Siberia, we built seven additional medical centres to relieve pressure on the existing healthcare facilities, handing them over to regional medical organisations for the treatment of every local resident.

Our experience taught us that protection from infection was better than even the best treatment. For this reason, we invested significantly in full PPE for all our essential operational staff and for frontline health workers in the Irkutsk region. Routine testing of all workers was immediately established, all of our sites instigated a programme of regular disinfection and air purification systems were introduced. We increased medical monitoring of all workers and upgraded our on-site medical facilities to include secure areas designated for those displaying any sign of infection.

All of this you would expect from a business of the scale of the En+ Group. Where I believe our response really does stand out, however, was the extraordinary commitment of our staff. Recognising that retired employees and older residents around our sites were at a significantly higher risk of infection, they established a free delivery service to more than 16,000 households, providing them with the food, medication and other essentials they would need for an entire month to allow them to shield at home.

It was our staff who understood that with 15,000 current staff working from home from 18 March, many would feel cut off from colleagues and the social interactions they enjoy in the office. So, an internal communications initiative was launched to keep them in touch, providing stimulating content from galleries and libraries and providing support if they had any concerns over their mental or physical well-being.

Most notable, however, was the commitment demonstrated by workers at our production facilities, many of whom volunteered to isolate themselves from their families and friends, often for weeks at a time, to maintain the steady supply of renewable energy that homes and businesses across Siberia rely upon. Their selflessness at such a critical time was essential for millions of people.

I am incredibly proud of the actions of every one of our staff and extend my heartfelt thanks to them all. We have an exciting but challenging future ahead of us as we strive to achieve our 2050 net zero ambition. That will, of course, require investment in new technologies, partnerships and operational processes but will rely on the energy, adaptability and dedication that our employees across the world demonstrate on a daily basis. They embody the Group's culture and demonstrate our shared values and, in doing so, secure our future.

Vladimir Kiriukhin,
Chief Executive Officer

Continuing journey to excellence

There are valuable lessons to be learned from 2020 - whether they be in the Health & Safety area or as regards our activities to minimise our impact on the communities where we operate and on the environment generally.



0.21

LTIFR

22%

reduction in cases of occupational diseases compared to 2018

13

new programmes of personal safety self-assessment

216

internal trainers qualified to train others on enhancing our safety culture

“We work hard to embed a strong an Occupational Health and Safety culture which demands that every member of staff adopt the right behaviours to increase their awareness of potential risks and act on them to improve their own safety and that of their colleagues.”

Joan MacNaughton,

Chair of the Health, Safety and Environment Committee

Dear shareholders,

The extraordinary challenges of last year threw the role of the HSE Committee in protecting every one of our people into sharp focus.

En+ Group's top priority of looking after the health and safety of employees is reflected in our corporate HS policy which holds that life and health come before production and profit. It commits us to a culture of individual responsibility to live by that principle. That responsibility starts at the top, with senior management embodying our strong safety culture and leadership, and extends to every one of our employees, who receive extensive training and are actively encouraged to report any aspects of our operations that do not meet safety standards. I am pleased to report that, despite the challenges and potential distractions of the last 12 months, the Group's focus on health and safety has been sustained - and senior managers' efforts have not wavered at all.

While the Group continues to comply with all relevant international occupational health and safety standards, enhancing the welfare of our staff demands much more than simple adherence to regulations and legal standards. We work hard to embed a strong an Occupational Health and Safety (OHS) culture which demands that every member of staff adopt the right behaviours to increase their awareness of potential risks and act on them to improve their own safety and that of their colleagues.

We introduced a number of measures in 2020 to strengthen the OHS culture and support the development of staff at every level. To improve our understanding of company-wide attitudes to OHS, risk awareness, management commitment and the effectiveness of our OHS management system, we conducted safety culture audits in nine of our facilities, covering both the Power and Metals segments of the Group. These audits included

interviews with a wide range of staff at all levels, unannounced site visits and independent monitoring of operational processes. The results of the audits have provided us with an important benchmark to act as the foundation for introducing additional measures. For example, as a result of the audits, senior executives and managers have been set additional Key Performance Indicators (KPIs) to ensure more transparency and prevent the concealment of any potential OHS issues.

It is greatly to the credit of all involved that the challenges arising from the pandemic did not curtail our extensive programme of OHS training. All legally required training moved online where necessary and we extended our own additional training in a number of ways. Both the Metals segment and the Power segment have dedicated facilities for OHS training and over this reporting period these were enhanced with 13 new programmes of personal safety self-assessment; over the coming year these will train 3,500 workers. In addition, 216 internal trainers qualified to train others on enhancing our safety culture.

The production of power and metals comes with inherent risks and the role of the HSE Committee is to guide management on minimising or eliminating those risks as far as is humanly possible. Despite those efforts, accidents do happen. Whenever they result in injury or fatality that is a tragedy. It is my sad duty to report that there were four work-related deaths during this reporting period. We mourn the loss of our colleagues and the suffering of their families, and we double down on our commitment to do whatever is necessary to protect our workers. The benchmarking audits carried out in 2020 provide us with essential insight that will guide us for the future safety of staff at every one of our facilities.

We also recognise that our responsibility extends to our contractors and their staff, many of whom we rely upon for some of our essential operations. This is why in 2020 we piloted a process for collecting accurate OHS information from all of our contractors. That pilot project revealed some issues which we are now addressing to continue our journey towards an HS culture embraced by and protective of everyone who works with En+ Group.

As the Executive Chairman and CEO of En+ Group have already stated, there are valuable lessons to be learned from 2020 – whether they be in the H&S area or as regards our activities to minimise our impact on the communities where we operate and on the environment generally. In both respects this year has seen significant progress on our continuing journey to excellence across all aspects of our HSE performance. For us, the paramount learning has been our reliance on an engaged and responsible workforce. That workforce – the people who comprise En+ Group – deserve our absolute dedication to their health and safety and to sustained continual improvement. This is the commitment we make to them.

Joan MacNaughton,
Chair of the Health, Safety
and Environment Committee

Our presence and scale

GRI 102-1, 102-2, 102-3, 102-4, 102-6, 102-7 En+ Group has a well-established presence across five continents, with the Group's core assets located in Siberia, and employs about 90,000 people. The organisation's headquarters is located in Moscow.

Metals segment

	 Aluminium¹	 Alumina	 Bauxite
Number of facilities	10 aluminium smelters	10 alumina refineries	7 bauxite mines
Total capacity	3.8 mtpa	10.6 mtpa ²	20.6 mtpa
Production level in 2020	3.8 mt	8.2 mt	14.8 mt

No.1

aluminium producer excluding China

6.5%

of the world's alumina production

69.3

TWh
low-carbon hydropower generation⁴

19.5

GW
total installed electricity capacity³

 Jamaica

 Guyana

Power segment

	 Hydropower	 Thermal	 Solar
Number of facilities	5 hydropower plants ³	16 combined heat and power plants	Abakan SPP
Total capacity	15.1 GW ³	4.4 GW	5.2 MW
Production level in 2020	69.3 TWh ⁴	12.9 TWh	5.5 mn kWh

1 Excluding Boguchany Aluminium Smelter (BoAZ), a joint 50/50 project of RUSAL and RusHydro.

2 RUSAL attributable capacity.

3 Including Onda HPP.

4 Excluding Onda HPP with an installed power capacity 0.08 GW and production level of 0.5 TWh in 2020 (located in the European part of Russia, leased to RUSAL).

5 From external customers.

6 Adjusted EBITDA for any period represents the results from operating activities adjusted for amortisation and depreciation, impairment charges and loss on disposal of property, plant and equipment for the relevant period.

7 After consolidation adjustments.

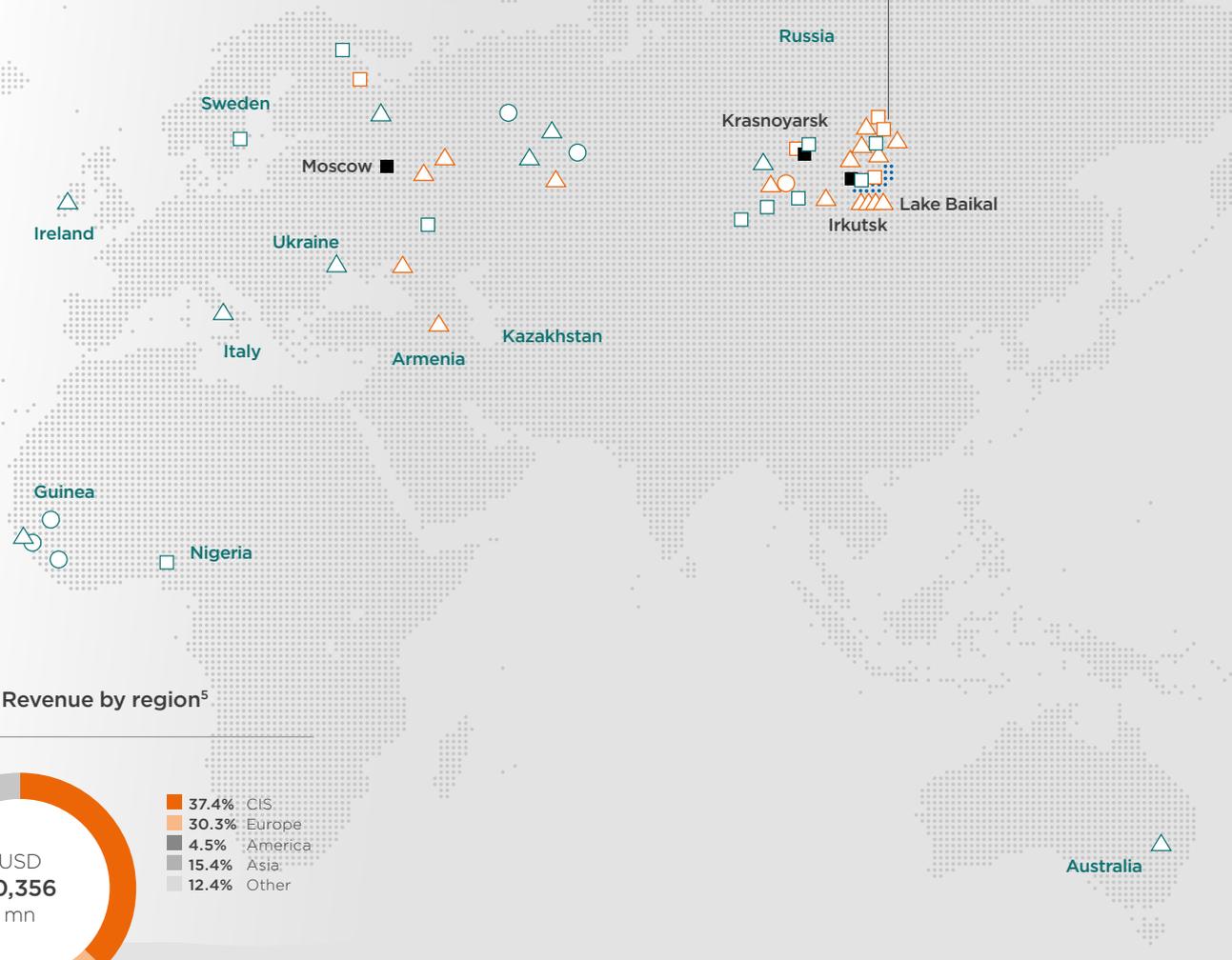
8 Capital expenditure represents cash flow related to investing activities - acquisition of property, plant and equipment and acquisition of intangible assets; the total level of capital expenditure is provided after intersegmental elimination.



The importance of Lake Baikal

Declared a UNESCO World Heritage site in 1996, Eastern Siberia's Lake Baikal is the largest and deepest freshwater lake in the world. The lake itself and the area along its shores provide a unique habitat for a large number of plant and animal species, many of which are endemic to the region. The Group's key HPPs are located on the Angara River, the only river flowing from Lake Baikal, and are committed to harnessing the natural power in a sustainable and responsible way.

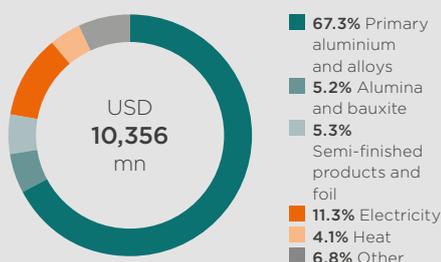
www.enplusgroup.com/en/company/glance/baikal/
 p. 100 Read more in the Baikal section



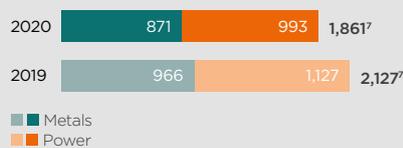
FY 2020 Revenue by region⁵



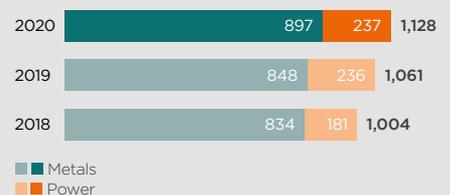
FY 2020 Revenue by product⁵



Adjusted EBITDA⁶ by segment (USD mn)



Capital expenditure⁸ (USD mn)



Key economic and financial results

In 2020, En+ Group continued to make solid progress and delivered sustainable operational performance, which translated into robust financial performance, despite challenges caused by the COVID-19 pandemic.

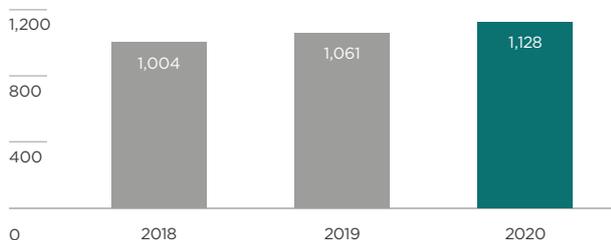
GRI 103-3, 102-7 Key economic results, 2018–2020

	As at or for the year ended 31 December		
	2018	2019	2020
	(USD mn)		
Revenues	12,378	11,752	10,356
Gross profit	4,169	2,879	2,548
Gross profit margin	33.7%	24.5%	24.6%
Results from operating activities (EBIT)	2,280	976	1,010
Operating profit margin	18.4%	8.3%	9.8%
Pre-tax profit	2,268	1,580	1,125
Profit for the year	1,862	1,304	1,016
Net profit margin ¹	15.0%	11.1%	9.8%
Adjusted EBITDA²	3,287	2,127	1,861
Adjusted EBITDA margin ³	26.6%	18.1%	18.0%
Net debt ⁴	11,094	10,204	9,826
Net working capital ⁵	2,811	2,042	1,614
Free cash flow ⁶	877	1,614	968
Basic earnings per share ⁷	1.692	1.356	1.320
Equity attributable to shareholders of the Company	2,655	4,330	3,156

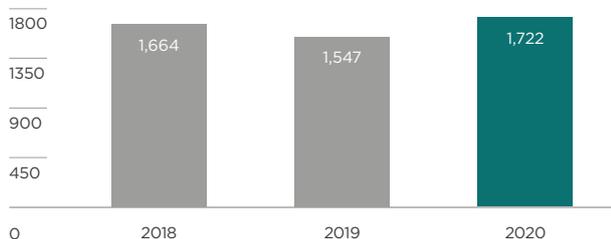
Fulfilling our plans for the implementation of key projects, we increased the CAPEX, despite the challenges caused by the COVID-19 pandemic. The Metals segment recorded total capital expenditure of USD 897 million for the year ended 31 December 2020. Maintenance CAPEX amounted to 56% of the aggregate CAPEX in 2020. The Metals segment continued its investment in key development projects as per its strategic priority of preserving its competitive advantages of vertical integration into raw materials and product mix enhancements. Among the core projects are the Taishet aluminium smelter (25% of total) and the Taishet anode plant (8% of total).

In 2020, capital expenditure by the Power segment amounted to USD 237 million. Maintenance CAPEX accounted for 51% of total capital expenditure. The Power segment continued to invest in technical connections to its power supply infrastructure (including a new substation for the Taishet aluminium smelter) and to improve the efficiency of the Group's CHPs by continuing the HPP New Energy modernisation programme, which supported an increase in electricity generation volumes of 1,712.1 GWh in 2020. En+ Group is focused on low-risk brownfield expansion and increasing the share of value-added products in its sales mix.

Capital expenditures, 2018–2020, USD mn



VAP sales, 2018–2020, kt



- Net profit margin for any period represents net profit or loss for the relevant period divided by total revenues for the relevant period and expressed as a percentage, in each case attributable to the Group, the Power segment, or the Metals segment, as the case may be.
- Adjusted EBITDA for any period represents the results from operating activities adjusted for amortisation and depreciation, impairment of non-current assets and gain/loss on disposal of property, plant and equipment for the relevant period, in each case attributable to the Group, the Power segment, or the Metals segment, as the case may be.
- Adjusted EBITDA margin for any period represents adjusted EBITDA for the relevant period divided by total revenues for the relevant period and expressed as a percentage, in each case attributable to the Group, the Power segment, or the Metals segment, as the case may be.
- Net debt represents the sum of loans and borrowings and bonds outstanding less total cash and cash equivalents as at the end of the relevant period, in each case attributable to the Group, the Power segment, or the Metals segment, as the case may be.
- Net working capital represents inventories plus short term trade and other receivables (excluding dividend receivables from related parties) less trade and other payables as at the end of the relevant period, in each case attributable to the Group, the Power segment, or the Metals segment, as the case may be.
- Free cash flow means, for any period, the cash flows generated from operating activities less net interest paid, capital expenditures, restructuring fees, and other payments related to issuance of shares, adjusted for payments from settlement of derivative instruments plus dividends from associates and joint ventures.
- The earnings per share calculation is based on a weighted average number of shares of 518 million and 634 million in 2020 and 2019, respectively.

Our response to COVID-19

Support for employees

Keeping our employees healthy is our main goal at present. Since March 2020, En+ Group has been taking active measures to combat the spread of coronavirus infection: a situation room and a hotline for assistance have been set up, limiting personnel flows and proximity as much as possible, and some employees have been moved to remote working. We also provided thermometry control and disinfection of the workplaces and premises of production facilities to ensure the safety of our employees.

Consultations regarding COVID-19

The Consulting Centre for Medical Assistance of En+ Group received more than 7,000 requests from employees and their families regarding the diagnosis and treatment of disease caused by coronavirus infection. The consulting services programme was launched on 24 December 2020 for employees of the Power segment in Miass and Nizhny Novgorod, as well as cities in the Irkutsk Region and Krasnoyarsk Territory.

Remote consultations are available 24/7. They are conducted by the best medical personnel of the medical facilities in the cities where the Company operates. If necessary, specialists arrange hospitalisation under personal supervision in medical centres for patients with COVID-19.

En+ Group sees that there is a need for such medical consultations and believes that they are frequently indispensable to fully recover after an illness.

Vaccination

The Company believes that achieving collective immunity is an important task for the organisations involved in ensuring the health and safety of the regions. En+ Group has launched a partnership programme with leading state medical facilities in the regions of its presence for the prompt vaccination of employees of the Power segment. According to a survey conducted by En+ Group, more than 3,700 employees of all the enterprises of the Power segment have expressed a wish to be vaccinated.

The vaccination campaign has also started at the facilities of the Metals segment. The vaccine is available in the RMC medical facilities. The majority of Metals segment employees between 60 and 65 years of age have already been vaccinated.

As of mid-March 2021, more than 7,000 employees of En+ Group have been vaccinated against COVID-19, and the Group continues to participate in and promote vaccination.

Support for communities

Throughout the COVID-19 pandemic, the Company has purchased PPE, medical equipment and medicines for medical facilities in the regions of its operation and for local communities and its employees. The Ministry of Health of the Irkutsk Region alone received 800,000 protective masks. More than 100,000 tests have been carried out, including antibody and PCR tests.

Seven advanced and well-equipped medical centres to fight COVID-19 were built by En+ Group in cities across Siberia and the Ural Region: in Krasnoturinsk, Achinsk, Boguchany, Shelekhov, Bratsk, Taishet, and Sayanogorsk. These medical facilities are equipped with state-of-the-art computer tomography scanners, ultrasonography apparatus, ventilators, and other tools for functional and laboratory diagnostics.

Furthermore, the Group handed over 15 ambulances and numerous ventilators to medical facilities. The Group spent about 4 billion roubles on the construction of medical aid and rescue centres, the transfer of ambulance vehicles, diagnostic and resuscitation equipment, personal protective equipment and disinfectants to medical organisations, as well as providing food aid to 11,000 pensioners and veterans who were on mandatory self-isolation. The Group opened a modern medical centre for the treatment of infectious diseases in Fria Prefecture, Guinea, in June 2020. The work of the centre helped more than 450 patients recover from the infection.

Operations

En+ Group will take every opportunity to prevent the spread of the virus and to ensure maximum employee protection. During the pandemic, we ensured a secure uninterrupted production process at the Group's facilities and achieved robust financial results supported by solid operational performance. We also successfully negotiated refinancing for credit facilities and drastically reduced our financing costs while fuelling growing sales of our value-added products (VAP) due to increasing premiums.

The power of our integrated business

How we generate power



Water

Water with its potential energy accumulates in HPP reservoirs.



HPP generation

Potential energy of water converts to rotational kinetic energy by hydropower turbines. Rotational kinetic energy converts to electricity.



Coal supply

Coal is extracted and transported by rail vehicles from the open pit to CHP storage facilities.



CHP generation

Large coal chunks are crushed, then milled into dust and fed to steam generators. Air-coal mixture is burned in steam generators; water is heated to superheated vapour.



Transmission and distribution

Electricity is fed through transformers to electrical grids, then supplied to end consumers through transmission and distribution grids.

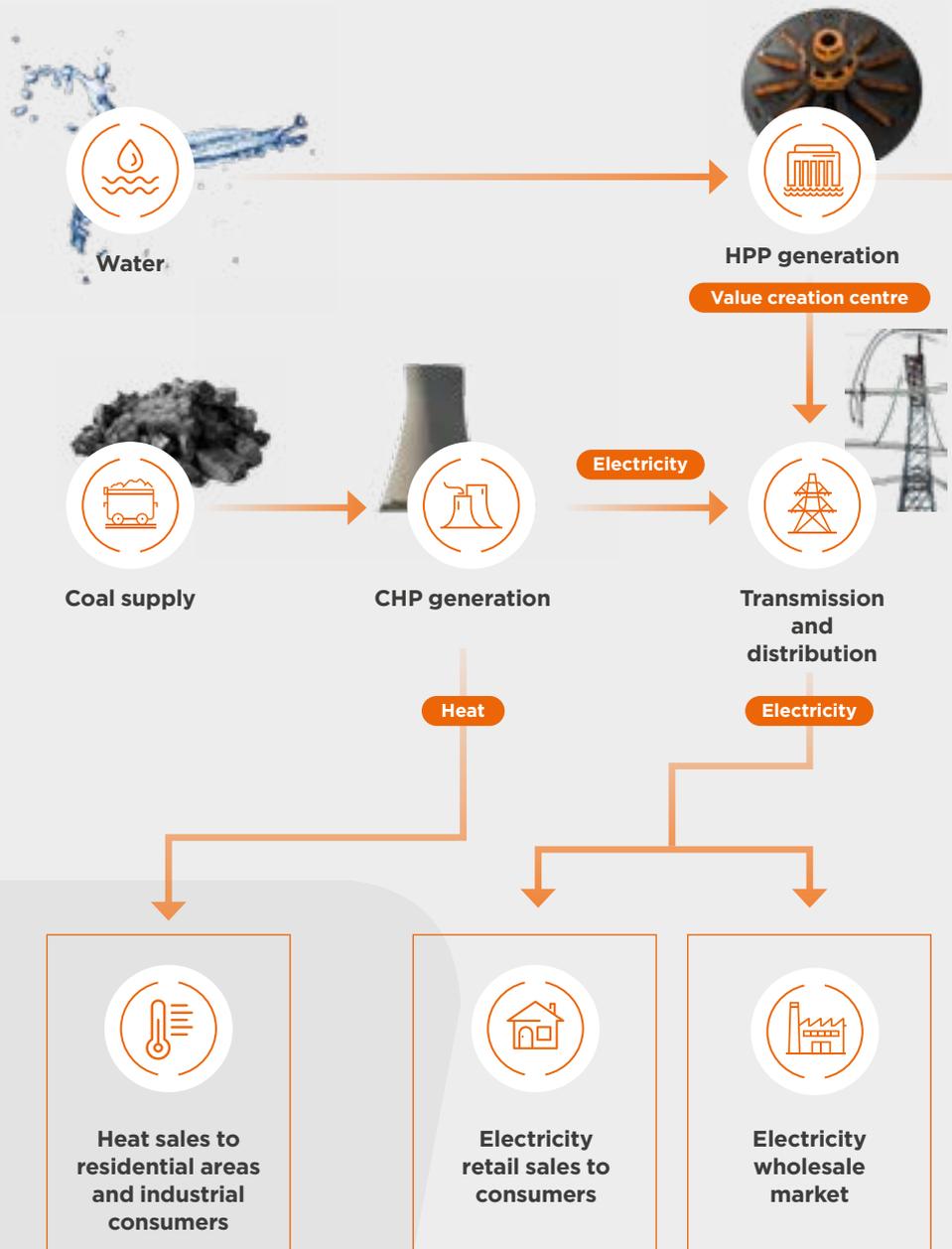


Heat supply from CHPs

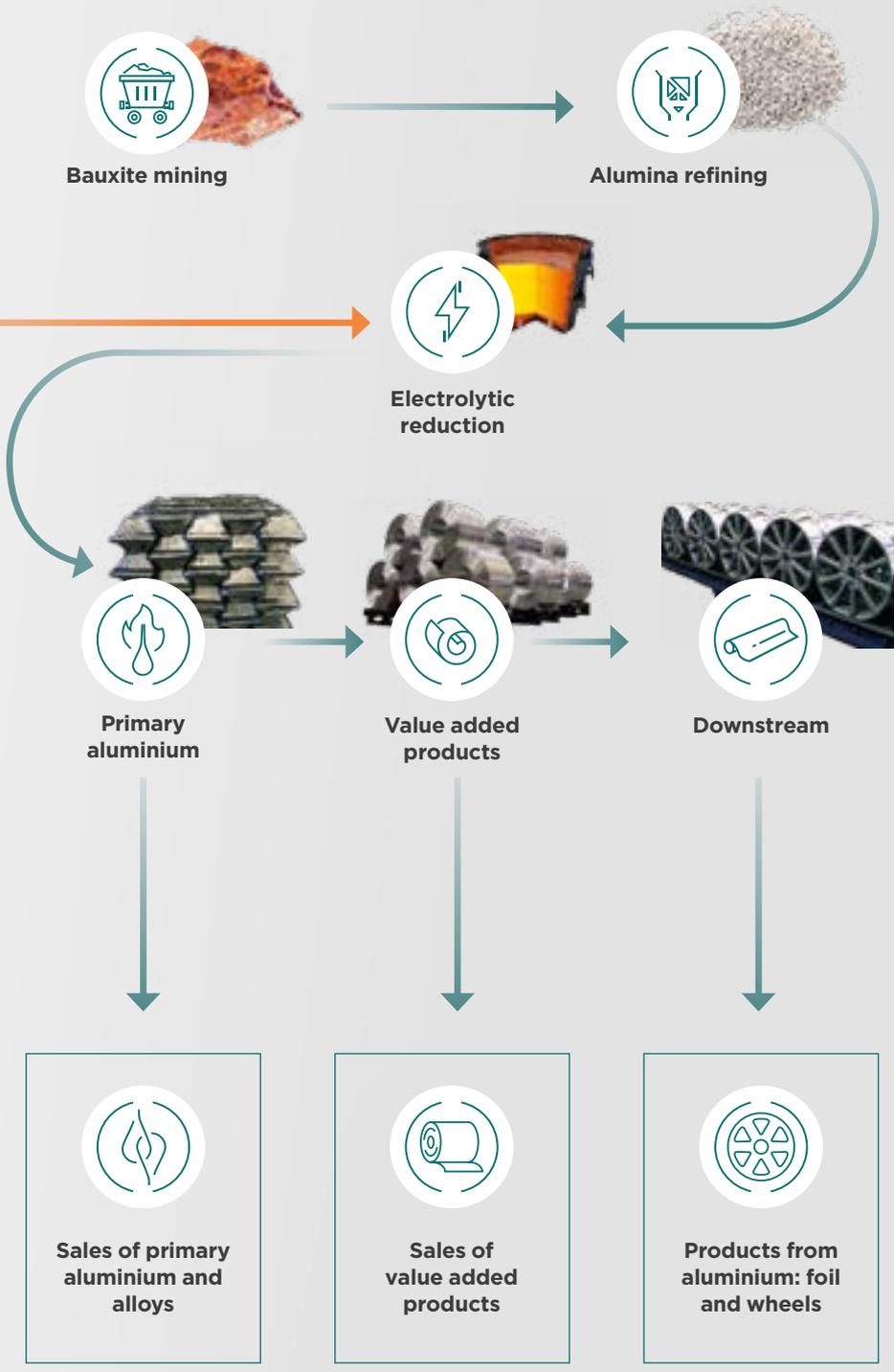
Low-temperature steam from turbines is used for heating water to supply heat to consumers.

Water heated at CHPs is then fed through main pipelines to residential areas and end consumers through distribution pipelines.

En+ Group benefits from its unique base of tightly-integrated assets that results in a fully integrated and highly self-sufficient business. Hydropower is used to refine raw materials and produce aluminium in Siberia. More than 98% of aluminium production energy needs are met by carbon-free power sources.



How we produce aluminium



Key stages in the aluminium production process

Bauxite mining

At the start of the production process is the mining of bauxite, an aluminium rich mineral.

Alumina refinery

Bauxite is crushed and mixed with water to create a thick paste which is heated to remove silicon.

Reduction process

At an aluminium smelter, alumina is poured into special reduction cells where electric currents break the bonds between aluminium and oxygen atoms. This results in liquid aluminium settling at the bottom of the cell.

Primary aluminium

Primary aluminium is cast into ingots and shipped to customers or used to produce alloys.

Downstream products

Aluminium is shaped into various forms – from spectacle frames to spaceship bodies.

Our global role in the low-carbon economy

Aluminium is a major contributor to the transition to a low-carbon future: by 2050, the IAI expects world demand for aluminium to exceed 150 mn tonnes from the current 60 mn tonnes. Aluminium is considered to be the material of the future as it has a tremendous potential to become a key material of a carbon-neutral and circular world.

Aluminium for the future

En+ Group is showing ambitious sector leadership in the biggest environmental issue of our time. Our climate change targets and the roll out of a detailed roadmap to meet them, are yet more tangible evidence of our commitment to lead the global aluminium industry into the low-carbon economy. By the end of 2021, En+ Group and RUSAL will have a plan for emissions pathways to achieve the target in line with the Science Based Targets initiative, itself aligned with the 1.5 °C Global Warming scenario.

A green economic recovery will drive demand for aluminium as a light, durable and almost infinitely recyclable material across sectors and geographies at 4% CAGR over the next five years.

The end users stimulated by the growing market demand for low-carbon products and internal corporate sustainability strategies, and investors and industry associations making a market and regulatory push, are driving producers to move towards a greener and zero-carbon future. This leads to investments into decarbonisation: the carbon neutral lifecycle and environmental/climate disclosures. Responsible customers are increasing scrutiny of suppliers' carbon footprints, expecting them to gradually reduce carbon footprint, and require detailed full scope carbon footprint disclosures, making sustainable raw materials a priority.

No.1

independent hydropower producer globally

>98%

of En+ Group aluminium is made with hydropower

No.1

aluminium producer outside of China

Social demand for climate action and more environmentally friendly products is changing the values of governments and NGOs and the behaviours of businesses.

The aluminium industry must now strive to decarbonise the production of aluminium, from sustainable mining to 'low-carbon' and carbon-free smelting, and to the lowest total carbon footprint for product manufacturing.

As an energy-intensive industry we must increase our commitments, innovation, drive and investments to make sure that aluminium is recognised as a major contributor to the transition towards the green economy.

Step forward into the low-carbon economy

En+ Group launched its Green Aluminium Vision commitments for achieving a more sustainable future, to lead the industry into the low-carbon economy by developing a new asset class of 'Green Aluminium'.

www.enplusgroup.com/upload/iblock/7f5/En_-Group-Green-Aluminium-Vision.pdf

1. Determination to reduce emissions across the production process

Drive low-carbon emissions down further, while meeting growing demand for aluminium worldwide:

- 15% cut in direct specific greenhouse gas emissions from electrolysis by 2025 compared to 2014;
- 7% reduction in energy consumption for electrolysis;
- Near 100% hydropower to be used for smelting operations.

RUSAL has also started testing inert anode technology that would sharply reduce energy consumption and eliminate carbon emissions from smelting.

2. Low-carbon aluminium branding

Ensure greater transparency, empower consumers with information about a low-carbon footprint and help customers achieve their emissions reduction targets:

- En+ Group/RUSAL's 'ALLOW' brand provides low-carbon aluminium with an independently verified carbon footprint
- produced at smelters with less than 4 tonnes of CO₂ equivalent per tonne of aluminium (smelter emissions, IAI level 1).

3. Carbon footprint transparency

In line with the LME's shift to enable environmental information disclosures for a low-carbon aluminium trading platform. Information about carbon footprint, ASI certification, and the share of renewable energy will empower customers to take better informed decisions about their choice of material.

4. Circularity

Primary aluminium satisfies almost 75% of total global demand and accounts for 90% of the emissions of the aluminium industry. Recycling can boost resource efficiency and emissions reductions.

5. Sustainability labelling

En+ Group/RUSAL will advocate for a *Green Aluminium label* that would enable customers to buy low-carbon primary aluminium manufactured with an independently verified carbon footprint. Such a labelling effort should be inclusive of further greening aluminium recycling itself, for example through increasing the rate and efficiency of scrap collection and remelting in Europe.

6. Liberalisation of trade for low-carbon primary aluminium process

Access to affordable 'low-carbon' raw materials is a key factor for manufacturers. En+ Group/RUSAL call for separate customs codes to be created for low-carbon primary aluminium to foster greater competitiveness and sustainability within the entire industry.

7. Elimination of excess capacity to ensure fair and green trade: process

En+ Group calls for the creation of a Global Forum on Sustainable Industrial Development focused on improving global governance, strengthening free and fair trade, and shielding green products and services from distortive practices. The Group engages internationally in pushing for carbon pricing.

8. R&D facilitation

Industry-wide incentives for R&D collaboration could accelerate progress in creating such emission reducing technologies: inert anode and other breakthrough technologies with high emissions and cost reduction potential, or for example diverse recycling technologies, such as X-ray, sensor-based, laser detection, to improve recovery of useful scrap across various sectors where aluminium is used.

9. Support for renewed multilateralism

En+ Group/RUSAL support a rules-based world, the reform of the WTO, and a new multilateralism characterised by deeper cooperation between and among states and nonstate actors. The Group delivers on eight of the UN Sustainable Development Goals with a strong focus on goal 17, promoting global partnerships. We also participate in the UNFCCC Conferences of Parties (UN Climate Conferences).

Aluminium products for the future

En+ Group is the largest producer of low-carbon aluminium globally. We are unique among natural resources companies.



The En+ approach

The pure form of aluminium does not occur in nature, so it remained largely unknown until as recently as 200 years ago. Producing aluminium using electricity was first developed in 1886 and is still used to this day. Today, the Company views its work on innovation as an investment in the future. The Company performs vast research and development activities to introduce environmentally friendly technology into production cycles to save resources and reduce costs.

Power generation capabilities

In our power generating business, the Group is developing perovskite solar cell technology, a new generation of photovoltaics. We use hydropower from Siberian rivers to create low-carbon aluminium. We promote science-based analysis in order to address the Baikal issues correctly and in the most efficient ways, and we joined forces with leading Russian academics. The collaboration spans from analysing the contamination of the lake to creating new forecasting algorithms.

Uses of low-carbon aluminium

Since 2017, RUSAL offers customers ALLOW, its proprietary brand of low-carbon aluminium, crafted with renewable hydropower. ALLOW comes with an average carbon footprint of 2.4 t CO₂e/t Al¹. This is in line with the evolving market requirement for low-carbon aluminium of no more than 4 t CO₂e/t Al, which is several times lower than the global average of around 12.5 t².

To ensure transparency, every shipment of ALLOW comes with independently verified carbon footprint statements from its smelter of origin, providing full traceability to source for customers. In 2020, over 500,000 t of ALLOW-branded aluminium was sold.



www.enplusgroup.com/en/what-we-do/metals-segment/allow/



Power

According to the IEA, renewable capacity additions are on track for a record expansion of nearly 10% in 2021. With this soaring growth, the cable industry expects increased demand for high and extra-high voltage cable where aluminium is consumed. Europacable estimates this cable demand will reach 90,000 km, driving up more than USD 150 billion in investment by 2030. Green aluminium is key to supporting this upswing in growing green energy capacity, so that it can flow through green cables.



Consumer goods

In this segment, leading producers of electronics, beauty products, and other consumer goods are becoming increasingly mindful of the lifecycle impacts of their products. This segment is tangibly close to the end consumers who become more selective with the carbon footprint of the goods they purchase. The consumer goods market has seen an upswing of carbon-neutral and environmentally friendly brands linked to corporate carbon neutrality/carbon-negative commitments. Being able to measure the footprint of raw materials, including aluminium, is key in this regard.

¹ Level 1 in accordance with Aluminium Carbon Footprint Technical Support Document (2018) (https://www.world-aluminium.org/media/filer_public/2018/11/22/carbon_footprint_technical_support_document_v1_published.pdf).

² IAI data, 2018. Level 1 in accordance with Aluminium Carbon Footprint Technical Support Document (2018) (https://www.worldaluminium.org/media/filer_public/2018/11/22/carbon_footprint_technical_support_document_v1_published.pdf).

The advantages of low-carbon aluminium



Abundant

Aluminium is the third most abundant element in the Earth's crust at 8%. It is the second most widely-used metal in the world after iron.



Infinitely recyclable and durable

Aluminium retains its quality when recycled, making it almost endlessly recyclable without degradation of core properties. Approximately 75% of all the aluminium ever made is still in use.



Lightweight

Aluminium is extremely ductile and weighs a third as much as steel or copper, making it ideal for the bodywork of modern vehicles which need lightweight components for energy efficiency.



Conductive and reflective

Aluminium is an effective conductor of both heat and electricity. In relation to its weight, it is twice as conductive as copper and reflects 98% of infrared rays.



Corrosion-resistant and impermeable

Unlike iron, which rusts, aluminium forms an oxide that sticks to the original metal and shields it from corrosion. It is also highly impermeable and thus serves as a barrier against light, aroma, moisture, and contamination.



Aluminium refining and production facilities

We are working to develop our inert anode technology, which has the potential to drastically reduce the emissions associated with aluminium production. Inert anodes replace standard carbon anodes with inert, non-consumable materials – ceramics or alloys – which results in reduced emissions from the smelting process. Another breakthrough advantage of this technology is the release of oxygen in the process of producing aluminium. One cell using inert anode technology can generate the same volume of oxygen as 70 hectares of forest.

85%

In comparison to full-scope industry average emissions, metal produced with inert anodes has an 85% lower carbon footprint.

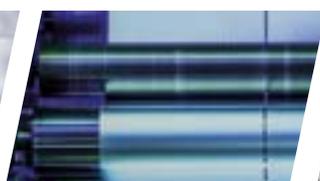
+50%

We have already achieved a reduction of greenhouse gas emissions associated with aluminium production of more than 50% compared to the 1990 level.



Aerospace and aviation

Light, strong and flexible, it proved an ideal material for building heavier-than-air aircraft. All modern spacecraft contain from 50% to 90% of aluminium alloys in their parts. Aluminium is used in the body of Space Shuttle vehicles; it is found in the telescopic antenna of the Hubble space telescope; hydrogen tanks used in rockets are made from aluminium, the tips of rockets use aluminium, as well as parts of launch vehicles, orbital stations, and fastening units for solar panels.



Packaging

Light, durable, stackable, resistant to transportation, and – what is most important – almost infinitely recyclable, aluminium is a key enabler of reduced lifecycle impacts in the packaging sector. For example, the cans market CAGR in the next 5 years is set to exceed 2%. Low-carbon footprint and broader ESG credentials of RUSAL's aluminium position our products to support this growth.



Automotive

Aluminium-intensive vehicles have 13% lower life-cycle CO₂ emissions compared to steel vehicles. Low-carbon aluminium further reduces life-cycle emissions by 17%. ALLOW is a reliable partner for the emerging e-mobility sector and related infrastructure. What's more, there is future potential for aluminium-ion batteries.



Construction

Use of low-carbon aluminium can reduce embodied carbon in buildings by up to 20%. In commercial buildings with traditional structures, parts made with low-carbon aluminium can reduce carbon footprint by 7%.

Our approach to sustainability management



60+

assets in twelve countries

8

new ESG policies adopted

33%

female representation on the Board of Directors

“Our sustainability management unites the entire business around a shared vision and consistent standards.”

Yulia Chekunaeva, Director for Capital Markets and Strategic Initiatives

With our clear and focused strategy, year-on-year we extend our programmes and investment to ensure we remain a global leader in the production of the materials that are critical for the low-carbon economy of the future.

We recognise, however, that we cannot do this alone. Global challenges cannot be dealt with in isolation – the pandemic has only further demonstrated this. To drive significant change and continue to advance the Sustainable Development Goals (SDGs), we need the support of our partners. This is why last year we launched our new Stakeholder Engagement Policy – alongside seven other ESG policies – aimed at fostering greater collaboration within the industry, as well as with local communities, NGOs, governments and our shareholders.

Our sustainability management system is central to the delivery of our overarching strategy and the initiatives that underpin it. As a company with more than 60 assets in twelve countries, over 90,000 employees and an end-to-end integrated supply chain, our management system is built on three core principles: consistency; flexibility; and transparency.

At the highest level, a consistent approach ensures that every function and business unit shares a common vision and operating standards, allowing them to work together to develop integrated approaches to

enhance our sustainability profile. Flexibility is also critical, as it ensures that our system has the scope to adapt to the breadth of our operations, while allowing us to respond rapidly to new sustainability opportunities or risks. Finally, supporting our absolute commitment to transparency, our system allows us to monitor progress towards our goals effectively, ensuring timely and relevant disclosure for all our stakeholders.

We are proud to share that despite the challenges of 2020, we continue to see good progress on our contribution to the SDGs, including an 11% reduction in cases of occupational diseases compared to 2019, and an 11% reduction in GHG emissions at our smelters compared to 2014. To protect Lake Baikal as well as other Siberian lakes and rivers, we also launched an annual fund last year to invest in new projects, among other initiatives.

As we embark on a landmark year for En+ Group with a clear net zero target, the success of our inert anode technology, and a renewed focus on biodiversity, our sustainability management has never been more important. It will ensure we can evolve the business to meet the environmental and social challenges of the future and fulfil our ambition to drive change through the wider sector.

Yulia Chekunaeva, Director for Capital Markets and Strategic Initiatives

Stakeholder engagement

GRI 102-42 In 2020, the Board of Directors approved the Stakeholder Engagement Policy, which sets out the key objectives, goals, principles, methods, and governance procedures of stakeholder engagement.

This Policy is available from the Company's website:
https://enplusgroup.com/upload/iblock/2dc/Stakeholder-Engagement-Policy-_Eng_.pdf

En+ Group considers that increasing long-term prosperity, lessening environmental impacts, and contributing to the socioeconomic agenda is feasible only with productive and open stakeholder engagement. Our interactions with stakeholders are based on the principles of respect, delivery on commitments, and transparency.

En+ Group's stakeholders were selected for the purpose consultation based on the following criteria:

- significance of En+ Group to stakeholders;
- their significance to En+ Group;
- frequency of interaction with En+ Group;
- impact of the activities and processes of En+ Group on stakeholders;
- impact of stakeholders on the Company's activities and processes.

En+ Group identifies the following stakeholder groups: associations and initiatives, customers and suppliers, En+ Group employees, governmental authorities, non-governmental organisations (NGOs) and local communities, metal and stock exchanges, rating agencies (including ESG RAs) and shareholders, investors and financial analysts.

En+ Group strives to use every opportunity to foster mutually beneficial cooperation and partnerships, not only to achieve business success, but to create social value.

En+ Group uses various forms of interaction and communication with stakeholders, responding to stakeholder's preferences where possible, and emphasising effective two-way communication and feedback in order to maintain long-term constructive relationships and to identify new opportunities for cooperation and new ways of contributing to society through close interaction with all stakeholders of the Group.

The engagement methods applied by En+ Group, and priority topics identified for interaction, are shown in the table on pp. 28-29.

Methods of stakeholder engagement

GRI 102-40, 102-43, 102-44 Due to the COVID-19 pandemic in 2020, a number of meetings and events that we usually hold face-to-face were moved online via audio/video-conferences or postponed to 2021 to minimise the risk of exposing our staff or any members of the stakeholder groups to the COVID-19 virus.

Stakeholder engagement continued

Shared value	Interests and expectations of stakeholders	Engagement methods
ASSOCIATIONS AND INITIATIVES		
<p>En+ Group believes that interaction with associations and supporting initiatives can both help to achieve the various goals of the Company and stimulate the development and improvement of the entire economic sector in which the Group operates.</p>	<ul style="list-style-type: none"> - Enhancing transparency of the technological processes in aluminium production - Transitioning to production of low-carbon aluminium - Raising demand for low-carbon aluminium - Developing and deploying standards to reduce adverse impacts on the environment and to ensure responsible and open business practices 	<ul style="list-style-type: none"> - Participation in meetings - Discussions concerning plans and joint resolutions of the Group via various communication channels - Preparation of Annual Reports
For more information, please see page 30		
CUSTOMERS AND SUPPLIERS		
<p>En+ Group customers and suppliers are vital to our value creation. Being a reliable partner is one of our top priorities.</p>	<ul style="list-style-type: none"> - Openness and transparency of reporting, strategy, environment, and social responsibility (suppliers of consultancy services) - Receiving information regarding the Group's product mix, prices, and market - Support on contracts and prompt decision-making regarding new contracts 	<ul style="list-style-type: none"> - Regular meetings - Participation of the Group in relevant forums and conferences - Audit of financial, tax and reputational status of suppliers, mandatory technical audit - Providing information upon request
For more information, please see page 55		
EN+ GROUP EMPLOYEES		
<p>Our success depends on building an inclusive and diverse environment where our employees can thrive.</p>	<ul style="list-style-type: none"> - Safe working conditions and fair remuneration - Compliance with employment law - Improving equality and diversity - Supporting labour rights 	<ul style="list-style-type: none"> - Intranet portal for Group employees - Staff satisfaction surveys - Corporate Hotline - Contact with Workers Committees and Ethics Officers across the Group's operations
For more information, please see page 110		
GOVERNMENTAL AUTHORITIES		
<p>Cooperation with regional and federal governments and positive relationships play a critical role in our licence to operate.</p> <p>The Company enters into socio-economic partnerships with local governments and cooperates with local authorities to implement social projects.</p>	<ul style="list-style-type: none"> - Positive operational, environmental and social performance - Legislative and regulatory compliance 	<ul style="list-style-type: none"> - Providing access and required information to the supervisory authorities, in accordance with the Barker Plan¹ - Email communication, official letters - Participation in workshops, round tables and ministerial, interinstitutional, and regional meetings
For more information, please see page 30		

¹ The Barker Plan (also known as the Chairman's plan), a roadmap to lift the OFAC sanctions imposed on the Company's corporate governance mechanism, was implemented by the Board in 2018. The plan was successful, with sanctions lifted on 27 January 2019.

Shared value	Interests and expectations of stakeholders	Engagement methods
NON-GOVERNMENTAL ORGANISATIONS (NGOs) AND LOCAL COMMUNITIES		
<p>En+ Group works collaboratively with researchers, educational institutions, and non-governmental organisations to develop effective strategies for sustainable development.</p> <p>To be able to operate in the long term, we must be respectful towards the views of local communities and build strong relations with our partners.</p>	<ul style="list-style-type: none"> - Positive sustainable development - Increasing the number and enhancing transparency of environmental projects (provision of detailed information, including quantitative information on all stages of projects) - Increasing the number of jobs available to local communities 	<ul style="list-style-type: none"> - Participation in relevant forums and conferences - Providing information upon request - Required disclosures via the Group's reports - Annual community surveys - Hosting own relevant events - Grant contests to implement the initiatives of local NGOs
For more information, please see page 30		
METAL AND STOCK EXCHANGES		
<p>Metal exchanges provide an efficient and regulated marketplace for metals producers, speculators, and consumers to transact business.</p> <p>Interaction with metal and stock exchanges is vital to developing our business and the global market.</p>	<ul style="list-style-type: none"> - Raising demand for low-carbon aluminium - Financial statements and information regarding the Group's corporate governance in accordance with the requirements of stock exchanges - Openness and transparency of reporting, strategy, and information regarding ESG 	<ul style="list-style-type: none"> - Participation in meetings and joint discussions - Participation in relevant conferences and forums - Providing information upon request - Submission of regular reports on the Group's activities
For more information, please see page 30		
RATING AGENCIES (including ESG RAs)		
<p>Taking into account global trends and the growing interest of the investment community and business partners in ESG ratings, En+ Group intends to improve its ESG ratings and expand the number of ESG ratings that cover the Company.</p>	<ul style="list-style-type: none"> - Increasing the transparency of disclosures on environmental, social and governance indicators - Development of Corporate Policies and procedures 	<ul style="list-style-type: none"> - Providing information upon request - Required disclosures via the Group's reports - Official press releases on the Company's website
For more information, please see page 30		
SHAREHOLDERS, INVESTORS AND FINANCIAL ANALYSTS		
<p>The Company strives to strengthen the Group's competitive position, to deliver robust returns and long-term sustainable value for our investors and to have strong partnerships within financial markets.</p> <p>In turn, our investors provide the capital to expand and develop our performance.</p>	<ul style="list-style-type: none"> - Strong and sustainable financial performance - Dynamics of the share price performance - Short-term and long-term development strategy of the Group - Compliance with requirements on information disclosure and corporate governance 	<ul style="list-style-type: none"> - Regular electronic communications - Publication of mandatory periodic reports - Official press releases on various events - Mandatory information submissions by the Group as an issuer of securities
For more information, please see page 26		


For more detailed information, please see the table "Procedure of Interaction between the Group and its Stakeholders" in our Stakeholder Engagement Policy: https://enplusgroup.com/upload/iblock/2dc/Stakeholder-Engagement-Policy-_Eng_.pdf

Materiality assessment

Identification of material topics

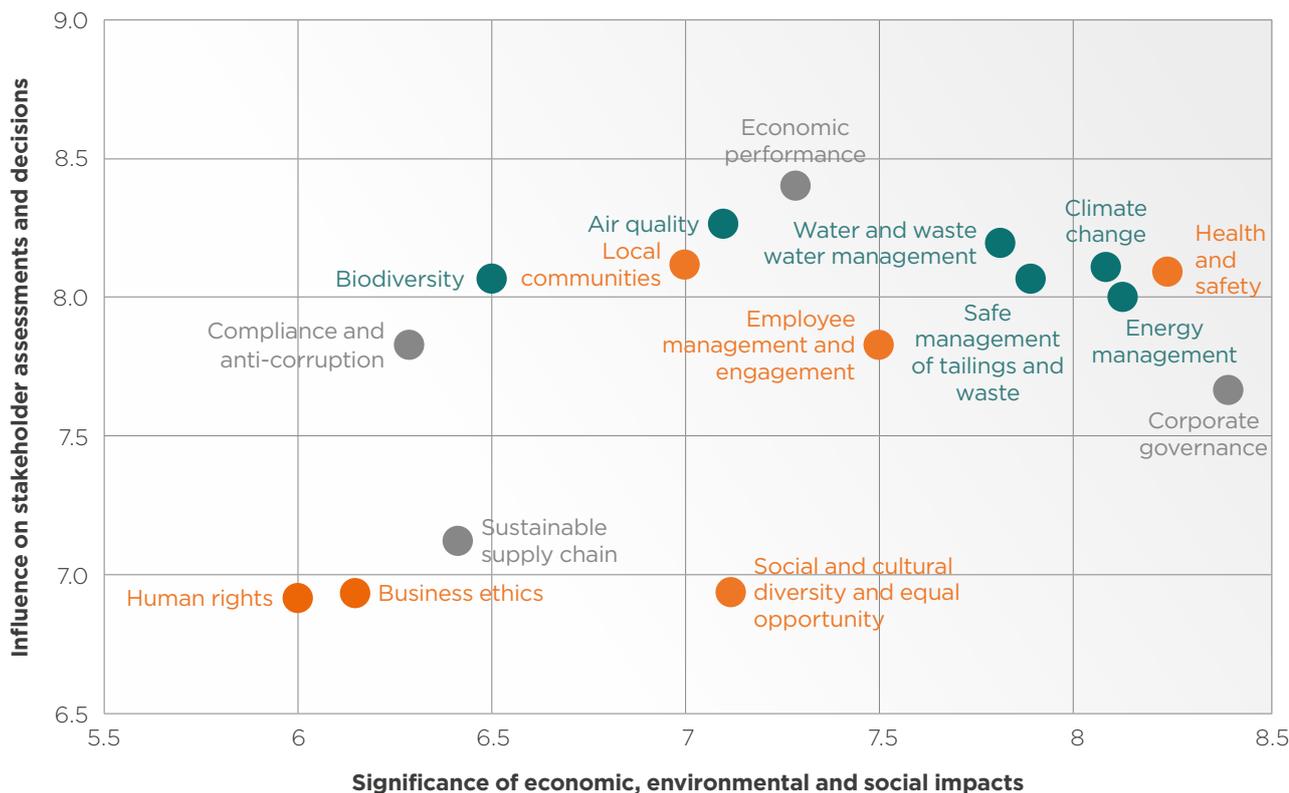
GRI 102-29, 102-46, 102-47, 103-1 A materiality assessment was conducted to select the topics that matter most to En+ Group and its stakeholders for inclusion in the Report. The Company performed its materiality assessment using a specially developed methodology, which included comprehensive analysis and multi-channel dialogue with stakeholders. The general approach to the materiality assessment applied in this Report is demonstrated below.

En+ Group approach to materiality assessment:



Materiality matrix

● Environment ● Social ● Economic



While discussing the materiality matrix with our stakeholders, we received the following questions and comments:

“Corporate governance is the base for effective Company performance.”

An ESG-focused investor

🔗 For more details, please see the section ‘Corporate Governance’, p. 34.

“Which programmes does the Company implement on Lake Baikal?”

An ESG-focused investor

🔗 For more details, please see the section ‘Baikal’ p. 100.

“What actions does the Company take to fight climate change?”

A representative of an international environmental NGO

🔗 For more details, please see the section ‘Climate Leadership’, p. 70.

“It would be interesting to learn about the gender diversity situation in your Company.”

A representative of a local NGO

🔗 For more details, please see the sections ‘Personnel structure’, p. 100, and ‘Appendices’, p. 142.

Our contribution to Sustainable Development Goals

GRI 102-11 En+ Group supports the UN SDGs and aligns its activities with them. While recognising the importance of all 17 SDGs, we have focused our attention on the eight specific goals most relevant to our business and stakeholders. We use relevant non-financial reporting indicators to monitor and analyse our progress towards the SDGs. In 2020, the Company released the second annual SDG report, which reflects the Group's approach to supporting the UN SDGs and highlights the projects that support these efforts.

The SDG Report is available from our website

<https://enplusgroup.com/en/sustainability/un-sdgs/>



Good health and well-being

GRI 401, 403, 203, 305, 306

Our contribution

- We provide healthcare cover for all our employees in our regions of operation
- We monitor occupational health, safety, and compliance
- We provide training to ensure that all our employees and suppliers have the necessary knowledge to be able to perform their duties safely
- We monitor our impact on air and water to prevent health problems among the local population
- We organise and support recreational and sports activities at all facilities

Our projects and key indicators

- ▼ 11% reduction in cases of occupational diseases compared to 2019
- 13 programmes of safety self-assessment were developed
- More than 15,000 staff started working from home from 18 March 2020 due to the COVID-19 pandemic

For more information, see the sections 'Health and safety' p. 102, 'Communities' p. 124.



Affordable and clean energy

GRI 302

Our contribution

- We track and reduce total energy consumption
- We improve our energy efficiency and implement energy saving technologies
- We modernise and improve our hydropower stations
- We increase clean electricity generation
- We conduct research into future solar energy applications
- We advocate for the energy transition towards the green economy
- We explore renewable energy certificate markets (I-RECs)

Our projects and key indicators

- 287.3 million GJ - total energy consumption
- 1,922 million GWh - energy savings from energy efficiency improvement programmes
- In November 2020, we entered the I-REC market
- We continue to realise our New Energy programme
- Investments in the New Energy programme will total USD 291.9 million by 2026

For more information, see the sections 'Climate Leadership' p. 70, 'Environmental Stewardship' p. 80.



Partnerships for the goals

Our contribution

- We are committed to working closely with industry peers, policymakers, academics, IGOs, NGOs, and civil society
- We are committed to sharing our data, insights, and intelligence for the collaborative development of potential solutions to the world's environmental and social challenges
- We guarantee transparency in these relationships

Our projects and key indicators

- In 2020, En+ Group became a member of the U.S.-Russia Business Council
- In 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
- In 2020, En+ Group signed the Energy Transitions Commission Statement on the green recovery



Clean water and sanitation

GRI 303, 304, 306

Our contribution

- We reduce our impact on natural water bodies and freshwater ecosystems
- We track and reduce total water consumption
- We monitor and reduce waste discharges
- We monitor water quality
- We conduct scientific research in collaboration with various institutes to assess and preserve water resources

Our projects and key indicators

- In 2020, En+ Group launched an annual fund to invest in new projects to protect Lake Baikal and other Siberian lakes and rivers

For more information, see the section 'Environmental Stewardship', p. 80.



Responsible consumption and production

GRI 302, 303, 305, 306, 417

Our contribution

- We use natural resources more efficiently
- We implement technologies for safer waste management/disposal and develop recycling technologies
- We provide monitoring and risk analysis

Our projects and key indicators

- 0.26 million tonnes - the total amount of hazardous waste generated during the reporting period
- The Company has developed a plan for the complete removal of such waste from all enterprises by 2025

For more information, see the section 'Environmental Stewardship', p. 80.



Life on land

GRI 304, 305

Our contribution

- We monitor our biodiversity impact and develop mitigation measures
- We carry out programmes that protect biodiversity
- We carry out land rehabilitation

Our projects and key indicators

- RUB 4.3 million were spent on activities for the conservation of fish resources (the Power segment)
- 63 visual surveys of Baikal seals were conducted in 2020
- More than 1.1 million trees were planted in Krasnoyarsk Territory and the Irkutsk Region

For more information, see the section 'Environmental Stewardship', p. 80.



Decent work and economic growth

GRI 201, 203, 404, 204, 102, 202, 401, 405, 408, 409, 403, 414

Our contribution

- We provide training and professional development opportunities for employees
- We ensure diversity and equality
- We provide social security programmes
- We create highly efficient jobs
- We protect the human rights of all our employees and their families
- We support regional development

Our projects and key indicators

- c. 90 000 employees
- 87.2% - employees covered by collective bargaining agreements
- 99.8% - percentage of local management¹

For more information, see the sections 'Sustainability Management', p. 34, and 'Human Development', p. 80.



Climate action

GRI 302, 305

Our contribution

- We mitigate our environmental impact and improve the efficiency of production facilities
- We monitor and reduce GHG emissions
- We develop and implement new solutions for our production processes
- We support the restoration and conservation of natural carbon sinks
- We are committed to setting the most ambitious climate targets

Our projects and key indicators

- ▼ 11% reduction in GHG emissions at our smelters in 2020 compared to 2014 baseline (the Metals segment)
- On 1 July 2020, En+ Group announced the launch of the Green Aluminium Vision setting out the Group's commitments to lead the industry into the low-carbon economy by developing a new asset class of Green Aluminium
- We carry out aerial forest protection of over 500,000 hectares of forest
- We are committed to achieving net zero carbon by 2050 and at least 35% GHG emissions reduction by 2030

For more information, see the sections 'Climate Leadership', p. 70, 'Environmental Stewardship', p. 80.

Our work on SDG 17 contributes to progress towards other SDGs

For more information, see the section 'Partnerships and collaboration', p. 30.

¹ Share of senior managers recruited from the local population in Russia.

Partnerships and collaboration

Association membership

GRI 102-12, 102-13 The Company believes that collaboration is essential for achieving progress towards the SDGs and building a better future. We are committed to working closely with various local and international stakeholders and to sharing our vision and insights for the collaborative development of potential solutions to the world's economic, social and environmental challenges.

In 2020, we focused on intensifying the efforts of our industries, despite the challenges the COVID-19 pandemic brought. We worked closely with the COP26 Climate Champions and the International Aluminium Institute to develop their respective aluminium decarbonisation pathways. Within Aluminium for Climate, members of the Group helped produce a report exploring pathways to decarbonise the aluminium industry. In the Power segment, together with the Hydropower Association of Russia, we are working to develop a national methodology to assess the sustainability standard of HPPs. We also extended cooperation with the International Hydropower Association and have engaged with them in discussing energy transition and the role hydropower will play in the future green economy.

En+ Group

UN Global Compact	En+ Group has been a participant of the UN Global Compact (UNGC) since 2019. As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption and to take action in support of the Global Goals. En+ Group is firmly committed to the UNGC's Ten Principles covering human rights, labour standards, environmental protection, and anti-corruption. In 2020, En+ Group committed to the UNGC Global Impact Initiative SDG Ambition focused on helping guide businesses towards establishing company goals that align with the UN SDGs.
Business 20 (B20)	En+ Group and RUSAL are among companies preparing policy recommendations on climate change, carbon pricing, sustainable development, and the green energy transition for the leaders of the Group of Twenty (G20), an international forum for 19 leading world economies and the European Union. In 2020, En+ Group's proposals on product labels and electronic product passports highlighting a product's carbon content, on procurement focused on materials with a low-carbon footprint and high recyclability while preserving initial qualities were included in the 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 Hydropower Plants modernisation programme was included in the list of G20 initiatives for a low-carbon economy as a part of Russia's contribution.
Business and Industry Advisory Committee to the Organisation for Economic Cooperation and Development (BIAC at OECD)	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, a circular economy, resource efficiency and sustainable materials management. In 2020, En+ Group's position on using carbon footprint as one of the criteria for investments and on advancing fossil-free energy sources, such as hydro, was reflected in the Business at OECD (BIAC) Development Strategy paper . The 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.
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 carbon pricing on the global scale. En+ Group contributed language to CPLC Carbon Pricing Leadership Report 2019/2020 . In June 2020, En+ Group was an official speaker at the CPLC High-Level Dialogue "Realising the full potential of carbon pricing in a sustainable recovery". CPLC published information about En+ Group's Green Aluminium Vision on its website.

En+ Group

BRICS Business Council	En+ Group chairs the Russian part of the Energy and Green Economy Working Group at the BRICS Business Council, where it shares its expertise on energy efficiency and reduction of GHG emissions. En+ Group's position on the necessity of carbon content disclosure for various trading platforms and on the development of a green certificate mechanism across the BRICS countries to encourage production and use of clean energy, including hydropower, is reflected in the BRICS Business Council Annual Report 2020 for the BRICS Leaders Summit in Moscow (Russia).
Local Network of UN Global Compact (Russia)	En+ Group joined the UN Global Compact Network Russia in September 2019. The Local Network is a platform of leading Russian companies for networking with a large variety of stakeholders, business partners, and representatives of civil society with the aim of advancing the UNGC's Ten Principles at the country level.
Canada Eurasia Russia Business Association (CERBA)	En+ Group is a member of the Canada Eurasia Russia Business Association (CERBA). En+ Group regularly submits information to the CERBA Newsletter to share its achievements in sustainable development and climate change with the international business community. In 2020, the CERBA Newsletter published information about En+ Group joining the Business Ambition for 1.5°C and about En+ Group's leading role in the Aluminium for Climate Initiative.
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 COP26: Global Efforts to Mitigate Climate Change and Russia's Role in This Process" organised by the Climate Partnership of Russia.
UN High-Level Political Forum on Sustainable Development	The first Voluntary National Review (VNR) of Russia's progress in implementation of the 2030 Agenda for Sustainable Development covers En+ Group's activities in the sustainability field. The New Energy Hydropower Plants modernisation programme was mentioned in the VNR as a successful example of SDG 7 (Affordable and clean energy) implementation. En+ Group's programme to preserve the Lake Baikal ecosystem was included in the VNR as an example of SDG 15 (Life on land) implementation. The VNR was presented at UN High-Level Political Forum on Sustainable Development in July 2020. RUSAL's contribution to SDG 8 (Decent work and economic growth), SDG 12 (Responsible consumption and production), and SDG 13 (Climate action) was also mentioned in the document.
The U.S.-Russia Business Council (USRBC)	In 2020, En+ Group became a member of the U.S.-Russia Business Council. USRBC shared on its site our Green Aluminium Vision as En+ Group's ambition to lead the aluminium industry into the green economy via nine key initiatives.
Aluminium for Climate (as part of Mission Possible)	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 the WEF's Mission Possible, 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 multistakeholder approaches to tackling the aluminium industry's most pressing environmental concerns.
CEO Water Mandate	En+ Group signed the CEO Water Mandate in 2019, committing to report on its water impact. As part of the UN Global Compact, the CEO Water Mandate is designed to assist companies in the development, implementation, and disclosure of comprehensive water strategies.
Science Based Targets Initiative (SBTi)	En+ Group committed to the SBTi in 2019. It is a joint initiative by CDP, the UN Global Compact, World Resources Institute, and the WWF that aims to raise corporate ambition and help businesses pursue bolder solutions to climate change. The initiative supports companies to set emission reduction targets in line with the level of decarbonisation required to keep global temperature increase, as described in the Assessment Reports of the Intergovernmental Panel on Climate Change (IPCC).

Association membership continued**En+ Group**

Business Ambition for 1.5°C	<p>En+ Group joined the initiative in September 2019 and committed to science-based emissions reduction targets (“SBTs”) aligned to a 1.5°C trajectory. Business Ambition for 1.5°C is an urgent call issued 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.</p> <p>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 1.5°C target and align with the net zero emissions target well before 2050.</p>
Race to Zero	<p>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 the leading net zero initiatives.</p> <p>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 for 1.5°C.</p>
American Chamber of Commerce in Russia (AmCham)	<p>An international business organisation that advocates for the trade and investment interests of its member companies. AmCham’s mission is to enhance commercial relations between the Russian Federation and the international business community by promoting an investment-friendly environment. RUSAL joined the organisation in 2019.</p>
Climate Partnership of Russia	<p>En+ Group and RUSAL are partners 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.</p>
30% Club	<p>On behalf of En+ Group, Lord Barker, its Executive Chairman, joined the 30% Club in 2019. The 30% Club is a platform that encourages top-level executives to commit to ensuring their company leadership is at least 30% female. The 30% Club aims to develop a diverse pool of talent for all businesses through the efforts of its Chair and CEO members who are committed to better gender balance at all levels of their organisations.</p>

Metals segment

(represented by RUSAL)

Carbon Disclosure Project (CDP)	The Carbon Disclosure Project (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.
UN Global Compact	RUSAL has been a participant of the UN Global Compact since 2002. As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to take action in support of the UN Goals.
Local Network of UN Global Compact (Russia)	RUSAL is a participant of the UN Global Compact Network Russia. The Local Network is a platform of leading Russian companies for networking with a large variety of stakeholders, business partners, and representatives of civil society with the aim of advancing the UNGC's Ten Principles at the country level. The Group is an active member of the UNGC Local Network in Russia, and Anton Butmanov, En+ Group's Director for Sustainable Development, was elected to the Local Network's Governing Council in 2020.
International Aluminium Institute (IAI)	RUSAL has been a member of the IAI since 2002. The International Aluminium Institute (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, encourages and assists 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.
International Chamber of Commerce (ICC) Russia	International Chamber of Commerce (ICC) works to promote international trade, responsible business conduct, and a global approach to regulation. Being a member of the Commission on Economics of Climate Change and Sustainable Development of ICC Russia, RUSAL's experts are involved in developing ICC Russia recommendations on sustainable development, low-carbon development, and green financing.
Aluminium Stewardship Initiative (ASI)	The Aluminium Stewardship Initiative (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, Director of the Environmental and Climate Risk Management Department, was elected by ASI members to a Production and Transformation seat.
Power segment	
Global Sustainable Electricity Partnership (GSEP)	JSC EuroSibEnerg, part of the En+ Power segment, joined GSEP in 2015. The Global Sustainable Electricity Partnership (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.
"Hydropower of Russia" Association	The association is focused on promoting the development of hydropower in the Russian Federation and on the increase of reliability and efficiency of hydropower production. It represents domestic hydropower interests at the government level. PJSC Irkutskenergo joined the organisation in March 2004, and JSC EuroSibEnerg joined in January 2018.
International Hydropower Association (IHA)	<p>JSC EuroSibEnerg joined the IHA in 2017. The International Hydropower Association (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 is the global voice of the hydropower community, and it champions continuous improvement and sustainable practices across the sector.</p> <p>Through collaboration with international financial institutions, development agencies, NGOs, and industry leaders, IHA makes the case for sustainable hydropower in international forums. IHA is the custodian of the Hydropower Sustainability Assessment Protocol and ESG tools, the point of reference for the industry.</p>

Sustainability Management

Corporate Governance

GRI 103-1, 103-2 En+ Group is committed to high standards of corporate governance. The Company sees the following principles of corporate governance as fundamental to its operations: transparency; open and clear decision-making; legal compliance, including clear and robust compliance with the requirements for the Company to be and remain free from OFAC Sanctions; and ongoing growth of the Company’s value for the benefit of all our stakeholders. The Company will continue to develop its corporate governance practices to keep them at the level of best global practices.

For more detailed information on Corporate Governance, please refer to pp. 96–126, Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Key events of 2020

<p>17 February 2020</p> <p>En+ Group’s ordinary shares were admitted to trading on the Level One Quotation List of MOEX.</p>	<p>20 April 2020</p> <p>The Company’s GDRs were delisted from MOEX (17 April 2020 was their last trading day).</p>	<p>25 September 2020</p> <p>En+ Group held its annual general shareholders’ meeting. One new independent non-executive director was appointed to fill the vacant position on the Board.</p>	<p>1 December 2020</p> <p>The Board divided its Corporate Governance and Nominations Committee into two separate committees: the Corporate Governance Committee and the Nominations Committee.</p>
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Key highlights

7 out of 12 members of the Board were independent directors as at 31 December 2020

The Corporate Governance and Nominations Committee of the Board was divided into the Corporate Governance Committee and the Nominations Committee.

4 out of 12 seats on the Board were held by women as at 31 December 2020

8 **ESG policies** adopted:

- Board of Directors Diversity Policy
- Environmental Policy
- Health, Occupational, Industrial and Fire Safety Policy
- Policy on Human Rights
- Stakeholder Engagement Policy
- Corporate Code of Ethics
- Conflict of Interest Policy
- Anti-Bribery and Corruption Policy

Management approach

Sustainability management is an integral part of En+ Group's corporate governance system.

In 2020, the Company approved eight ESG-related policies:

Board of Directors Diversity Policy

The Company embraces the benefits of having a diverse Board to enhance the quality of its performance and ensure that the Group's strategic objectives and sustainable development targets are achieved.

 You can find this policy on the Company's website: [Board-of-Directors-Diversity-Policy-_Eng_.pdf](#) (enplusgroup.com)

Stakeholder Engagement Policy

Ambitious goals are never achieved single-handedly – we need support from our partners, and, in turn, we are ready to support them. The Company's strategy and success are built on engaging with our shareholders, employees, local communities, market peers, NGOs, and authorities.

 You can find this policy on the Company's website: [Stakeholder-Engagement-Policy-_Eng_.pdf](#) (enplusgroup.com)

Environmental Policy

The Company makes every possible effort to care for the environment and protect it and recognises its responsibility for mitigating the environmental impact on a local and global scale from all the processes of electricity and thermal energy production and from mining processes.

 You can find this policy on the Company's website: [Environmental-Policy-_Eng_.pdf](#) (enplusgroup.com)

Corporate Code of Ethics

GRI 102-16, 102-17 In En+ Group, we value and respect personal rights and interests, responsibility, trust, honesty and openness, efficiency, fairness and impartiality, care, and continuous development.

 You can find this policy on the Company's website: [Code-of-Corporate-Ethics-_Eng_.pdf](#) (enplusgroup.com)

Health, Occupational, Industrial and Fire Safety Policy

The Company is guided by its corporate values and effectively employs available resources to ensure consistently high OHS indicators. We acknowledge our responsibility for the possible negative effects of our business activities, and we firmly believe that all our operations can and must be conducted without any incidents, accidents, occupational illnesses, or other casualties.

 You can find this policy the Company's website: [HS-Policy-_Eng_.pdf](#) (enplusgroup.com)

Conflict of Interest Policy

All employees must act for the benefit of the Group and avoid all conflicts of interest when performing their job duties. This demand also applies to the members of the Board of Directors and employees of the Group, as well as their Relatives (as they are defined in the Policy) if they are involved in situations related to a conflict of interest.

Anti-Bribery and Corruption Policy

The Group endeavours to strictly comply with the laws and regulations in the countries where it operates. En+ Group values integrity and transparency and has zero tolerance for corrupt activities of any kind.

 You can find this policy on the Company's website: [Anti_Bribery-and-Corruption-Policy-_Eng_.pdf](#) (enplusgroup.com)

Policy on Human Rights

Respect for human rights is a fundamental value for En+ Group both in everyday activities and in ensuring its sustainable development.

 You can find this policy on the Company's website: [Policy-on-Human-Rights-_Eng_.pdf](#) (enplusgroup.com)

Corporate Governance continued

GRI 102-18, 102-20, 102-22 Our corporate governance framework

The Group's Corporate Governance structure includes the following key elements¹



General shareholders meeting
The general shareholders meeting (the "GSM") is the supreme governance body of the Company, through which its shareholders exercise their right to manage the Company. The matters which fall within the powers of the GSM are detailed in the Company's Charter.

Board of Directors
The Board is responsible to all of En+ Group's stakeholders for the strategic management of the Company. The Board is responsible for the approval of certain matters that affect the shape and risk profile of the Company (see details below).

CEO
The CEO is responsible for the day-to-day management of the Company and oversees its long-term strategy, business development, and cooperation with key external stakeholders. Vladimir Kiriukhin was appointed CEO of En+ Group in November 2018.

GRI 102-23 Lord Barker has served as the Chairman of the Board since October 2017 and as the Executive Chairman of the Board since February 2019. The Chairman is responsible for leading the Board and creating the environment necessary for the Board and individual directors to operate effectively.

Responsibilities of the Board

GRI 102-26 Matters specifically reserved for the Board under the Charter include, inter alia:

- Determination of priority areas and activities for the Company.
- Approval of the Company's long-term strategy and objectives and its overall management mechanism.
- Day-to-day control over implementation of the Company's long-term strategy and objectives.

- Approval of consolidated annual budgets and any material amendments made thereto.
- Control of the Company's core business and regular evaluation in the context of the Company's long-term strategy and objectives and discharge of obligations contemplated by law and the Charter.
- Recommendations to shareholders to approve changes in the structure of the Company's share capital, including reductions in capital and acquisition of treasury shares to maintain their market value.
- Approval of resolutions to issue securities of all kinds and approval of prospectuses.

For more detailed information on the Board's responsibilities, please refer to p. 102 of the Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

¹ RUSAL has its own corporate governance system with a separate board of Directors and committees.

Composition of the Board

GRI 102-22 As at 31 December 2020, the Board of Directors consisted of 12 members: seven independent non-executive directors, four non-executive directors, and the Executive Chairman of the Board. All of them were elected/re-elected in 2020 by the annual GSM. Currently, the Board of Directors also consists of 12 members: seven independent non-executive directors, four non-executive directors, and the Executive Chairman of the Board. The current directors were elected/re-elected in 2021 by the annual GSM.

🔗 **For more detailed information on Board members, please refer to p. 100 of Annual Report 2020 at** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Committees of the Board

GRI 102-18 As at the date of this Report, the Board had six committees to assist it in exercising its functions. All of the committees are advisory bodies, whose primary function is to make recommendations to the Board on the matters falling within their competence. The composition of the committees was altered three times during 2020: on 21 May 2020, on 28 September 2020 and on 1 December 2020. In May 2021, the committee composition was further changed following election/re-election of directors at the annual GSM. The details for each committee, including the now reorganised Corporate Governance and Nominations Committee, are given below.

🔗 **For more detailed information on the committees, please refer to p. 106-119 of the Annual Report 2020 at** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf and to the Company's website at <https://enplusgroup.com/en/company/corporate-governance/board-structural-units/>

Audit and Risk (ARC)

The ARC performs preliminary review of any matters related to oversight over financial and economic activities of the Group and assists the Board in efficient performance of its oversight functions.

🔗 **p. 108 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Remuneration (RemCom)

The RemCom performs preliminary review of matters relating to the formation of efficient and transparent remuneration practices.

🔗 **p. 114 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Corporate Governance (CGC)

The CGC develops recommendations to the Board on corporate governance, protecting shareholder rights, conflict resolution, corporate ethics compliance, disclosure of information and compliance with internal corporate procedures.

🔗 **p. 112 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Health, Safety and Environment (HSE)

The HSE Committee performs preliminary review of the matters pertaining to the operation of a proper system for managing health, safety and environment risks.

🔗 **p. 118 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Nominations (NC)

The NC develops recommendations to the Board on Board performance evaluation and planning internal appointments.

🔗 **p. 112 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Compliance (CC)

The CC performs preliminary review of any matters pertaining to the Company's compliance with applicable laws and the Company's internal regulations on countering bribery, corruption and money laundering, on fair competition, data protection, health and safety, and ethical standards, as well as any laws and regulations on economic sanctions.

🔗 **p. 117 of the Annual Report 2020** https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Corporate Governance continued

GRI 102-19, 102-31 Composition of the Board and its committees as at 31 December 2020

Member of the Board	Committees					
	Audit and Risk (ARC)	Corporate Governance (CGC)	Nominations (NC)	Remuneration (RemCom)	Health, Safety and Environment (HSE)	Compliance (CC)
Lord Barker Executive Chairman of the Board					●	●
Christopher Burnham Independent Non-Executive Director, Senior Independent Director	●			●		●
Alexander Chmel Independent Non-Executive Director	●				●	●
Carl Hughes Independent Non-Executive Director	●	●	●			●
Nicholas Jordan Independent Non-Executive Director		●	●	●		
Joan MacNaughton Independent Non-Executive Director		●	●		●	
Andrey Sharonov Independent Non-Executive Director	●	●	●			
Andrey Yanovsky Independent Non-Executive Director	●			●		
Vadim Geraskin Non-Executive Director					●	
Anastasia Gorbatova Non-Executive Director		●				●
Elena Nesvetaeva Non-Executive Director				●		
Ekaterina Tomilina Non-Executive Director						
Responsibilities of the committees for ESG-related matters	- Risk management	- Corporate governance - Ethics	- Diversity	- Sustainability KPI for management	- HS management - Environmental management	- Compliance - Anti-corruption

- Committee chairman
- Committee member

On 26 May 2021, En+ Group announced the results of its 2021 annual GSM meeting, including the information that the following persons were elected to the Board of Directors:

1. Lord Barker;
2. Christopher Burnham;
3. Timur Valiev;
4. Vadim Geraskin;
5. Anastasia Gorbatova;
6. Joan MacNaughton;
7. Thurgood Marshall Jr.;
8. Elena Nesvetaeva;
9. Zhanna Fokina;
10. Carl Hughes;
11. Andrey Sharonov;
12. Andrey Yanovsky.

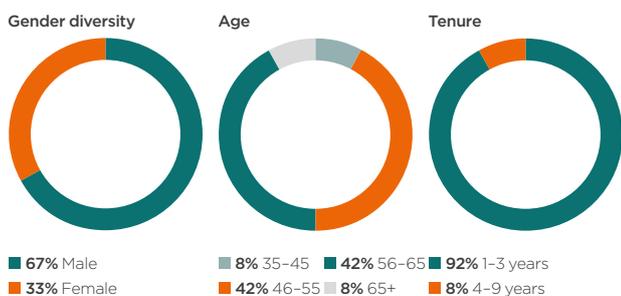
📄 For more information about the current composition of the Board of Directors, please see the Company's website <https://enplusgroup.com/en/company/corporate-governance/board-of-directors/>

Diversity

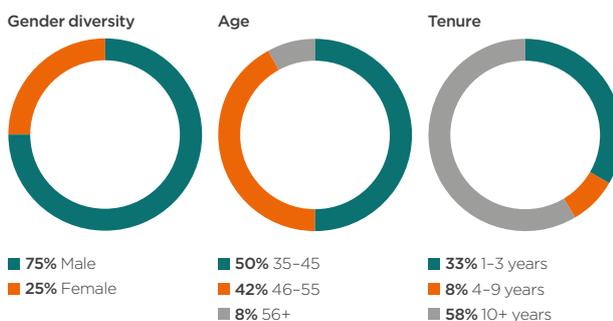
GRI 102-24 Our Company strives to build a diverse and inclusive environment that provides equal opportunities, values social differences and recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Diversity can be expressed in different aspects, including age, gender, knowledge, education, and other criteria. In 2020, the Company approved the Board of Directors Diversity Policy. This policy provides that, subject to the rights of the Company's shareholders set forth in the Company's Charter and applicable laws and regulations, candidates to the Board must be selected based on meritocratic principles, objective criteria must be used when considering such candidates, and due regard should be given to the benefits of diversity on the Board.

📄 You can download the Board of Directors Diversity Policy from the Company's website: https://enplusgroup.com/upload/iblock/c86/Board-of-Directors-Diversity-Policy-_Eng_.pdf

GRI 405-1 Board diversity 2020 as at 31 December 2020



Executive management team diversity 2020 as at 31 December 2020



📄 For more detailed information for the 2018-2020 period, please refer to the **Appendices, p. 143 of the Report**.

Corporate Governance continued

Training and professional development

GRI 102-27 As a part of its training and professional development efforts, Board members regularly attend training sessions on various matters, often led by external advisors. Due to the unexpected COVID-19 pandemic, all the training sessions planned for 2020 were postponed until 2021.

Newly elected directors complete an induction training programme upon their appointment.

The key elements of this programme are as follows:

- meetings with the CEO, the Chairman of the Board, the Corporate Secretary, management team, and/or heads of corporate business units, either in person or by electronic means
- familiarisation with operations, including on-site visits to the Group's production facilities with briefings on operational and managerial issues and meetings with local management
- provision of the Board information packages, including internal reporting documents for previous periods
- provision of internal documents and Q&As with the management team
- mandatory training, including by external advisors, on matters relating to insider trading, regulatory disclosure, and compliance with sanctions

The Corporate Secretary runs the induction training programme for newly elected directors of the Company and coordinates all the parties involved, with assistance from the Corporate Governance Committee and the Nominations Committee.

For more detailed information on the training and professional development of Board members, please refer to p. 103 of Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Remuneration of corporate governance bodies

GRI 102-35, 102-36 In 2019, the Board approved general levels of compensation for its members. All members of the Board, except for the Executive Chairman, are entitled to receive remuneration of EUR 215,000 (c. USD 264,000¹) gross per annum, to be paid monthly.

All members of the Board, except for the Executive Chairman, are entitled to receive additional remuneration for serving on committees or other structural units of the Board:

- EUR 26,000 (ca. USD 32,000²) gross per annum for chairing a committee or any other structural unit of the Board
- EUR 18,000 (ca. USD 22,000²) gross per annum for participating in each committee or any other structural unit of the Board as a member.

GRI 103-3 KPIs for the CEO include HSE & Sustainability metrics (such as Lost Time Injury Frequency Rate (LTIFR); ensuring the absence of environmental incidents, accidents or violations). Sustainability metrics are also included in KPIs for the management team members to whom they are applicable.

For more detailed information on remuneration, please refer to p. 115 of Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

30% Club



On behalf of En+ Group, Lord Barker, the Executive Chairman, joined the 30% Club in 2019. The 30% Club is a platform that encourages top-level executives to commit to ensuring their company leadership is at least 30% female. The 30% Club supports a voluntary approach to bring meaningful, sustainable change. The campaign focuses on amplifying the business case for gender diversity which evidences that diverse teams make better decisions. In 2020, the share of women on the Board of Directors was 33%, as in 2019.

¹ Calculated based on a EUR/USD exchange rate of 1.23 as at 31 December 2020.

² The CGC members (including the chairman) do not receive compensation for membership (chairmanship) in the CGC, if they at the same time participate in the NC of the Board and receive relevant compensation for participation in (chairing) the NC.

Our values, ethics and integrity

GRI 103-1 Fostering a common corporate culture that is shared by all our employees, En+ Group upholds an atmosphere of mutual respect, trust, and openness. Our corporate culture is intended to ensure effective implementation of the Group's development strategy. Moreover, any agents, representatives, and consultants working for or with our companies are expected to conduct their business in accordance with En+ Group's ethical values and principles. The Group has zero tolerance of any form of discrimination, workplace harassment, or any other conduct that could be considered offensive and unacceptable. We are committed to building mutually beneficial relationships with all our stakeholders based on the principles of partnership and mutual respect. A good business reputation and legitimate business practices are key aspects for selecting our potential clients and business partners.

GRI 102-16, 103-2, SASB EM-MM-510a.1 In all our activities, En+ Group is guided by the highest legal and ethical standards. We endeavour to comply with the legal requirements of all the countries where we operate, including the Federal Anti-Corruption Law of the Russian Federation, the UK Bribery Act 2010, and the US Foreign Corrupt Practices Law (FCPA).

The primary ethics-related corporate documents setting forth our values and regulating our internal procedures are:

- the Corporate Code of Ethics (updated in 2020)
- the Anti-Bribery and Corruption Policy (enacted in 2020)
- Policy on Conflict of Interest (updated in 2020)

The Code of Corporate Ethics is available from our website:
https://enplusgroup.com/upload/iblock/98b/Code-of-Corporate-Ethics-_Eng_.pdf

The Anti-Bribery and Corruption Policy is available from our website:
https://enplusgroup.com/upload/iblock/f78/Anti-Bribery-and-Corruption-Policy-_Eng_.pdf

We educate our employees in various aspects of business ethics, including labour laws, responsibilities, remuneration, and annual leave procedures. Any major violations of corporate ethics are promptly identified, investigated, and the appropriate corrective actions are taken.

Corporate Code of Ethics

GRI 102-16 En+ Group's Corporate Code of Ethics defines common values, principles, and rules of ethical behaviour while proclaiming zero tolerance of any manifestations of unethical behaviour, and all our employees and members of the Board make a commitment to respect, abide by and keep those values, principles, and rules in mind in their daily activities.

The Group adheres to the Corporate Code of Ethics to develop corporate governance practices, as well as to increase and maintain the trust of stakeholders in En+ Group and strengthen our reputation as an open and honest market participant.

Our core ethical values are as follows:

- respect for the personal rights and interests of all employees, customers, and partners
- responsibility
- care for employees
- honesty and transparency
- efficiency to achieve maximum results in everything we do
- fairness and objectivity
- striving for continuous development

Ethical values are recognised at all job levels and are respected in relations with employees, contractors, customers, and government authorities. Adhering to our values enables us to maintain and develop the corporate culture that is necessary to achieve the highest levels in all our business endeavours.

The Code of Corporate Ethics is available from our website:
https://enplusgroup.com/upload/iblock/98b/Code-of-Corporate-Ethics-_Eng_.pdf

Corporate Governance continued

Anti-Bribery and Corruption Policy

En+ Group's Anti-Bribery and Corruption Policy proclaims a zero-tolerance policy for bribery and corruption. We recognise the importance of a strong corporate culture to prevent bribery and corruption. En+ Group's Anti-Bribery and Corruption Policy establishes the key principles, procedures and specific measures aimed at combating corruption and ensuring compliance with the requirements of anti-corruption laws by the Group, employees and third parties (as defined in the Policy). In 2020, the Policy was enacted and published on the Company's official website to make it available to all of our stakeholders, including employees, members of governing bodies, business partners, suppliers, and contractors. The Anti-Bribery and Corruption Policy provides the basis for continuous improvement of the corporate culture and implementation of the required components of compliance at each and every Group company.

The Anti-Bribery and Corruption Policy is available from our website: https://enplusgroup.com/upload/iblock/f78/Anti_Bribery-and-Corruption-Policy-_Eng_.pdf

The Anti-Bribery and Corruption Policy proclaims that the Group strictly complies with the laws of the countries where it operates and requires full compliance with the highest ethical standards. The Compliance Committee, which ensures the development of and control over the Group's compliance management system, conducts due diligence if any reasonable doubt arises regarding observance of compliance requirements and the provisions of compliance documents. The Directorate of Compliance, the Directorate for Control, and the Directorate for the Protection of Resources oversee compliance with the Group policies, standards and procedures. The Group's compliance system is based on applicable legislation, regulatory advice, specific requirements, and industry best practices.

For more detailed information on Compliance, please refer to p.95 of the Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Conflict of interest and the Signal hotline

GRI 102-17, 102-25 In 2020, En+ Group introduced an electronic system for the annual collection of conflict of interest declarations. With this solution, the Ethics Officer can quickly identify any potential conflicts of interest in the Group subsidiaries and generate reports based on the declarations received.

The Group has a Conflict of Interest Policy in place. The Group did not register any conflicts of interest affecting members of the Board or the CEO in 2020.

GRI 102-17 Our Signal hotline is on at all times; it is an important channel for engaging employees and other stakeholders on ethics-related issues, and employees and other stakeholders can use it to make contact confidentially (and anonymously if necessary). Among other things, they can obtain advice on appropriate compliance with the Corporate Code of Ethics:

- calls can be made via the hotline number: +7 (800) 234 5640;
- emails can be sent to signal@enplus.ru.

GRI 205-2 We have regular events to inform En+ Group's employees about the Signal hotline. Information about the hotline is regularly published in the corporate newspaper and on our information boards. In 2020, the Signal hotline was rebranded and an information campaign was carried out. As a result of these actions, there is growing confidence in the Signal hotline among our employees. For both segments there were 541 relevant employees' messages on the Signal hotline during 2020. All incoming messages are registered and then passed on to the relevant functions, after which an analysis is performed, and relevant mitigating and preventive measures are incorporated.

For more detailed information on employees' messages on the Signal hotline, please refer to the **Appendices, p. 150 of the Report.**

Goals for 2021 and onwards

- to approve the Corporate Code of Ethics, the Anti-Bribery and Corruption Policy, and the Policy on Conflict of Interest at the level of our subsidiaries and affiliates;
- to formalise and unify the tasks, functions, rights and obligations of the Ethics Officer of the Group's subsidiaries through local regulations;
- to follow up on the automation of the Know Your Customer (KYC) procedures implemented by the Company to verify its customers, monitor financial transactions, reduce compliance risks and prevent bribery and corruption;
- to continue informing employees through all the available channels on our ethical standards, approaches to anti-corruption issues, and management of conflicts of interest;
- to update the existing distance learning courses and develop new ones.

Risk management and internal controls

Risk management enables the Group to anticipate the direction of change by understanding our long-term vision, including compliance with sustainability principles, to prevent related threats and to explore business opportunities.

Audit and Risk Committee

GRI 102-29 The Board of Directors is responsible for the efficiency and effectiveness of the Group's financial and economic activities and is responsible for maintaining and reviewing the effectiveness of the Company's systems of internal control and risk management. The Board has established an Audit and Risk Committee, which assists the Board in its review of the financial statements of the Group, ensures that systems of internal control and risk management are in place and operating effectively, oversees the internal and external audit processes and performs such other activities as are requested by the Board.

GRI 103-2, 103-3 The Company's structure includes the Internal Audit Directorate (IAD), which is independent of management and reports to the Audit and Risk Committee and the Board. The IAD assists the Audit and Risk Committee and the Board in overseeing the financial and economic activities of the Group and the related systems of internal control and risk management.

The IAD reports regularly to the Audit and Risk Committee concerning:

- the results of both scheduled and unscheduled audits;
- any deficiencies identified in the internal control system;
- recommendations and corrective measures to be taken by management;
- identified risks and related financial exposures and mitigation measures.

Internal control system (ICS)

The IAD is responsible for effective implementation and support of the internal control system (ICS). The ICS provides assurance to management and shareholders of the Company that the Group's assets are safeguarded and profits are maximised; that the Company complies with the requirements of applicable laws and regulations; and that proper accounting records are maintained.

The IAD covers the following areas to ensure that a robust internal control system is in place and is operating effectively across the Group:

1. Operational and financial control
2. Compliance control
3. Regulation of business processes
4. Development and implementation of projects to improve the ICS

The IAD constantly takes measures to support and improve the ICS.

 **For more detailed information on the internal control system, please refer to pp. 89-94 of the Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf**

Risk management and internal controls continued**Risk management framework**

GRI 102-11, 102-15, 102-30 The Company has established a risk management system that is an integral part of the Company's internal control system and corporate governance framework to reduce any potential threats to the Company's compliance with its corporate governance standards and to ensure consistent and sustainable business development. En+ Group adheres to the principle of caution regarding every aspect of its activities, and analyses risks and works out measures to reduce any negative effects from the realisation of risks.

The Company's risk management system provides for the identification, financial and probabilistic assessment and control over any change in the risk of both the internal and external environment with regard to the financial and/or economic activities of the Group's operating companies.

The vertical principle is used to manage the risks of the Company, based on the identification of risks to the business processes of standalone operating companies with subsequent consolidation at the Business level, and then at the Company level, in accordance with the regulatory documents that stipulate the procedure and responsibilities of all participants in the risk management process.

Key risk management developments of the Company in 2020**1. 2020 Risk Map development and quarterly monitoring over the year**

En+ Group's Regulations on Risk Management establish the procedure for the development of risk maps by all entities of the Group for the coming year and the quarterly review and update of the developed risk maps. The results are provided to the Group's executive management and the Board of Directors.

The Company's risk map includes a list of all possible risks that may threaten the objectives of the Company over the next calendar year. Risk maps provide details of each risk event scenario, estimates of the possible impact of the risk, and measures aimed at mitigating the possible adverse impact on the activities of operating companies, businesses, and the Company.

2. Large-scale training on risk-management fundamentals at all En+ Group entities

In 2020, the Group conducted large-scale training on the development of the risk management system in En+ Group. The training took place on the Company's Corporate University platform and comprised a video course and tests at the end of the course.

The distance-learning format made it possible to accomplish this task despite the COVID-19 pandemic. The training covered 3,300 Group employees. In addition, in 2020, across the En+ Group this course became mandatory for all new employees upon completion of their probationary period, regardless of their position. Regular risk management training will allow the Company to increase the culture of risk management and allow all the Company employees to apply the tools of a risk-oriented approach.

Risk identification

As part of its strategic and business planning and risk processes, the Group considers how a number of macroeconomic factors may influence its principal risks. These are the factors that the Company must keep in mind when developing its strategy, including long-term supply and demand trends. They include, for example, developments in technology, demographics, and climate change, and how markets and the regulatory environment may respond. These themes are relevant to the Group's assessments across a number of its principal risks. The Group will continue to monitor these factors and the evolving policy environment at an international and national level, and will adapt its strategy accordingly.

En+ Group's key business risks

GRI 102-15 The Group's principal risks are those that could prevent the business from executing its strategy and creating value for shareholders, or which could lead to a significant loss of reputation. The Audit and Risk Committee has carried out an assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency, or liquidity.

The Company creates mitigation measures for all principal risks facing the Company:

1. External and market risks

+ Environment

- Environmental issues may affect human health. Environmental hazards increase the risk of many illnesses.
- Sanctions may be imposed, and costs may be incurred in connection with damages caused by incidents at production facilities, where there is an impact on the environment (pollution of soils, water basins, air).
- The Company may incur penalties and excessive payments for natural resource development as a result of failure to comply with permissible pollution levels.
- The Company may face penalties and suspended operations due to failure to complete the construction of treatment facilities as scheduled.

+ Force-majeure – natural disasters, large-scale accidents, epidemics

- Risks that major damage may be inflicted on the Company's production facilities that may be halted/ discontinued operation as a result of natural disasters, epidemics, or terror attacks.

+ Laws and regulations

- The Company may lose income as a result of regulatory changes to the Russian energy market.
- Russian natural monopolies may raise their prices for goods and services (fuel, gas, transportation services, etc.).
- The Company may face lower proceeds due to the state deregulation of electricity tariffs and prices in various regions of Russia.
- The Company may suffer losses in connection with anti-monopoly compliance.
- Penalties may be imposed for failure to comply with HSE requirements.
- The Company may face penalties and additional expenses if it fails to comply with license terms.

+ Market – supply demand, commodity price volatility

+ Geopolitical

2. Business and operational risks

+ Health and safety

- Workforce or contractor injury due to human error, equipment failure, or workplace configuration, given the endemic risks within the Power and Metals segments relating to major accident hazards and asset integrity.

+ Legal

- Risks that losses may be incurred as a result of the enforcement of court judgements on claims by contractors and shareholders of Group companies.

+ Maintenance

+ Commercial and project

+ IT security & resilience

3. Financial risks

4. Climate-related risks

- Transition risks
- Physical risks

 For more details about climate-related risks, please see the section 'Taskforce on Climate-Related Financial Disclosure (TCFD)', pp. 76-79.

 For more detailed information on key business risks, please refer to pp. 92-94 of Annual Report 2020 at https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

Business system

The business system is a set of processes that contribute to the formation of an environment for the continuous development of personnel, culture, and production practices within En+ Group. This contributes to the introduction of a systematic approach to implementing efficiency improvement tools and the promotion of the Group’s operating principles.

The En+ Business System is based on the Toyota Production System. This system aims to achieve the highest quality, at the lowest cost, in the shortest period. The En+ Business System contributes to the sustainable development of the Group in both the Metals and Power segments through constant striving to improve production and allocative efficiency.

The key goals for the development of the Group’s Business System are:

- increasing equipment efficiency
- reducing the use of raw materials
- reducing thermal and electric power loss

Achieving these goals is the key to a more sustainable and efficient business.

In 2020, we continued to implement the business system at model sites opened in 2018. For 2020, the following results have been achieved:

The En+ Business System goes beyond the Group’s enterprises: aiming to develop our suppliers in 2021, in the Power segment we launched a project for suppliers of spare parts for turbine equipment, and as for the Metals segment we implemented two projects. As a result of the first of these, *Building an efficient flow of liquid pitch supplies to JSC RUSAL Novokuznetsk by road*, we decreased turnover time for railway thermo-tanks from 37 to 30.6 days and reduced the number of leased railway thermo-tankers from 63 to 33 units. The project *Reducing the price of aluminum fluoride produced by ICF (Tunisia) by increasing the loading of containers* allowed us to increase container loading from 25.5 to 27 tonnes.

Performance

A key aspect of the functioning of the En+ Business System is the development of areas for improving the technological capital and personnel of the Group. In 2020, 366 projects and 11,155 Kaizen proposals were made in the Metals segment and 452 projects and 3,754 Kaizen proposals were implemented across the Power segment facilities to improve production efficiency by introducing technological innovations and reducing costs.

 Find out more information on employee education and the Corporate University: **p. 110 Employees.**

Metals segment

Goals	Result
<p>1. Ensure the organisation of training for the Business System – 250 (BS-250, the key educational programme of the Business System) programme candidates and the personnel reserve for key positions at the Company’s model plants.</p> <p> For more detailed information on the BS-250 programme see sub section ‘Corporate programmes for developing the personnel reserve’, p. 123.</p>	<p>Implementation of the BS-250 programme was ensured. In the context of a pandemic, training was carried out in a new format, at 30 enterprises of the Company with the involvement of employees of plants and participants of the BS-250 programme of previous convocations, 85 training sessions were held. In 2020, 574 people took part in the BS-250 programme.</p>
<p>2. Organise and conduct the factory and corporate stages of the Improvements of the Year 2020 competition.</p>	<p>In the first half of the year, the factory stage of the competition was held. In November, the corporate stage of the competition was held. The results were summed up as follows: 28 enterprises participated in the competition, 888 works were presented and 1,148 people took part. The economic effect of Kaizens and projects that took part in the competition was RUB 609.7 million. 5 enterprises participated in the TRIZ nomination.</p>

Goals	Result
3. Organise and conduct audits for the implementation of the business system at the enterprises of the Company in accordance with the schedule for 2020.	At 16 enterprises of the Company, 24 audits were carried out to assess the level of BS implementation (KrAZ, BrAZ, SAZ, IrkAZ, VgAZ, PMV, AGK, BGZ, BT, BAZ, UAZ, SUBR, SAYANAL, Sayana Foil, SKAD (Krasnoyarsk), SKAD (Divnogorsk)). The reports on the results of audits were provided to the heads of enterprises.
4. Implement the project influence of physical activity on the development of occupational diseases.	Throughout the year, the project activities were successfully implemented. At JSC RUSAL Krasnoyarsk, an experienced team was assigned to work out the introduced changes and improvements to reduce physical activity. Complexes of exercises for stretching muscle groups have been developed for operators involved in performing basic operations, carrying out fortification. Applied elastic fixation belts (restraints) on the lumbosacral spine of the operators. Development and implementation of new devices for processing equipment, increasing the level of mechanisation when performing technological treatments from 45 to 52%. The project is currently ongoing.
5. Organise methodological support for the programme for organising internships for the personnel reserve in 2020.	Training of employees of the central company was organised, according to the minutes of the meetings of the Committee for the preparation of the personnel reserve: 5 people were trained, employees of the Quality Management Department underwent practical training at JSC RUSAL Krasnoyarsk. In the 2019-2020 academic year, the Business System discipline was taught at Institute of Non-Ferrous Metals and Materials Science and PI at 4 departments: category 22.03.02 Metallurgy (Institute of Non-Ferrous Metals and Materials Science); category 22.03.02 Metallurgy, profile 22.03.02.11 Metallurgy CDIO (Institute of Non-Ferrous Metals and Materials Science); category 13.03.01 Heat power engineering and heat engineering (PI); category 15.03.01 Mechanical engineering, profile 15.03.01.06 Welding production (PI). At the end of the 2019-2020 academic year, 128 students were trained.

In the Metals segment, we continued to work on established projects and started new ones aimed at reducing costs and making our equipment more efficient. The following results have been achieved:

Project description	Project objective and results
Building an efficient flow of supplies of liquid pitch to JSC RUSAL Novokuznetsk by road	<ul style="list-style-type: none"> - The supply of liquid pitch was ensured by motor transport from 0 to 2,212 tonnes/month (Project goal 2,005 tonnes/month (50% of demand)). - Decrease in the turnover time of railway thermo-tanks from 37 to 30.6 days. - The number of leased railway thermo-tankers was reduced from 63 to 33 units.
Reduction of heat and energy costs during the period of planned and emergency shutdowns DPPAM in 2019-2020	<ul style="list-style-type: none"> - To prevent dependence on a monopoly source of thermal energy, a plan was developed and implemented to shut down the utilisation boiler house without involving external energy resources. - Change in the frequency of instrumental diagnostics of engines and reference stations of boiler units with subsequent planning of preventive maintenance. Elimination of the purchase of steam from a third-party source from 313.9 to 0 Gcal. - Elimination of payment for services for maintaining reserve heat capacity. - Exclusion of the purchase of hot water from a third-party source from 1,006 to 237.12 Gcal.
Organisation of shipment of commercial anodes in containers	<ul style="list-style-type: none"> - Reduction in the cost of transporting anode products; reduction in the cost of wooden props, due to the transition from wood being processed by a contractor to the purchase of ready-made props, reducing the volume of wooden props for unfastening from 0.75 to 0.563 m³/container. - These measures made it possible to achieve the goal of the project and switch to the 100% shipment of commercial anodes from November 2020.

Business system continued

Power segment

Goals	Actions & Measures	Results
Southern Electric Networks model enterprise		
1. Reduce excess electricity losses at power centres located in Irkutsk from 7.62% to 7.06% (from 68.867 million kWh to 63.867 million kWh), excluding the growth of electricity output.	Improved the method of forming short balances, developed and approved the methodology for forming a schedule for revising schemes, developed a checklist for checking balance metering systems at transformer substations, determined the boundaries of operational responsibility for the balance metering system between divisions. The contractors performing new technological connections are involved in making changes to the schemes.	Reduced excess losses from 7.62% to 6.05% (from 68.867 to 60.058 million kWh) (taking into account factors that do not depend on the actions of the branch)
2. Increase the identification and collection of non-contractual consumption in the Sverdlovsk region of Irkutsk from 2.306 million kWh to 3.306 million kWh.	Implemented criteria for ranking and prioritisation for inclusion in the Improving the quality of electricity programme in food centres were formed and implemented. We used these criteria to assess investment programmes for 2021.	We increased the volume of detection of non-contractual consumption from 2.306 to 3.393 million kWh.
Novo-Irkutsk CHP model enterprise		
1. Reduce the specific fuel consumption for the generation of electricity from 286 to 284 g/kWh.	Based on the results of the operating tests, the operating map of the boiler was changed with the introduction of adjustments to maintain the current load of hammer mills. The current load was reduced from 29 to 25 amperes. Decreasing the current load of the hammer mills made it possible to reduce the consumption of electricity, and, as a result, to bring down the specific power consumption for pulverisation.	Reduced specific consumption for the generation of electricity from 286 to 282.2 g/kWh
2. Reduce steam and condensate losses from 3.6 to 2.6%.	Installed an automated form for calculating steam and condensate losses; installed condensate level alarm in the condensate storage tank; introduced checklists for bypassing the boiler and turbine shops that indicate the potential locations of steam and condensate losses; the vapour of water preheater from the feed water deaerator 8.9 was transferred to the vapour cooler without a flow of cooling water, with subsequent discharge of the medium to the low-pressure flush box.	Reduced losses of steam and condensate from 3.6 to 2.6%.
3. Reduce oxygen content in the make-up water of the heating network from 718 to 50 µg/dm³ by 31.12.2020.	Implemented the programme for online oxygen monitoring for the timely detection and elimination of deviations.	Reduced the content of oxygen in the make-up water of the heating network from 718 to 48 µg/dm ³
4. Reduce heat energy losses through the heating networks of the city of Irkutsk by at least 8,000 Gcal	Conducted in-line diagnostics, developed a programme for calculating the time of switching off consumers to eliminate damage; developed and implemented a regulation for the elimination of damages of categories 1, 2, 3 to heating networks of the heat network area; organised the involvement of operational teams for inspection of the heating network; developed checklists for inspection of heating networks.	Reduced losses of heat energy through the heating networks of Irkutsk by 8,496 Gcal.

Goals	Actions & Measures	Results
Avtozavodskaya CHP model enterprise		
1. Reducing non-productive steam and condensate losses in the station cycle from 10.2% to 7.0%.	Organised a joint control inspection to identify steam and condensate losses in the station cycle.	Reduced losses of steam and condensate from 10.2% to 7.7%.
	An up-to-date list of existing defects affecting the loss of steam and condensate was compiled, the elimination of defects was organised according to the schedule.	
	A schematic diagram of sources and consumers of steam was developed for accurate calculation of the balance for steam consumers.	
	The operating mode of the equipment was organised, that excludes the operation of deaerators with overflow, drainage tanks, condensate tanks, and low point tanks.	
	A standard was developed for the actions of operating personnel to prevent the release of steam into the atmosphere during the heating and start-up of the boiler unit.	
'Cheremkhovugol' coal mine model enterprise		
1. Increase in overburden by explosive charges from 145,000 m³ to 159,500 m³.	Work plans were updated, and pickets were identified for a possible increase in overburden by explosive charges.	The volume of stripping by explosive charges was increased from 145,000 m ³ to 182,000 m ³ .
	Revised technical designs for the operation of ESh excavators when working out pickets with overburden explosive charges. Corrections were made.	
	Technical projects for drilling were developed, taking into account mining and geological conditions for subsequent blasting.	
	Designs were developed for a massive explosion to ensure the optimal amount of rock mass discharge and efficient operation of the ESh-type overburden excavator.	
2. Increase in the productivity of transportless stripping of mining areas: UGR No. 1, from 8.654 to 8.830 million m³; UGR No. 3 from 2.685 million m³ to 2.740 million m³.	Daily maintenance was organised with the completion of checklists and maintaining a readiness form for the technical condition of the equipment.	The productivity of the transportless stripping of mining sites at UGR No. 1 was reduced from 8,654 million m ³ to 7,107 million m ³ (while the daily productivity was increased from 12,547 m ³ (2019) to 12,884 m ³ (2020)).
	Performance of preventive maintenance and other repairs was organised taking into account the data of the technical condition readiness form.	The productivity of the transportless stripping of mining areas at UGR # 3 was increased from 2,685 million m ³ to 3,214 million m ³ .
	A production analysis sheet was developed with the reflection of emergency downtime data and the development of measures to eliminate the root causes of their occurrence.	
	A list of essential stock of spare parts for overburden equipment was determined.	
	Optimal schemes for the development of mining operations were worked out, excluding the time for idle runs of equipment.	
	Technological schemes were developed to ensure the operation of overburden equipment with minimum angles of rotation.	

Business system continued

Power segment continued

Goals	Actions & Measures	Results
‘Cheremkhovugol’ coal mine model enterprise continued		
	<p>The work of the hardware and software complex with the reflection of data on productivity, cycle time of excavation and haulage was organised.</p> <p>A project for power supply of mountain areas No. 1, No. 3 was developed that prevents long-term downtime of overburden equipment.</p>	
3. Increasing the productivity of road transport overburden at UGR No. 3 from 702,000 to 993,000 m³	<p>The actual bulk density was determined to determine the actual volume of transported rock mass:</p> <p>a) according to the measurements carried out, correct recordings were made in the operational summary of the enterprise;</p> <p>b) the operational control of loading of dump trucks was carried out using the ADS Quarry.</p>	The productivity of road transport overburden at UGR No. 3 was increased from 702,000 to 857,000 m ³ .
	<p>Timing works were carried out to identify losses of working time:</p> <p>a) the regulations “Work of dump trucks for the transportation of overburden to UGR No. 3 in accordance with the regulation of the Ministry of Transport dated 7 August 2019 to Order No. 15 dated 20 August 2014” were revised;</p> <p>b) operational control of the approved regulations was carried out.</p>	The cost of overburden was reduced from RUB 76/m ³ to RUB 53.08/m ³ .
	<p>Reduced idle runs of dump trucks by organising a second shift transfer point.</p>	The productivity of the first BelAZ was increased from 53,400 tonnes to 53,840 tonnes.
	<p>Sustainable use of the transportation arm was organised, depending on the progress of the mining front.</p> <p>Organised the use of dump trucks with different body volumes for layer-by-layer development of the ledge.</p> <p>The loss of time for refuelling BelAZ was excluded. A regulation was developed with a change in the time of arrival of the tanker to the refuelling site.</p> <p>Experimental explosions were carried out.</p> <p>Rationing of motor transport overburden was carried out.</p>	
4. Decrease in ash content of extracted raw materials from 34.3 to 34.1	<p>A scheme of blasting and borehole charge was developed and implemented that ensures the stability of the roof of the coal seam.</p>	
	<p>Technological schemes were developed and implemented for the operation of a stripping excavator to open up a seam with an increased width of coal conjugation with the worked-out space (enlarged pocket).</p>	
	<p>Technological schemes were developed and implemented for cleaning the roof of a coal seam using a wheeled bulldozer.</p>	
	<p>Technological schemes were developed and implemented for selective mining, the use of the worked-out space for the storage of rock layers through transshipment.</p>	Ash content of extracted raw materials decreased from 34.3 to 33.9

Goals	Actions & Measures	Results
5. Increase in concentrate yield from 67.4% to 69.5%.	<p>Agreements were concluded for the lease and purchase of an installation for the preparation of flocculants. Flocculants were purchased in an amount ensuring the operation of the unit during the first period of operation: January-February-March; second period: November-December.</p> <hr/> <p>A unit with flocculant supply to the winter discharge hydro transport pipeline was put into operation.</p> <hr/> <p>When the “beach” was formed, a scheme was used with the extraction and storage of sludge in free pits in the zone of winter discharge of sludge into the dump.</p> <hr/> <p>A second level of production analysis room was developed.</p> <hr/> <p>The analysis and regulation of the volumes of sludge removal from the sludge dump were carried out according to the annual programme.</p> <hr/> <p>According to the approved schedule, samples were taken of process water entering the sludge dump to determine solid particle content. The situation was constantly monitored.</p>	<p>The concentrate yield was 74.4%.</p>
6. Increased productivity of electric and diesel drilling rigs - SBSH250MNA32 from 135,810 lm to 148,840 lm - DML-LP from 257,620 lm to 273,620 lm	<p>Work was carried out to determine the required list of roller cone bits based on mining and geological conditions.</p> <hr/> <p>Need was adjusted based on the analysis.</p> <hr/> <p>An instruction for the operation of roller cone bits was developed.</p> <hr/> <p>Training of engineers and technicians of the sites for knowledge of the letter designation of different classifications of roller cone bits.</p> <hr/> <p>A nomenclature list was compiled of spare parts of the safety stock for drilling rigs.</p> <hr/> <p>A production analysis form was developed with the display of data on the technical readiness rate of drilling rigs for 2020.</p> <hr/> <p>The analysis of failures over the past two years was carried out for the presence of recurring reasons for failures to be included in the list of the safety stock of the essential spare parts.</p> <hr/> <p>Work was organised to identify the root causes of failures, and measures were developed to prevent them.</p> <hr/> <p>The crews of drilling rigs were staffed according to the staffing table (due to the personnel freed up from drilling rigs put into storage in 2020).</p>	<p>Electric and Diesel Drilling Rig Performance</p> <ul style="list-style-type: none"> - SBSH250MNA32 increased from 135,810 running meters to 154,822 running meters - DML-LP has been reduced from 257,620 linear meters to 230,732 linear meters (the planned target for the project is for two drilling rigs. Due to the sale of one drilling rig in October 2020, the target volumes were adjusted and amounted to 148,116.8 running meters) <p>Actual: 152,932 rm</p>

Business system continued

Power segment continued

Goals	Actions & Measures	Results
Reducing the time of the technical upgrading process at HPP		
1. Reducing the time of the process of technical re-equipment of hydroelectric unit No. 2 from 365 days to 330 days.	<p>Reducing the time for disassembling the rotor by 8 days (from 33 to 26 days), by changing the method of disassembly and standardisation of the process.</p> <p>Reducing the time for assembling the exhaust pipe cone by 3 days (from 16 to 13 days), due to the standardisation of the concreting process (excluding assembly hatches) and installation of the cone.</p> <p>Reducing the time of installation work of the oil pumping unit by 1 day (from 77 to 76 days), due to a change in the installation scheme of the structure.</p> <p>Reducing the rotor assembly time by 2 days (from 159 to 157 days), by standardising the processes of the rotor assembly stages (testing and installation of winding rods).</p>	<p>The actual duration of technical re-equipment of Hydroelectric Unit No. 2 was 512 days. The main reasons for rejection:</p> <ul style="list-style-type: none"> - Increase in dismantling time of the impeller chamber by 33 days (Plan – 30 days, actual – 63 days); - Increase in installation work on the upper ring of the guide vane by 73 days (Plan – 43 days, actual – 116 days); - Increase in the period of enlargement (assembly) of the upper cross by 52 days (Plan – 15 days, actual – 67 days). - The hidden scope of welding work on the rotor body, additional work on fitting parts, threading in place (when assembling the lower cross, upper cross, braking system).

The estimated total economic effect was about USD 38.8 million and about USD 10.9 million for the Metals and Power segments, respectively.

Kaizen workshops

Kaizen workshops are an effective tool for optimising production processes and standardising technology operations, which allow employees to implement proposed improvements. These workshops operate at 10 production facilities of the Metals segment. In 2020, 11,816 proposals to optimise production and standardise technology operations were received from Metals Segment employees, 94% of which were implemented.

Kaizen workshops in the Metals segment

Indicator	2018	2019	2020
Proposals received from employees	13,627	10,713	11,816
Employee proposals implemented	11,952	9,645	11,155
Number of Kaizen workshops	10	10	10

Goals for 2021 and onwards

Metals segment

- Organise training for BS-250 (Business System) candidates and the personnel reserve for key positions in the Company's enterprises.
- Organise and conduct the factory and corporate stages of the Competition "Improvement of the Year 2021".
- Conduct audits for the implementation of the Business System at the enterprises of the Company in accordance with the schedule for 2021.
- Implementation of the project "The influence of physical activity on the development of occupational diseases".
- Organise methodological support for the programme of organising internships for the personnel reserve in 2020.

Power segment

- Continue training under the Transformation programme – 100 people.
- Conduct training in the Business System for managers and chief engineers of branches.
- Opening of personal projects by employees of the GD, GD-1, GD-2 level.

Quality

Providing high quality at all stages of the product life cycle in both the Metals and Power segments is one of our priorities, and the Company's employees at all levels demonstrate a commitment to high quality. The existing quality management system (QMS) allows us to improve processes and procedures continuously and systematically and to keep the focus on our customers.

Three elements of the effectiveness of our QMS:

- adherence to standards and audit performance;
- focus on customers;
- training for employees and involvement in the improvement processes.

Implementing standards

We want our clients and partners to be confident in the quality and reliability of the products and services provided by the Group. For this reason, we implement globally recognised principles and quality management standards across our businesses, in order to guide En+ Group towards improved performance.

In 2020, seven internal audits for compliance with international quality standards were carried out in the

Standards we follow

- ISO 9001
- IATF 16949
- FSSC 22000

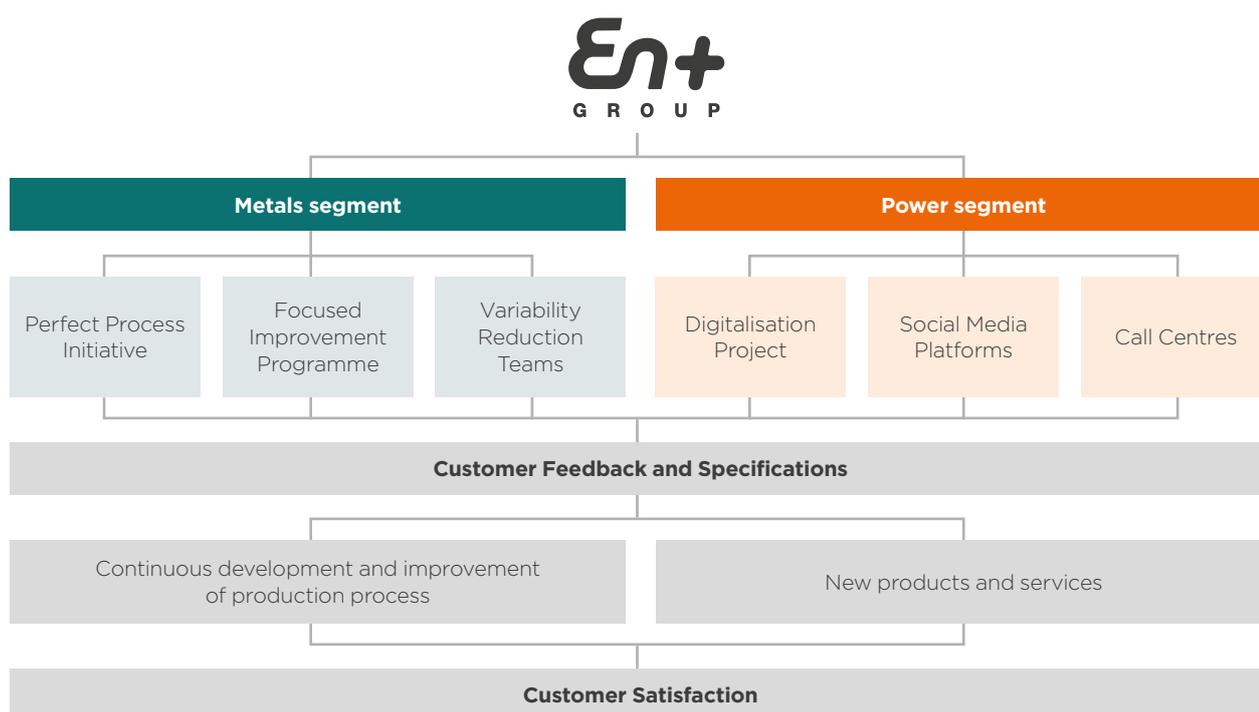
Metals segment, while the certification body conducted eight in the Metals segment.

The major RUSAL production facilities, both in Russia and abroad, and KraMZ are certified under ISO 9001: 2015. Five aluminium smelters and a plant for the production of wheels, including two production sites, are certified to the international automotive industry standard IATF 16949. Our foil-rolling plants are certified under FSSC 22000 Scheme for Food Safety Management Systems.

Focusing on our customers

Realising a customer-focused approach, we use a variety of channels to communicate with our consumers and implement initiatives aimed at continuous improvement of our services and goods. Our interaction with consumers is based on trust and effective feedback.

How we communicate with customers



Quality continued

Initiatives related to focus on customers

Metals segment

Perfect Process initiative	The Metals segment drives the Perfect Process initiative for key customers to specify the product line and services. Nine new projects were held in 2020 within the framework of this initiative.
Focused Improvement Programme	Focused improvement programmes help us to build relations with our customers and establish feedback channels.
Variability Reduction Teams	<p>A comprehensive improvement planning tool was introduced based on the results of the implementation of the targeted improvement programmes.</p> <p>An important aspect is the development of practical skills of employees in the application of quality tools through the work of VRT (Variability Reduction Team) teams, applying the 6 Sigma methodology in the DMAICR (Define-Measure-Analyse-Improve-Control-Replicate) format for projects of continuous improvement of product and process quality. In 2020, thirteen teams of the plants carried out and successfully completed work to solve problems for each type of product.</p>
RUSAL's Rating as a supplier Register	<p>RUSAL's Rating Register was created in 2020, which accumulates all data on interaction with key consumers and also allows us to track corrective action plans to increase and maintain the corresponding ratings and master statuses. A new qualitative KPI of the process was defined, which replaced the quantitative indicator. This allows us to regularly receive objective confirmation from consumers about the current level of quality of products and services.</p> <p>In 2020, 82 Master statuses were achieved and confirmed.</p>
Customer Satisfaction Analysis	<p>A consumer Satisfaction Survey was conducted within the perimeter of the Metals segment in 2020:</p> <ul style="list-style-type: none"> - 284 clients took part in the survey - 4.23 out of 5 - average satisfaction index in 2020 - 53 out of 100 - customer loyalty index <p>The main expectations of customers and opportunities for improvement were determined, in comparison with the best global expectations for key characteristics of products and process parameters. Plans to increase customer satisfaction in the divisions were developed and approved.</p> <p>A comprehensive improvement planning tool was introduced based on the results of the customer satisfaction survey and data on the ratings of RUSAL as a supplier.</p>

Power segment

Digitalisation Project	The Digitalisation Project was initiated in 2019 with a roadmap that covers a range of activities up to 2026. This initiative foresees increasing service reliability and developing new services for our clients, while the roadmap aims at combining the power-generating and transmitting facilities of the Company into the En+ unified energy system.
Call Centres	The Power segment continuously improves its feedback processing mechanisms. The Power segment receives extensive feedback through the automated communication systems, various social platforms, and call centres.

In 2020, the qualifications management process for key consumers in the Metals segment was systematised based on the APQP (Advanced Product Quality Planning) approach. Based on the results of open APQP projects, approval was obtained from three key consumers with successfully conducted audits of production sites.

Quality training for employees

Personnel development is an essential element in ensuring the effectiveness of the QMS. The Group is steadily improving its approach to employee training by implementing various programmes and courses focused on quality management, among other things.

Metals segment employees receive regular training of compliance with requirements and methods of quality management. We develop their competences related to special processes and tools, such as Failure Mode and Effect Analysis (FMEA), Statistical Process Control (SPC), Measurement Systems Analysis (MSA), and Advanced Product Quality Planning (APQP). Personnel training at the Quality Academy in 2020 covered eight key areas, including the requirements of the international standards ISO 9001 and IATF 16949, quality tools and project the methodology.

Supply chain management

Management approach

GRI 103-1 En+ Group purchases a large number of goods and services. Building a sustainable and transparent supply chain is an essential element of our long-term success. We implement ESG principles and choose contractors and suppliers responsibly, in order to create an effective supply chain that will further contribute to creating the highest quality product, achieving the goals of En+ Group and sustainably developing our regions of presence. When dealing with and paying our suppliers we are committed to paying on time and fairly.

The Group's supply chain approach is based on consistent principles that promote responsible and sustainable development of the business:

- Maximising transparency
- Expanding competition
- Attracting alternatives, broadening the supplier base
- Optimising inventory

GRI 103-2 The Group's supply chain activities are carried out in compliance with international and Russian regulatory requirements. These regulations include mandatory provisions in the field of environmental protection, industrial safety and health, as well as the social obligations of suppliers and contractors.

At the same time, the Company's Metals and Power segments follow internal guidelines that take into account the specifics of supplies for each of the segments:

- The Corporate Code of Ethics
- The Business Partner Code
- Procurement regulations
- Management of Customer Complaints
- Regulations for categorical procurement management
- The Quality Qualification regulation for manufacturers of raw materials and materials
- Unified Regulation on the procurement of goods, works, services of En+ Group

In 2020, we continued developing our relations with suppliers and contractors and implemented new Regulations on interaction between business units of the Power segment and Instructions for the formation of the initial contract price. We also reviewed certain details of the Methodology for evaluating bids in the procurement of works and services. At the end of 2020, RUSAL updated its Procurement Regulations; in particular, work with the division in China was regulated.

As for the procurement decision-making system, in En+ Group we have three levels depending on the cost of the procurement.

En+ Group's supply chain responsibility system

Purchase cost	Responsible body
Less than RUB 5 million (USD 77,200)	EuroSibEnergо Trading House LLC Commission
RUB 5 to 30 million (USD 77,200 to 463,400)	En+ Competition Commission
Over RUB 30 million (USD 463,400)	En+ Tender Committee

GRI 408-1, 409-1 When working with suppliers, risks associated with the supply chain are assessed and managed by the Company as part of the overall risk management system. For detailed information, please refer to the Annual Report.

pp. 91-94 of Annual Report 2020: https://enplusgroup.com/upload/iblock/a5e/EN_AR2020_ENG.pdf

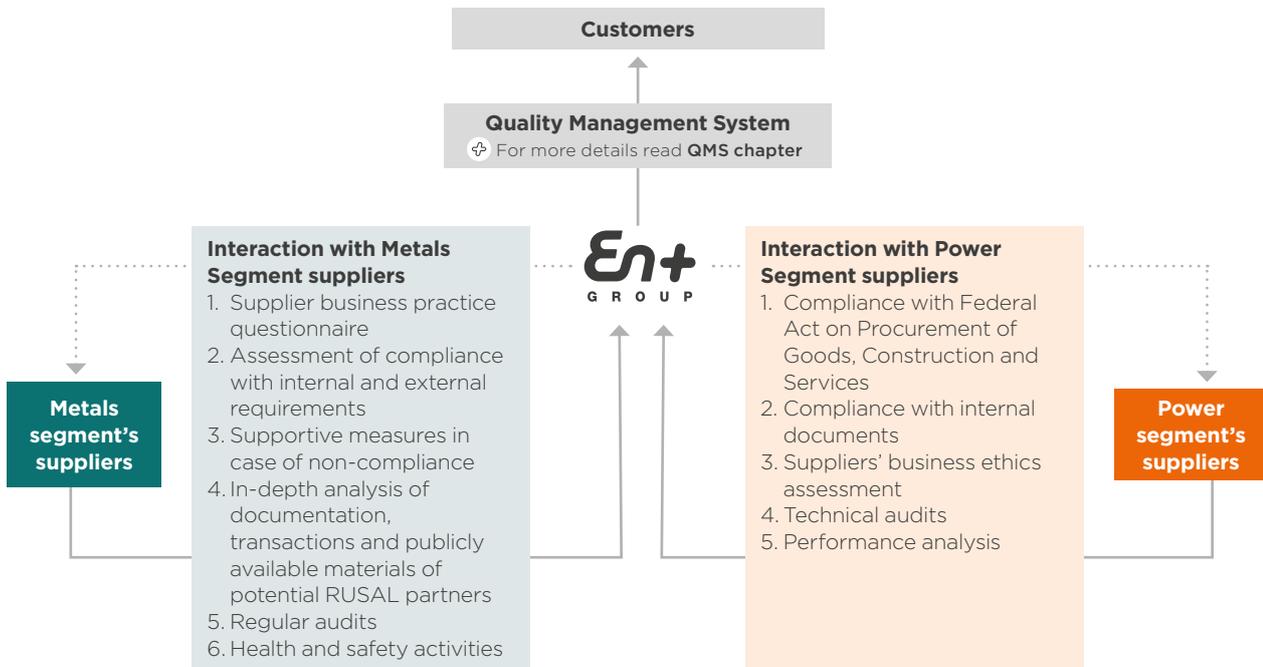
The Group's risk-based approach when working with suppliers includes tools for managing social and environmental risks. Suppliers are made familiar with the Business Partner Code and the rest scope of the internal guidelines through the official corporate website, by our employees, and also confirming in writing that they join the Business Partner Code. In the Metals segment in 2020, 62% of suppliers of raw materials and supplies for the production of core products purchased by the Business Support Directorate had joined the Business Partner Code.

En+ Group's supply chain activities are carried out in accordance with international and Russian labour protection standards which is why no significant risks of child, forced or compulsory labour were identified in the Group's divisions and suppliers.

Supplier procedures cover the full cycle of working with suppliers; reporting on interaction is provided to senior management.

Supply chain management continued

How En+ ensures high quality throughout the supply chain

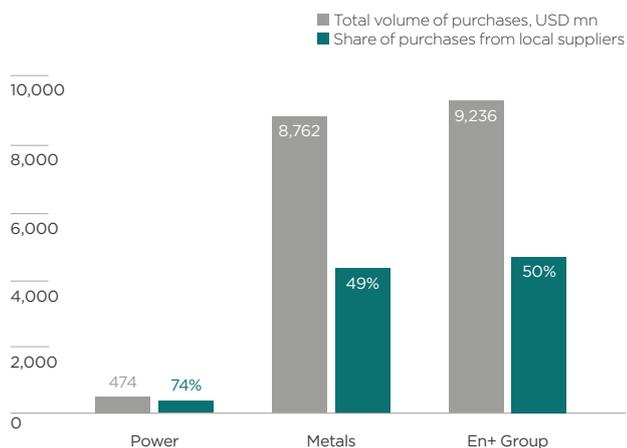


For contractors and suppliers, working with the Group entails compliance with our business requirements and sustainability principles. Both segments conduct audits of potential, new, and existing suppliers. To partner with En+ Group, a potential supplier needs to go through a complex compliance check. The main screening occurs at the stage of first engagement. All suppliers undergo a qualification process. En+ Group is convinced that, to improve the quality of the services provided in the supply sector, it is necessary to introduce a comprehensive supplier verification system. In addition to a regulatory compliance assessment, special attention is paid to compliance with the Group's principles in the issues of ethics, corruption, health, safety and environment (HSE). To make a final decision on suppliers in the Group, it is necessary that they meet high HSE standards.

GRI 102-9, 102-10 As a global company operating in 12 countries, we realise the importance of supporting local suppliers¹ of goods and services. When interacting with local suppliers, we not only comply with all necessary local regulations, but we ourselves initiate activities to support them, especially small and medium businesses. In the procurement of raw materials and supplies satisfying the requirements of the Company, suppliers from Russia and other CIS countries are preferred, and working relationships are built based on long-term contracts. We purchase the entire range of goods and services from local suppliers, except for items for which there is no local source. For this reason the procurement structure does not change too much from year to year. In the Power segment in 2020, share of purchases from local suppliers remained stable.

¹ For the Metals segment, companies registered in the Russian Federation are considered to be local suppliers, and for the Power segment, companies registered in the regions where the Power segment operates (Irkutsk Region, Krasnoyarsk Territory, Nizhny Novgorod Region, The Tyva Republic, and Khakassia) are considered local.

GRI 204-1 Total volume of purchases from local suppliers, 2020



Given the COVID-19 pandemic, our focus in 2020 was on fulfilling obligations to counterparties, but we also continued to develop the existing supply chain system, achieving the targets set in the 2019 Sustainable Development Report.



Supply chain management continued

Metals segment

The nature of RUSAL's production means that the quality of 80% of final products depends on suppliers. Hence the quality and timing of supplies of raw materials and supplies to produce core products are critical factors. The Directorate of Business Support is responsible for supply chain coordination. The Commercial Department of the Aluminium Division and the Procurement Units of Aluminium Smelters are also involved.

GRI 308-1, 414-1 In 2020, the number of suppliers' audits in the Metals segment decreased due to the COVID-19 pandemic, but this prompted RUSAL to develop a virtual audit area. RUSAL conducts part of the document checks of its suppliers virtually; in 2020, 64 such audits were carried out, including 24 audits of suppliers of raw materials and materials to produce basic products.

GRI 103-2 In addition to the general requirements set forth in the Business Partner Code and regular audits, the Metals segment stipulates a number of requirements for raw materials suppliers in the following documents:

- Quality agreement
- Procurement regulations
- Regulation for the Quality Certification of Suppliers of Raw Materials
- Regulation for Auditing Manufacturers of Raw Materials and Feedstock
- Regulation on Supplier Accreditation
- Supplier rating assessment method
- Guidelines for the development of suppliers' Quality management system (QMS)
- Accounting methods for non-compliant raw materials and feedstock
- Regulation on Contractor Management in the area of Health and Safety, Fire and Environmental Safety

Required certifications for potential suppliers

Certification

- ISO 14001 – Environmental management systems
- OHSAS 18001 – Occupational health and safety Management
- ISO 45001 – Occupational health and safety

If an audit reveals non-compliance with RUSAL's requirements, suppliers can be provided support to develop. Projects to support contractors and suppliers were carried out in 2020. These results reflect the Group's commitment to building long-term and reliable relationships with our suppliers.

As a part of interaction with contractors to help develop safe production practices, the health and safety services of the Metals segment perform the following activities:

- Training in health, industrial, and fire safety and first aid
- Preliminary and periodic medical examinations
- Monitoring of working conditions
- Special audits of working conditions
- Repair and construction work (as part of monitoring HSE compliance)
- Transport
- Elaborating internal HSE regulatory documents
- Examining industrial safety
- Providing personal protective equipment (PPE) and working clothes, cleaning and repairing such items

Power segment

GRI 102-9 The purchases of En+ Group's Power segment are fully centralised on the basis of LLC Trading House EuroSibEnergo (hereinafter referred to as the Trading House). The Trading House is the main centralised supplier of material and technical resources and contractors for the performance of works and services for all companies in the En+ Group's Power segment.

The first stage of verification is compliance with the Federal Law on the Procurement of Goods, Construction and Services. The second stage is a check of compliance with the main documents governing the procurement process. The Procurement Process Policy reflects the principles and requirements for purchasing and evaluating incoming proposals. In addition to this policy, the Group has the following documents regulating activities within the supply chain:

- the internal procurement standards for supplier selection, contractor selection and surplus management
- the Tender and Competition Committee Regulation
- the Collegiate Bodies Regulation

GRI 308-1, 414-1 En+ Group's suppliers undergo technical audits in the Power segment. Technical audits help reduce the risk of late deliveries. Existing suppliers of the Power segment are audited every three years. However, in the event of a change in the quality or volume of the service provided by suppliers, or in the underlying production process, an unscheduled audit may be conducted. In 2020, we conducted audits remotely to comply with all quarantine measures.

Not only our efficiency, but also the energy security of the country depends on the quality of supplies in the Power segment. For this reason, we place high demands on our suppliers. In 2019, the Trading House conducted an analysis of the reasons for dissatisfaction with suppliers. Based on these reasons, it compiled a list of goals that were used in 2020 to adjust the performance of counterparties and suppliers:

- net working capital no higher than USD 183.8 million
- the sale of non-core assets and illiquid assets in the amount of USD 4.8 million
- purchase price index growth at the level of 5% of the weighted average price of the previous year, excluding fuel oil/fuel and lubricants
- achieving a delivery volume from China of USD 3 million
- increasing the supplier base, and the average number of suppliers for each procurement process by 10%
- no accidents.

The development of fair competition is one of the Group's key principles in the framework. En+ Group discloses the selection criteria to the excluded supplier, explains the requirements, and provides feedback.

Scientific and technological development and modernisation

Management approach

GRI 102-11 Our approach to scientific and technological development and modernisation takes into account industrial and economic feasibility, as well as environmental impact. Our innovative projects use the best available environmental technologies and reduce costs.

En+ Group has established a Technology Council consisting of representatives of the Company's business units and experts from research institutes. The council is responsible for approving R&D projects and assessing their results. R&D across the Company is coordinated by the Patent Policy.

In the Power segment, the Strategic Development Committee is responsible for selecting and evaluating projects, identifying technological approaches to energy efficiency, digitalisation, renewable energy, and other areas of development. The committee is made up of the Company's project leaders, experienced engineers, and industry professionals.

To become the world's leading producer of low-carbon aluminium and renewable energy, En+ Group is focused on further developing a robust technological base within the Company. En+ Group has an R&D Department specialising in exploring technology, energy-related applied research, and intellectual property management. Our Metals segment concentrates its own R&D competences in research centres and institutes:

- The Institute of Light Materials and Technologies (ILM&T);
- Russian Aluminium and Magnesium Institute;
- The Siberian Scientific Research and Design Institute of the Aluminium and Electrode Industry;
- The Engineering and Technology Centre (RUSAL ETC).

Scientific and technological development projects

Power segment

Development of perovskite solar panels

Since 2016, we have worked on researching and designing perovskite solar panels together with the laboratory of the Faculty of Materials Science of Lomonosov Moscow State University. The project is supported by the Russian Science Foundation. In 2020, the following results were achieved:

1. Two patents describing methods for producing a membrane from a material with a perovskite-like structure were successfully registered in seven foreign territories, including the United States and the European Union.
2. Two more items of intellectual property were obtained through research, recommended for registration with the patent authorities of the Russian Federation, to ensure their legal protection.
3. In June 2020, a new framework agreement on scientific and technical cooperation was signed between JSC Krasnoyarsk HPP and Lomonosov Moscow State University to develop perovskite/silicon solar tandems.



International renewable energy certificates

En+ Group became the first energy producer and supplier in Russia permitted to trade international renewable energy certificates (I-RECs). En+ Group will supply I-RECs to end-consumers corresponding to the electric energy produced by En+ Group companies, such as JSC EuroSibEnergO (Krasnoyarsk HPP) and LLC Abakan SPP (Abakan Solar Power Plant).

The electrical energy produced by these companies meets internationally recognised standards for renewable energy tracking. I-RECs serve to increase transparency in the energy sector and provide clarity about use of renewable electricity among end-consumers. The certificates issued meet major international sustainability and carbon accountability standards, including the GHGP, CDP and RE100, and meet the stakeholder expectations of industry best practices.



Electric vehicle charging stations in Irkutsk

In 2020, En+ Group invested more than USD 139,000 in a network of charging stations for electric vehicles, to support the development of clean energy vehicle use.

Three pilot electric filling stations for the 'fast' charging of electric vehicles using CHAdeMO and CCS Combo (Type 2) connectors at DC with a power of 50 kW were launched in Irkutsk and in the village of Listvyanka on the shores of Lake Baikal. This technology can charge a battery up to 80% within 20 minutes.

In the medium term, En+ plans to install stations along motorways on the way to Baikalsk, Khuzhir, and to the Olkhonsky district.



Scientific and Technological Development and Modernisation continued

Forecasting of Lake Baikal inflow using methods of hydrological modelling

En+ Group is studying the impact of water use on the environment and is looking for opportunities to mitigate it. In 2020, the first stage of research work on the topic *Long-term forecasting of the inflow of Lake Baikal using methods of hydrological modeling of machine learning* was completed, a physical-mathematical model of runoff formation for the entire Lake Baikal basin was developed for the first time. In 2020, En+ Group achieved the following results:

- created a database of observations of water discharges at 12 hydrological stations on Baikal for the period 1971–2016;
- created a database of observations of meteorological parameters at the network of meteorological stations (63 stations) on Baikal, based on open databases (Pik, Aisori, GSOD, rp5) and All-Russian Research Institute of Hydrometeorological Information data for the period 1960–2018;
- created the hydrological model of the inflow. The model of water inflow to Baikal has been calibrated and adjusted, based on the SWAT software-modelling complex.



GRI 102-11 Metals segment projects

Additive manufacturing at ILM&T

Today, the ILM&T's most promising focus of work is creating high heat-resistant aluminium alloy adapted for 3D printing. New alloys, powders, and composites were created for additive technologies with up to 50% increased strength and operating temperatures of up to 400°C.

In December 2020, RUSAL successfully completed a closed additive manufacturing cycle at ILM&T. The opening of a new additive powder manufacturing site and the installation of new equipment including an atomiser and a powder sizing and packaging line, made it possible for RUSAL to launch the complete production cycle at the company's own research and development centre.

This will enable the ILM&T to develop unique high strength and heat-resistant aluminium-based materials specifically designed for additive manufacturing, providing an entire range of turnkey services for customers. These services range from material creation and printing technology to engineering and optimising parts for printing technologies. The new equipment also allows the production of a significant variety of materials, due to its quick changeover capacity.



Inert anode technology

Inert anode technology makes it possible to replace classic carbon anodes with inert non-consumable materials – ceramics or alloys. Using inert anodes in the reduction process is considered a revolutionary solution in metallurgy, because it completely eliminates emissions of greenhouse gases (PFCs and CO₂), polyaromatic hydrocarbons, benzo(a) pyrene, and sulphur from the reduction process, while significantly reducing the cost of production by saving anodes.



Using inert anode technology, one cell can generate the same volume of oxygen as 70 hectares of forest

In 2020, RUSAL began testing operations for a pilot industrial electrolytic cell with inert anodes, which has an improved design and a record low-carbon footprint. As the next step in the development, the new pilot model will replace the inert anode electrolytic cell already being tested by RUSAL.

The new generation of inert anode electrolytic cells has a number of fundamentally new technical solutions that can improve the purity of aluminium produced, reduce the carbon footprint to a record low level of 2 tonnes of CO₂ per tonne of aluminium and decrease operating costs during the production process. The pilot experimental pot cell will have a capacity of approximately 1 tonne of aluminium per day at a 140,000 ampere current rate. This cutting-edge decarbonisation technology is now moving into the industrial and commercial phase, enabling production of aluminium with the lowest carbon footprint possible. It results in a 99.5% reduction in at-smelter emissions as well as a full-scope reduction of 87% compared to current industry averages.

Energy efficient RA-550 reduction cells at Sayanogorsk aluminium smelter

Another RUSAL ETC RA-550 technology of high-capacity and resource saving reduction cells operating in a pilot pot room at the Sayanogorsk aluminium smelter has demonstrated the following results:

- The RA-550 pots are highly energy efficient (energy consumption is below 12,800 kWh/t; current efficiency is 96%).
- The technology is environmentally friendly (fluoride emissions are below 0.15 kg/t).
- The longest lifetime among benchmarks was confirmed.



Scientific and Technological Development and Modernisation continued

Energy efficient RA-400 “T” electrolyzers at Taishet aluminium smelter

The new high-tech Taishet aluminium smelter (TAZ), will become one of the largest non-ferrous smelters in Russia and one of the most environmentally friendly aluminium smelters in the world.

The Taishet plant will be equipped with modern dry gas cleaning systems with a capture efficiency of over 98.5% and with energy efficient RA-400 “T” modification electrolyzers with automatic alumina supply systems, which will also minimise harmful emissions. The RA-400, developed by RUSAL ETC, is one of the most powerful electrolyzers in the world today, with a production capacity of about 3 tonnes of aluminium per day. Upon start-up of the 1st series, the production complex of TAZ will include two electrolysis units, a foundry, and anodic and energy units, as well as infrastructure facilities.



The Taishet anode plant

The construction of the Taishet anode plant is based on know-how developed at RUSAL ETC and audited by R&D Carbon Ltd, the world leader in the field of baked anodes. The pre-baked anodes will be used at the Company’s own heavy-duty energy-efficient and environmentally friendly electrolyzers to be installed at the Taishet smelter. In addition to TAZ, such anodes will be supplied to other RUSAL smelters: the Sayanogorsk smelter, the Boguchany smelter, and the Krasnoyarsk smelter.

The first stage of the anode plant was brought to its design capacity in 2020, while the second stage is planned to be commissioned in 2024. The capacity of both stages will allow the production of 420,000 tonnes of calcined coke and 400,000 tonnes of baked anodes.

Investments in the project exceeded USD 721 million. The implementation of such a large-scale project will ensure 100% localisation of anode production, eliminate consumption of imported products and, consequently, reduce our dependence on external suppliers.



Eco-friendly pitch on Krasnoyarsk aluminium smelter

In October 2020, RUSAL announced plans to switch the whole reduction area of the Krasnoyarsk aluminium smelter (KrAZ) to a new type of raw material, an eco-friendly pitch, by 2024, as part of its environmental modernisation programme.

RUSAL developed an eco-friendly pitch, with environmental efficiency confirmed by laboratory tests. Unlike traditional raw materials, eco-friendly pitch is less tarry in nature, and its application in aluminium production is less harmful to the environment. The implementation of this and other technical innovations at KrAZ will lead to a reduction in benzo(a)pyrene emissions by at least 60% in future years.

The transition to a new eco-friendly pitch is a complicated process, which is very dependent on suppliers who must modernise their own production. We also continue to invest in R&D and work with suppliers who could produce both this and other types of eco-friendly raw materials for us.



Eco-Søderberg technology

One of the striking examples of effective environmental development is the Eco-Søderberg technology. Thanks to constructive improvements and gas purification, Eco-Søderberg's indicators for the main marker substance – fluorides – are three and a half times better than the standard technology. Our smelters continued to implement the Eco-Søderberg technology:

- All Krasnoyarsk aluminium smelter pots with self-baking anodes have transitioned to this technology.
- Upgrades are under way in 11 potrooms at the Bratsk aluminium smelter (146 pots were upgraded in 2020; all 90 pots in potroom 8 completed upgrades).
- The Irkutsk (IrkAZ) and Novokuznetsk (NkAZ) aluminium smelters transitioned to implementing modern technology in their potrooms. In 2020, IrkAZ upgraded 96 pots, while NkAZ upgraded 32 of them.

In addition, the school of gas cleaning systems, recreated in RUSAL, has made it possible to develop an innovative cleaning system. Its efficiency is close to one hundred percent; it is economical in materials and energy efficient.



Environmentally-friendly modernisation initiatives

Power segment

New Energy modernisation programme

During 2020, we continued to invest in enhanced operational efficiency delivered by our New Energy programme, which contributed to the robust performance of our Power segment. En+ Group's large-scale modernisation project called New Energy, and implemented at the Angara-Yenisei cascade HPPs (Ust-Ilimsk, Bratsk, Irkutsk and Krasnoyarsk HPPs) is a key investment project of En+ Group's Power segment. The investments in the New Energy programme will total USD 291.9 million by 2026. The project will run until 2046. One of the core priorities of the project is to improve the reliability and safety of all stations. The comprehensive replacement of not only the main equipment like hydraulic units and impellers, but also auxiliary equipment, will be carried out under the programme.

In 2020, the programme enabled En+ Group to ramp up its power generation by 1,712.1 GWh by implementing the following refining activities:

Initiative	Result	Investments
A new hydroelectric Unit No. 2 at Irkutsk HPP	<ul style="list-style-type: none"> - capacity of 105.7 MW (+27%) - efficiency increased to 94.5% - increased annual power generation by 65 million kWh 	> USD 13.9 million
The first of seven new power transformers at Krasnoyarsk HPP was prepared for commissioning	ongoing	> USD 13.9 million (installation works)
Testing on the new hydro turbine model	ongoing efficiency will increase to 96.51% (+5% from current performance)	

In August 2020, En+ Group completed the latest stage of the technical re-equipment of hydraulic unit No. 2. In November 2020, En+ Group launched a new Hydroelectric Unit No. 2 at Irkutsk HPP with investments over USD 13.9 million. The new hydroelectric unit has an increased capacity of 105.7 MW, which is 27% higher than for the previous equipment, and it will be more reliable. As a result of reconstructing the hydroelectric unit, efficiency was raised to 94.5%, and annual power generation was increased by 65 million kWh. Hydroelectric Unit No. 2 joined the power system supply in 2020. The unit's expanded capacity passed all certification procedures by the end of March 2021.

In December 2020, the first of seven new power transformers at Krasnoyarsk HPP was prepared for commissioning. The installation cost over USD 13.9 million. The replacement of the 4T transformer represents the first stage of the project; the new machinery arrived on site towards the end of summer 2020 and, following its successful installation, the transformer was assembled, and start-up tests were completed within two months. Installation work on the second transformer, located at Krasnoyarsk HPP, started in November 2020.

Specialists from Bratsk HPP and LLC EuroSibEnergohydrogeneration successfully completed rigorous testing on the new hydro turbine model, as well as tests on its operation in various load modes. Those included a sample view of measuring transducers, tests to determine efficiency and power of the units, cavitation and acceleration tests, video surveillance of the flow structure, and random tests on individual elements of the hydro turbine's flow part. The tests suggest that the efficiency of the new hydro turbine will be 96.51%, which is almost five percentage points higher than the current performance of existing hydroelectric units. Following the tests, the new impeller was designed, manufactured and delivered to Bratsk HPP, where it is being prepared for installation in hydroelectric Unit No. 3.

It is expected that, from 2022, En+ Group's Siberian hydroelectric power plants will increase their production of environmentally friendly electricity by 2 billion kWh under the New Energy programme. This will reduce the Group's greenhouse gas emissions by 2.3 million tonnes per year.

CHP modernisation programme

In 2020, En+ Group continued to participate in the State Programme to Modernise Thermal Power Plants. This programme will enable the Company to boost the operating efficiency of thermal power plants, reduce greenhouse gas emissions and deliver more reliable performance for the electric power grid in Russia. As part of the modernisation programme for generating facilities in 2022–2031, over 39 GW of capacity will be modernised in total within the Russian Unified National Electric Grid. The competition to supply the modernised capacity six years in advance is organised every year. The last competition will take place in 2025 for capacity supply starting from 2031.

In 2020, Power segment chose the project of complex replacement of the turbine №4 in CHP-10, which is planned to be launched in 2026.

In 2020, the following procurement procedures were carried out and suppliers and project executors selected.

Generating facilities	Status of projects
CHP 9	- EPC contracts conducted
CHP 11	
Novo-Irkutsk thermal power station	- Project organisations and suppliers of main equipment were selected
CHP-10	- Design work began
CHP-6	- EPC contracts conducted - Design, construction and installation work began

For other projects, the start is scheduled for 2021.

Other projects

En+ Group's modernisation activities raise the efficiency of operations, reduce costs and provide better production quality.

In 2020, a large project was implemented to reconstruct the heat supply scheme with the transfer of heat loads from CHP-1 to CHP-9. As a result of the project:

- the ineffective heat source CHP-1 was closed, CHP-1 was shut down on 9 December 2020, and official decommissioning of capacity began from 1 January 2021;
- the loads of CHP-1 were transferred to CHP-9, and the reliability of heat supply and steam supply to consumers was increased. The key industrial consumer is the Angarsk refinery (Angarsk Petrochemical Co. JSC);
- heat supply from CHP-9 was increased by 1.5 million Gcal per year;
- air emissions of pollutants were reduced by 3,900 tonnes per year.

Environment-friendly modernisation initiatives continued

Metals segment

Modernising Sayanogorsk and Khakas aluminium smelters

RUSAL invested USD 72.3 million in modernising the Sayanogorsk (SAZ) and Khakas (KhAZ) Aluminium Smelters in 2020.

In the casthouse of KhAZ, a new system for cleaning the crude aluminium in 10-tonne ladles was installed. This system will improve the metal purity and ensure growing product sales. To intensify the reliability of the power supply at the reduction plant, two transformers were replaced at one of the silicon rectifier substations.

As part of upgrading Sayanogorsk Smelter, RUSAL will be carrying out a large-scale modernisation of anode baking furnaces at the electrode production of the smelter, which will cost a total of USD 166.8 million, with USD 50 million being spent this year. The Technical Directorate specialists are currently drafting engineering and design details, while surveyors are carrying out relevant examinations. It is expected that the project will be carried out in several stages and completion of the work is planned for late 2023.

The third stage of the red mud disposal area was completed as planned in 2020. The new facility will minimise the environmental impact and ensure more efficient operation of the fume treatment centres.

Modernising the coke-calcining kiln at the Volgograd aluminium smelter

RUSAL invests approximately USD 8.34 million as part of the environmentally friendly modernisation of the coke-calcining kiln at the Volgograd aluminium smelter (VgAZ). The kiln's output capacity has now increased to 12 tonnes per hour compared to 8-9 tonnes of output at comparable kilns at other plants.

With a capacity of 94,608 tonnes per year, the modernisation of the kiln at VgAZ is aimed at enhancing the plant's environmental performance and intensifying its coke calcining process. New structural segments where the raw materials go through a preparatory 'drying' process ensure that the coke entering the heating chamber of the kiln has a lower moisture content than earlier generations of kilns. The lower consumption of natural gas also improves the kiln's performance and minimises the carbon footprint of the process. Another design concept that has been implemented involves the mixing of elements to ensure that all layers of raw coke are evenly calcined.

As a result of these improvements, the kiln's fuel consumption was reduced, and its output was increased. In addition, thanks to the recovery unit that was also constructed, the steam that is produced during the calcining process can now be converted into heat (used to heat the plant in winter and tap water year-round) and electrical energy. Both the steam and the carbon-containing dust are captured and returned to the production process.

Goals for 2021 and onwards

- Revise the approach and update the R&D management system.
- Create a research strategy.
- Review the existing regulatory documents.
- The following are planned under the New Energy programme in 2021:
 - 1.** Replace the hydroelectric unit at st. No. 1 of the Irkutsk HPP in order to bring the efficiency of the hydraulic turbine up to 94.5% and increase its annual output by 65 million kWh.
 - 2.** Replace the impeller at the hydroelectric unit at st. No. 3 of the Bratsk HPP, which will increase the efficiency of the hydraulic turbine to 96.5%, remove the 14 MW restriction on the available capacity and increase the annual output by 33 million kWh. In February 2021, En+ Group began replacing six hydraulic units at the Group's Bratsk HPP as part of its large-scale New Energy modernisation programme. The total investment in this stage of the project is more than RUB 1.5 billion. The replacement works are planned to take place from 2021 to 2026. The outcome of the works will see all 18 impellers replaced.
 - 3.** Supply two new impellers for the Krasnoyarsk hydroelectric power plant for the planned replacement in 2022.
 - 4.** Complete the installation of 4T transformer scheduled for the second quarter of 2021.
- Introduce an automated system for evaluating counterparties.
- Purchase alternative pitches as new technologies are introduced.
- Develop a procurement system optimisation project.
- Implement an APQP approval process for suppliers to improve the validation process.
- Continue automation of operational activities and cost-cutting measures, including hedging the cost of energy resources.

Climate Leadership

“Our net zero ambition underlines our determination to become a leader in the fight against climate change.”

Vyacheslav Solomin,
Deputy CEO – Chief Operating Officer



Key highlights

> 98%

of En+ Group aluminium is made using hydropower (up from 95% in 2019)

11%

reduction of direct GHG intensity per tonne of electrolysis versus 2014 baseline¹

2,061 kt

of CO₂e emissions avoided as a result of measures taken by the Power segment (up from 2,052 kt of CO₂e in 2019)

Management approach

GRI 103-1 En+ Group is striving to become one of the leaders in the fight against climate change. We are constantly expanding renewable energy sources, improving production efficiency, and reducing negative impact on the environment and climate.

GRI 103-2, SASB EM-MM-110a.2., SASB IF-EU-110a.3. En+ Group has announced ambitious plans to cut GHG emissions. We are committed to reducing GHG emissions by at least 35% by 2030 (Scope 1 and 2, compared to the 2018 baseline²) and to be **net zero by 2050**. These targets cover absolute emissions across all operations including aluminium production plus heat and electricity production. To perform its commitments, the Group will need to upgrade its production facilities and introduce innovative technologies throughout the production chain.

¹ Scope 1 here includes only electrolysis.

² The Group's 2018 GHG emissions (Scope 1 and 2) were 50.0 mtCO₂e.

Performance

Our key actions towards reducing the Group's carbon emissions:

- a science-based approach;
- value-chain emission reductions consistent with the depth of abatement achieved in pathways that limit warming to 1.5°C;
- neutralisation and compensation measures;
- investment in research and development, and innovations;
- application of the inert anode technology in aluminium production;
- use of hydrogen fuel in our production processes;
- expansion and diversification of renewable energy sources, especially solar and wind energy generation;
- exploration of carbon dioxide removal (CDR) technologies;
- implementation of natural CDR solutions.

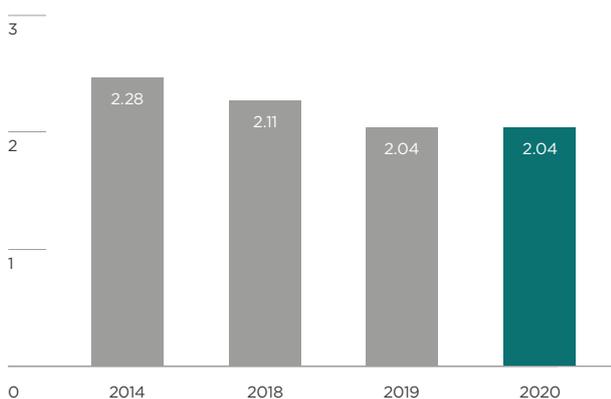
Business Ambition for 1.5°C

En+ Group was among the first aluminium producers to commit to a 1.5°C pathway by 2050. As a signatory of the Business Ambition for 1.5°C campaign, in January 2021 we announced the aluminium industry's most ambitious greenhouse gas emissions reduction targets: a 35% decrease by 2030 (compared with the 2018 baseline) for Scope 1&2 emissions and a pledge to be net zero by 2050.

En+ Group signed the Business Ambition for 1.5 °C in accordance with the Science-Based Targets initiative (SBTi). Thus, pledging to align our emission reduction targets with the 1.5°C scenario, the Group formally committed to the SBTi. The Metals segment targets are expected to be submitted by August 2021.

The target of emitting less than 2.7 tonnes of CO₂ equivalent per tonne of aluminium (Scope 1 and 2 from electrolysis) by 2025, was met in 2017. We are proud to deliver these results. The Group confidently moves towards reducing direct specific greenhouse gas emissions by 15% from 2014 levels (2.28 t CO₂e/t Al) at existing aluminium smelters by 2025. During 2018 and 2019 we reduced our direct GHG emissions intensity to 2.11 and 2.04 tonnes of CO₂e per tonne of aluminium from electrolysis (Scope 1 here includes only electrolysis). In 2020, the intensity of GHG emissions from electrolysis operations was 2.04 t CO₂e/t Al – 11% down from the 2014 baseline.

GRI 305-4 Intensity of GHG emissions from electrolysis operations, t CO₂e/t Al



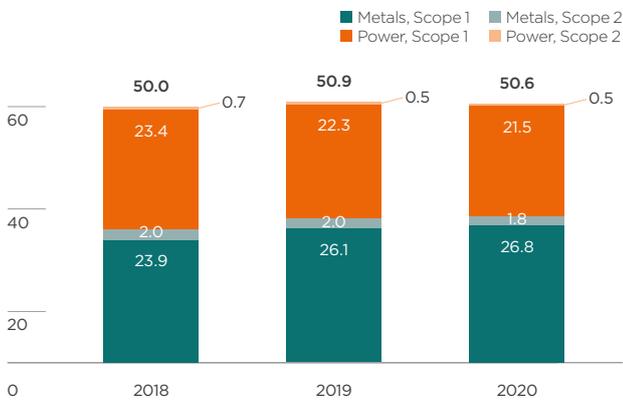
ALLOW

The carbon footprint of ALLOW, our low-carbon aluminium brand, is guaranteed to be less than 4 t CO₂e/tAl, compared to industry average emissions of around 12.5 tonnes of CO₂e per tonne of aluminium¹. Growth in the sales of ALLOW aluminium is one of the Company's KPIs under the sustainability linked syndicated Pre-Export Finance facility signed in 2019. We are endeavouring to ensure increased sales of ALLOW, with the goal of reaching two million tonnes by 2025. In 2020, over 500 kt of ALLOW low-carbon aluminium were sold. ALLOW aluminium comes 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.

¹ Level 1 in accordance with Aluminium Carbon Footprint Technical Support Document (2018) (https://www.world-aluminium.org/media/filer_public/2018/11/22/carbon_footprint_technical_support_document_v1_published.pdf).

GHG emissions in the Power segment were lowered through reduction in fossil fuel consumption at CHPs caused by the structure and volume of heat and electric loads in 2020. The increase of GHG emissions in the Metals segment was due to the growth of alumina production volumes as well as the addition of a new operation facility. Compared to 2019, there was a 1% reduction in the Group's GHG emissions.

GRI 305-1, 305-2, SASB EM-MM-110a.1, SASB IF-EU-110a.1
Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions of En+ Group, mt CO₂e¹



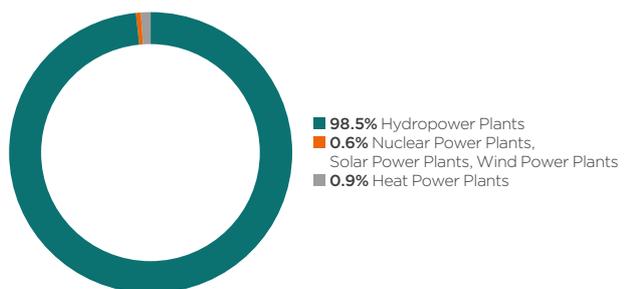
Metals segment

GRI 103-2 The Metals segment set seven goals in its strategy up to 2025 to reduce GHG emissions. In addition to reducing the average specific direct and indirect GHG emissions to no more than 2.7 tonnes of CO₂ equivalent per tonne of aluminium mentioned above, our strategic climate change goals up to 2025 are:

- To purchase at least 95% of electricity from hydroelectric power plants and other carbon-free sources of power generation for aluminium smelters by 2025. The Company achieved this goal ahead of schedule.
- To reduce direct specific greenhouse gas emissions by 15% from 2014 levels (2.28 t CO₂e/t Al) at existing aluminium smelters by 2025. The reduction in specific GHG emissions in 2020 stood at 11% compared to the 2014 level.
- To reduce direct specific GHG emissions by 10% vs. the 2014 level in existing alumina smelters by 2025. The reduction in specific GHG emissions in 2020 stood at 2.4% compared to the 2014 level.
- To reduce specific electric power consumption by aluminium smelters by 7% vs. the 2011 level by 2025. The reduction of specific electric power consumption by aluminium smelters in 2020 stood at 4% compared to the 2011 level.
- To use an internal carbon price when making strategic and investment decisions, starting in 2017. Since 2017, the Company has been applying an internal carbon price when making strategic and investment decisions.
- To support Russian and international initiatives and associations advocating actions to prevent climate change and backing carbon prices, provided they are aligned with the Company's strategic goals. The Company actively participates in a number of climate initiatives.

For more information, see the **Partnerships and collaborations section, p. 30 of the Report.**

Source of electricity used for aluminium smelters of the Metals segment in 2020, %



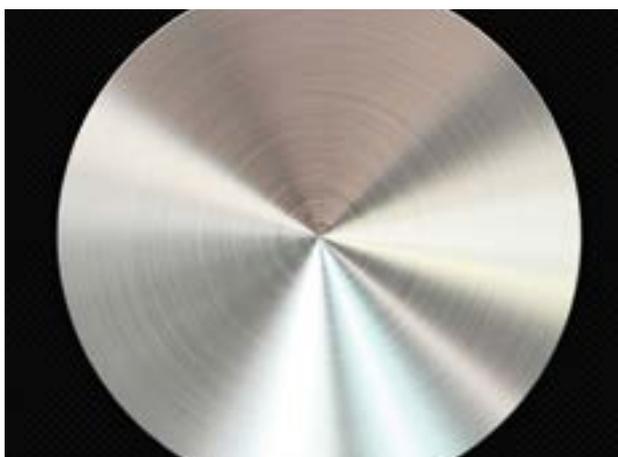
¹ Direct and indirect greenhouse emissions for the Metals segment do not include emissions from Downstream entities, which amounted 148.3 kt CO₂e in 2020.

RUSAL plans to demerge its high-carbon assets to strengthen its position in low-carbon aluminium production

In May 2021, RUSAL announced a proposal to demerge its production assets into two companies:

- RUSAL, which will retain the majority of production assets and will be focused on reaching its full potential as a sustainable business, developing inert anode technology in pursuit of carbon-free aluminium production.
- a newly created entity (“NewCo”) (name to be confirmed), consisting of UC RUSAL’s higher carbon assets, including the alumina refineries located in Russia (Achinsk, Pikalevo, Bogoslovsk and Ural) and smelters in Bratsk, Irkutsk, Novokuznetsk, Volgograd and Kandalaksha, which will undertake a long-term modernisation programme.

After demerger RUSAL will focus on net zero priorities, further building its low-carbon brand ALLOW and developing a new net zero brand based on its groundbreaking inert anode technology. Meanwhile NewCo can concentrate on driving down pollution, delivering a long-term modernisation plan to reduce GHG emissions and future proofing its assets with pioneering technologies such as carbon capture, financed through independent access to capital.



Power segment

GRI 305-5 The measures taken by the Power segment that resulted in the avoidance of 2,061 kt of CO₂e emissions in 2020 include:

- Improving the efficiency of our hydropower plants as part of the long-term New Energy programme scheduled for implementation by 2026.
- Increasing clean electricity generation by 2.5 TWh, from the same amount of water passing through the turbines. Raising the efficiency of HPP turbines, by replacing environmentally-damaging condensation mode generation at CHPs with HPP output - 1,991 kt of CO₂e emissions.
- Efficient fuel use and energy saving initiatives prevented 70 kt of CO₂e emissions.

In 2020, we launched a long-term assessment programme of greenhouse gas emissions from hydroelectric reservoirs. In the fall of 2020, the first stage of the assessment of GHG emissions from the Bratsk HPP reservoir was carried out in accordance with the international measurement methodology recommended by the Guidelines of the Intergovernmental Panel on Climate Change. The results obtained will lead to a conclusion about the presence of both emissions and removals in the reservoir of the hydroelectric power station. The results will be disclosed after all assessment stages and the compilation of the carbon balance of the Bratsk HPP have been completed.

We continued to work to increase renewable energy sources in the Group’s portfolio. In 2020, we developed project documentation for the Segozerskaya HPP in Karelia (Russia). The commissioning of this small-scale HPP is slated for the end of 2022. For more information on energy management, see the section below.

In 2020, the Group released I-REC certificates (one certificate equals one megawatt hour (MWh) of electricity produced by renewable sources). En+ Group was the first energy producer and supplier in Russia permitted to trade I-RECs.

Energy management

GRI 103-1 Our energy generation strategy includes expanding hydroelectric power generation, reducing network losses, and increasing the share of power generated where consumed.

Energy efficiency programmes and projects are central and energy-saving technology is widely implemented. We actively develop new ways to generate electricity, optimise power generation, and make our aluminium production more efficient to address our carbon footprint and other issues related to the environment and climate change.

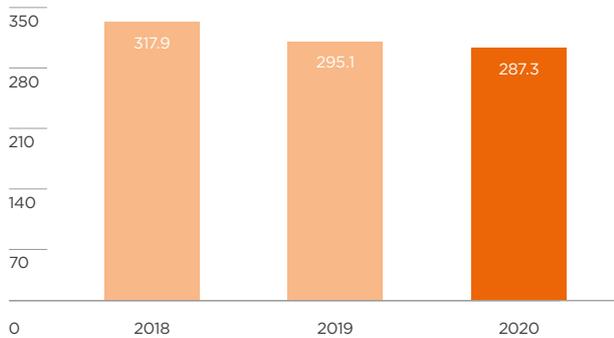
GRI 103-2, 103-3 Energy efficiency is one of the Company’s strategic goals. By monitoring the GHG emissions level we also oversee and manage energy consumption volumes.

The total installed electricity capacity of the Group’s power assets amounted to 19.5 GW¹, and its total installed heat capacity amounted to 15.6 Gcal/h as of 31 December 2020. The share of installed electricity capacity represented by HPPs was 77.5%. The Company produced 82.2 TWh of electricity in 2020, which represented 7.7% of Russia’s total electricity generation and 39.7% of the Siberian IES’s total electricity generation¹ for the period.

⊕ For more detailed information on energy generation, please refer to the **Appendices, p. 144 of the Report**.

⊕ For more detailed information on installed capacity and the energy intensity ratio, please refer to the **Appendices, p. 144 of the Report**.

Energy consumption, 2018-2020, mn GJ²



GRI 302-1 In 2020, En+ Group decreased energy consumption by 2.6% compared to 2019, to a total of 287.3 million GJ.

⊕ For more detailed information on energy consumption and net energy output, please refer to the **Appendices, p. 144 of the Report**.



En+ renewable energy production results

Renewable capacity additions totalled 8% in 2020, as part of our low-carbon energy generation.

In 2020 En+ Group also completed design engineering works for the small-scale Segozerskaya HPP. We plan to launch construction works at the project site in 2021. Increased energy generation from renewable sources provides a stable base for achieving our GHG emission reduction goals set for 2030 on our pathway to net zero.

¹ According to the operational data of the branch of JSC “SO UES” “United Dispatch Office of the Energy System of Siberia” (ODU of Siberia).
² The energy consumption for 2018-2019 was restated due to corrections in fuel and electricity consumption.

Metals segment

GRI 103-2 One of our strategic goals is to maintain more than a 95% share of low-carbon power sources for aluminium electrolysis in the Metals segment by producing electricity from hydropower plants and other renewable sources of power. The Company has achieved this goal ahead of schedule. The hydropower from the Power segment is used by the Metals segment to refine raw materials and produce aluminium in Siberia. More than 98% of aluminium production power needs are met by carbon-free power sources.

Optimising energy consumption in the Metals segment is an important part of the Company's efforts to reduce its impact on the climate. The enterprises in our Metals segment are committed to upgrading their facilities with the best available technology (BAT) and other innovations to facilitate this goal.

En+ Group has continued to introduce energy efficient electrolysers into the aluminium production process. In 2020, 686 new electrolysers were added, bringing the total for the entire initiative up to 3,354 electrolysers. As a result, around 210 million kWh were saved in 2020 alone. The total energy savings in the Metals segment since 2017 amounted to 718 million kWh thanks to this technology line.

Power segment

GRI 103-2 The main strategy of our Power segment is to improve the efficiency of our hydropower electricity generation and reduce losses when delivering heat and electricity to our consumers.

In 2020, the Power segment's electricity generation increased from 77.8 TWh in 2019 to 82.2 TWh.

The Power segment is carrying out a modernisation programme to achieve our strategic goal of increasing renewable energy production for the aluminium sector. Production performance is being improved by introducing modern technology within the New Energy programme. The modernisation project started at Krasnoyarsk HPP in 2020. The first of the seven power transformers is ready for operation. These will increase the efficiency of power generation and improve the power station's performance.

GRI 302-4 The total energy savings (from the New Energy programme) are 1,712.1 million GWh by 2020.

 For more information on the New Energy programme, see the **Scientific and technological development and modernisation section, p. 60 of the Report.**

In addition to increasing generation efficiency, the Power segment has also been implementing projects to diversify its renewable assets portfolio. In 2015, we launched the first of our solar power plants (SPP), Abakan SPP in Siberia, with a capacity of 5.2 MW. This project compensated energy demand from local thermal power stations by 3,500 t.

Taskforce on Climate-Related Financial Disclosure (TCFD)

The Company is ramping up its resilience to climate change by increasing energy production from renewable sources and maintaining its leading position in the green aluminium market. To ensure sustainable growth, we are developing a climate risk strategy applicable to the Company's value chain and regions of operation.

GRI 201-2 To identify climate risks, we are analysing the climate conditions and change scenarios in the areas where we operate and applying them to our Metals and Power segments. We are currently developing the climate risks and opportunities register, which will take into account operational processes, climate factors in the areas of operations and climate change scenarios. Each climate risk will be assessed using both a qualitative and quantitative approach. The project on assessment of climate change risks and opportunities for our value chain is in progress. As part of the strategy development, the detailed disclosure in accordance with the TCFD recommendations will be published in autumn 2021. The final steps of the strategy development will involve drafting actions to mitigate climate risks and minimise potential economic damages should those risks materialise.

The preliminary results show the key risk factors for the Company's operations.

To demonstrate our progress in complying with the TCFD recommendations we consider the following climate factors. This list is not exhaustive and will be further expanded. The final climate risk register will be integrated into a dedicated Pathway into Net Zero report.

Transition risks and opportunities

Transition risk factors were divided into the following sub-groups for consideration: policy and legal, technology, market, and reputation.

Transition risk factors examined

Sub-category of risks	Risk factor	Impact area
Policy and legal	Introduction of mandatory reporting on greenhouse gas emissions	Operations (including types of operations and location of facilities) Investment in research and development
Technology	High carbon-intensive production processes	
Market	Attainment by industry competitors of higher greenhouse gas emissions reduction	
Reputation	Negative perception of En+ Group by investors, independent shareholders	

As the world's leading low-carbon aluminium producer we see beneficial opportunities in the transition to a low-carbon economy. We take a proactive position and implement operational and transformational changes into our business model.

Additional expenses may be incurred due to the introduction of mandatory GHG emissions reporting to comply with potential changes in regulation. En+ is voluntarily reporting Scope 1 and 2 emissions in accordance with the GHG Protocol and ISO 14064-1:2018. En+ Group is also actively calling on the London Metal Exchange (LME) to implement mandatory reporting on carbon emissions for the metals industry. We encourage all stakeholders in the aluminium industry to help drive carbon transparency.

+ For more information on our position on carbon clarity, please see the Company's website: <https://enplusgroup.com/en/company/glance/carbon-clarity/>

Risk assessment method



Physical risks

Unexpected weather events caused by climate change, such as heavy rainfall, heat waves, and cold spells, damage infrastructure worldwide. We are developing a physical risk register to respond to the physical risks that may potentially undermine the Company’s operations and supply chain. Among the physical risks factors, we consider the likelihood of severe events (acute risks) such as precipitation and flooding anomalies, excess heat and excess cold; as well as the chronic risks relevant to the Company’s activities such as annual temperature increase, precipitation, and global sea level rise.

Physical risk factors examined

Risk category	Sub-category	Risk factor	Impact area
Physical	Acute	Likelihood of precipitation anomalies and flooding	Operations (including types of operations and location of facilities)
		Likelihood of temperature anomalies (excess heat)	Supply chain
		Likelihood of temperature anomalies (excess cold)	
	Chronic	Increase in average annual temperatures	
		Increase in average annual precipitation	
		Decrease in seasonal precipitation	
		Global sea level rise	

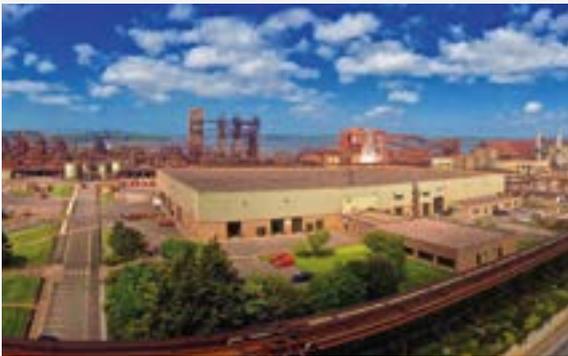
To manage physical risks, En+ Group constantly monitors operational activities for compliance with occupational health, safety, and environmental requirements. Our goal is zero fatalities and injuries to employees including potential risks from climate change factors. En+ monitors environmental performance to ensure environmental protection. To minimise operational disruption during acute weather events, we have developed and adopted operational risk regulations and management mechanisms in the field of occupational health and safety, and environmental protection. The OHS management systems of the Metals and Power segments have been certified by the international agencies Det Norske Veritas and Bureau Veritas, respectively, which have confirmed their compliance with the requirements of the international standard OHSAS 18001.

The present climate strategy ensures resilience by monitoring operations subject to physical climate risks and maintaining high operational standards.

Taskforce on Climate-Related Financial Disclosure (TCFD) continued**GHG emission reduction at Aughinish Alumina Ltd**

Aughinish Alumina Ltd (AAL) has achieved a 40% reduction in tonnes of carbon per tonne of alumina produced over the last 15 years.

AAL participates in the third EU research project, ReActiv, which is a carbon reduction initiative for residue materials, launched in November 2020. Coordinated by LafargeHolcim, the largest cement producer in Europe, the ReActiv project will utilise by-products of alumina production to develop low-carbon cement products.

**Governance**

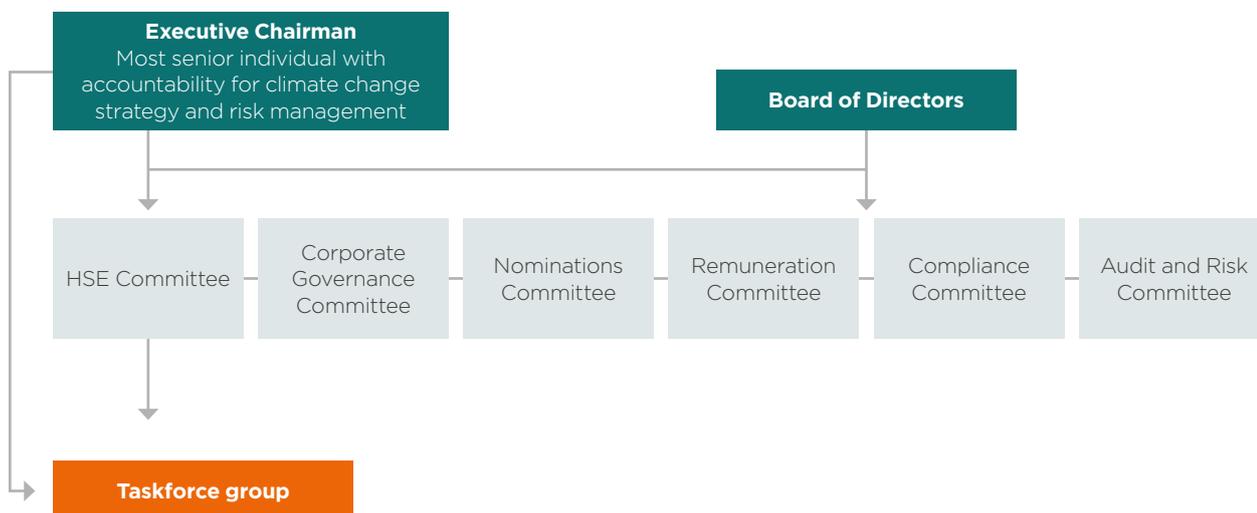
To manage our pathway to net zero, we have created the En+ Climate Change Taskforce to drive our transformation. The Taskforce is headed by the Chief Operating Officer, and reports directly to the Executive Chairman. Each of the transformational verticals is led by a senior executive from our management team. The Taskforce works in continuous collaboration across multiple lines of business. The key objective of the Taskforce is to develop a Climate strategy that will enable us to achieve our ambitious net zero GHG emissions goal by assessing climate change risks and opportunities. The Group cooperates with branch managers to stay up-to-date with the most recent information on risks and opportunities in all regions of operations.

Risk management

En+ Group realises the necessity to integrate the processes for identifying, assessing, and managing climate-related risks into the Company's risk management process. The HSE Committee currently oversees climate-related risks and reports on them to the Board of Directors, which addresses them as part of its agenda.

Our next step in implementing the strategy is developing a systematic approach to the identification and management of climate risks and opportunities. The risk identification process will be continuous and account for possible impacts on strategy and operations. These impacts will be assessed using qualitative and quantitative analysis. When drafting the climate strategy, management will address all climate change issues, including corporate governance, risk management and goal setting, and the Board of Directors will oversee the process of managing climate risks and opportunities. The climate risk management system to be implemented at the Group will consist of internal policies and procedures intended to mitigate climate risks and, in compliance with TCFD recommendations, will apply to all organisational levels and will be intended to mitigate climate risks. As a result, we will be ready to respond proactively and comprehensively to climate change in the business environment, including international and national climate change initiatives.

Climate risk governance structure



Carbon Disclosure Project (CDP)

In 2020, RUSAL received an “A-” rating for the first time in the aluminium industry following its annual assessment by the Carbon Disclosure Project (CDP) and became one of the 160 leading CDP companies out of more than 4,800 participants committed to reducing climate risks along the entire supply chain. Since RUSAL first committed to disclosing information on its greenhouse gas emissions by joining the CDP in 2015, the Company has submitted reports on GHG emissions on an annual basis. The CDP “A -” rating is the culmination of the consistent efforts to support transparency and tackle climate change. By improving our rating, we are increasing the competitiveness of our products as the CDP report is highly regarded by the world’s most prominent customer companies and investors when purchasing products and making investment decisions.

Goals for 2021 and onwards

- Disclose the pathway to net zero
- Verify and approve the SBTi targets of the Metals segment
- Finalise a TCFD project to assess climate change risks and opportunities
- Continue assessment of greenhouse gas emissions from hydroelectric reservoirs and expand the assessment to Ust-Ilimsk HPP
- Minimise the industrial carbon footprint through the implementation of energy efficiency measures
- Start construction works on the small-scale Segozerskaya HPP (8.1 MW) in Karelia (Russia)
- Install five new charging stations for electric vehicles to support the growth of clean energy

Environmental Stewardship

“Our approach to environmental stewardship carefully balances research, protection and recovery.”

Anton Butmanov,
Director for Sustainable Development



Key highlights

7.4%

reduction in total air emissions, excluding greenhouse gases and CO (compared to 2018)

12,400

young Siberian sturgeons released into the Yenisei River

253,000

young peled were released into the waters of the Angara basin

14.2%

reduction in hazardous waste generation (compared to 2019)

8.7 %

reduction in fresh water consumption (down from 629.8 million m³ in 2018)

7.5 %

reduction in water discharge (down from 582.1 million m³ in 2018)

85.6%

hazardous waste reused and recycled (up from 71.8% in 2019)

Management approach

GRI 102-11, 103-1 En+ Group takes a responsible approach to the use of natural resources and applies the precautionary principle in its risk management system and when evaluating environmental impacts to minimise the adverse consequences of its activities. The Company uses innovative high-tech solutions that allow us to combine the minimisation of environmental impacts with optimisation of the production process.

The key aspects of the Company's environmental protection activities are:

- Identifying and assessing the environmental and climate risks generated by the Company's facilities, as well as the impact of environmental and climate risks on the Company's activities.
- Complying with environmental legislation in the regions where the Group operates, as well as with internal corporate regulations and industry best practice, which can be more stringent than local regulations.
- Preventing and mitigating environmental and climate impacts.
- Engaging with stakeholders and respecting their views.

GRI 103-2 The Company's structure includes specialised environmental management bodies at both Board of Director and executive management levels.

GRI 102-11,102-19 Environmental management structure¹



+ For more detailed information on the functions of the units, please refer to the Sustainability Report for 2019, pp. 90-91: https://enplusgroup.com/upload/iblock/5b5/En_-Group-SR19-ENG.pdf

Environmental protection activities are carried out in both of our segments by specialised environmental protection departments.

The Company has developed an environmental policy in accordance with the requirements of ISO 14001. This policy is regularly updated. The last such update was approved in December 2020 by the Board of Directors of En+ Group. This policy reflects the key areas of the Company's environmental activities:

- Minimise air polluting emissions.
- Reduce impact on the climate by reducing direct and indirect GHG emissions, increasing their absorption, and boosting energy efficiency, to minimise the carbon footprint of products.
- Minimise water consumption and contaminated wastewater discharges.
- Increase the share of waste processing and recycling, as well as safe waste storage, accumulation, and utilisation.
- More efficient use of natural resources and energy.
- Decommission equipment with PCBs (polychlorinated biphenyls) and ensure their safe disposal.
- Rehabilitate disturbed land, taking into account the technical and economic feasibility and the terms of land reclamation according to the respective design documentation.

- Minimise the adverse impacts on biodiversity and promote biodiversity conservation in areas where the Group operates.
- Continual improvements to the Group's Environmental Management System.
- Active participation and leadership in international and national environmental and climate change initiatives.
- Continually increase employees' knowledge and awareness of their role in environmental protection and climate change.
- Increase the engagement of management and employees as well as supplier and consumer engagement in environmental protection and climate change prevention.

+ You can find this policy on the Company's website: https://enplusgroup.com/upload/iblock/cd9/Environmental-Policy-Eng_.pdf

¹ On 28 April 2020, the Board decided to temporarily suspend the work of the Environmental Advisory Board due to the COVID-19 pandemic. The Group remains committed to its climate and broader environmental agenda.

WWF Russia transparency ratings



In 2020, World Wildlife Fund (WWF) Russia compiled a rating of transparency on environmental responsibility among fuel energy generating companies in Russia for the second time.

PJSC Irkutskenergo, which manages the Group’s energy assets in the Irkutsk Region, was ranked first among power generating companies in Russia for the second time in a row. In total, 18 companies took part in the rating.

Three areas are assessed through the rating: environmental management, environmental impact, and information disclosure. In total, the assessment includes 25 criteria for companies that generate heat and electricity by burning fossil fuels.

The calculations were carried out by the National Rating Agency’s Analytical Centre using methodologies developed by WWF Russia. The compilation of these ratings was part of the WWF’s People for Nature project, supported by the European Union.

Support for local environmental projects

In 2019, the Company decided to adopt to a new format of support for non-governmental organisations and environmental projects – the En+ Group Environmental Project Grant Contest.

The first Grant Contest was held in 2020 in the Irkutsk Region and Krasnoyarsk Territory, and the first projects were selected to receive support from the Company.

In total, 83 projects were submitted to the contest in the field of preserving aquatic ecosystems and biodiversity, and maintaining the ecological balance of natural areas. Fourteen projects were recognised as the winners in various nominations. The list of winners was determined by an independent expert council consisting of representatives of the scientific community, state, business, non-profit organisations, and public figures, as well as a contest committee.

Among the winning projects there are projects for cleaning and improving the coastal floodplain part of the Solzan and Kharlakhta river valleys within the boundaries of the city of Baikalsk, improving springs used for drinking water near the villages of Nevon and Primorsky and improvement projects for the most visited parts of Lake Baikal.

 For more detailed information on the Contest, please refer to the **Sustainability Report for 2019, p. 95**.

GRI 103-3 In line with its environmental policy, the Company is constantly improving the existing environmental management system in accordance with international standard ISO 14001 – “Environmental management systems” and the Russian national standard “Environmental management systems” GOST R 14001-2016. By the end of 2020, 20 production facilities of the Metals segment were certified under ISO 14001, excluding mothballed facilities. Urals Foil and Powder metallurgy – Volgograd were certified for the first time. There were no changes to the number of certified facilities within the Power segment. LLC Baikal Energy Company successfully retained its conformity certificates.

GRI 307-1 In 2020, the supervisory authorities carried out inspections at the Company’s enterprises. No significant environmental fines or incidents (exceeding USD 1 million)¹ were reported. Work is underway to remedy all recorded minor incidents.

1 Though En+ Group uses this damage threshold, when defining significant environmental incidents it also takes into consideration the region, the existing environmental conditions, the type of damage, the level of impact and the value of lost species. The combination of these factors affects the final calculation of monetary damages that must be paid for damage compensation. This compensation includes both compensation costs and elimination payments to the government to carry out environmental and compensation measures to reduce the impact. This kind of evaluation lets one convert the damage into a monetary valuation. The damage threshold of USD 1 million is not regulated by Russian law, it was determined based on the Company’s long-term experience in managing environmental risks. En+ Group has plans to develop a more comprehensive yet simple and objective system for defining significant environmental incidents.

Performance

Air pollution

GRI 103-1 All of the Company's facilities, without exception, comply with the requirements of environmental legislation. Despite this, En+ Group is constantly striving to improve its environmental performance by implementing a list of measures and initiatives aimed at reducing emissions of pollutants into the atmosphere:

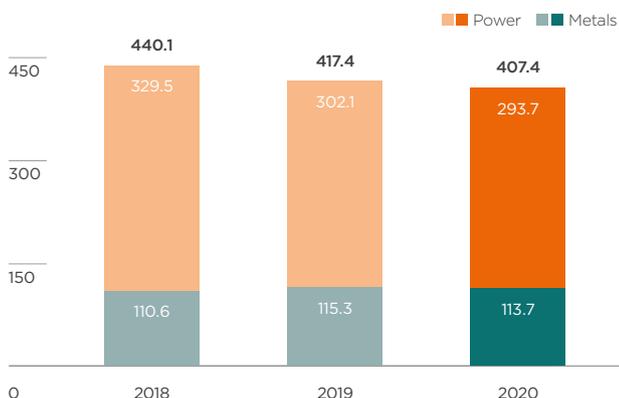
- introducing advanced gas treatment facilities that reduce emissions from production facilities
- upgrading dust-collecting plants
- promoting research and technological development
- using best available technologies to reduce air emissions

Across the Group, RUSAL and LLC Baikal Energy Company account for the main share of emissions.

GRI 103-2 As part of its responsible approach to the issues of air quality in its regions of operation, En+ Group has been taking an active part in the implementation of the Ecology National Project and Clean Air Federal Programme since 2018. The goal of the Clean Air Federal Programme is to significantly reduce air pollution in 12 industrial cities of Russia, including Bratsk, Novokuznetsk, and Krasnoyarsk – cities where En+ Group operates. According to the plan, the reduction in emissions should reach 20% of the volume of the base year 2017 by 2024. The Company's facilities located in the cities affected by the programme are taking various measures to reduce the volume of emissions of pollutants into the atmosphere. This is achieved through the introduction of Eco-Søderberg technology, as well as deployment of modern gas cleaning equipment to all atmospheric pollution sources.

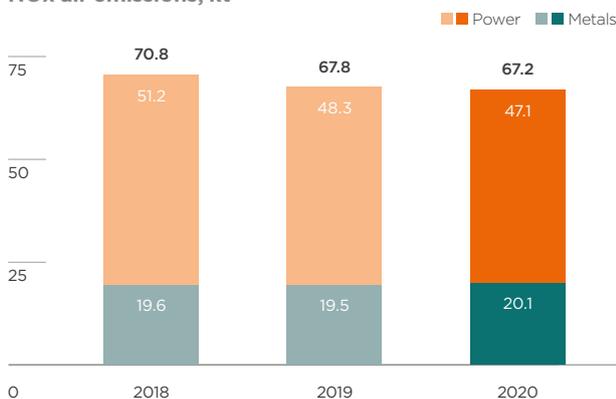
GRI 305-7, SASB EM-MM-120a.1, SASB IF-EU-120a.1

Total air emissions (excluding greenhouse gases and CO)^{1,2}, kt



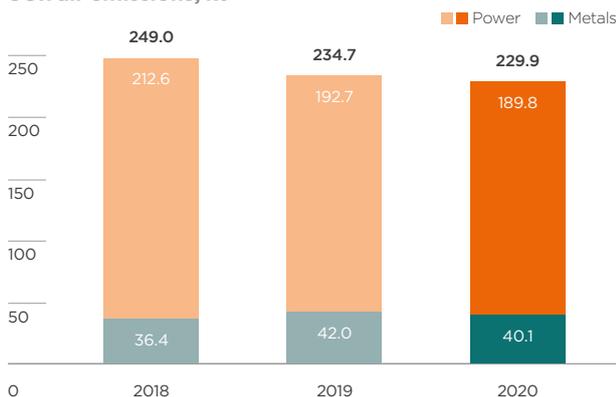
GRI 305-7, SASB EM-MM-120a.1, SASB IF-EU-120a.1

NOx air emissions, kt



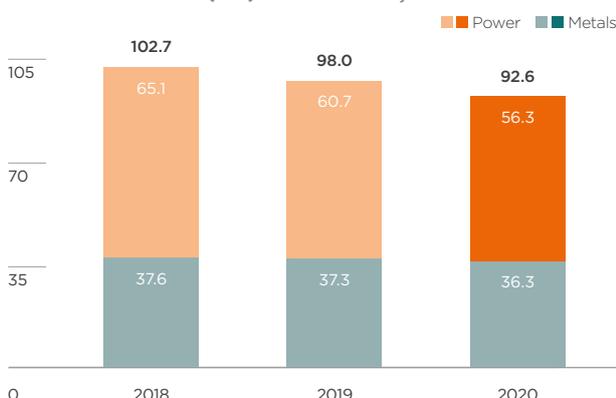
GRI 305-7, SASB EM-MM-120a.1, SASB IF-EU-120a.1

SOx air emissions, kt



GRI 305-7, SASB EM-MM-120a.1, SASB IF-EU-120a.1

Particulate matter (PM) air emissions, kt



For more detailed information on air emissions including air emissions of volatile organic compounds (VOCs) please refer to **Appendices, p. 147 of the Report**.

1 Hereinafter all differences in the data for 2018 and 2019 in the Environmental Stewardship section from the data presented in the reports of previous years are related to the recalculation of data using the updated methodology.

2 Hereinafter in the section "Environmental stewardship - Air pollution" The data for the Friguia Bauxite and Alumina Complex, that may be material for consolidated indicators, is excluded, due to the lack of metering systems and relevant requirements in national legislation.

Metals segment

Protection of the atmosphere from pollutant emissions is a key area of the environmental protection activities of the Metals segment, represented by RUSAL. Particular attention is paid to this issue as part of the implementation of the Ecology National Project and Clean Air Federal Programme. Enterprises of the Metals segment are implementing a list of measures aimed at improving air quality in the regions of operation, including:

- monitoring atmospheric conditions through automatic monitoring systems and mobile laboratories
- using modern gas treatment facilities, including units engineered by RUSAL's design and scientific departments
- conducting R&D activities and implementing the results
- applying Eco-Søderberg technology (at the Krasnoyarsk, Bratsk, Irkutsk, and Novokuznetsk aluminium smelters)
- using best available technologies to reduce air emissions
- upgrading aluminium smelters.

With the help of advanced gas treatment facilities, RUSAL captures and reuses up to 99.8% of hydrogen fluoride and solid fluorides in air emissions. This allows RUSAL to reduce the amount of these gases emitted and further mitigate the impact of our production facilities on the atmosphere. In 2020, the volume of pollutants emitted by our operations totalled 352.4 thousand tonnes (excl. GHG emissions). Low-hazard carbon monoxide (CO) accounted for the majority of this total, standing at 238.7 thousand tonnes (67.7% of total emissions) with 113.7 thousand tonnes made up of other pollutants, which corresponds to a 1.6% decrease compared to 2019.

Power segment

The main emissions of the Power segment are associated primarily with the combustion of fossil fuels for energy generation.

One of the ways to reduce the volume of pollutant emissions into the atmosphere is to increase the efficiency of generation at the Company's facilities.

In 2020, LLC Baikal Energy Company, under the facility development programme, implemented initiatives aimed at increasing the efficiency of electricity generation. This, in turn, helps to reduce emissions of pollutants into the air.

The second way to reduce the impact on the atmosphere is the technical modernisation of gas cleaning equipment. So, in 2020, the electrostatic precipitators were modernised at the Novo-Irkutsk and Novo-Ziminskaya CHPPs. Design work has begun on projects aimed at replacing existing ash collectors at a number of CHPPs with more modern and efficient ones.

The volume of pollutant emissions into the atmosphere in the Power segment in the reporting period (excluding CO) totalled 293.7 kt. The main pollutants are nitrogen and sulphur oxides, as well as particulate matter.

Water resources

GRI 103-1 En+ Group, the largest company operating in the Baikal region, operates hydropower plants on the Angara River flowing out of Baikal, thus providing a supply of renewable power for the local population and regulating the cascade of the river. The Company's activities in the field of water management include:

- decreasing the volume of fresh water used in operational processes
- decreasing the volume of wastewater produced and the concentration of hazardous substances contained therein
- increasing water recycling
- water quality monitoring

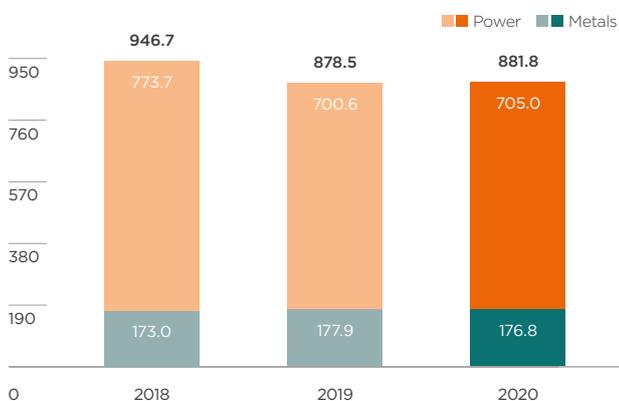
En+ Group operates a cascade of hydroelectric power plants located on the Angara River. En+ Group regulates the water regime of the Angarsk cascade in accordance with the instructions of Rosvodresursy, the Russian federal water resources agency.

The majority of the Company's water usage relates to the alumina facilities of the Metals segment and the power generation facilities in the Power segment.

GRI 103-2, SASB EM-MM-140a.2., SASB IF-EU-140a.2 At the same time, all enterprises of En+ Group comply with the limits on water withdrawal from water bodies and wastewater discharge; no significant violations of legal requirements were recorded in the reporting period. Most of the enterprises are located in regions that do not experience problems with water resources. There were no significant risks associated with water consumption and wastewater disposal in 2020.

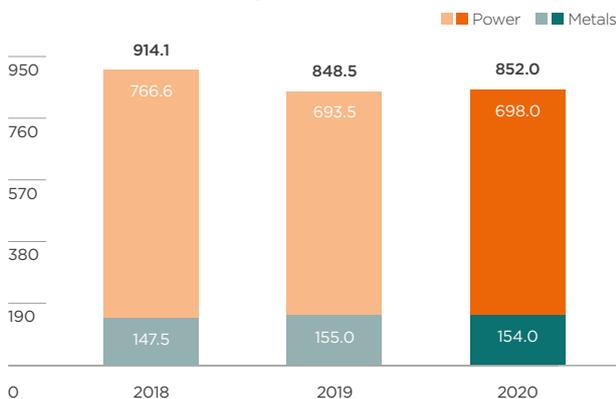
GRI 303-3, SASB IF-EU-140a.1, SASB EM-MM-140a.1

Water withdrawal¹, mn m³



GRI 303-3, SASB IF-EU-140a.1, SASB EM-MM-140a.1

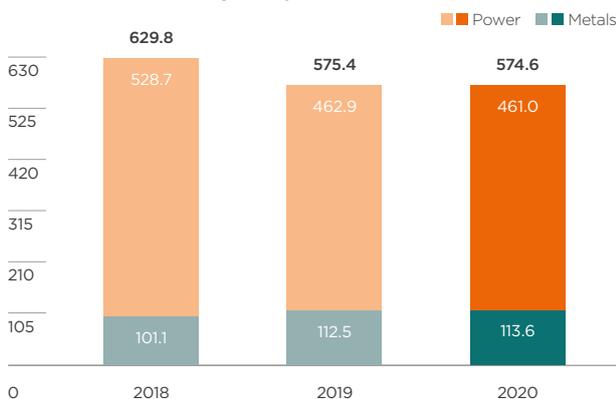
Fresh water withdrawal, mn m³



For more detailed information on water withdrawal and a breakdown by source, please refer to the **Appendices, p. 147 of the Report.**

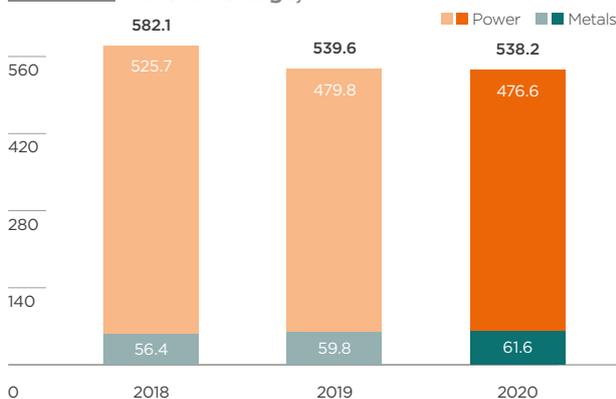
GRI 303-5, SASB EM-MM-140a.1, SASB IF-EU-140a.1

Fresh water consumption², mn m³



For more detailed information on the water consumed, and the percentage of each segment in regions with high or extremely high Baseline Water Stress, please refer to the **Appendices, p. 147 of the Report.**

GRI 303-4 Water discharge, mn m³



1 Hereinafter in the section "Environmental stewardship - Water resources" the data for total and fresh water withdrawal and discharge excludes quarry, mine, drainage, storm, and other waters, which are not used in the production process.

2 At Russian enterprises water consumption is calculated in accordance with Form 2-TP (water management) as a summation of the following water use codes: "102" (production needs), "8" (other needs). Divisions located in other countries apply other similar calculation methodologies that correspond to the national specifics of accounting.

Metals segment

GRI 303-1 The Metals segment adheres to best practices in the field of water resources management. It strives to reduce water intakes and discharges of wastewater, and implement initiatives addressing the issue of pollution of water bodies. RUSAL also makes efforts to increase water recycling and conducts regular inspections of water supply facilities to prevent leakages and wastage.

No significant water-related risks were identified in 2020, and there were no issues related to sourcing water suitable for production needs.

The Metals segment has operating units in Armenia and Italy, where water stress is rated as high¹. In order to optimise the management of water resources in these regions, the Company implements a number of initiatives, the main one being the improvement of the circulating water supply systems.

The Metals segment not only strives to reduce its water intake, but also makes efforts to introduce repeated and circulating water supply systems. One of the Company's current main priorities is improving its closed water supply system at production assets. The Urals and Bogoslovsk alumina refineries are implementing a project to create a closed water supply system at production facilities to reduce water discharges.

Fresh water consumption reached 113.6 million cubic metres. In 2020, most freshwater resources were consumed by the Alumina Division facilities (almost 82%), while the Aluminium Division accounted for almost 17%.

Improvements of the circulating water system at RUSAL ARMENAL

ARMENAL completed the shift to a closed water circulation system in 2020 as part of the technical re-equipment programme. As a result, the enterprise's water consumption dropped by about 90 percent. Furthermore, the system operation safeguards production from external water supply interruptions.

All of the enterprise's rolling mills and compression facilities are now provided with water resources thanks to the installation of two new fan cooling towers. ARMENAL had previously introduced similar cooling systems for smelting furnaces and direct rolling mills.



¹ Regions with water stress are those with high (40-80%) and extremely high (> 80%) levels of water stress according to WRI Aqueduct Water Risk Atlas.

Power segment

A key area of water resource management for the Power segment's facilities is in increasing the efficiency of water resource usage and preventing the pollution of water bodies.

One of the Company's facilities, the EnSer CHP, operates in the Chelyabinsk Region, a region with a high water stress level. En+ Group pays increased attention to working with water resources in this region. A special KPI, avoiding penalties for negative environmental impacts, has been established for managers of the facility.

GRI 303-1 To control the quality of water in water bodies, as well as discharged water, constant monitoring is carried out at each enterprise in the Power segment. Sampling and further analysis is carried out by specialised accredited laboratories. Sampling is carried out at several points upstream and downstream of the HPP. This approach allows the most complete assessment of the impact of each individual object on the quality of water in water bodies. The samples are analysed primarily for HPP-specific pollutants, such as the amount of suspended particles and oil products.

In addition to monitoring water quality in water bodies, HPPs operated by En+ Group regularly monitor the condition of generating and auxiliary equipment. This allows timely identification and prevention of technical malfunctions that can cause pollutants to enter the water.

The largest investment project implemented by the Company's Power segment, the New Energy programme, contributes to both increasing the efficiency of water resource use and reducing the risk of water pollution when passing through the turbines of hydroelectric power plants – new turbines use a modernised impeller design, which eliminates the leakage of turbine oil into the water.

As part of the New Energy programme, a new hydroelectric unit (No. 2) was launched at the Irkutsk HPP in 2020, and work began to replace hydroelectric unit No. 1. At the Krasnoyarsk HPP, work began on the reconstruction and overhaul of hydroelectric unit No. 4. A programme to modernise the water treatment facilities at the HPP was also launched in 2020. Work has begun on the design of the reconstruction and modernisation of treatment and water disposal systems for surface and drainage wastewater at the Irkutsk, Bratsk and Ust-Ilimsk HPPs. The following activities will be implemented:

- modernisation of the existing systems for collection, treatment and drainage of surface rain and melted wastewater from the industrial sites around the hydroelectric power station;
- introduction of local wastewater treatment systems for the drainage systems of hydroelectric power plants.

The total water consumption in the Power segment in the reporting period equalled 461.0 million m³, while the share of consumption in regions with water shortages is 1% of the total consumption. 72% of water withdrawals come from surface sources.

The volume of water withdrawal in regions¹ with water shortages was 4.5 million m³, and water disposal equalled 0.74 million m³.

SASB EM-MM-140a.2, IF-EU-140a.2 The total instances of non-compliance with permits, standards and discharged wastewater quality rules in the reporting period was 58.

¹ Regions with water stress are those with high (40-80%) and extremely high (> 80%) levels of water stress according to WRI Aqueduct Water Risk Atlas.

Waste, tailings, and land rehabilitation

GRI 103-1 En+ Group’s two main focus areas for waste management are increasing waste recycling and ensuring the safe disposal of waste at disposal facilities. The Company is working on developing a strategy for the complete utilisation of all its generated ash and slag waste.

GRI 103-2 En+ Group implements several measures to prevent or mitigate the impact of waste generation:

- conducting research on waste recycling and implementing the results
- land rehabilitation after decommissioning of waste disposal facilities
- using modern waste disposal facilities to ensure long-term and reliable storage and/or burial
- reducing the amount of bauxite and nepheline residue generated by the Metals segment and ash and slag waste generated by the Power segment
- raising awareness of waste management throughout the Company

GRI 103-3 The issue of disposal of waste containing polychlorinated biphenyls (PCBs) – extremely hazardous persistent organic pollutants – is especially important for En+ Group. The Company has developed a plan for the complete removal of such waste from all enterprises by 2025. This goal is consistent with the international obligations assumed by Russia under the Stockholm Convention on Persistent Organic Pollutants (POPs).

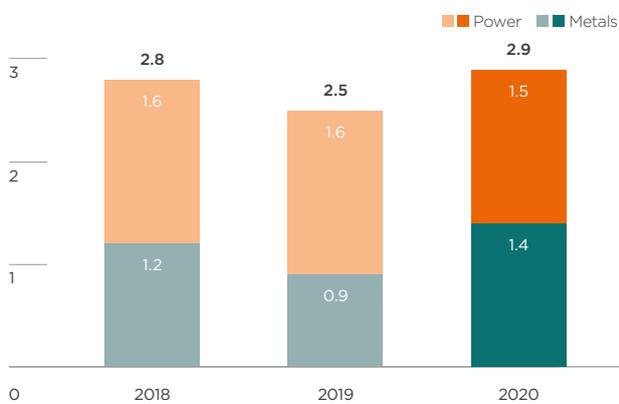
Work on replacing equipment containing PCBs at OJSC Irkutsk Electric Grid Company with equipment containing an environmentally safe liquid started back in 2013. To date, 321.86 tonnes of PCB-containing equipment has been taken out of service and transferred for further disposal, of which 50 tonnes were dismantled and transferred in 2020. In the reporting period, the Metals segment also recycled 9.5 tonnes of PCB-containing waste.

The transportation of hazardous waste¹ was only undertaken by officially recognised organisations and in compliance with all applicable laws; the Group did not perform any cross-border movements of hazardous waste in the reporting period.

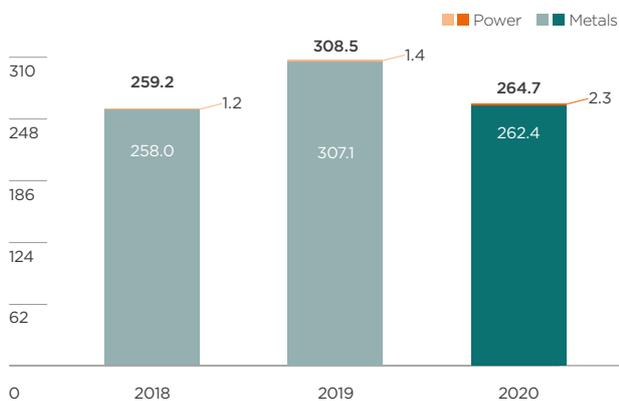
In 2020, there were no significant spills or risks related to spills at production facilities in either the Metals or Power segments of En+ Group.

The total amount of hazardous waste generated during the reporting period was 0.26 million tonnes, and non-hazardous waste (including mining waste) was 210.4 million tonnes.

GRI 306-3 Non-hazardous waste generated, excluding mining waste (overburden, rocks, and tailings)², mt



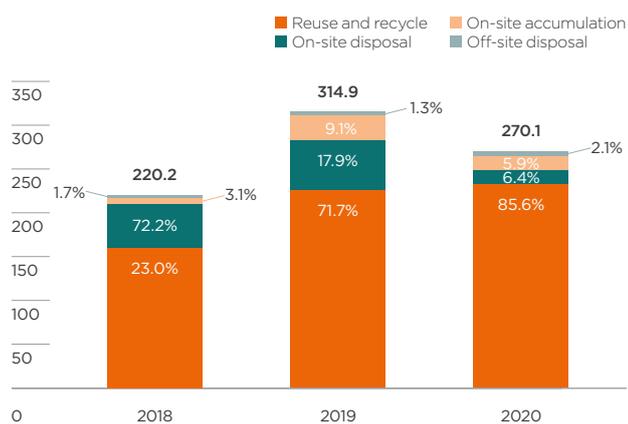
GRI 306-3 Hazardous waste generated, kt



1 According to the Company’s calculation methodology, hazardous wastes are those classified to I-III hazard classes under the Order of the Ministry of Natural Resources and Environment of the Russian Federation of 4 December, 2014 № 536 “On approval of the criteria for classifying wastes to I-V hazard classes by the degree of negative impact on the environment”. They fall under the definition of hazardous wastes proposed under the Basel Convention, since they have the characteristics contained in Annex III of the Convention (flammability, toxicity, etc.).

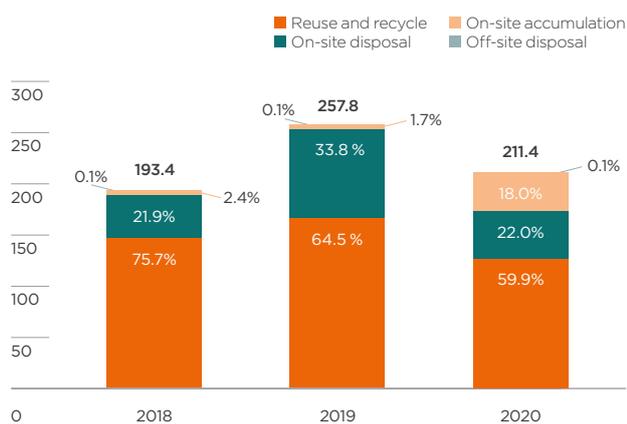
2 Hereinafter in the section “Environmental stewardship – Waste, tailings, and land rehabilitation” the data for the Bauxite Company of Guyana, the Bauxite Company of Kindia (Guinea), the Dian-Dian (Guinea), that may be material for consolidated indicators of overburden and rock waste, is excluded, due to the lack of metering systems and relevant requirements in national legislation. The volume of excluded tailings is the volume of molybdenum ores flotation waste, coal refining solid waste and the volume of sludge generated from coal feedstock classification with water in Power segment and red nepheline sludge in Metals segment.

GRI 306-2, 306-4, 306-5 Total volume of hazardous waste managed in 2018–2020, by disposal method, kt



For more detailed information on hazardous waste, please refer to the **Appendices, p. 148 of the Report**.

GRI 306-2, 306-4, 306-5 Total volume of non-hazardous waste managed in 2020, including overburden, by disposal method¹, mt



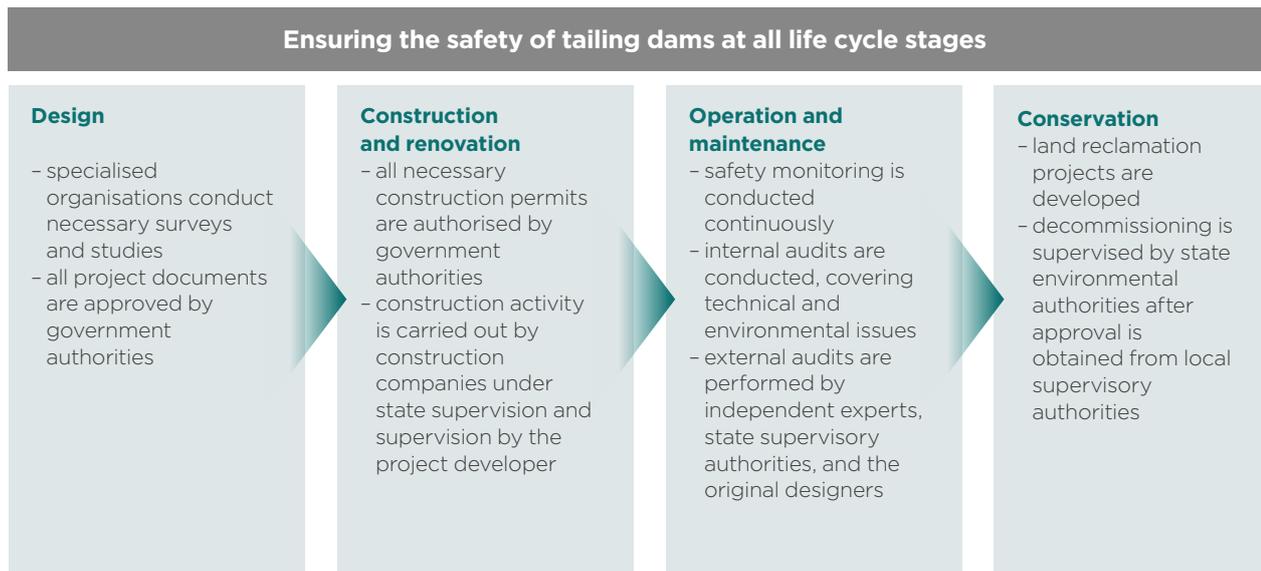
For more detailed information on non-hazardous waste, please refer to the **Appendices, p. 148 of the Report**.

¹ The indicator includes overburden waste, disposal methods for which could be recycling associated with backfilling, and reprocessing to new materials (breakstone, concrete additive, etc).

Safe tailings and sludge management

En+ Group operates a significant number of waste disposal sites. There are 28 residue storage and five ash-disposal areas at production facilities of the Metals segment, while the Power segment has 12 ash dumps. Each of these facilities meets all legal requirements, and their safe management is one of the Company’s key priorities.

Safety is an absolute priority at all stages of the waste disposal facilities life cycle.



The key elements ensuring the safety of sludge storage facilities are constant monitoring of their technical condition and the high qualifications of the personnel of these facilities. Each of these aspects is closely monitored:

- tailing dams are inspected daily and periodically, and their condition is constantly monitored using instruments.
- the Company requires that personnel operating tailing dams are certified and ensures the professional development of technicians that perform the technical supervision of safety at hydraulic structures.

The rehabilitation of disturbed lands is also an important aspect of the Company’s environmental activities. These works are carried out by En+ Group specialists after the completion of open pit mining and decommissioning of waste disposal facilities and include:

- the reclamation of disturbed terrain and soil upon the completion of open-cut mining

- the restoration of waste disposal facilities, such as ash dumps and landfills
- the recultivation of disturbed and contaminated land

Rehabilitation works are carried out in accordance with the approved rehabilitation plans. These plans take into account, first of all, the possible risks applicable to a specific object, the amount of work required, and the resources required for this. In general, the process of rehabilitation involves the decommissioning of an object, dismantling of capital structures or removal of disposed waste (depending on the type of object being decommissioned), and subsequent recultivation of the land.

GRI 304-3 Total area of disturbed and rehabilitated land in 2020, hectares

	Total area of disturbed, but not yet rehabilitated land, from open-cut mines as at 1 January 2020	Total area of disturbed land from open-cut mines during 2020	Total area of rehabilitated land from open-cut mines for agreed end use during 2020	Total area of disturbed, but not yet rehabilitated, land from open-cut mines as at 31 December 2020
Metals segment	6,742	1,563	48	8,257
Power segment	11,588	155	1	11,742
En+ Group	18,330	1,718	49	19,999

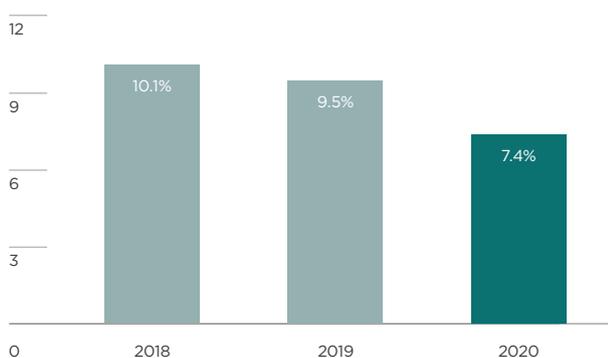
For more detailed information on the area of disturbed and rehabilitated land, please refer to the **Appendices, p. 148 of the Report**.

Metals segment

As a major metals producer, the Metals segment generates a significant amount of waste annually. This necessitates the implementation of a sustainable approach to waste management, which includes increasing recycling and reusing of waste, as well as organising safe storage and disposal facilities. To meet high international standards of waste management, the Company strives to develop new technologies to produce resources from waste that can be either used internally or sold to other organisations. The Metals segment also pays close attention to the quality of the disposal facilities that the Company builds and organises training on waste management for employees.

Generated waste, excluding overburden rocks, increased by 14% compared to 2019 and reached 16.2 million tonnes in 2020 (0.3 million tonnes of hazardous waste and 15.9 million tonnes of non-hazardous waste) because of the increase of the alumina production. The share of recycled waste stood at 13.5%¹. In the reporting period, the Metals segment generated 14.4 million tonnes of red nepheline mud (7.4% of which was recycled or reused) and 38.2 thousand tonnes of spent carbon pot lining (81.4% recycled or reused).

SASB EM-MM-150a.1 Percentage of tailings waste recycled in the Metals segment, 2020, %



For more detailed information on the weight of tailings waste and the percentage recycled, please refer to the **Appendices, p. 149 of the Report**.

¹ Excluding overburden waste.

Disturbed land restoration after the completion of operations and rehabilitation of lands affected by waste dumping are an important aspect of the Metals segment's approach to environmental sustainability. Based on the RUSAL Operational Policy for Decommissioning Assets and Restoring the Environment: Requirements for Organising Work and Assessing Obligations, the Company operates in accordance with:

- uniform corporate approaches and requirements concerning the restoration of disturbed land
- unified rules to assess obligations to decommission facilities and rehabilitate the environment in the area surrounding assets.

Land restoration takes place after mining activities have been completed and is required in cases when land is disturbed with waste disposal.

The Company plans to use a phased dry stacking method for bauxite sludge filter cake to mitigate the risks associated with the liquid phase at waste disposal sites. This technology will increase the efficiency of bauxite sludge placement and storage using press filtration and will reduce the risks of the liquid phase impact on the safety of hydraulic structures. This technology will also allow the period of filling sludge storage facilities at the Company's facilities to be increased.

Power segment

The two main types of waste generated in the Power segment are ash and slag waste (ASW) and mining waste (overburden and tailings).

The amount of generated ash and slag waste depends, first of all, on the volume of energy generation at CHP plants using coal as fuel. An important task for minimising the impact of the generated waste on the environment is the development and application of new methods for disposal of ash and slag waste.

The specialists of LLC Baikal Energy Company closely cooperate with leading research institutes and production companies in order to introduce the latest methods of ash and slag waste disposal at their enterprises. Currently, a number of the Company's enterprises are implementing certain measures aimed at improving waste management methods:

- increasing the volume of fly ash utilisation - modernisation of the dry ash unloading unit at the Novo-Irkutsk CHP
- extraction of iron-containing concentrate - a pilot unit at CHP
- sale of ash and slag waste to manufacturers of building materials
- use of ash and slag materials produced in the reclamation of landfills for waste disposal and land disturbed during coal mining.

In addition, the Company has developed a programme to increase the share of ash and slag waste disposal. The programme covers two primary directions: the use of ash and slag waste as a component of reclamation mixtures in the reclamation of disturbed lands, and the use of ash and slag waste as a building material in road construction.

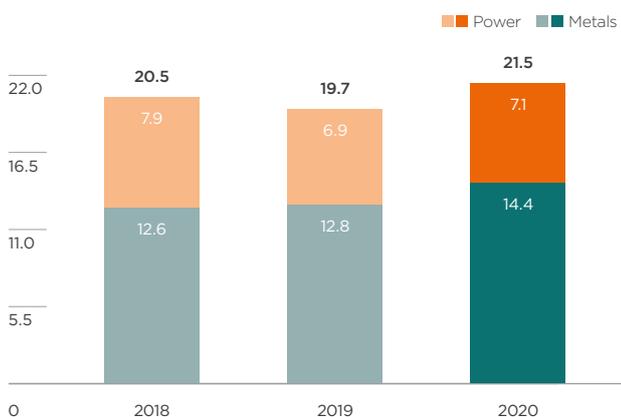
Overburden and tailings are generated at the facilities of Strikeforce Mining and Resources PLC (SMR) and the coal business segment. The total volume of overburden, rock, tailings, and sludge generated in the reporting period was 136.2 million tonnes.

Most of the overburden from the coal business is used to backfill underground workings and is not disposed of.

 For more detailed information on the total amounts of overburden, rock, tailings, and sludges, please refer to the **Appendices, p. 149 of the Report**.

GRI 306-3 The total volume of waste generation at the facilities of the Power segment in 2020 equalled 137.6 million tonnes. Mining waste accounts for the majority of this amount: 129.1 million tonnes of overburden waste and 7.1 million tonnes of waste from ore-dressing plants.

SASB EM-MM-150a.1 Total weight of tailings waste generated, mn tonnes



The Company's Power segment enterprises do not recycle tailings waste.

For more detailed information on the weight of tailings waste and the percentage recycled, please refer to the **Appendices, p. 149 of the Report**.

SASB IF-EU-150a.1 In the reporting period, 1.4 million tonnes of slag waste from coal combustion were also generated. 80% of this waste was recycled.

SASB IF-EU-150a.2 The Power segment has 14 coal combustion residual (CCR) impoundments, nine with low and five with significant hazard potential.

For more detailed information on the amount of CCR generated and the percentage recycled, please refer to the **Appendices, p. 150 of the Report**.

The main causes of land disturbance in the Power segment are coal mining and tailings operations. The coal business segment carries out land rehabilitation following the completion of coal mining activities.

In 2020, in the Cheremkhovsky district of the Irkutsk Region, the first stage of reclamation work was completed at the site where mining operations were carried out. Combined reforestation was carried out in the Ust-Ilimsk district, also in the Irkutsk Region.

Biodiversity

GRI 103-1 The Group pays significant attention to biodiversity issues. We strictly comply with environmental legislation and cooperate with research institutes and non-governmental organisations to develop effective measures to preserve ecosystems where impacts occur. En+ Group has successfully implemented measures for a number of years to preserve individual biological species and their habitats and performed the biomonitoring of selected areas. The monitoring results are used to assess the current state of the environment and adjust planned environmental actions to mitigate the adverse consequences arising from the industrial development of the areas.

SASB EM-MM-160a.1 The Group's approach to preserving biodiversity is included in the Environmental Policy of En+ Group. The Policy stipulates the objective of the Group to mitigate the negative impacts on biodiversity and promote the conservation of biodiversity in regions where its production facilities are located.

Before launching new projects, En+ Group conducts a comprehensive system of measures to assess the possible impact of the projects on the environment and biodiversity.

GRI 102-11 As En+ Group pays attention to biodiversity, the Group takes all possible actions to manage, evaluate, and minimise risk in the sphere of biodiversity. The Group carries out environmental monitoring and takes actions to prevent environmental impacts and protect ecosystems and habitats.

 More information on rehabilitated land can be found on page 91.

For this purpose, the Group performs risk assessments, and conducts scientific research.

GRI 103-2 The Group adheres to global best practices in the field of biodiversity conservation, proactively participating in international initiatives in this area. The Group is a member of the International Hydropower Association and the Working Group on Business and Biodiversity under the Ministry of Natural Resources and Environment of the Russian Federation. Group companies also participate in the ASI Biodiversity and Ecosystem Services Working Group, in affiliation with the International Union for the Conservation of Nature and Natural Resources (IUCN), Fauna & Flora International (FFI), and the Chimbo Foundation. In 2021, Alexey Spirin, En+ Director of the Environmental and Climate Risk Management Department, was elected by ASI members, at ASI's annual Board elections, to a Production and Transformation seat. Our collaboration with other organisations enables us to participate in the development and improvement of international sustainable development standards, while taking account of the long-term interests of all the Group's stakeholders.

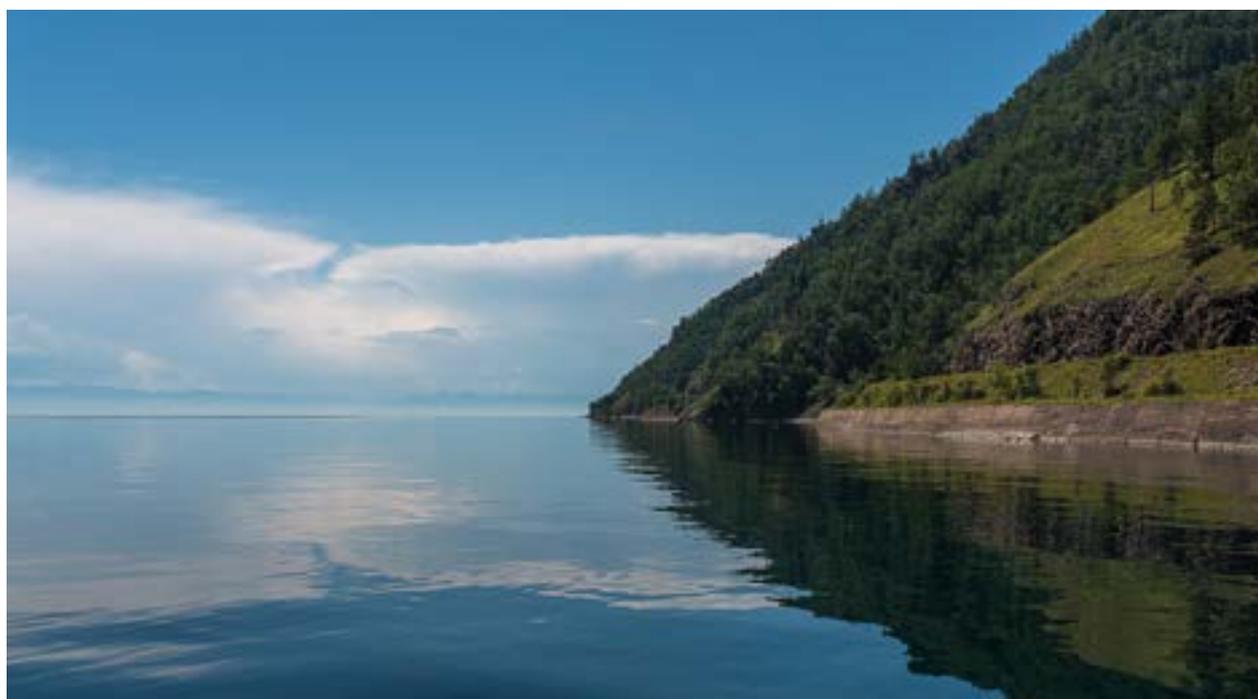


GRI 103-3 Throughout 2020 biodiversity became one of the key issues in the global sustainable development narrative. The international community acknowledged how biodiversity is inextricably linked to the climate and our own survival. En+ Group welcomes this move, having been focused on biodiversity before it was recognised as a critical global trend.

GRI 304-1 Some of the Group's hydroelectric power plants (HPPs) are located on the Angara River which flows out of Lake Baikal, a UNESCO World Heritage Site. Owing to our concern for this unique lake, we established a scientific programme to monitor the water quality and ecology of the lake. For detailed information, please refer to the Power segment section below.

Key events in En+ Group's biodiversity conservation programmes in 2020

Event	Description
Signing Business for Nature's Call to Action	En+ Group signed Business for Nature's Call to Action, and thus supports the statement that "Healthy societies, resilient economies, and thriving businesses rely on nature."
Aluminium Stewardship Initiative certification	Five more metallurgical companies of En+ Group have been certified according to the standards of the organisation which pays significant attention to biodiversity issues.



Biodiversity continued

Geography of En+ biodiversity projects

En+ Group pays attention to biodiversity. The Group carries out environmental and biodiversity monitoring, works on the artificial restoration of aquatic biological resources and protects Baikal seals, restores forest, and **rehabilitates land**.

In Russia

Forestry aviation

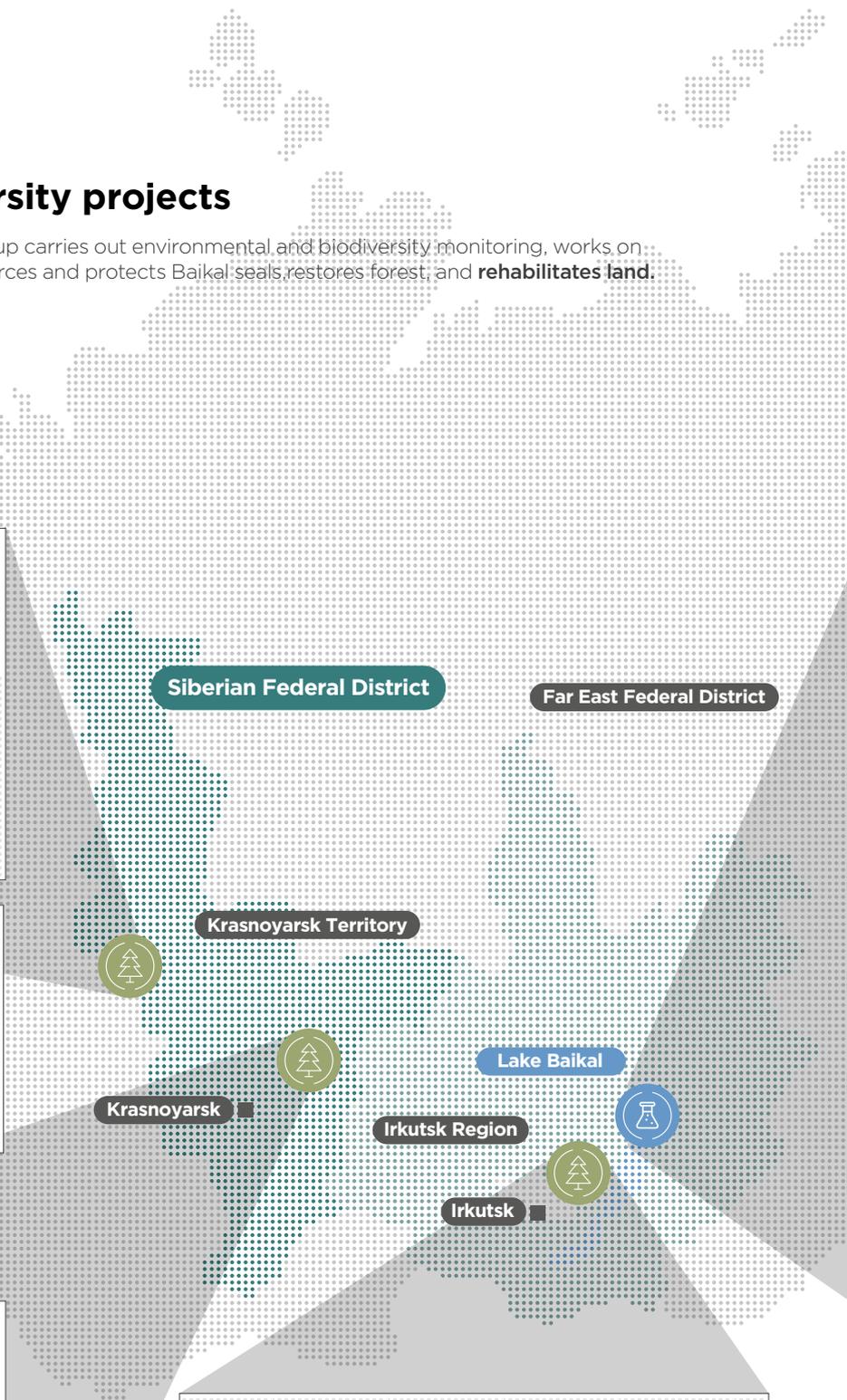
Locations: Bragina, Lebedeva, Sym

Restoration of aquatic biological resources
 En+ Group works on the artificial restoration of aquatic biological resources

Over 313,700
 fry were released in 2020

Forest restoration

USD 90,400
 spent on forest restoration in 2020



Forest reclamation
 The Group conducted forest restoration and SPZ development in 2020

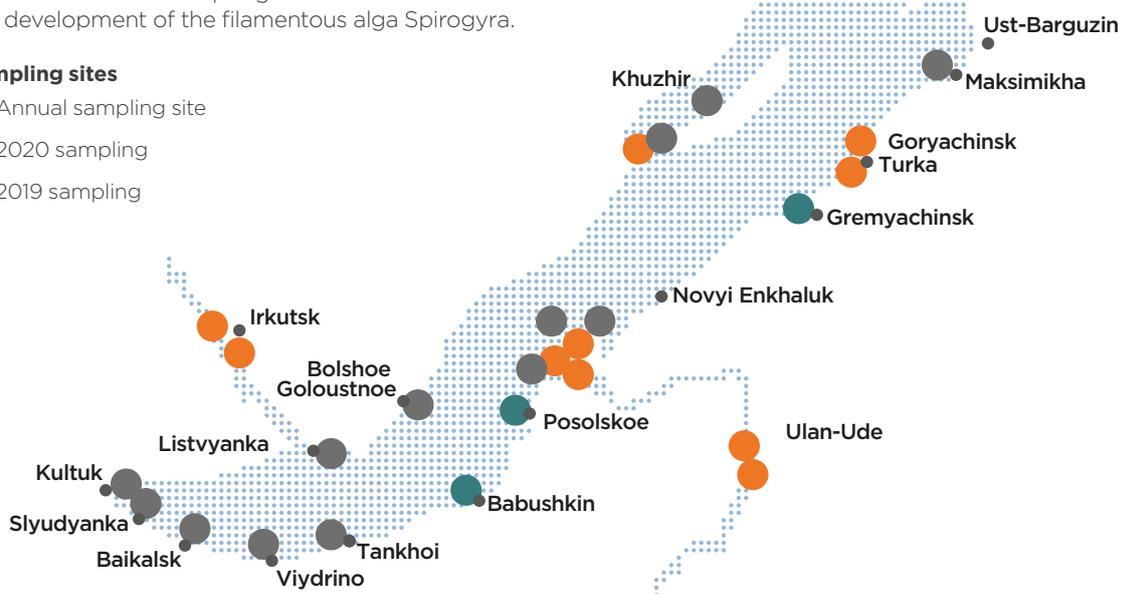
Locations: Grekhnevka, Gorokhovo, Aleksandrovskoye, Bakanai

Water sampling at Lake Baikal

En+ Group studies the water quality of Lake Baikal, the state of the Baikal sponge and the reasons for the development of the filamentous alga Spirogyra.

Sampling sites

- Annual sampling site
- 2020 sampling
- 2019 sampling



Forestry



Water sampling



Biodiversity monitoring



Boundaries of event sites



Boundaries of 'Bolshaya Step'



Russian state border



Administrative centre of a Russian region

Biodiversity monitoring

- Khakassky State Nature Reserve
- Sayano-Shushensky State Natural Biosphere Reserve
- Shushensky Bor National Park
- Stolby Nature Reserve
- Ichthyological Reserve Vym

Biodiversity continued

Metals segment

Forest restoration project

In 2019, we initiated the first large-scale project in Russia to preserve forests, 'Green Million'. About 112,000 trees were planted in Irkutsk Forestry in 2020. From the launch in 2019 we planted more than 1.1 million trees in Krasnoyarsk Territory and the Irkutsk Region. Along with planting new trees the Company also finances their fire protection for five years.

A volunteer movement also participates in the planting of trees. As part of the Green million project, RUSAL volunteers planted 800 trees in Achinsk, Krasnoturinsk, Novokuznetsk and Volgograd in 2020. More than 11,000 trees have been planted in 17 Russian cities as part of this project since 2017.

Assessment of ecosystem services

The implementation of forest projects focused on the synergy of development, climate, and nature has led to a number of positive environmental, social, and economic benefits. It was determined that forests have a significant positive impact on the regulation of the water regime, preventing soil erosion and preserving land. The Company's reforestation and aviation conservation activities contribute to such projects as the Trillion Trees campaign, the National Ecology project, and the Federal Forest Conservation project.

Research, monitoring and evaluating impact on biodiversity

We continued our Environmental monitoring project and research projects on Khakassky State Nature Reserve, Sayano-Shushensky State Natural Biosphere Reserve, Shushensky Bor National Park, Krasnoyarsk Stolby Nature Reserve, pine stands in the Krasnoyarsk forest-steppe, the water bioresources of Vym River, and snow leopard and forest reindeer populations. Various educational institutions were our research partners. The research materials gathered during the monitoring represent the unique and regularly updated scientific database of the natural areas of Russia's northern regions.

Biodiversity in Remediated Bauxite Residue

At Aughinish the establishment of a sustaining vegetation cover is the preferred method for post-closure management of the residue storage area to rehabilitate the residue, improve its aesthetic impact and develop an area for nature conservation.

Areas of remediated bauxite residue (BR) at Aughinish are leading examples of this best practice. This remediation, habitat creation and the revegetation recipe is now in use following the success of trials developed over 20 years ago.

Aughinish incorporates sand, gypsum and compost with BR to create a soil. The BR 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.



Promoting the conservation of the snow leopard

The snow leopard, or ounce, is a rare species of large cat that lives in harsh high-altitude conditions. It is listed in the Red List of the International Union for Conservation of Nature (IUCN).

As part of the project, in order to promote the study and conservation of rare animal species in the transboundary territories of protected areas in the Altai-Sayan ecoregion, RUSAL carries out long-term monitoring of the snow leopard population and habitats, in conjunction with the scientific community of the region.

Constant monitoring of snow leopards' movements within reserves, both with the help of satellite collars and camera traps (whose network is regularly adjusted), has made it possible to determine the number and spatial structure of the predator group and successfully coordinate operational and protective measures, which in turn makes it possible to more effectively safeguard the species' habitats.

The observations allowed us to evaluate the effectiveness of relocating the snow leopard for the purposes of restoring its population - this method was being tried out in Russia for the first time. The method proved to be successful and is recommended to restore other snow leopard groups with low or declining numbers. The results of a multi-year analysis indicate that poaching is the main risk factor and reason behind the decline in the snow leopard population.

Power segment

Water dwellers

GRI 103-2 En+ Group has been successfully working on the artificial restoration of aquatic biological resources endemic to the rivers of Eastern Siberia since 2014. This action is included in the annual plan for the artificial reproduction of aquatic biological resources of the Angara-Baikal Territorial Administration of the Federal Agency for Fishery.

Overall, the Group's production facilities released over 2,300 sturgeon fry, 12,400 Siberian sturgeon fry and about 253,000 peled (northern whitefish) in the Yenisei, Khilok, and Belaya rivers and Bratsk Reservoir on the Angara River. The Group has already invested more than 4.3 million roubles on the conservation of fish resources and released more than 1.5 million fry into the reservoirs of the Angara region.

GRI 103-3 The fish variety for breeding was selected based on research by scientific institutions under the jurisdiction of the Federal Agency for Fishery.



Fish hatchery

The Krasnoyarsk hydroelectric power plant was built on the Yenisei River in 1972. As part of the implementation of this project, actions were taken to offset the impact of the construction work on water bioresources. In 1973, the Beloyarsk Fish Hatchery was commissioned. Today, it is the oldest specialised sturgeon enterprise in the Yenisei River basin at Krasnoyarsk Reservoir. The young sturgeon production capacity of the Beloyarsk Fish Hatchery makes it possible to grow up to 1.2 million fish annually (0.8 million sturgeon and 0.4 million sterlet).

The Krasnoyarsk hydroelectric power plant continues to cooperate with the Beloyarsk Fish Hatchery to replenish the diversity of the aquatic biological resources of the Yenisei River. For example, in cooperation with the Yenisei branch of the Federal State Budget Institution Main Basin Authority for Fisheries and Conservation of Water Biological Resources, over 2,300 Siberian sturgeon juveniles bred by the Beloyarsk Fish Hatchery were shipped and released into the Yenisei River in 2020.

Avifauna

The Group has initiated a project assessing the impact of the Irkutsk hydroelectric power plant on avifauna. The Group is concerned about the possible flooding of waterfowl nesting sites in the coastal area around the Irkutsk hydroelectric power plant in May/June due to the variability of the water discharge at the plant.

The scientific research on avifauna representatives and their nesting conditions in the lower reach of the Irkutsk hydroelectric power plant is ongoing, as well as a risk assessment of nesting loss due to the water level fluctuations.

Goals for 2021 and onwards

- In the medium term, the Company aims to:
- Implement measures for the technical re-equipment of ash collectors at the Novo-Irkutsk and Ust-Ilimsk CHPs, and CHP-6.
 - Implement initiatives according to the plan of LLC Baikal Energy Company for the introduction of large-scale ash and slag waste use.
 - Develop project documentation for the branches of LLC EuroSibEnerg-Hydrogeneration to ensure the organised collection, treatment, and disposal of surface and drainage wastewater from HPPs, and to equip drainage systems with local wastewater treatment systems. Develop preliminary feasibility study materials for analogous projects at the Krasnoyarsk HPP.
 - Complete reconstruction, building, and commissioning of local wastewater treatment facilities of subsidiaries.
 - Continue monitoring of biodiversity in collaboration with scientific institutions.
 - Continue implementing the bioresource restoration programmes.
 - Continue upgrading the production facilities to reduce the Group's negative environmental impact.
 - Continue improving the management of biodiversity conservation issues.

Biodiversity continued

Lake Baikal

Lake Baikal, a UNESCO World Heritage Site, is the largest and deepest freshwater lake in the world. The coastal area of the lake, as well as its waters, are a unique natural ecosystem in which many different species of plants and animals live, some of which are endemic.



Baikal seal

Baikal seal (*Pusa sibirica*):

- Endemic to Lake Baikal
- The lake's only mammal
- Top of the food chain
- Ecosystem status indicator

The programme

The programme was developed at the IPEE RAS with the participation of scientists:

- Russian Federal Research Institute of Fisheries and Oceanography (VNIRO);
- Federal Research Centre for Fundamental and Translational Medicine

Programme objectives

- Review of the current status of the Baikal seal population to study the state of Lake Baikal.
- Create a scientific basis to ensure the effective conservation of the biodiversity of Lake Baikal.

Research conducted in 2020

- Visual observations, with 63 visual records and a maximum number of 1,209 seals per record. The weather conditions, gender, age, and state of health of the animals were recorded during the surveys.
- Accounting through unmanned aerial vehicles, conducting nine flights, and making 28 videos with a total duration of 118 minutes on three islands - Thin, Long, Round.
- Satellite tagging. Two seals were tagged with satellite transmitters.
- Collection of biological samples. Virological, toxicological, serological, and hormonal studies were carried out on samples from 70 live and more than 600 dead animals.

Plans for 2021-2025

- Continued animal tracking and collection of biological data.
- Development of measures to mitigate the negative impact on the seal population and optimise the protection of its main habitats in the lake.
- Writing of scientific articles based on the results of the collected data.



Environmental monitoring

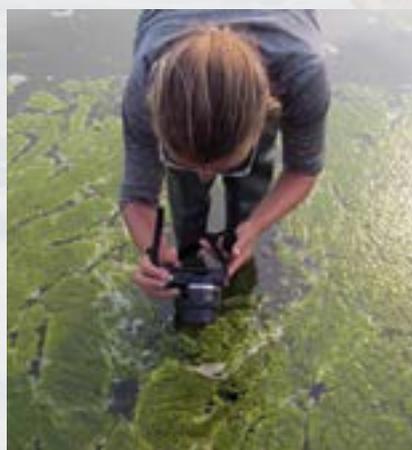
The second annual expedition of the ecological monitoring of Lake Baikal was conducted in 2020 with A.N. Severtsov Institute of Ecology and Evolution of the Russian Academy of Sciences to determine the general hydrochemical characteristics of the lake water and study the content of microplastics. During the expedition, 75 water samples were taken from the Selenga River, the Angara River, and the private residential sector in some localities on the shores of Lake Baikal.

Key results of expedition were presented at the Russian Water Congress in October 2020 and in scientific articles:

- Waters of Lake Baikal are being polluted at a faster rate.
- The amount of microplastics in Lake Baikal equalled approximately 30,000 particles per square kilometre of surface, which is comparable to the amount of microplastics in the waters of the Great Lakes in North America.
- Most of the pollutants enter Lake Baikal along the Selenga River.
- Nutrients enter into the lake from settlements through groundwater.



For more detailed information on the environmental monitoring of Lake Baikal and other biodiversity-related initiatives, see the section **Biodiversity**, p. 94.



Forecasting of Lake Baikal inflow

En+ Group studies the impact of water use on the environment using hydrological modelling methods.

For more detailed information see the section **Scientific and technological development projects**, p. 60.



Electric vehicle charging stations

The Company is building a network of charging stations for electric vehicles on the shores of Lake Baikal to support the development of clean energy vehicle use.

For more detailed information, see the section **Scientific and technological development projects**, p. 60.



Community environmental projects

The Group implements community environmental projects on the territory surrounding Lake Baikal.

For more detailed information on community environmental projects aimed at protecting Lake Baikal, see the section **Community programmes in Russia**, p. 127.

Health and Safety

“Our people are our most important asset. Their health, safety and wellbeing is our absolute priority.”

Mikhail Khardikov,
CEO of En+ Power – CFO of Group



Key highlights

13

internal safety self-assessment programmes developed

31¹

hours per employee – average hours spent in training (up from 30 hours in 2019 and 28 hours in 2018)

22%

reduction in cases of occupational diseases compared to 2018 (153 cases were documented in 2020)

11%

reduction of severe injuries (compared to 2019)

Management approach

GRI 103-1 Nothing matters more to us than the safety, health, and well-being of our employees. Our approach to health and safety (HS) rests on strong leadership and a “zero injuries” culture. Awareness of the importance of HS issues from the top of the organisation is essential to create inspiring working conditions and save the lives of our employees. En+ Group pays particular attention to the engagement of executives and senior managers since they set a good “tone at the top” by focusing their teams on the right priorities.

GRI 103-2 En+ Group believes that health and safety is not just about legal requirements and duty. Lofty goals and good operational procedures are not enough. Our approach is about each employee regardless of position and building a culture of prioritising work safety and care for employees’ health.

En+ Group’s key HS document is the corporate HS Policy, in which the Company states, as a shared core principle, that the health and safety of employees has overall priority. No circumstances and goals, either production or commercial, should be considered as a

reason for not complying with industrial safety requirements. This strategic document also determines the role of line managers and executives in ensuring safe working conditions and the well-being of all employees.

To download the Health, Occupational, Industrial and Fire Safety Policy from our website: https://enplusgroup.com/upload/iblock/bb3/HS-Policy-_Eng_.pdf

Our corporate HS principles represent what we believe in, how we manage our business, and what we expect from our employees and contractors.

- Life and health are more important than production results and economic indicators.
- All incidents are preventable.
- The safety agenda should be fully integrated into all business and production operations from daily routine to strategic goals and respective plans.
- An unwavering commitment to observe national HS legislation, and strive to be the best HS performing company among competitors.
- Each employee should have the appropriate skills and knowledge to work safely.
- Safe behaviour must be supported and motivated by management.
- Suppliers and contractors should be chosen using HS principles and have to follow all of the Company’s safety requirements.

¹ Average hours spent in training includes data only for the Power segment.

Structure and management system

At En+ Group, a strong safety culture and leadership begins with the commitment of our senior management. This commitment is implemented through HS supervisory bodies at all corporate levels.

GRI 403-4 The main strategic body in the HS field is the HSE Committee of the Board of Directors established in 2019. Meetings are held at least once every quarter of the Company's financial year. The Committee addresses issues related to the appropriate functioning of the HS risk management system at the Group level.

GRI 103-3 Another key management body of the Group is the HS Directorate, which supervises all facilities in the Power and Metals segments, coordinates local HS functions, and fosters the efficiency of the OHS management system.

The Group has also implemented a wide range of HSE KPIs for senior managers and executives with one simple purpose: to make our OHS management system more

transparent and involve our management fully in safety issues. These KPIs include the number of cases of fatalities, the lost time injury frequency rate (LTIFR) for employees and contractors, number of risks assessed, behaviour audits conducted, and integral assessment of the OHS management system.

GRI 403-1 En+ Group meets the requirements of international occupational health and safety standards. The OHS management systems of the Group's facilities are certified under ISO 45001:2018 standards. Compliance assessments are performed by reputable verification bodies such as Russian Register and IQnet in the Power segment and Det Norske Veritas in the Metals segment.

+ For more information about our corporate OHS management system, please refer to the Sustainability Reports of En+ Group for 2018 and 2019:

https://enplusgroup.com/upload/iblock/bf0/En_-Group-2018-Sustainability-Report-ENG.pdf

https://enplusgroup.com/upload/iblock/5b5/En_-Group-SR19-ENG.pdf

HSE culture

We see the local HSE functions of En+ Group as more than just supervisory departments responsible for strict adherence to HS regulations and norms. En+ Group endeavours to build a robust, proactive, and dynamic safety culture, driving best practice rather than just following the legal requirements and formal safety procedures. We work with our personnel to change their attitudes, behaviours, and thoughts, and to improve their general situational awareness. Three key areas are considered by En+ Group when developing a safety culture: 1. Attitude, 2. Environment, and 3. Systems and tools.

GRI 403-2 The Group collects regular and transparent feedback on HSE from its employees and requires them to not conceal or distort the circumstances of HS violations or incidents. En+ Group employees have several communication channels, including anonymous ones, to address HS risks and report safety breaches:

- Problem-Solving Boards
- Incident-warning system for executives
- Commission on labour disputes
- HS Commission
- Monthly HS meetings
- Hotlines

GRI 403-2 Our workforce is empowered to intervene or stop work when they observe an at-risk situation or unsafe behaviour. The right to suspend an operation posing the risk of harm is prescribed in the corporate HS Policy, and the CEO of the Group guarantees that no repercussions will occur. Cases of self-dismissal are included in the regular assessment of the OHS management system of the enterprises, which is set monthly.

GRI 403-2 We continually seek opportunities to reveal shortcomings in current operational procedures from the standpoint of safety. We are well aware that there are many inherent hazards and associated risks in the industry and our businesses; and that it is critical our ways of working minimise, and do not add to, the risk of harm to our employees. Thus, we are committed to enhancing our safety culture and we conduct diagnostic safety culture audits to identify any gaps in the current OHS management system and to analyse our employees' overall attitudes to HS issues, their risk awareness and style of work, and monitor management's commitment to safety. Nine facilities from the Power and the Metals segments - Ust-Ilymsk HPP, Krasnoyarsk HPP, Avtozavodskaya CHP, Irkutskenergoremont, Southern Electric Networks, Krasnoyarsk aluminium smelter, Achinsk aluminium plant, Sayanogorsk Aluminium Smelter and JSC Kreminy - were selected for audit. This year, during the audit, a wide range of interviews was performed with workers and facilities' management as well as industrial shops visits and operational activities monitoring.

HSE culture continued

The average safety culture rating at the selected facilities stood at approximately 2.1 on the scale of 1 to 5, which places them at the Reactive level according to the Hudson safety culture ladder. The Group will make every effort to improve its safety culture in the coming years.

The audit results give us a benchmark to improve health and safety standards and the behavioural model at each facility and across the Company. The Group applies the newest technological tools and methods, training programmes, and organisational procedures to improve the level of our safety culture. We plan to conduct such audits in other facilities of both segments in 2021 and pull them up to a leadership level.

 More information about our corporate safety culture initiatives is available in the **Sustainability Report for 2019 (p.134-137)**.

OHS training

GRI 403-5 In compliance with domestic legislation requirements, Group employees regularly undergo all respective mandatory trainings, including in health and safety, fire and industrial safety, as well as compulsory safety briefings for new employees, and regular, targeted, and ad-hoc employee briefings. The appropriate and safe handling of tools and installations, primary knowledge of occupational and fire safety, and basic first aid skills all play key roles in safeguarding the health and safety of employees.

En+ Group believes that there is no maximum level for the health and safety professionalism of our colleagues. Therefore, in addition to legally required trainings, the Group offers regular professional development programmes, including voluntary initiatives to strengthen the corporate safety culture, as well as to maintain the professional skills of our employees at the highest level, ensuring the safe and reliable operational efficiency of the facilities. To provide our employees with high-quality training, the Power segment established a Corporate University, which meets worldwide international standards.

The Metals segment possesses a similar unit called the Functional Academy. A decision was taken during the reporting period to amend HS training and educational programmes for the Functional Academy. The segment expects this programme to be implemented in the middle of 2021.

During the reporting period, 13 internal safety self-assessment programmes were developed by the Group. In 2021, we plan to train more than 3,500 workers. Two hundred sixteen internal trainers of the Group received online training on improving safety culture. The Company continued to train Power segment employees under a Leadership programme in 2020 (see the Sustainability Report for 2019), although due to the COVID-19 pandemic the project was transferred to a remote format.

In 2020, more than 461 employees were trained under the Look Around project launched by the Metals segment. All managers and specialists of the Downstream Division of the Metals segment were trained to improve their risk awareness and ensure a safe working environment. Moreover, all heads of the HSE departments of the segment's other divisions were also covered by this new corporate HS initiative.

In 2020, the Power segment managed to increase the average number of hours of training. This indicator stood at 31 hours per employee during the reporting period, compared to 28 hours per employee in 2018.

Company-wide initiatives related to Health and Safety

GRI 403-7 The Company promotes a healthy environment through a wide range of health and safety initiatives and projects, protecting against occupational health hazards and supporting our employees. In 2020, En+ Group managed to implement new safety programmes, despite the COVID-19 pandemic. Total expenditures on the health and safety programmes, initiatives, and purchases stood at more than USD 12.3 million, excluding the Metals segment.

Metals segment

Remote control overhead cranes	The Metals segment project launched in 2019 continues to equip overhead trailing cranes with remote control systems. The operators at the KrAZ and BrAZ facilities are now working from safe and comfortable control desks outside the industrial shop space. In 2020, four more cranes were equipped with remote control systems.
Reducing the physical exertion of the employees of the electrolysis shop	The Metals segment realised a project to reduce the physical exertion levels for electrolysis shop workers. In 2020, 30 exoskeletons were purchased and tested at production facilities, and specialists of the Metals segment are also members of a joint team with the Ministry of the Labour of the Russian Federation. Currently, they are working on establishing a clear statutory standard (GOST) that will cover the issues of industrial production, testing, and daily operation of exoskeletons. This document will be adopted by the end of 2021.
Look Around project	<p>The Look Around project to identify risks and hazardous situations is targeted at improving the level of immersion of employees into daily HSE issues and timely identification and reporting of potential hazards so they can be addressed.</p> <p>The Metals segment managed to achieve the following results in 2020: 15,906 hazardous actions identified during the reporting period, 15,326 of which were eliminated. In total, 461 employees were engaged in this initiative in 2020.</p>

Power segment

Automatic medical check-up	Daily medical examinations of employees whose workplaces are located at remote facilities of the energy complex of the Irkutsk Region have been organised since 2020 using the Automated Medical Examination system, for the timely detection of any health issues. This new approach provides real assistance in the performance of many functions carried out by various employees of the facility. The remote monitoring medical complex allows the data required for reporting to be automatically filled in and saved.
Story contest "Safety it's us"	In 2020, the Safety It's Us story contest was held. Employees shared their real experiences and the stories of colleagues that inspired them to meet the requirements of health and safety rules and regulations. 115 stories were submitted to the competition and 5,377 votes were cast, making it possible to determine the winners in five nominations. This competition contributed to the engagement of employees in the development of a safety culture through creativity; and its participants, in addition to recognition of their merits, received monetary rewards.
Lifesaving rules	Basic and Essential safety rules were developed in 2020 to form a conscious attitude to safety based on an analysis of the causes of injury. As an additional channel of communication, the rules were visualised on posters and placed at all production sites. Violations of life saving rules were counted separately, analysed, and each disciplinary action was confirmed by the HS Director after discussion with the site manager.
Monthly HSE meetings	In 2020, managers continued to hold monthly HSE meetings via video conference calls, where directors of the production facilities reported on the results of their HSE efforts, discussed the findings of workplace audits, and shared experiences in health and safety improvements.
Regulation of ongoing monitoring	To assess the OHS management system, the Group established a programme of ongoing monitoring of health and safety conditions, which was improved in 2020. Under this regulation, the state of the OHS management system at production sites is regularly assessed in various key areas. The final review is announced by the executive of the production site at the monthly HS meeting. The results of the assessment of the monitoring system are included in the KPIs and affect the quarterly bonus payments to unit managers.

Performance

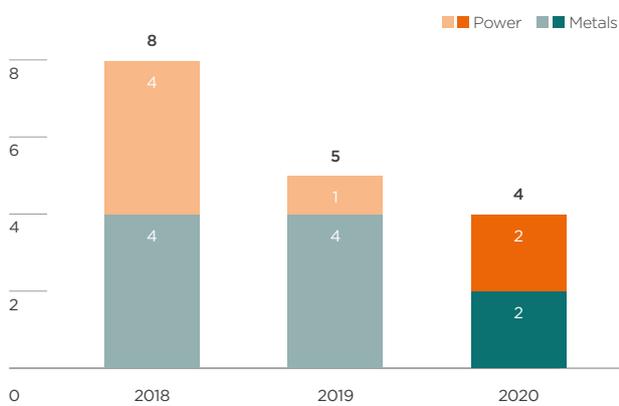
Fatalities

En+ Group deeply regrets that there were four work-related fatalities in 2020, notwithstanding the company's commitment to zero fatalities. The Group apologises to families of our colleagues and grieves for these unbearable losses. En+ Group management conducts comprehensive investigations of all fatalities in order to develop and implement corrective measures and achieve zero fatalities.

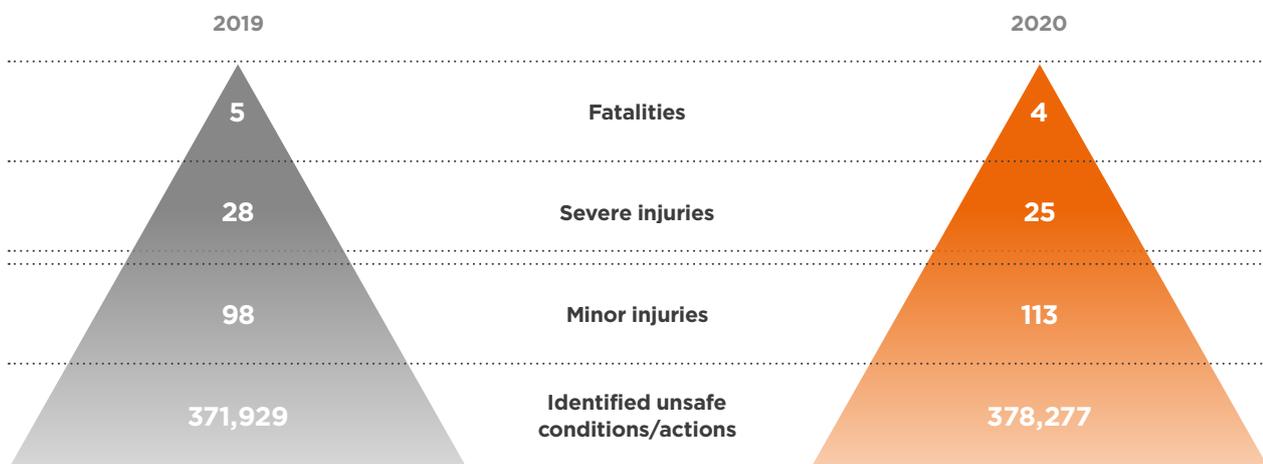
GRI 403-2 We continue to improve our processes for identifying hazardous situations and actions. This process forms an integral part of the OHS management system and allows us to take all necessary actions to prevent irreversible consequences.

The Group regularly conducts internal HS audits to identify current health and safety deficiencies. Numerous hazardous situations and actions are identified during these checks. The ongoing development of our HSE culture has enabled us to improve our hazard identification process by involving more people in the issue of health and safety.

GRI 403-9 Work-related employee fatalities¹



GRI 403-9 Work-related injuries



Work-related injuries

GRI 403-9 We measure our safety performance by tracking a combination of indicators. The decrease in our LTIFR for which we were striving was not achieved in 2020. During the reporting period this indicator within the Group amounted to 0.21².

This is largely attributed to a group accident that occurred in November 2020. As result of a traffic accident involving a corporate bus transporting

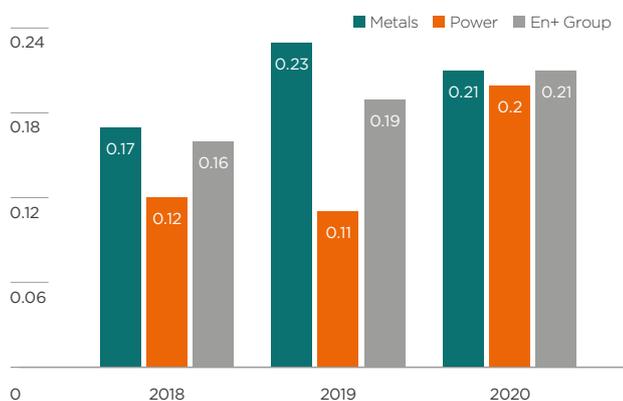
employees of the Power segment to Ust-Ilimsk CHP, 19 people were injured, with four injuries classified as grave. Thus, the LTIFR of the Power segment experienced an 81.8% growth in 2020 compared to 2019 and stood at 0.20.

Meanwhile, the LTIFR of the Metals segment showed a reduction to 0.21, which was 8.6% lower than the 2019 figure of 0.23.

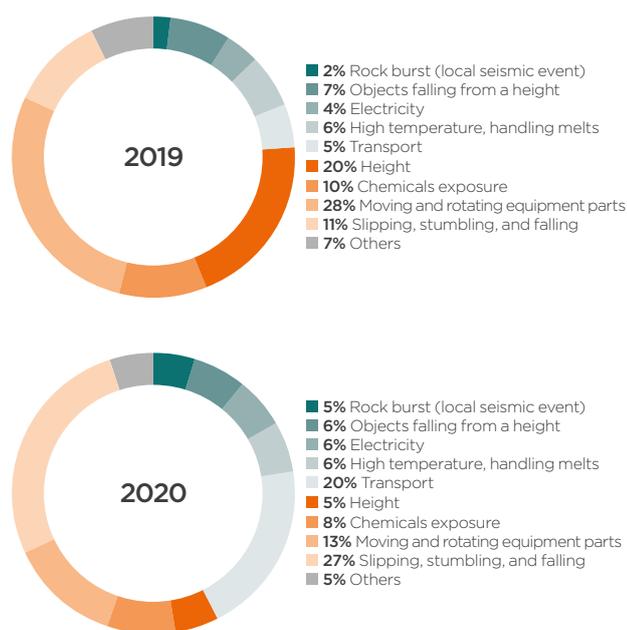
¹ Hereinafter in the section "Health and safety – Performance" the injuries data represent cases registered by the Company.

² Hereinafter in the section "Health and Safety" KRAMZ and SMR are included in the LTIFR of the Metals segment.

LTIFR^{1,2}



Main causes of work-related accidents in 2019-2020, %

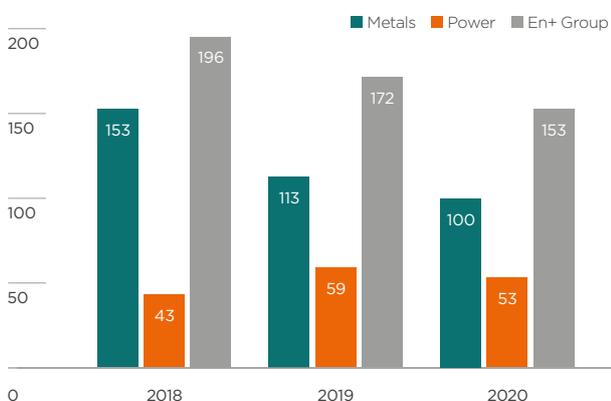


Occupational diseases

GRI 403-10 The Company invests great efforts into enhancing working conditions and improving the corporate healthcare system. En+ Group takes an integrated approach to improving employee well-being, and in this way achieved a decrease in the number of occupational diseases identified. Thus, 153 cases of occupational diseases were documented at En+ Group's facilities in 2020, 11% lower than in 2019, which in turn saw 172 cases, and was 22% lower than the figure for 2018³. Meanwhile, the types of occupational diseases showed no changes in 2020. The most common reported illness remains vibration syndrome, sensorineural hearing loss, and chronic bronchitis due to high dust concentrations in the air at a worksite.

Following domestic legislation, the Group insures all employees against work-related incidents and occupational diseases. All treatments of occupational diseases are covered by this insurance.

GRI 403-10 Employee occupational illness cases, 2019-2020^{4,5}



1 Per 200,000 hours worked.

2 Hereinafter in the section "Health and safety - Performance" the injuries data represent cases registered by the Company.

3 Hereinafter in the section "Health and Safety" in the Metals segment cases of occupational illness identified in the post-contract period are not included.

4 The value was recalculated for 2018-2020 due to improvements in the reporting process.

5 In the Metals segment cases of occupational illness identified in the post-contract period are not included.

Medical treatment

GRI 403-3 The Company has pledged to create inspiring working conditions for all our employees and to improve the well-being of our personnel. Corporate high-quality medical examination centres allow more occupational illnesses to be detected at an earlier stage and provide employees with effective and timely treatment.

All Metals segment facilities work with the Moscow Scientific and Research Institute of Occupational Medicine. Such in-depth medical check-ups allow for the identification of multiple occupational diseases for one employee. The Metals segment also has its own highly-qualified well-equipped medical centre, established in 2005 to provide the staff, their families, and the local community with access to high-quality healthcare. Today, the Metals segment possesses 14 medical centres situated in the various regions of operation.

All the Metals' segment foreign assets also benefit from modern health centres. Medical services of the Metals segment are available at facilities in Guinea, Guyana, Nigeria, Ireland, and Jamaica. In 2020, the new multifunctional medical centre for the treatment of infectious diseases was opened as a branch of the hospital at the Friguia Bauxite and Alumina Complex. The wards of the new medical facility possess 38 beds and include an isolated infectious diseases unit, a sanitary checkpoint for medical staff, an observatory, and an intensive care unit.

The Power segment also has a wide net of medical centres that was established to provide employees with exceptional treatment and preventive care.

Medical centres of both business segments provide first aid, pre-shift, and post-shift medical check-ups, alcohol tests, preventative medical examinations, and other services according to the domestic legislation. All employees must undergo mandatory medical examinations to ascertain any undetected conditions, and they receive treatment quickly. Each year, the Company offers vaccinations against flu and tick-borne encephalitis. In 2020, we also provided our employees with vaccines against COVID-19. As of mid-March 2021, more than 7,000 employees of En+ Group have been vaccinated, and this initiative continues.

Contractor engagement

The role that contractors play in En+ Group's daily operations can hardly be overestimated. A great deal of our work at industrial sites is performed by our contract partners, making them indispensable to our operations. The Company believes that engaging contractors in our corporate safety programmes and projects is crucial for providing an overall high level of safety.

The Group's policy is to work only with approved contractors who meet all legislative requirements and hold all necessary licences, certificates, and work permits. None of the contractors can be exposed to hazardous work until their competence and qualifications have been assessed. During the search for appropriate contractor companies, En+ Group performs in-depth analysis of the overall health and safety background of the prospective partner, including cases of injury and fatalities, fires, and technical accidents. This step allows us to screen contractors before working with them.

Before any work commences, all contractors participate in a pre-task meeting to raise awareness of the potential risks, exposures and required PPE, and to discuss other aspects of the job.

In 2020, En+ Group developed and implemented the process and procedures for collecting health and safety data from contractors to include their performance in the calculation of the LTIFR. Although during the trial period some difficulties were encountered (non-provision or untimely provision of the requested data by the contractor), appropriate corrective measures were developed, including the designation of employees in charge of collecting information and the updating of the contract form with the contractor's responsibilities.

Emergency preparedness

En+ Group's emergency preparedness and response systems are regularly tested and enhanced through our own experience and findings from incidents and through best practice within and beyond our industry. We regularly interact with local first responders, emergency management groups, and state and federal agencies and supervisory bodies.

The Group's personnel continuously undergo various exercises and training on their roles and duties in emergency response situations, to be sufficiently prepared and able to act properly if incidents occur.

In 2020, the Metals segment conducted an unscheduled inspection of all tanks with flammable liquids and hazardous and toxic chemicals as a response to the accident involving the oil spill from the tank in Norilsk in May 2020, which caused tremendous ecological damage. A list of all reservoirs operated by the segment, including its foreign assets, was formed. The inspection revealed the circumstances of operation and showed the technical state of each tank. In 2021, an in-depth technical analysis with fire and environmental risk assessments will be performed regarding each reservoir of the Metals segment.

During the reporting period, the Power segment held unscheduled training sessions involving the LLC Fire Protection of Irkutskenergo to prevent the spill of oil products at the facilities of LLC Baikal Energy Company (associated with the spillage of oil products at Norilsk CHP).

In order to optimise the process of making managerial decisions and timely responses to any emergency JSC EuroSibEnergo operates a Situational and Analytical Centre. A regulation regarding the transmission of information about accidents and emergency situations has been developed. In case of emergency, all operational data is sent to the Centre using the "one-stop shop" approach and then communicated to the management of JSC EuroSibEnergo.

Goals for 2021 and onwards

- Achieve zero work-related fatalities.
- Reduce LTIFR.
- Enhance the OHS management system, guided by international best practices.

Employees

“Our success grows from our culture where every employee has the opportunity to learn and develop.”

Natalia Albrekht,
Deputy CEO - Chief People Officer



Key highlights

c.91,000

employees at the end of 2020

15

new training programmes were developed

87%

of employees were covered by collective bargaining agreements (up from 86% in 2019)

c.15,000

employees transferred to remote work

27%

of workforce were female (up from 26.5% in 2019)

92%

of vacancies for key positions of the Company filled by employees

Management approach

GRI 103-1 The greatest capital of our Group is our people. En+ Group's success is due to the creation of a culture of team engagement, where everyone can develop.

En+ Group consists of more than 60 companies in 12 countries. Our products and services are available to customers around the world. As we understand the advantages of a diverse team, we search for and hire employees from different backgrounds. Leveraging access to a broad range of opinions and expertise from our employees, we can improve business performance and better support local economies around the world.

We work hard to promote equal employment opportunities, fair working conditions and deliver excellent results. The Group respects personal freedom and human rights and does not tolerate any form of discrimination in the workplace. We endeavour to strictly comply with labour laws and personnel management standards in Russia and other operating countries.

En+ Group's key personnel objectives:

- attract and retain the best talent,
- increase employee engagement,
- ensure favourable working conditions and a working environment conducive to the professional development of employees and the well-being of their families

Corporate codes, policies, and regulations form the foundation of the Group's approach to human resource management.

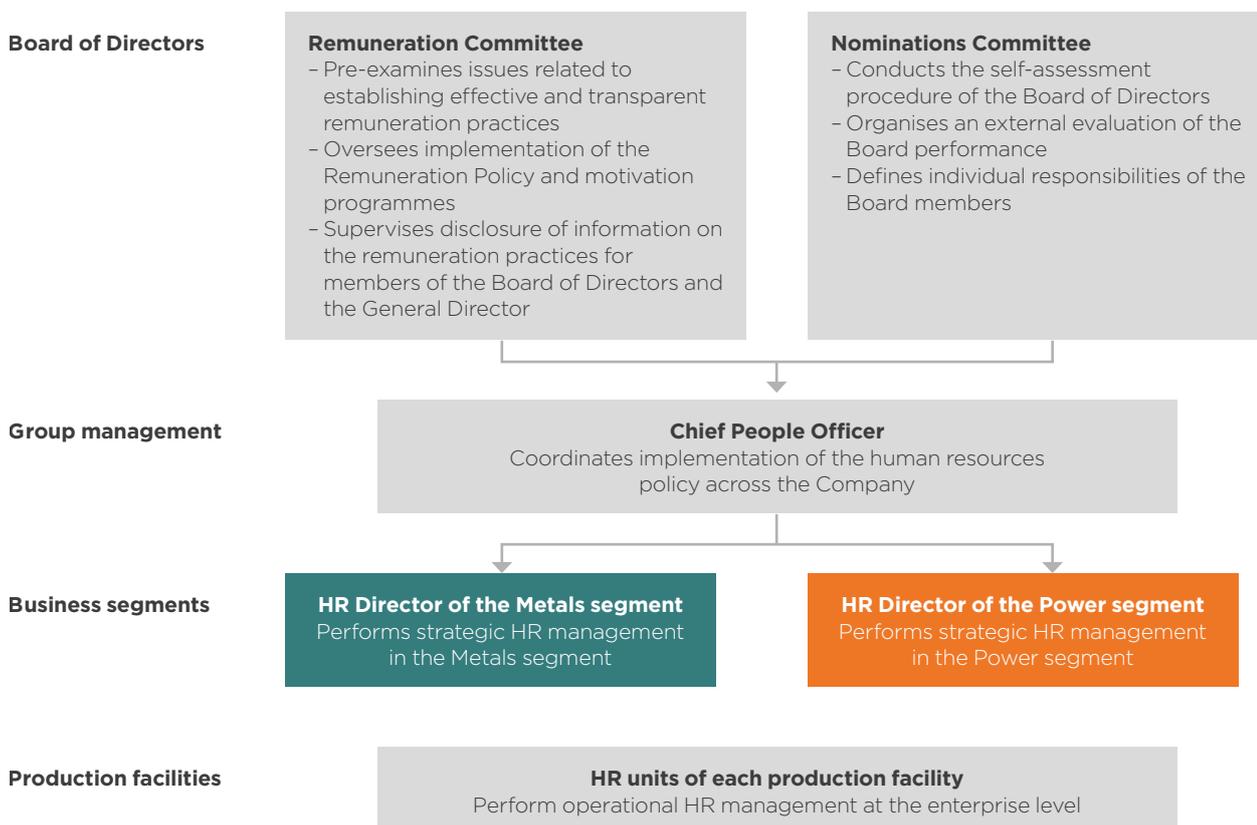
GRI 103-2 In 2019, the Group adopted internal regulations in line with amendments to national and international legislation, norms, regulations, and changes in corporate practices. As a result, a new set of policies was approved in 2020, including:

- the Corporate Code of Ethics
- the Policy on Human Rights
- the Board of Directors Diversity Policy.

All these documents are publicly available on the Group's website.

To download corporate documents and policies from our website:
<https://enplusgroup.com/en/investors/corporate-documents/>

HR-related issues regarding the management structure



GRI 103-3 Effectiveness of the Group's approach to HR management is evaluated using key performance indicators (KPI) on a monthly, quarterly, and annual basis.

Personnel structure

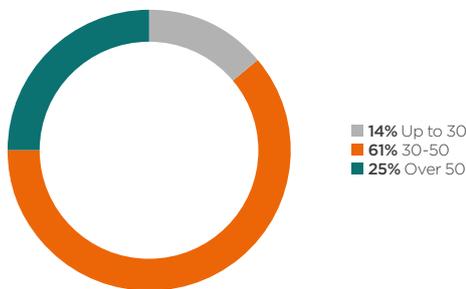
Diversity and inclusion

En+ Group is one of the largest employers in Russia and a number of the other 12 countries where we have operations, such as the Republic of Ireland, Jamaica, and the Republic of Guinea. Currently, the Group employs about 91,000 people. Most of our employees work in Russia (89% of the total in 2020).

For more detailed information on headcount at our Russian and international facilities, please refer to the **Appendices, p. 150 of the Report**.

In 2020, the total number of En+ Group employees at the end of the year remained virtually unchanged as in the previous reporting period. The total number of En+ Group employees in 2020 was 91,153, an increase of 2.1% more on 2019. The Group recruits and retains employees without discriminating on age, gender or any other factor. In 2020, employees in the 30–50 age group accounted for over half of our personnel (61%), while employees aged over 50 accounted for 25% of the total, with 14% of our employees under 30.

Employees by age in 2020, %



GRI 401-1 In 2020, we hired 7,723 employees in the Metals segment and 4,871 employees in the Power segment across all the regions where we work, with women accounting for 29% of our new hires. New employees in the 30–50 age group accounted for 55% of all new hires, and 34% in the group up to the age of 30. In addition, 11% of the newly hired employees were 50+ years of age.

For more detailed information on new hires, please refer to the **Appendices, p. 152 of the Report**.

GRI 102-8 Almost all our employees work full-time (99% in 2020 against 99.1% in 2019). In addition, the vast majority of the Group’s employees – 90.9% in 2020 – work under permanent employment contracts, while less than 10% work under temporary employment contracts.

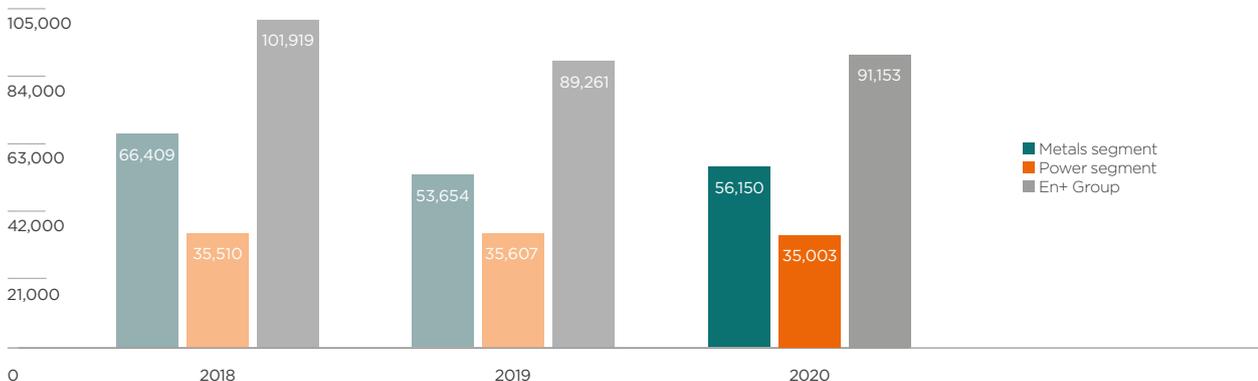
In 2020, the Group’s employee turnover rate was 12.8%, a fall of 2.5 p.p. from 15.3% in 2019¹. The high turnover rate in 2019 was attributable to redundancies arising from the reorganisation of the Engineering and Construction Division.

For more detailed information on employee turnover in 2018–2020, please refer to the **Appendices, p. 150 of the Report**.

Our priority is to hire primarily local talent contributing to the development of our host communities and increasing the level of employment in the regions where we operate. This approach to recruitment is applied to positions at all levels. The Group only considers candidates from other regions if it is unable to find people with the required skills and experience among the local labour force.

For more detailed information on the share of senior managers recruited from the local population in Russia and other countries, please refer to the **Appendices, p. 150 of the Report**.

GRI 102-7, SASB EM-MM-000.B Total number of employees at the end of the year, 2018–2020^{1, 2, 3}



1 The calculation is based on the number of employees at the end of the year.
 2 The total number of employees at the end of the year does not include external secondary job employees. Data was collected on the basis of HR data collection system.
 3 The increase in the total number of employees at the end of the year compared to the previous year was partly due to the PGLZ Alumina Refinery joining the RUSAL Group.

GRI 103-2 En+ Group has always been committed to ensuring socio-cultural diversity and building a more inclusive workplace. The Group works to ensure equal employment opportunities, promotions, training, and remuneration for all employees, regardless of ethnicity, national origin, religious beliefs, gender, age, sexual orientation, marital status, disability, or any other characteristics, within the framework of applicable legislation. In our opinion, the complete elimination of all forms of discrimination, and any forms of intimidation or harassment is an integral part of the Group's success.

Women accounted for 27% of En+ Group employees in 2020, a slight increase on the previous year (26.5% in 2019). The number of women at all levels of Group management corresponds to the general gender structure of the Group.

The nature of our business involves some highly hazardous operations. Women's access to such positions and work in such operations are strictly regulated by law in some of the countries where we operate, including Russia. We endeavour to fully comply with all industry-related restrictions, while doing our best to create an inclusive and diverse environment.

In 2020, the ratio of the average basic salary of men and women at Russian Group companies in the Power segment was 1.27, compared to 1.94 in the Metals segment. The difference in average basic salary of men and women in the Metals segment is explained by the nature of our business. It means that numerous operations in the production process are classified as highly hazardous. Female participation in such operations is heavily regulated, especially in Russia and CIS countries. The smallest difference in the ratio of the average basic salary of men and women was in middle management – 1.14 in the Power segment and 1.19 in the Metals segment.

GRI 405-2 The ratio of the basic salary of men to women at Russian Group companies², 2020

	Power segment	Metals segment
Average salary	1.27	1.94
Senior management	1.23	1.97
Middle management	1.14	1.19
Specialists	1.15	1.33
Workers	1.15	1.34

GRI 405-1 Gender diversity in En+ Group¹, 2020, %

	Total workforce	Executive team	Senior management	Middle management	Specialists	Workers
Female	27%	25%	17%	21%	58%	21%
Male	73%	75%	83%	79%	42%	79%

1 Figures were recalculated owing to improvements in the methodology.

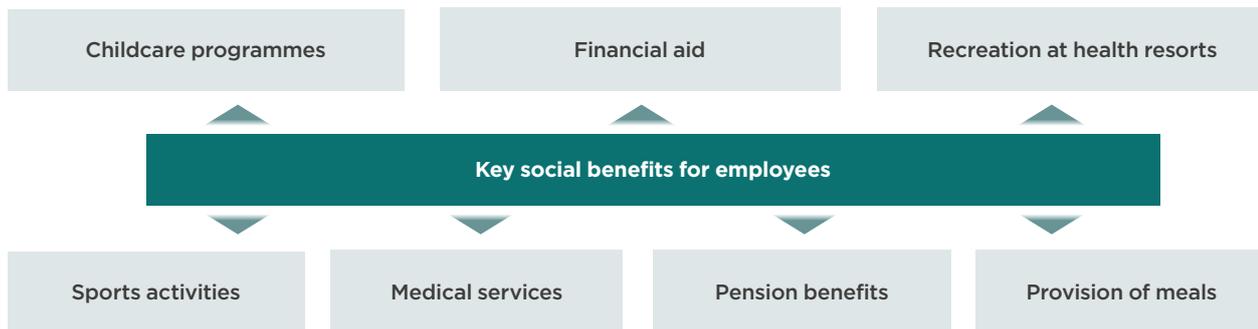
2 Figures were calculated as: average salary of men/average salary of women.

Social protection programme

GRI 401-2 We prioritise the safety, health, and well-being of our employees. We have a broad social support system designed to form and maintain the long-term motivation of our employees. Full-time and part-time employees have equal access to all benefits.

GRI 403-6 In addition to the guarantees and benefits established by the labour legislation of the Russian Federation, En+ provides employees with:

Key social benefits for employees



Healthy lifestyle

The Get on Your Skis Everyone! project celebrated its fifth anniversary in 2020. It is a joint effort by En+ Group, RUSAL, and the Russian Ski Racing Federation.

The main goal is to improve the quality of life in the regions by promoting sports and a healthy lifestyle. In 2020 more than 120 million roubles have been invested in the project to improve the quality of ski infrastructure, modernise ski bases, stadiums, and other facilities, run educational projects, and much more.



Housing

In summer 2020, En+ Group created a corporate housing programme for its Power segment employees in Irkutsk, Bratsk, Ust-Ilimsk, Nizhny Novgorod, Divnogorsk, Angarsk, and Miass. The Group prioritises production personnel.

The terms of the programme are beneficial: employees do not need to pay the down payment on the mortgage, while 50% of the monthly annuity payment for the entire term of the loan agreement is reimbursed by the Company. In the near future, En+ plans together with SOYUZ Bank to introduce additional improved conditions to increase the duration of the programme for young professionals to 15 and 20 years.

In the first few months of the programme, 53 employees of the Power segment received the bank's approval to participate in the programme and began moving to new housing.

Hundreds of En+ Group employees already live in new apartments obtained as a result of participation in the programme.



High-quality healthcare

RUSAL Medical Centre has been operating since 2005. It has 12 branches and four standalone divisions in nine regions where the Group has a presence. The centre has 623 employees who serve more than 48,000 people.

Prevention of occupational diseases:

- RUSAL Medical Centre has developed programmes to prevent diseases of the musculoskeletal system, cardiovascular system, and respiratory system. The range of treatments available includes physiotherapy, herbal medicine, oxygen cocktails, hand massage, physical therapy, vitamin therapy, light therapy, and inhalation.
- In groups, memos are distributed on the health benefits of good posture and regular movement, and on household gymnastics.

Medical check-up:

- Medical examinations make it possible to promptly identify the initial stages of diseases and carry out preventive and rehabilitation measures for employees.

Based on the results of the examination, the medical centre assigns the employee to a health group and issues recommendations on how to prevent diseases, and, if there are medical indications, conducts further monitoring and provides treatment.

Social partnership

We value the contribution of our employees to management processes and proactively cooperate with trade unions. The trade unions help employees feel protected, defend their interests, and participate in determining the amount of the benefits and social guarantees provided by the Group.

It is essential that we maintain a constructive dialogue with the trade unions, as most of our employees are members of trade unions. Productive cooperation with trade unions has resulted in the conclusion of collective bargaining agreements at all our companies, with the exception of small service structures.

Issues governed by collective bargaining agreements include:

- the duties and responsibilities of the Group and employees
- partnerships with trade unions
- salaries
- working conditions
- benefits
- other aspects of employee remuneration and rights

GRI 403-4 Management of En+ Group companies regularly meets with trade unions to discuss, among other things, the content of collective bargaining agreements, progress with their implementation, and topics related to social partnerships and labour legislation.

We also support the creation of labour councils, as they facilitate dialogue on the most important topics between the representatives of our staff and management of Group companies. Labour councils increase employee engagement in the Group's activities by involving them in the development and implementation of measures to improve production efficiency. Furthermore, an important part of the council's activities is to help colleagues in difficult life situations and to improve the quality of life in locations where the Group has a presence.

We have built an extensive system of communication with our employees to facilitate effective interaction aimed at improving working conditions and increasing their involvement in the Group's business. One of the most important aspects of this system is the collection and processing of employee feedback, as this helps us ascertain the level of employee satisfaction and understand challenges and problem areas.

En+ Group employee engagement practices

Information support	Collection of feedback	Raising concerns
- Internal newspaper	- In-depth annual survey on employee satisfaction	- 24/7 anonymous hotline
- Broadcasts via corporate TV channel	- Regular polls	- Online HR portal
- Corporate intranet and email		- Post-boxes at facilities
		- Meetings with dedicated ethics officers

For more detailed information on employees covered by collective bargaining agreements, please refer to the **Appendices, p. 152 of the Report.**

Social protection programme continued

Survey and research

About 70,000 respondents from the Power and Metals segments of En+ Group participated in staff online surveys “Level of social satisfaction of personnel” and “Personnel involvement and satisfaction”, with about 1,300 employees of the Power segment of En+ Group also interviewed based on the results of the surveys.

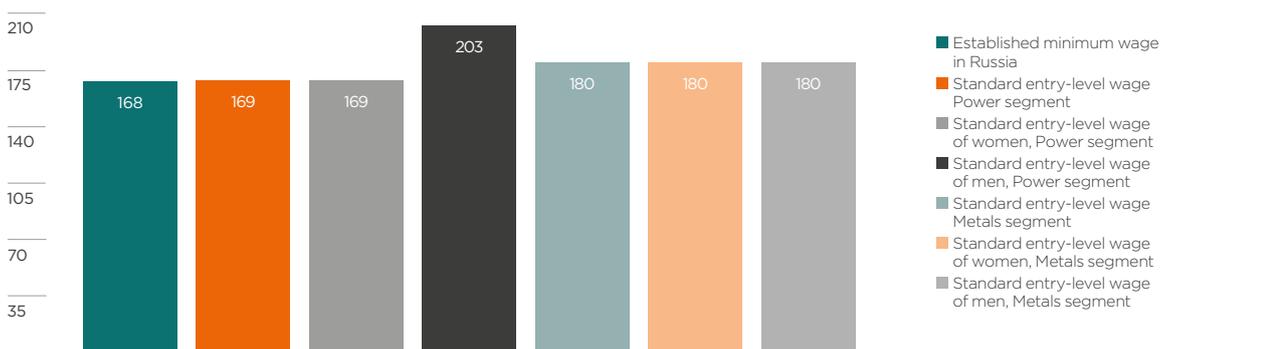
Motivation and remuneration

The well-being of our employees is important to us. We guarantee all employees a decent wage, benefits, an inclusive work environment, and safe working conditions.

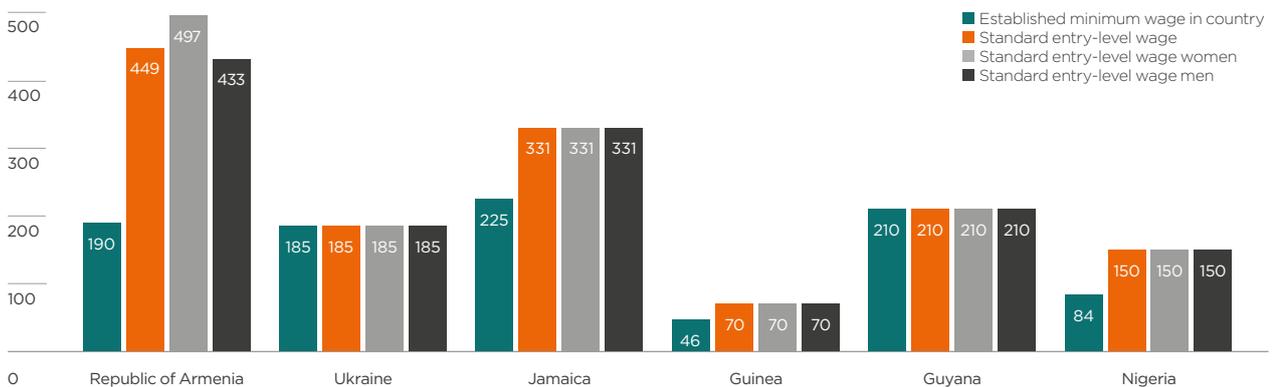
The standard entry-level wage for the Metals and Power segments is higher than the established minimum wage in all regions of operations.

For more detailed information on the standard entry-level wage, see the **Appendix, p. 152**.

GRI 202-1 Standard entry-level wage in Russia, USD, 2020¹



GRI 202-1 Standard entry-level wage in other countries, USD, 2020¹

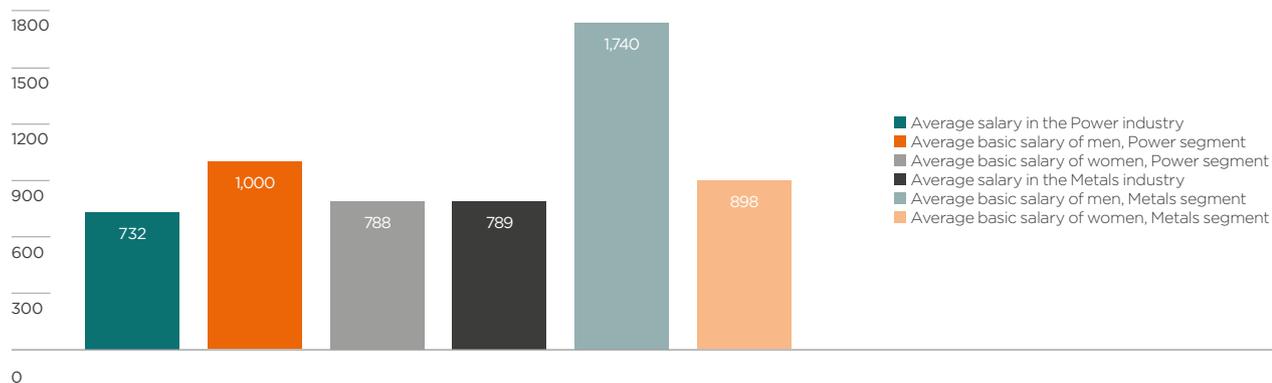


Group average salaries of men in both segments and women in the Metals segment exceed the corresponding industry averages in Russia.

For more detailed information, please refer to the **Appendices, p. 152 of the Report**.

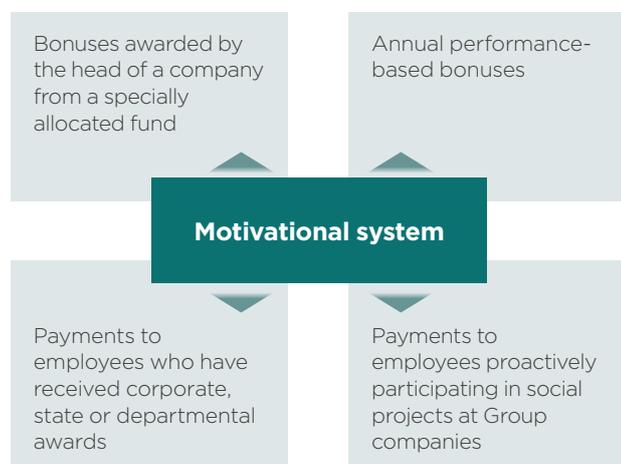
¹ Calculated based on USD/RUB average exchange rate of 72.14 roubles per USD for 2020.

GRI 405-2 Average basic salary in Russia, USD, 2020¹



Depending on the position, an employee may receive bonuses monthly, quarterly, and annually. Employees who perform special tasks or participate in working groups can also expect additional payments. The bonus component of a manager's salary is contingent on the achievement of specific targets and KPIs. The Group increased the importance of KPIs in labour protection and industrial safety in 2020. At the same time, the unified automated platform for coordinating KPIs and evaluation continued to apply.

En+ motivational system

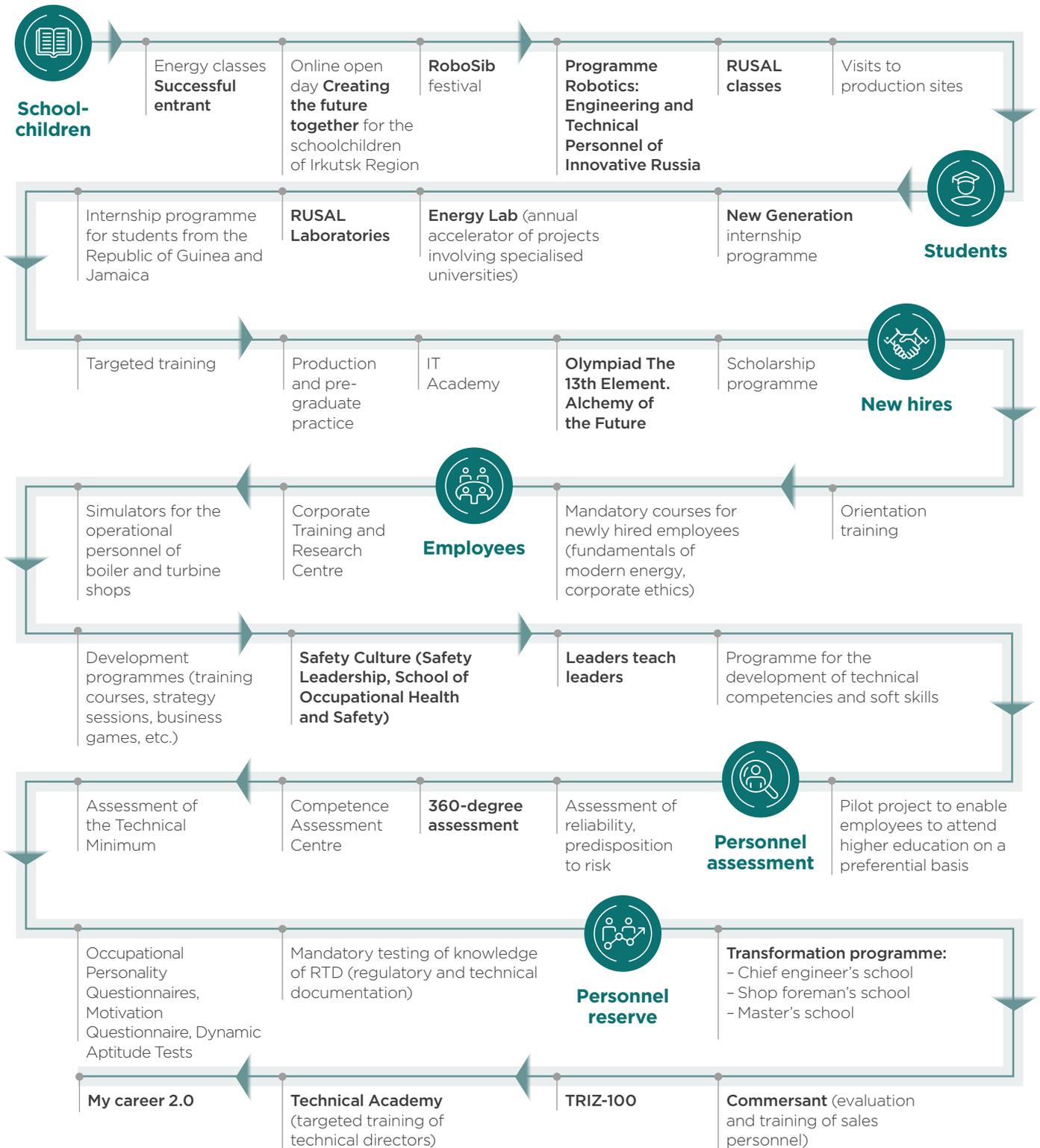


In addition, in 2020, as part of the programme launched in 2019, the increase in the wages of the employees of Group companies was differentiated, taking into account the different purchasing power of wages and the level of remuneration at specific companies relative to the level of remuneration in local labour markets.

¹ Calculated based on USD/RUB average exchange rate of 72.14 roubles per USD for 2020. The basic salary excludes any additional remuneration, such as payments for overtime or bonuses. Industry average salaries in the power and metals industries are average nominal monthly wages in the electricity, gas and steam, air conditioning industry, and metals production industry from Rosstat.

Training and development

Training cycle at the Group



We encourage the training and development of our employees, starting with career guidance at school, the training of students in targeted training programmes at specialised institutes and universities, and continued training once young professionals join the Group, in the process contributing to the development of the personal effectiveness and professional skills of employees in the workplace.

Career orientation for schoolchildren

For many years now, En+ Group has paid considerable attention to comprehensive programmes for work with schoolchildren, primarily in the engineering and technical sectors. We strive to increase demand for education in the energy sector among young people and help schoolchildren develop their talents in this area in every possible way.

In Russia, En+ Group supports the programme Robotics: Engineering and Technical Personnel of Innovative Russia, which provides targeted training for young people planning a career in engineering, promotes the development of key skills for the future, immerses participants in the real business environment and identifies regional development priorities. RoboSib, the most famous robotics festival in Siberia, has been held as part of this programme since 2013. A number of the participants in events like RoboSib subsequently study technical sciences and continue to develop in this area. In 2020, RoboSib attracted 800 young inventors from all over Russia and a delegation from China.

Interaction with students

The Company is interested in the high quality of the training of students in specialised areas. We participate in the development of educational programmes for the training of future engineers and technical specialists and proactively cooperate with universities.

En+ Group has joined forces with INRTU and Bratsk State University (BrSU) to create the Corporate Training and Research Centre. The centre is required to simplify the adaptation of university graduates to work at En+ Group companies as much as possible. Every year, the En+ Group team is joined by about 30 graduates of the Corporate Training and Research Centre, each of whom has completed a targeted training course which guarantees employment. Since 2020, students of the Energy Faculty of Irkutsk State Agrarian University named after A. A. Ezhevsky (IrGAU) may also enrol in the Corporate Training and Research Centre.

As part of the implementation of the engineering training programme for Group companies, 75 students from the Republic of Guinea and Jamaica continued their studies for bachelor's degrees in 2020, including 23 Jamaican and 17 Guinean students who completed their studies at Siberian Federal University and Novokuznetsk Industrial Technical School and returned home to find employment at Group companies.

In the reporting year the Energy Lab, the accelerator of corporate projects, expanded its geography - it now operates in the following cities, where our specialised partner universities are located: Moscow, Ivanovo, Nizhny Novgorod, Irkutsk, and Bratsk. In 2020, 30 teams took part in the competition: two prize-winners received an offer of employment at En+ Digital.

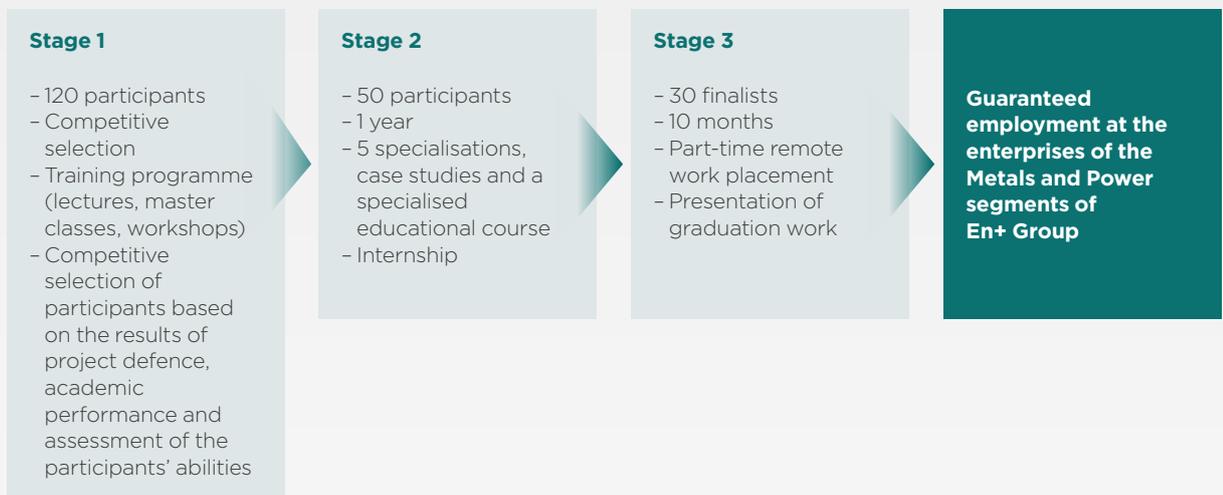
Training and development continued

IT Academy

The IT Academy is a three-year system of additional training of students specialising in information technologies for RUSAL and En+ Group at the premises of the specialised Institute for Digital Technology and Data Analysis of Irkutsk National Research Technical University.

The goal of the programme is to provide companies with young and highly qualified IT specialists by developing unique competencies in accordance with business needs.

The programme consists of three stages. On completion of these stages, each participant must undergo a competitive selection process.



The lecturers of the programme are key employees of the Institute of Information Technology and Data Analysis of INRTU, and specialists from the Power and Metals segments of En+ Group, as well as employees of Microsoft and other large companies.

In spring 2021, participants in the first stage of the programme are to receive master classes and lectures.



Furthermore, our Scholarship programme aims at motivating and supporting young people in Russia – students from colleges and technical schools and university undergraduates – to increase the appeal of the professions necessary to develop those regions.

For more detailed information on the Scholarship programme, please refer to the section **Community programmes in Russia**, p. 127.

New hires

GRI 401-1 In 2020, En+ Group hired 12,594 new employees. We are interested in the rapid and professional adaptation of employees to a new working environment with a variety of production processes and take the appropriate measures to make this happen.

Adaptation of employees

Internships for students	Introduction training	Youth Councils
<p>It is often the case that new employees prepare for their work responsibilities, operations, and equipment before they even start their new duties.</p> <p>En+ organises internships for students within the framework of targeted educational programmes.</p>	<p>In the Power segment, all new employees must attend online training courses delivered through the corporate web portal, covering such topics as:</p> <ul style="list-style-type: none"> - Information security - Corporate Code of Conduct - Development of the production system - Fundamentals of Modern Energy - Corporate Ethics 	<p>Youth councils, uniting young leaders and specialists of the Company, facilitate the adaptation of new employees and their first steps in a new workplace.</p>

Personnel training and development

During 2020, we transferred 17 training programmes online and developed 15 new programmes. We also implemented digital simulators for HPP operational personnel and launched a pilot project for employees to receive higher education. For operational staff, the multi-year project offering psychophysiological support for personnel continued, with approximately 1,700 people trained each month. The Group also purchased a modern training facility for working at height to enable electricians, thermal engineers, and repairmen to develop practical skills. Due to the pandemic, small group classes were scheduled for February 2021. For administrative staff, the project Leaders Teach Leaders was launched (the training is delivered by Group managers in functional areas), in which more than 23 top-level managers and other management trained others. In 2020, the Group launched new programmes, such as the contractor training programme. As in the case of the programme for the development of technical competencies and soft skills, this programme was developed and conducted in the form of webinars for all operational personnel who were isolated during the pandemic.

🔗 For more detailed information on the average number of training courses per year per employee in the Power segment, please refer to the **Appendices, p. 151 of the Report**.

Pilot project to enable employees to attend higher education

In 2020, we implemented a pilot project for graduates of Irkutsk Energy College who have worked in the Company for at least one year. Thanks to the targeted programme, these employees were admitted to the second year of Irkutsk National Research Technical University.

In 2020, 10 employees selected from 40 applicants, who had completed additional training, were admitted to the second year and independently paid for the first semester. We plan to continue implementing this project.



Training and development continued

Personnel assessment

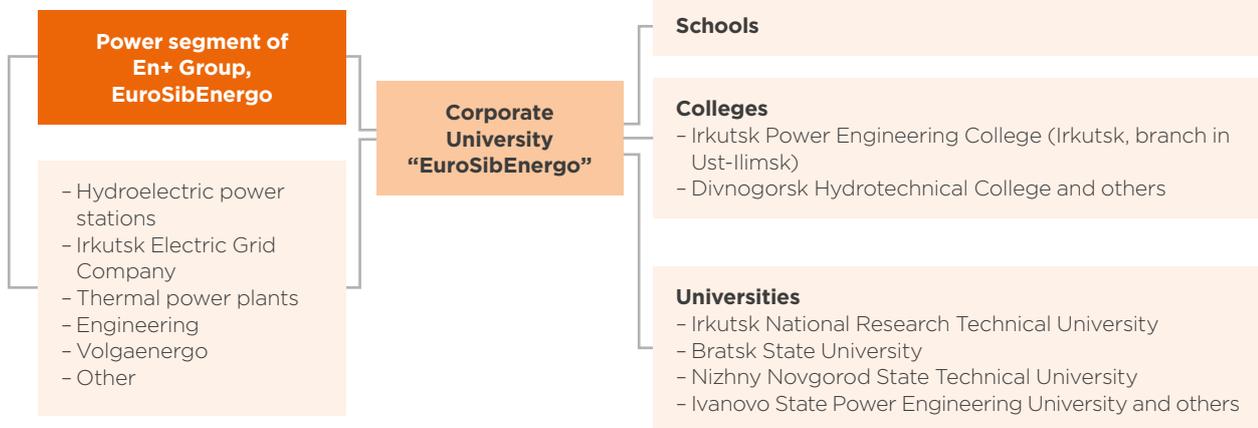
The Power segment Corporate University uses various personnel assessment methods, including:

- Competence Assessment Centre,
- 360-degree assessment,
- Occupational Personality Questionnaires, Motivation Questionnaire, Dynamic Aptitude Tests,
- Mandatory testing of knowledge of regulatory and technical documentation,
- Assessment of the Technical Minimum,
- Assessment of reliability, predisposition to risk

Power segment Corporate University highlights

- GRI 404-2** Corporate University in 2020:
- Vocational training and skills development: 6,492 man-courses
 - Training facility training courses: 52 employees trained and online practice for 130 students of the third year Irkutsk Energy College
 - Cooperation agreements with five secondary vocational schools and seven high schools were concluded
 - Mandatory pre-certification training on industrial, energy, and hydraulic engineering safety, health and safety training: 7,217 man-courses
 - Simulator training for CHP: 105 employees trained
 - Psychophysiological support for operational personnel: about 1,700 employees were trained online
 - Project management: 92 man courses

Power segment Corporate University

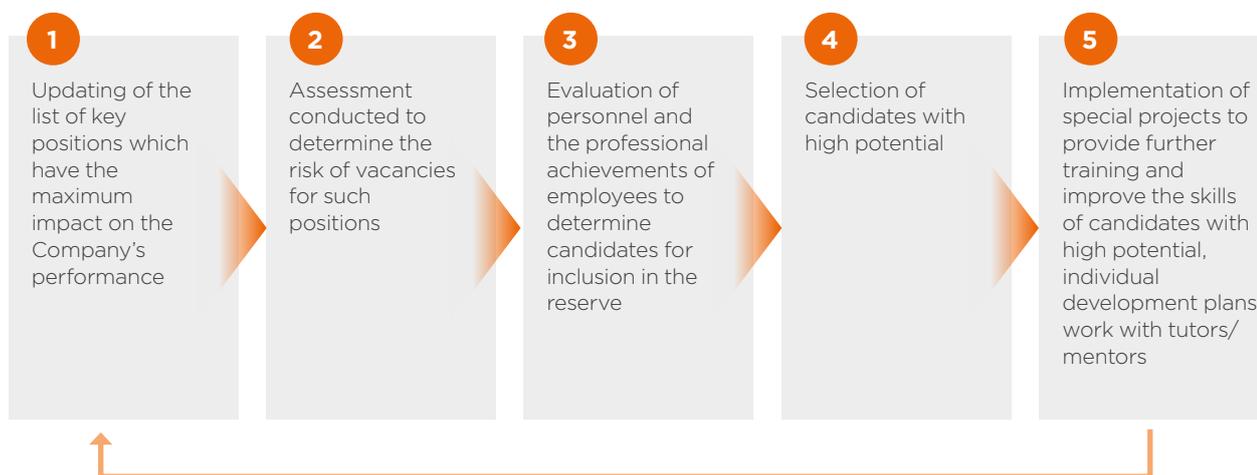


En+ Corporate Universities

The Power segment Corporate University coordinates the training, education, and development of personnel at all levels: from mandatory training to attainment of the profile of an “ideal employee”.

To achieve the Group’s goals – the development of innovative thinking and a culture of continuous improvement – the Corporate University cooperates with the TRIZ Department and the Business System Development Department, embedding joint projects in long-term training plans for all the personnel of the Group.

System used to form the internal personnel reserve



Internal Talent Pool

Thanks to the effective system for forming the internal personnel reserve, the Company can proactively respond to the challenges of a changing market.

The personnel reserve programmes are aimed at achieving one of the Company's most important strategic goals – to prepare a reserve of professional and highly qualified personnel at all levels of management positions.

In 2020, 46% of appointments to key high-level positions were made from the talent pool, with 92% of vacancies for key positions of the Company filled by En+ Group employees.

Corporate programmes for developing the personnel reserve

In 2020, 29 employees took part in the Technical Academy – the training programme for technical directors. They were selected from more than 100 candidates. According to the results of the final of the programme about 90% of the programme participants were appointed to appropriate positions.

As part of the evaluation and training programme for sales personnel, Kommersant delivered six training events in 2020 attended by 60 people.

In the reporting year, 511 young professionals took part in the My Career 2.0 programme, which included 13 training webinars. In the third stage, this number had been narrowed down to 240 participants. The next stage of this programme is the final, which will be contested by 150 people.

From 2018 to 2020, 675 employees participated in the mass training programme of the personnel reserve *Transformation*, which combines the Chief engineer's school, the Shop foreman's school, the Master's school, BS-250 and TRIZ. The programme had 416 employees in 2020, of whom 131 were rotated/promoted in the Group.

A key aspect of the development of the En+ Business System is to evolve in such areas as technological capital and personnel. In 2020, 366 projects and 11,155 Kaizen suggestions on how to improve production efficiency through technological innovation and cost reductions were implemented in the Metals segment, compared to 452 projects and 3,754 Kaizen suggestions in the Power segment.

Goals for 2021 and onwards

The Group's primary goals for 2021 and the medium term are:

- Collaborate with targeted universities and colleges in all the regions where we operate.
- Continue the IT Academy programme.
- Launch a scholarship programme.
- Install digital simulators for HPP operational personnel at all En+ Group hydroelectric power plants in 2021-2022 as part of the same programme: Krasnoyarsk, Bratsk, and Ust-Ilimsk HPPs.
- Continue the project to enable Group employees to attend a higher education course at INRTU.

Communities

“We are focused on making a positive contribution to our local communities across the world.”

Vera Kurochkina,
Deputy CEO for Public Relations



We are sure that the Company can grow and develop only if it takes care of the communities in which it operates. We are committed to establishing close cooperation with local communities, government agencies, and non-profit organisations. En+ adheres to best practices to develop infrastructure, advance education and social entrepreneurship, and promote a healthy lifestyle and volunteerism.

Key highlights

USD 71_{mn}

allocated to support social initiatives

USD 0.77_{mn}

allocated for RUSAL Territory infrastructure programme

USD 11,388_{mn}

direct economic value generated

USD 53_{mn}

on the project Construction of Hospitals

Management approach

GRI 103-1 En+ strives to support local communities both in Russia and abroad, increasing the Group's positive impact on them and minimising any possible negative influence in all regions of operations.

GRI 102-43, 103-2 Local communities represent one of the key stakeholder groups for En+, as do local NGOs and local authorities. The procedures and tools for interaction with local communities are fixed in the Group's Stakeholder Engagement Policy, which highlights that the Group's strategy and success are built on this engagement.

To download the Stakeholder Engagement Policy from our website: https://enplusgroup.com/upload/iblock/2dc/Stakeholder-Engagement-Policy-_Eng_.pdf

GRI 413-1, SASB EM-MM-210a.3, EM-MM-210b.1. The Group's interaction with local communities is based on regular discussions with representatives of the local community and annual community surveys to identify local challenges and target community development activities.

When interacting with local communities, the Group seeks to understand and take into account local specifics and is actively involved in solving the problems faced by local communities. Affirming this approach, the Group's enterprises provided substantial support to healthcare in the regions where they operate in 2020, implementing a large-scale project Construction of Hospitals. In addition to this, the Group realised measures to provide personal protective equipment and helped its employees and retirees significantly during the pandemic. What is more, despite the pandemic, the Group did not stop implementing its infrastructure and social programmes. The engagement with communities is overseen by the Communication Department. A Social Policy Committee

En+ Group's local teams responsible for the implementation of community projects

Deputy Director General for Public Relations, Director of Communication and Social Programmes, Head of CSR Projects

- determine the Company's strategic approach to working with local communities
- analyse the results of the implemented social programmes and develop plans for future periods.

Social Policy Committees established in both the Metals and Power segments

- include experts in finance, public relations, human resources, and security
- meet every month to elaborate tactical decisions on social investment projects
- determine the priorities of social investments and financing
- approve applications for financing received from the social project committees at the enterprise level
- determine strategies for positioning of social projects within a specific region of presence

Social Project Committees at the Enterprise Level

- review requests for charitable assistance from local communities
- give recommendations to the Social Policy Committee

meeting is held monthly to collect ideas about local initiatives and to approve partnerships. It also monitors the efficiency of projects and reports on local satisfaction. A full review of local community engagement and projects is also conducted annually. The Head of the Communication Department provides a report to the Board on a biannual basis, highlighting new projects and evaluating the success of the current strategy for local engagement.

En+ Group follows Social Investment Regulations, which highlight the need to involve Group management and ensure the transparency of investments in the social sphere. There were no changes in the management approach of En+ Group to social investments in 2020.

In 2020, in accordance with the requirements of the Company's Social Investment Regulations, we put much effort into clarifying the mechanisms for interaction with industrial sites when implementing various forms of social investment. In addition to this, En+ Group's major tasks in the social investment sphere in 2020 were the improvement of the electronic document management system and procurement regulations, as well as standardisation of the activities of its Social Policy committees and achieving greater transparency in their work.

GRI 102-44 We regularly evaluate the effectiveness of our interaction with local communities and always strive to improve it. The Group monitors industry best practices, collects feedback from partner NGOs, conducts an annual SWOT analysis of the implementation of social policy, and presents the results of the implementation of social initiatives to the executive bodies – the Social Policy Committees.

The Group endeavours to be open to the opinion of local communities by implementing projects based on the surveys of their needs and interests. En+ conducts periodic in-depth sociological research surveys in its cities of presence that help the Group guide its understanding of local concerns and prioritise its engagement activities. After analysing the results of the surveys, our committees take initiatives to develop the areas of most concern for our stakeholders.



The analysis of the interests and needs of local communities determines the choice of the priority areas for our social investment. En+ Group implements social investments in the following key areas:

- Infrastructure development
- Assistance to vulnerable population groups
- Sports and a healthy lifestyle
- Volunteering
- Environmental protection
- Education

At the same time, the following areas of social investment are also a priority for the Group:

- Creation of a comfortable urban environment
- Development of corporate volunteerism.

The Group has several agreements with local authorities and cooperates with local governments and non-profit organisations. The objectives of the interaction are to:

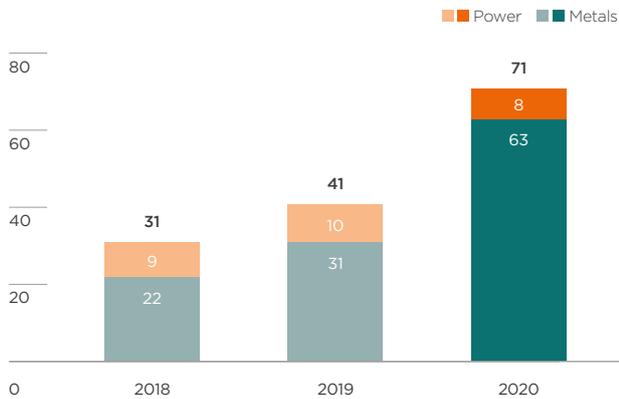
- stimulate the socioeconomic development of the regions of presence
- improve quality of life for residents
- create new jobs
- increase the income of citizens
- protect the environment
- develop volunteerism, sport, and a healthy lifestyle
- support education

GRI 203-2 En+ Group has a large direct positive effect on the economy of its regions of operations, the enterprises of En+ Group being one of the largest employers, taxpayers, and implementers of social and infrastructure programmes.

Every year, En+ Group sets a budget for the implementation of social programmes. Based on a review performed in 2019 of the Group's social projects in terms of costs and results obtained, the Company's management made decisions in 2020 on the further development of environmental social projects, the Company's educational projects with a focus on career guidance, the volunteer movement among the employees of En+ businesses, and the expansion of the list of landmark infrastructure projects and cooperation with workers and youth collectives.

In 2020, the Group's total social investment increased significantly compared to the previous years and reached USD 71 million.

Social investments, 2018-2020, USD mn



GRI 103-2 En+ Group considers the goal of its community programmes to be the improvement of the social climate in the cities of presence, development of the local communities, and the increase in public loyalty to the Company's enterprises.

GRI 103-1, 203-1, 413-1 The Company implements a wide range of social and charitable programmes primarily free of charge aimed at the improvement of the residents' well-being, the development of social infrastructure and urban environment, improvement of educational and healthcare services, support for mass and children's sports, and help for vulnerable groups of people. En+ Group regularly evaluates its programmes, updates them, and introduces new ones. The assessment shows that programme results correspond to the goals set. Our contribution to the development of the regions where we operate allows us to create a positive social climate and loyalty to the Company among the population.



Community programmes in Russia

Infrastructure and urban development

The Group considers infrastructure development as the main area of its community engagement activities. By implementing infrastructure projects, the Group contributes significantly to the urban development of the cities where it is present. We are convinced that cities should reflect the needs of their residents and be convenient to live in.

Metals segment

RUSAL Territory

GRI 203-1 The RUSAL Territory programme accounts for a significant share of the Group's infrastructure investments. Despite the limitations associated with COVID-19, this programme continued its activities in the area of socioeconomic development of the territories. As part of the programme, a grant competition was held in 2020 to mark the 20th anniversary of the Company and the 10th anniversary of the RUSAL Territory social programme.

Completion of the last project supported in the framework of the 2017 RUSAL Territory competition (the Museum Yard cultural heritage site, Krasnoyarsk)

Continuation of realisation of projects supported by RUSAL in 2019 in Volgograd, Krasnoturinsk, Severouralsk, and the Tazhny village of the Boguchansky district

Holding an international competition to develop a concept for the development of the Gorky Central Park in Krasnoyarsk

Attraction of federal funds to the cities of presence within the framework of the competition of the Ministry of Construction

Selection of contractors for the development of the concept of architectural development of public spaces in 10 cities of presence

Monitoring of the implementation of RUSAL's previous infrastructure projects

Power segment

Infrastructure and urban development programmes

Like the enterprises of the Metals segment, the Power segment also carries out activities aimed at the development of infrastructure and the urban environment.

Construction of a 475-square-metre children's sports and play area in Ust-Ilimsk.

Development of an architectural project of a modern eco-friendly game complex on the territory in Irkutsk.

Construction of the Ice Arena in Chermkhovo.

Implementation of the first stage of major repairs of a kindergarten in Algatuy.

Repair of schools in the villages of Sredny Bulay and Alyokhino and arrangement of the territory of settlements in the Chermkhovsky district.

Development of an architectural concept for the improvement of the IGPP dam based on a survey of stakeholders.

HPP construction

GRI 203-2 Under the Renewable Energy Sources Support Programme adopted by the Russian Government, the Group was performing the construction of the Segozerskaya HPP in partnership with the Republic of Karelia in 2020 to provide the region with an additional source of renewable energy, increase the reliability of electricity supply, create jobs (during both construction and operation), provide additional demand within the region, and increase tax revenues to the republic's budget. The total investment for the construction of the HPP amounted to 1.4 billion roubles.



Community programmes in Russia continued

Joint projects of the two segments

Charity of Industrial Sites programme

GRI 203-2 The Charity of Industrial Sites programme was created in 2014. Its priority goals are to participate in the creation of a comfortable urban environment by supporting the construction and reconstruction of social infrastructure facilities and modern public and recreational spaces, as well as the development of corporate volunteerism, with broad involvement of enterprise employees and residents of the regions of presence. It is within the framework of this programme that En+ Group conducts the project Construction of Hospitals, which provides significant support in the fight against COVID-19. In total, donations totalling 3.9 billion roubles were made under the programme in 2020 in 15 territories of presence.

Health support

The year 2020 has shown the particular importance of the Group's investment in healthcare. Both segments have committed significant resources to counter the pandemic. The Group completed an extensive medical infrastructure project and provided its employees and retirees with both material and non-material support.

In addition to this, both the Metals and Power segments actively promoted healthy lifestyle and sports activities among local citizens, employees, and their families. For this purpose, En+ builds and renovates sports infrastructure, purchases sports equipment, and holds healthy lifestyle events. One of the Group's largest sports and healthy lifestyle projects is Get on Your Skis, Everyone!

Metals segment

Time to Help campaign

As part of the Time to Help campaign, RUSAL focused on supporting the healthcare sector and helping the Company's pensioners over the age of 65. 568 corporate volunteers took part in the campaign, supporting 11,178 production veterans and pensioners of the Company and delivering them 21,106 food packages and 11,178 individual masks. In addition, to fulfil the requests of the elderly, a hotline was set up, which was administered daily by 50 volunteer operators who received more than 20,000 calls.

Joint projects of the two segments

Construction of Hospitals

GRI 203-2 One of the Group's largest infrastructure projects, Construction of Hospitals, was founded during the fight against COVID-19. This project was established by a joint decision of the Metals and the Power segments. It involves financing the construction of prefabricated infectious diseases hospitals with 30 beds in seven cities of the Group's presence.

The Get on Your Skis, Everyone! project

The Get on Your Skis, Everyone! project is one of the largest social projects of En+, organised through the joint efforts of the Metals and the Power segment. It contributes to the formation of healthy lifestyle habits and improving the quality of life in the regions where the Company's enterprises operate. This project has been implemented since 2016 as part of the partnership of the Metals and Power segments with the Russian Ski Racing Federation. Project activities are carried out to promote skiing, improve the quality of ski infrastructure, and conduct educational programmes and competitions for coaches. During the implementation of the project, more than 1,100 items of ski equipment have been purchased and handed over to athletes, and 402 coaches have been trained at educational courses.

Key project results:

Improving the quality of ski infrastructure, upgrading ski bases, stadiums, and other facilities

- Construction of a ski base in Tulun as part of the restoration of the social infrastructure of the city affected by severe flooding in the summer of 2019.
- Purchase of sports equipment for Tulun and Angarsk.
- An architectural project and working documentation for the reconstruction of the ski track and the construction of a ski lodge in Divnogorsk.

Popularising skiing and promoting a healthy lifestyle

- Holding mass ski holidays: in 2016–2020, more than 52,000 sports fans participated in mass ski holidays under the Get on Your Skis, Everyone! project. During this time, more than 1,900 young athletes took part in the project’s cup competitions. In 2020, for the first time sports competitions were held under the Go Skiing! project for students of general education institutions in the cities where En+ is present.

Maintaining VKontakte, Facebook, Instagram, and YouTube accounts to promote skiing among a mass audience.

The accounts of the Get on Your Skis, Everyone! project have almost 154,000 subscribers.

Ski Coach of the Year competition: in 2020, five people were awarded Ski Coach of the Year honours and were given scholarships totalling 90,000 roubles to be paid monthly, from September to May.

Ski infrastructure in Tulun

GRI 203-1 In 2020, a ski lodge was built in Tulun, as part of the restoration of the social infrastructure of the city affected by severe floods in the summer of 2019. The building has a total area of 170 sq. m. There are changing rooms with bathrooms and showers, a coaching hall, and rooms for storing and preparing equipment, as well as a heated parking garage for a snowmobile with a trailer for skiing equipment. The room is equipped with an autonomous system of heat supply, water supply and sewerage, ventilation, and fire protection. The Company also provided the necessary sports equipment. Total investment in this project comprised about 14.5 million roubles.



Education

Metals segment

School of Urban Change programme

The enterprises of the Metals segment consider it important to conduct educational activities. Therefore, in 2017, the programme School of Urban Change was created, aimed at the formation and training of initiative groups interested in solving urgent socially important problems. Despite the limitations associated with the pandemic, there was no falloff in the activities of the educational project School of Urban Change in 2020: 43 events with 1,188 participants were held. Some events were held online, without no loss in content.

Conducting educational sessions Social Project Planning Assessment in Bratsk, Taishet, and Shelekhov within the framework of the project School of Urban Change – Irkutsk Region, with 58 participants.

Conducting an educational intensive Fundraising Strategy and internships at the charity event From Siberia with Love for representatives of regional non-profit organisations.

The meeting of leaders of urban change – a large-scale communication platform for project teams, experts, and active citizens – was attended by 90 people.

Holding the Project Intensive III Create. Embody. Esteem. in partnership with EVRAZ in an online format, with more than 400 participants from 80 localities.

Community programmes in Russia continued

Power segment

Companies in the Group's Power segment consider the implementation of educational projects to be one of their most important tasks in the field of social investment. For example, the robotics classes among schoolchildren and students in Siberia have been supported since 2012, and the RoboSib robotics festival has been held since 2013. In 2020, the enterprises of the Power segment also launched the development of the Energy in Every Drop educational course, aimed at studying the principles of hydroelectric power plants.

The 7th robotics festival RoboSib became the most representative in the history of the event. It was attended by about 800 schoolchildren from 5 regions of Russia, and China. The guests of the robotics festival totalled more than 5,000 people.

Launch of the development of the educational course Energy in Every Drop for students of grades 5-9. It is aimed at studying the principles of operation of hydroelectric power plants based on LEGO® Education robotic constructors. The launch of the project in schools begins in 2021. It is expected that in the medium term, more than 5,000 schoolchildren in Siberia will be able to participate in the project.

Support for the NAUKA O+ festival: the main theme of 2020 was Physics of the Future. The festival was held in 276 Russian cities, with 72,000 participants, and the programme of events included more than 2,000 webinars, lectures, dialogues with scientists, and virtual exhibitions.

Joint projects of the two segments

Scholarship programme

The goals of the En+ Group/RUSAL Scholarship Programme are:

- to motivate and support young people in Russia
- to increase the appeal of the professions necessary to develop the Company's regions of presence

The scholarship programme will be open to students at colleges and technical schools, university undergraduates and, starting from 2022, to faculty members as well. The inaugural year of the En+ Group/RUSAL scholarship programme is 2021. The programme is based on values that are equally important to both the En+ Group and RUSAL, such as promoting social dialogue, improving professional skills, and investing in promising technology, the development of which is potentially associated with the professional development of young people.

Volunteering

Volunteer initiatives are an important tool for the Group when building relationships with local communities, non-profit organisations, and government agencies. En+ pays great attention to the development of volunteer programmes, considering them one of the most important ways to solve social problems.

The Group has been active in volunteer activity since 2010. In 2020, the implementation of charitable projects continued, with no drop in the number of events held compared to 2019. However, due to the ban on holding mass events, changes were made to the programme implementation plan, with most of the events being moved online.

Metals segment

Helping is Easy programme

This programme allows concerned citizens to take part in the solution of important social problems. The initiatives realised as part of the Helping is Easy programme included support for orphaned children, veterans, the elderly, etc. It is held in seven cities where the Metals segment operates in partnership with more than 5,000 organisations.

Grant competition Helping is Easy: the Group decided to support 63 social projects from 15 localities.

Victory Lilac campaign: volunteers planted 65 lilac bushes in the yards where World War II veterans live.

Charity online game Time to Help: 56 volunteer teams from 15 Russian cities took part in the event, aimed at raising funds for children in need and held in an online format.

Power segment

Volunteer programmes

For the Power segment, corporate volunteering is important to ensure that the company remains engaged with employees and local communities and establishes sustainable relations with both citizens and the government. Volunteering programmes bring together a wide variety of people, including production facility employees, school children, students, and representatives from social and educational institutions. Furthermore, in 2020, the Power segment conducted social research into the attitude of its employees to the realised volunteer projects.

Conducting a survey of employees of the Power segment to study their experience in volunteering. Results obtained show high interest in volunteering among the Company's employees and offers new areas of volunteering projects.

For many years, employees of the Power Segment have been holding a charity event on 1 September, Get Your Child to School. Employees collect and give children from needy families everything they need for school: satchels, stationery, etc.

Employees of the Group hold New Year's holidays for children from sponsored institutions: orphanages, rehabilitation centres, and children from large and low-income families.

During the pandemic, the Company's volunteers provided assistance to the elderly. Working groups of enterprises annually carry out volunteer cleaning of urban territories to put them in order after the winter.

Supporting community environmental projects

The Group strives to involve the volunteer movement in environmental protection. Among the most popular environmental projects of the Metals segment are Day of the River and Green Wave. The most famous projects of the Power segment are the 360 project, environmental grant competition, and partnerships with local environmental NGOs realised under the Nature Matters programme.



Metals segment

Helping is Easy programme

The Helping is Easy programme is aimed not only at solving social problems, but also at ecological ones. Through such projects as Green Wave or Day of the River the Metals segment allows volunteers to contribute to urban greening and environmental cleanup.

Green Wave network campaign: almost 800 trees were planted in 9 cities of presence.

Ecological marathon Day of the River: 600 volunteers collected almost 1,400 bags (11 tonnes) of waste from the banks of the rivers. More than 360 bags of plastic, glass, and metal were sent for recycling.

Green Wave grant competition: 215 applications for environmental projects were submitted. The total amount of the grant fund is 3 million roubles.

Power segment

Nature Matters programme

The Nature Matters programme has been implemented by the Company since 2011. It includes environmental, social, scientific, and educational projects that are implemented in cooperation with leading non-profit societies and associations.

Implementation of the project for the infrastructure filling of the most visited ecological trail on Lake Baikal to reduce the anthropogenic load on nature. For the first time, a case for installing picnic groups was implemented on Lake Baikal.

10th anniversary of the 360 project, aimed at protection of Lake Baikal and preserved areas of the Russian Federation from adverse environmental impact.

The En+ Group Environmental Project Grant Competition was held, with particular attention to the initiatives aimed at the protection of Lake Baikal and aquatic ecosystems.

Community programmes in Russia continued

Environmental Projects Grant Competition

The first grant competition aimed at protecting Lake Baikal and aquatic ecosystems from adverse environmental impacts was held in 2020. Four territories took part in the pilot competition. 83 applications were received, 14 of which were declared the winners. The total amount of the grant fund was 5 million roubles.

The competition considered projects for the conservation of Lake Baikal and its natural territories, as well as other water bodies. Participants were asked for ideas aimed at developing volunteer initiatives to protect aquatic ecosystems and improve infrastructure to reduce the anthropogenic load on nature. A separate category of the competition “Science and Practice” provided support for the scientific research of university students to solve problems involving water resources and biodiversity conservation.

In 2020, the Company focused on popularising the competition among the public and the scientific community, realising that in the long term the introduction of the results of scientific discoveries into economic activities is the most effective way not only to improve the environmental situation in the regions of the Company’s presence, but also to scale successful solutions throughout Russia.

The geography of the competition will be expanded in 2021. The size of the grant fund will be 10 million roubles.

360 project

In 2020, the 360 volunteer project was held for the tenth time. Taking all safety precautions, volunteer actions were carried out to collect garbage and improve the territories of reservoirs in six cities where En+ Group enterprises operate. Volunteers collected eight dump trucks of garbage and sent more than 5,400 kg of waste for recycling. The participants of the action also planted trees, installed information stands, and equipped recreation areas.

The online eco-marathon 360 was also launched, the main idea of which was to unite people with an active civic position. More than 900 participants registered for the online eco-marathon and completed 667 checklists on three topics: “Home”, “World around”, “Digital”. In total, more than 3,000 people took part in the 360 project in 2020.



Community programmes outside of Russia

Guinea

GRI 203-1, 203-2 Since 2001, the Metals segment of the Group has participated in the development of Guinean infrastructure. The priority areas of the Group's activities in Guinea are providing access to drinking water, electricity, health services, and education for residents of remote settlements.

In 2020, En+ Group viewed healthcare as the major field for social support in Guinea. In June, a modern medical centre for the treatment of infectious diseases, primarily COVID-19, was opened in Fria Prefecture. The work of the centre helped more than 450 patients to recover from the infection. Russian doctors also took part in the treatment of the patients and received a prize for their efforts – the national Guinean award “Katala 224”.

Another important project of the Metals segment in Guinea was the construction of a 65-metre bridge over the Samu River in Kindia Prefecture. This infrastructure project made it possible to connect the remote corners of the prefecture with the city centre, which simplified the interaction between them, creating additional prospects for economic development.



Jamaica

In Jamaica, En+ Group is represented by Winalco, one of the key social activities of which is to promote the education of Jamaican residents. In 2020, the Company continued to aid the Jamaican students at Siberian Federal University in Krasnoyarsk. The Group also provided financial support to primary school students for the transition to secondary school.



Ireland

In Ireland, the Group is represented by the RUSAL Aughinish enterprise, which promotes sports as part of its social activities. The Company organises charity races. In addition to this, Aughinish contributes to the development of charity, creating an opportunity for its employees to make donations to local hospitals and hospices.

Our contributions to the development of local communities is included in the table on the following page.

Community programmes outside of Russia continued

GRI 201-1 Direct economic value generated and distributed, 2018-2020, USD mn¹

	Metals segment			Power segment			En+ Group		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Direct economic value generated	11,267	11,425	9,575	3,151	3,027	2,720	13,368	13,503	11,388
Revenue	10,280	9,711	8,566	3,147	2,989	2,697	12,378	11,752	10,356
Share of profits of associates and joint ventures	955	1,669	976	(7)	-	(5)	948	1,669	971
Interest income on loans	32	45	33	11	38	28	42	82	61
Economic value distributed	(9,234)	(9,055)	(8,201)	(2,609)	(2,515)	(2,173)	(10,795)	(10,551)	(9,496)
Operating costs	(8,202)	(8,064)	(7,431)	(1,806)	(1,741)	(1,522)	(8,959)	(8,789)	(8,075)
including employee wages	(739)	(645)	(624)	(396)	(413)	(399)	(1,135)	(1,058)	(1,023)
Retirement costs	(173)	(179)	(160)	(75)	(79)	(70)	(248)	(258)	(230)
Community investments	(22)	(31)	(63)	(9)	(10)	(8)	(31)	(41)	(71)
Payments to providers of capital	(501)	(589)	(462)	(483)	(401)	(326)	(985)	(987)	(788)
including dividends paid	-	-	-	(68)	-	-	(68)	-	-
including financial expenses	(501)	(589)	(462)	(415)	(401)	(326)	(917)	(987)	(788)
Payments to the government	(336)	(192)	(85)	(236)	(284)	(247)	(572)	(476)	(332)
including income tax	(305)	(162)	(43)	(157)	(207)	(180)	(462)	(369)	(223)
Economic value retained: 'direct economic value generated' less 'economic value distributed'	2,033	2,370	1,374	542	512	547	2,573	2,952	1,892

Goals for 2021 and onwards

- Implementing charitable, social, and infrastructure projects in the regions of presence.
- Optimising and standardising social investment management processes.
- Conducting social research in 2021-2022 to determine the further development goals of local communities.
- Supporting local communities in the fight against COVID-19.

¹ Payments to governments do not include deferred taxes, including their effect on reporting periods.

Summary of goals

Our progress towards ESG targets set in 2019

Please find below information about our ESG targets that were announced in our 2019 Sustainability Report. All these targets are essential for the achievement of our ESG goals. More detailed information on our performance towards ESG targets and overall performance during the reporting period is presented in the relevant sections of the current Sustainability Report.

Environmental

Target	Performance in 2020
Climate leadership	
Revising strategic goals relating to climate change.	En+ Group announced its commitment to becoming a net zero Company by 2050. Our detailed pathway to net zero will be published in September 2021.
Setting Science-Based Targets.	The Metals segment set targets, which are expected to be verified and approved by SBTi by August 2021.
Organising air patrols and extinguishing forest fires in 505 thousand hectares of the Lower Yenisei Forest in Krasnoyarsk Territory.	In progress
Determining the volume of absorption from forest project activities, verifying the results, and recording them in the Russian National Inventory of Anthropogenic Emissions and Sinks of GHG.	In progress
Determining GHG emissions coefficients for power generated by HPPs based on GHG emissions/ absorptions balance measures.	Launched a long-term programme to assess greenhouse gas emissions from hydroelectric reservoirs.
Finalising a TCFD project to assess climate change risks.	Climate change risks assessment is in progress. The final climate risk register will be integrated in a dedicated climate report.
Increasing the efficiency of hydropower generation.	<ul style="list-style-type: none"> - The modernisation programme enabled En+ Group to avoid 2 Mt of GHG emissions by partially replacing energy demand from coal-fired power plants with HPP output. - Raising the efficiency of HPP turbines, substituting environmentally-damaging condensation mode generation at CHPs with HPP output - 1,991 kt of CO₂e. - Efficient fuel use and energy-saving initiatives allowed 70 kt of CO₂e to be saved.
Environmental stewardship	
Modernise dust-collecting plants at LLC Baikal Energy Company.	Electrostatic precipitators were modernised at the Novo-Irkutsk and Novo-Ziminskaya CHPs.
Reduce the Metals and Power segments' air emissions by continuing to implement initiatives under the Ecology National Project.	Contributing to the Ecology National Project and the Clean Air Federal Programme, various measures to reduce the volume of emissions of pollutants into the air, including introduction of Eco-Søderberg technology, as well as deployment of modern gas-cleaning equipment to all air pollution sources. The Group's total air emissions (excluding greenhouse gases and CO) were reduced by 2.3%.
Continue Lake Baikal ecosystem studies.	<p>En+ Group launched an annual fund to invest in new projects to protect Lake Baikal and other Siberian bodies of water.</p> <p>Several projects sponsored by En+ Group aimed at monitoring and studying of the state of the lake and its fauna were implemented.</p>
Continue removing and recycling all PCB-containing equipment.	As of 31 December 2020, 321.86 tonnes of PCB-containing equipment was taken out of service and transferred for further disposal, of which 50 tonnes were dismantled and transferred in 2020.

Summary of goals continued

Continue leading long-term regional biodiversity projects.	<ul style="list-style-type: none"> - About 112,000 trees were planted in the Irkutsk Forestry. - As part of the Green Wave project, RUSAL volunteers planted 800 trees in Achinsk, Krasnoturinsk, Novokuznetsk, and Volgograd. - Continued monitoring projects of the Krasnoyarsk Pillars National Park, pine stands in the Krasnoyarsk forest-steppe, water bioresources of the Vym River, and snow leopard and forest reindeer populations. - The Group's production facilities released 2,322 sturgeon fry, 12,414 Siberian sturgeon fry, and about 253,000 young peled fish into the Yenisei, Khilok, and Belaya rivers and the Bratsk Reservoir on the Angara River.
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Social

Target	Performance in 2020
Employees	
Collaborations with targeted universities and colleges in all regions where we operate.	<ul style="list-style-type: none"> - A pilot project was implemented for graduates of the Irkutsk Energy College, who have worked at the Company for at least one year. Thanks to the targeted programme, 10 employees were able to enrol in the second year of the Irkutsk National Research Technical University. - From 2020, students of the Energy Faculty of the Irkutsk State Agrarian University named after A. A. Ezhevsky (IrGAU) also have the opportunity to enrol in the Corporate Training and Research Centre.
Continued implementation of personal development programmes.	17 training programmes were moved to an online format and 15 new programmes were developed.
The automation of learning and development processes and HR processes.	<ul style="list-style-type: none"> - Developing Web-Tutor project aimed at adaptation, education, evaluation, and KPI coordination. - Developing a unified CV database. - Developing an internal portal for providing corporate information and HR services.
Health and safety	
An initiative to include contractor injuries in overall LTIFR figures, and to establish this data as the main KPI for senior executives from 2021.	<p>A wide range of HSE KPIs were set for senior managers, and the executive team, including the number of cases of fatalities occurring in the LTIFR for employees and contractors.</p> <p>En+ Group developed and implemented a process and procedures for collecting health and safety data from contractors, in order to include their performance in the calculation of LTIFR.</p>
Achieve zero fatalities as well as zero serious work-related injuries related to production processes.	We deeply regret that there were four fatal accidents involving our employees during 2020. Severe injuries decreased from 27 to 22.
Reduce the LTIFR.	We failed to achieve a decrease in our LTIFR in 2020. This is largely attributed to a group road accident that occurred in November 2020. During the reporting period, this indicator within the Group stood at 0.21.
Reduce the number of occupational diseases.	The number of occupational diseases reduced by 11%.
Implement additional measures exceeding regulatory OHS requirements to ensure the most robust safety environment.	Basic and Essential safety rules were developed for the Power segment.
Continue to provide health and safety training for employees on a regular basis.	During the reporting period, the Group developed 13 safety-assessment programmes. The average hours of training per employee increased from 30 to 31.
Continue to improve the Self-Suspension regulation.	The right to suspend an operation that poses a risk of harm is prescribed in the corporate HS Policy that was implemented in 2020. Instances of Self-Suspension are included in the integral assessment of the system of ongoing monitoring of OHS management system of the enterprises, which is set monthly.

Continuously improve the OHS management system, guided by international best practices.	The production safety management system in the Metals segment transitioned from the OHSAS 18001:2007 standard to the international ISO 45001:2018 standard, and the Group's facilities are certified under ISO 45001:2018 standards.
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Local communities

Analysis of current social projects to determine suitable development strategy and objectives for local communities.	Ongoing analysis of the social projects and interests of local communities helped us to hold the first grant competition and launch several educational programmes.
Optimisation of the approach to managing investments in local communities, including the development of more reliable regulations for internal mechanisms.	Mechanisms for interacting with industrial sites when implementing various forms of social investment were clarified in accordance with the requirements of the Company's Social Investment Regulations.
Implementation of a new programme to support local communities within the framework of urban infrastructure development in the regions of operation in 2020.	One of the key infrastructure projects was a project aimed at providing access to drinking water, electricity, health services, and education for residents of remote settlements in Guinea. Infrastructure improvement payments totalled USD 3.06 million.
Further development of volunteer activities and their extension.	<ul style="list-style-type: none"> - Almost 3,600 volunteers took part in the events of the 360 project in 2020. - During the pandemic, the Company's volunteers provided assistance to the elderly.
Charity, social, and infrastructure projects in the territories of operation.	USD 15.2 million was invested under the Charity of Industrial Sites programme.
Cooperation with regional and federal governments to contribute to national projects and jointly implement infrastructural initiatives.	The Group has several agreements with local authorities and cooperates with local governments and non-profit organisations. In 2020, the Group's total social investment increased significantly over the previous years and amounted to USD 71 million.
Advancement of grant competition based on the results of 2020.	The first grant competition aimed at protecting Lake Baikal was held, 83 applications were received, and the total amount of the grant fund was USD 76 thousand.
Regarding the situation with COVID-19, the Company intends to continue providing specialist virus-related health protection facilities to local communities, including employees and their families, for as long as necessary.	Throughout the COVID-19 pandemic, the Company has purchased PPE, medical equipment, and medicines for medical facilities in the regions of its operation. The Ministry of Health of Irkutsk Region alone received 800,000 protective masks. More than 100,000 tests were carried out, including antibody, and PCR tests. Seven advanced and well-equipped medical centres to fight COVID-19 were built by En+ Group in cities across Siberia and the Urals region, including Krasnoturinsk, Achinsk, Boguchany, Shelekhov, Bratsk, Taishet, and Sayanogorsk.

Governance

Target	Performance in 2020
Business system	
Metals segment	
Training candidates for the Business System 250 programme (the Transformation programme) and creating a personnel reserve for key positions in the Company's model plants.	574 people took part in the BS-250 programme.
Organising and conducting the factory and corporate stages of the 2020 Improvement of the Year contest.	The competition was held, 1,148 people took part.

Summary of goals continued

Organising and conducting audits on the implementation of the Business System at the Company facilities, in accordance with the schedule for 2020.	24 audits were carried out at 16 enterprises of the Company.
Implementing the Influence of Physical Exertion on the Development of Occupational Diseases project.	The project activities were successfully implemented. The Metals segment realised a project to reduce physical exertion levels for electrolysis shop workers. 30 exoskeletons were purchased and tested at production facilities of the segment.
Methodological support for the organisation of personnel reserve internships in 2020.	Training was organised for employees of the central company.
Power segment	
Continuing education under the Transformation programme.	416 employees were educated under the programme.
Business System training for managers and chief engineers of branches.	29 employees took part in the Technical Academy – training programme for technical directors.
Continuing the implementation of projects at model sites.	Estimated total economic effect of the projects implemented at model sites was about USD 10.9 million.
Supply chain	
Metals segment	
Introducing an automated counterparty assessment system.	The system is being implemented and is already functioning.
Purchasing up-to-date pitches as soon as new relevant technologies are introduced to the market.	The goals set for 2020 were achieved. Two industrial tests were carried out. One type of alternative pitch was developed. Another supply of alternative pitches was signed and carried out from another counterparty.
Launching a procurement system optimisation project.	46 root problems were worked out and initiatives to address them were developed and implemented. A reduction in costs of USD 0.6 million was achieved.
Replacing tanks with tankers and tank containers during the transportation of raw materials.	The delivery of tank trucks on the EVRAZ ZSMK – NkAZ route has been organised.
Introducing an Advanced Product Quality Planning (APQP) approval process with suppliers in order to enhance the certification process.	The process was implemented for the Aluminium division.
Project for the automation of operational activities.	The goals set for 2020 were achieved. The goals set for 2020 were achieved, including a project to automate operational activities in the SAP system, and creation of dashboards for the automatic collection and interpretation of information.
Projects to minimise costs, including hedging the cost of energy resources.	A model for hedging the cost of energy resources is being introduced.
Projects for the implementation of category management.	Expanding the use of category management.
Power segment	
Consolidating the procurement of works and services in Krasnoyarsk Territory.	The process was implemented in Krasnoyarsk Territory.
Holding an Open Doors day for suppliers and contractors.	Delayed due to COVID-2019 pandemic.

Scientific and technological development

New approaches for creating and improving the stability of hybrid perovskite materials.	Two patents describing methods for producing a membrane from a material with a perovskite-like structure were registered in seven foreign territories.
A new area of research aimed at creating tandem solar cells.	A new framework agreement on scientific and technical cooperation was signed between JSC Krasnoyarsk HPP and Lomonosov Moscow State University.
Implementing the Eco-Søderberg technology programme at the Metals segment's aluminium smelters.	The Eco-Søderberg technology is being implemented at the Krasnoyarsk, Bratsk, Irkutsk, and Novokuznetsk aluminium smelters.
Continued development of the New Energy programme to positively impact the planet and provide consumers with a clean and renewable power supply.	A new hydroelectric Unit No. 2 at Irkutsk HPP was launched that, together with other initiatives, made it possible to ramp up the Group's power generation by 1,712.1 GWh.
Participate on a major project competition at the Avtozavodskaya CHP, as well as projects focused on the Irkutsk energy system.	Losses of steam and condensate were reduced from 10.2% to 7.7% at Avtozavodskaya CHP. Excess losses were reduced from 7.62% to 6.05% at Novo-Irkutsk CHP.
Improving environmental performance by modernising and improving the efficiency of boilers, turbines, and ash removal equipment at the Group's power stations.	Testing on the new hydro turbine model is ongoing. The first of seven new power transformers at Krasnoyarsk HPP were prepared for commissioning.
Enhancing the efficiency and reliability of existing equipment at CHPs.	A range of modernisation projects at our CHPs were launched, aimed at improving the reliability, productivity, and safety of our assets.
Increasing the Company's total HPP capacity by constructing the new small-scale Segozerskaya HPP.	Design engineering works for the small-scale Segozerskaya HPP were completed. Total investment to build the HPP amounted to USD 21.3 million.

Our goals for 2021 and onwards

At En+ Group we are focused on aligning our business practices with sustainability goals.

Ethics and integrity

- Approve the Corporate Code of Ethics, Anti-Bribery and Corruption Policy, and the Policy on Conflict of Interest at the level of our subsidiaries and affiliates.
- Organise a unified compliance system based on legal requirements, the recommendations of regulators, industry specifics, and best global and Russian practices.
- Approve and implement the tasks, functions, rights, and obligations of the Ethics Officer of the Group's subsidiaries through local regulations.
- Conduct additional internal training for Ethics Officers in order to foster a uniform approach in all subsidiaries and affiliates.
- Follow up on the automation of the Know Your Customer (KYC) procedures implemented by the Company to verify its customers, monitor financial transactions, reduce compliance risks, and prevent bribery and corruption.

- Continue informing employees through all available channels on our ethical standards, approaches to anti-corruption issues, and management of conflicts of interest.
- Update the existing distance learning courses and develop new ones.

Business system

Metals segment

- Ensure the organisation of BS-250 (Business System) training candidates and the personnel reserve for key positions at the Company's enterprises.
- Organise and conduct the factory and corporate stages of the Improvement of the Year 2021 competition.
- Organise and conduct audits for the implementation of the Business System at Company enterprises in accordance with the schedule for 2021.
- Implement the Influence of Physical Activity on the Development of Occupational Diseases project.
- Organise methodological support for the programme of organising internships for the personnel reserve in 2021.

Summary of goals continued

Power segment

- Continue training under the Transformation programme - 100 people.
- Conducting Business System training for managers and chief engineers of branches.
- Opening of personal projects by GD, GD-1, and GD-2 level employees.

Supply Chain

Metals segment

- Update the procurement and raw materials strategy for the next five years.
- Automate the supplier rating assessment and supplier claims process.
- Extend the APQP approval process for suppliers to enhance the certification process for other Company divisions.
- Increase the supply of eco-friendly pitches.
- Execute pilot tests of tank containers for the transportation of sand.
- Implement the Corporate Principles for Responsible Supply Chain Management.
- Change the business planning and procurement process by automating the processes and increasing their transparency.

Power segment

- Strengthen supplier relationships by focusing joint efforts on improving the accuracy of delivery times.
- Continue to optimise internal processes and procurement procedures.

Scientific and technological development and Modernisation

- Revise the approach and update the R&D management system.
- Create a research strategy.
- Review the existing regulatory documents.
- The following are planned under the New Energy programme in 2021:
 1. Replace the hydroelectric unit at st. No. 1 of the Irkutsk HPP in order to bring the efficiency of the hydraulic turbine up to 94.5% and increase its annual output by 65 million kWh.
 2. Replace the impeller of the hydroelectric unit at st. No. 3 of the Bratsk HPP, which will increase the efficiency of the hydraulic turbine to 96.5%, remove the 14 MW restriction on the available capacity, and increase the annual output by 33 million kWh. In February 2021, En+ Group began replacing six hydraulic units at the Group's Bratsk HPP as part of its large-scale New Energy modernisation programme. The total investment this stage of the project is more than 1.5 billion roubles. The replacement works are scheduled to take place from 2021 to 2026. The outcome of the works will see all 18 impellers replaced.
 3. Supply two new impellers for the Krasnoyarsk HPP for planned replacement in 2022.
 4. Complete the installation of the 4T transformer scheduled for the second quarter of 2021.
- Introduce an automated system for evaluating counterparties;
- Purchase alternative pitches as the technologies of use are introduced;
- Develop a procurement system optimisation project;
- Implement an APQP approval process with suppliers to improve the validation process.
- Continue automation of operational activities and minimising costs, including hedging the cost of energy resources.

Climate Leadership

- Disclose the pathway to net zero carbon emissions.
- Verify and approve the SBTi targets of the Metals segment.
- Finalise a TCFD project to assess climate change risks and opportunities.
- Continue assessment of greenhouse gas emissions from hydroelectric reservoirs and expand the assessment to Ust-Ilimsk HPP.
- Minimise the industrial carbon footprint through the implementation of energy efficiency measures.
- Start construction works on the small-scale Segozerskaya HPP (8.1 MW) in Karelia (Russia).
- Install five new charging stations for electric vehicles to support the growth of clean energy.

Environmental Stewardship

- Implement actions for the technical tooling of ash collectors at the Novo-Irkutsk and Ust-Ilimsk CHPs, and CHP-6.
- Implement large-scale ash and slag waste utilisation initiatives according to the plan of LLC Baikal Energy Company.
- Develop project documentation for the branches of LC EuroSibEnergo-Hydrogeneration to ensure the organised collection, treatment, and disposal of surface and drainage wastewater from HPPs, and to equip drainage systems with local wastewater treatment systems. Draft the materials of a preliminary feasibility study for similar projects at the Krasnoyarsk HPP.
- Complete the renovation building, and commissioning of local wastewater treatment facilities of subsidiaries.

Biodiversity

- Continue the monitoring of biodiversity in collaboration with scientific institutions.
- Continue to implement bioresource restoration programmes.
- Continue to upgrade the production facilities to reduce the Group's negative environmental impact.
- Continue to improve management of biodiversity conservation issues.

Human Development

Employees

- Expansion of the network of specialised universities and colleges, interaction with schools in all regions where we operate.
- Continue the project for obtaining higher education at the INRTU by the Company's employees.
- Launch a scholarship programme.
- Continue the IT Academy programme, Energy Lab.
- Continue to work with the personnel reserve and search for high-potential personnel.
- Continue corporate development programmes Transformation, Commersant, School of Occupational Safety and Health Administration.
- Continue youth development programmes.
- Implementation of new IT programmes for work with assessment, training and development of personnel.
- Install digital simulators for HPP operational personnel at all En+ Group hydroelectric power plants in 2021-2022 as part of the same programme: Krasnoyarsk, Bratsk, and Ust-Ilimsk HPPs.

Health and Safety

- Achieve zero work-related fatalities.
- Reduce LTIFR.
- Enhance the OHS management system, guided by international best practices.

Communities

- Implement charitable, social, and infrastructure projects in the regions of presence.
- Optimise and standardise social investment management processes.
- Conduct social research in 2021-2022 to determine further development and goals for local communities'.
- Support local communities in the fight against COVID-19.

Appendices

Additional information

Key economic and financial results

Table 1. GRI 102-7 Total net sales and capitalisation, 2018–2020, USD mn

	Metals segment			Power segment			Intersegmental adjustments			Total		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Total net sales for the year	10,280	9,711	8,566	3,147	2,989	2,697	(1,049)	(948)	(907)	12,378	11,752	10,356
Capitalisation at end of year	13,495	14,994	14,335	8,792	9,975	9,230	(4,608)	(5,115)	(5,112)	17,679	19,854	18,453
including borrower capital (loans and borrowings, including bonds)	8,286	8,247	7,792	3,991	4,235	4,596	-	-	-	12,277	12,482	12,388
including equity	5,209	6,747	6,543	4,801	5,740	4,634	(4,608)	(5,115)	(5,112)	5,402	7,372	6,065

Table 2. GRI 201-4 Financial assistance received from the state, 2018-2020, USD mn

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Tax relief and tax credits	5	1	0	0	0	1
Subsidies, including subsidies for R&D	5	3	5	4	0	7
Total	10	4	5	4	0	8

Table 3. GRI 201-1 Report on payments to governments, 2020, USD thousand

	Type of payment							Total
	Production fees	Taxes or levies on corporate sales, production or profits	Royalties	Dividends	Signing—on, discovery and production bonuses	Licence fees, rental charges, entry fees and other consideration for licences and/or concessions	Infrastructure improvement payments	
Russia	-	36,489	-	-	-	4,506	2,808	43,803
Kazakhstan	-	24,505	-	-	-	1,141	252	25,898
Ukraine	-	51	-	-	-	36	0	88
Guinea	-	5,663	-	-	-	-	-	5,663
Guyana	-	48	132	-	-	124	-	305
Jamaica	-	214	722	-	-	63	-	998
Total	-	66,971	854	-	-	5,871	3,060	76,755

Corporate Governance

Table 4. GRI 405-1 Board diversity, 2018–2020, %

	2018	2019	2020
Gender diversity:			
Female	0	33	33
Male	100	67	67
Age:			
35-45	50	17	8
46-55	37.5	33	42
56-65	0	42	42
65+	12.5	8	8
Tenure:			
1-3 years	87.5	92	92
4-9 years	12.5	8	8
10+ years	0	0	0

Table 5. GRI 405-1 Executive team diversity, 2018–2020, %

	2018	2019	2020
Gender diversity:			
Female	20	23	25
Male	80	77	75
Age:			
35-45	50	46	50
46-55	30	38	42
56+	20	15	8
Tenure:			
1-3 years	90	85	33
4-9 years	10	15	8
10+ years	0	0	58

Ethics and integrity

Table 6. GRI 102-17 Employees' messages on the 'Signal' hotline, 2019–2020, number

	2019		2020	
	Metals segment	Power segment	Metals segment	Power segment
Total	300	44	426	220
Relevant messages	264	37	372	169
Irrelevant messages	36	7	54	51

Supply chain

Table 7. GRI 204-1 Total volume of purchases from local suppliers, 2018-2020, USD mn¹

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Total volume of purchases	9 427,00	427,23	9 748,00	405,93	8 762,00	473,84
Share of purchases from local suppliers	47%	70%	47%	75%	49%	74%

¹ Calculated based on USD/RUB average exchange rate of USD 72.14 per rouble for 2020

Climate Leadership

Table 8. GRI EU1 Power segment's installed capacity by primary energy source, 2020

	Hydropower plants	Combined heat and power plants	Solar power plant
Installed capacity	15.1 GW ²	4.4 GW	5.2 MW

Table 9. GRI EU2 Power segment's net energy supply, 2018–2020, GJ

	2018	2019	2020
Electricity supply	255,302,686	271,596,120	287,966,255
Heat energy supply	115,508,904	113,188,290	111,299,222

Table 10. GRI 302-1 b, EU Taxonomy, SASB EM-MM 130 a.1, SASB IF-EU-000.E Energy consumption³

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Electricity consumption, GJ	235,572,361	4,381,200 ⁴	240,982,175	6,463,961	241,589,996	6,210,337
Total Electricity consumption, GJ	239,953,561		247,446,136		247,800,333	
Both segments Share of grid electricity consumption in total energy consumption, %	33.5%		34.3%		34.3%	
Heat consumption, GJ	3,387,429	2,903,696	3,111,020	1,396,042	2,939,793	1,328,441
Total Heat consumption, GJ	6,291,125		4,507,062		4,268,234	
Fuel consumption from non-renewable sources, GJ	197,375,160	269,948,429	202,256,976	253,671,326	212,627,287	246,388,958
Fuel consumption from renewable sources, GJ	2,062,539	302,400	1,473,079	337,416	505,055	142,881

Table 11. SASB EM-MM-130a.1 Energomix of energy consumption for primary aluminum production, %

	Hydroelectric	Nuclear	Wind	Heat
2019	98.31	0.05	0.54	1.10
2020	98.54	0.02	0.57	0.88

Table 12. GRI 302-1, SASB EM-MM-130a.1 Energy consumption from non-renewable sources by fuel types used, 2018–2020, GJ

	2018	2019	2020
Natural gas, GJ	150,496,985	145,758,990	153,673,640
Heavy oil, GJ	17,745,372	23,473,401	25,218,630
Coal, GJ	294,607,067	279,647,634	274,083,117
Petrol, GJ	49,061	220,420	189,339
Kerosene, GJ	6,767	6,897	6,458
Propane and butane, GJ	209,964	257,977	192,693
Diesel fuel, GJ	3,859,654	6,243,551	5,408,670
Coke, GJ	348,719	319,432	243,699

² Including Onda HPP.

³ All energy generating assets are subject to the legal and regulatory framework adopted in the Russian Federation.

⁴ The data for 2018 energy consumption excludes electricity generated and consumed for own needs by HPPs.

Table 13. GRI 302-1 Energy consumption from renewable sources by fuel types used, 2018–2020, GJ

	2018	2019	2020
Charcoal, GJ	1,494,494	985,817	246,442
Waste wood, GJ	324,864	487,262	258,613
Bark waste, GJ	302,400	337,416	142,881

Table 14. GRI 302-1, EU Taxonomy Energy sales, 2018–2020, GJ

Type of energy	2018	2019	2020
Electricity sold	304,204,210	322,976,922	334,738,428
Heating sold	77,054,765	74,063,962	71,396,272
Cooling sold	145,775	161,014	182,516
Steam sold	16,657,099	17,375,047	18,139,852

Table 15. GRI EU2 Power's segment net energy supply by energy source, 2018–2020, GJ

		Electricity			Heat energy		
		2018	2019	2020	2018	2019	2020
Non-renewable	Coal	39,203,037	35,752,458	33,119,646	95,751,665	94,528,842	92,912,060
	Natural gas	6,320,312	5,411,140	5,715,742	19,318,788	18,126,474	18,063,007
	Petroleum products	57,422	48,640	50,642	120,787	115,675	108,984
	Electric boilers	0	0	0	183,830	327,315	179,099
Renewable	Biomass	0	0	0	0	0	0
	Solar	12,996	6,343	2,265	134,835	89,985	36,072
	Wind	0	0	0	0	0	0
	Geothermal	0	0	0	0	0	0
	Hydropower	209,708,919	230,377,539	249,077,961	0	0	0

Environmental Stewardship

Emissions

Table 16. GRI 305-7, SASB EM-MM-120a.1 Metals segment's emissions^{5,6}, 2018–2020, kt

Pollutant	2018	2019	2020
Carbon Monoxide (CO)	223.2	232.2	238.7
PM (except Fsolid, tarry substances, B(a)P)	37.6	37.3	36.3
Sulphur dioxide (SO ₂)	36.4	42.0	40.1
Sum of nitric oxides as nitrogen dioxide (NO ₂)	19.6	19.5	20.1
Total fluoride (gaseous and solid fluoride)	7.0	6.6	6.4
Other emissions ⁷	8.4	8.4	9.3
Volatile organic compounds (VOCs)	1.6	1.6	1.5
Benzopyrene	0.0040	0.0039	0.0041

Table 17. GRI 305-7 Power segment's emissions, 2018-2020, kt

Pollutant	2018	2019	2020
Nitric oxides (NO _x)	51.2	48.3	47.1
Sulphur oxides (SO _x)	212.6	192.7	189.8
Persistent organic pollutants (POP)	0.0	0.0	0.0
Volatile organic compounds (VOC)	0.5	0.4	0.4
Particulate matter (PM)	65.1	60.7	56.3
Other standard categories of air emissions identified in relevant regulations ⁸	7.2	8.2	8.9

Table 18. SASB IF-EU-120a.1 Power segment's share of air emissions in or near areas of dense population, 2018-2020, %

Pollutant	2018	2019	2020
Nitric oxides (NO _x)	93.3	94.0	93.4
Sulphur oxides (SO _x)	97.6	97.7	97.8
Particulate matter (PM)	87.8	89.6	86.8
Lead (Pb)	0.0	0.0	0.0
Mercury (Hg)	0.0	0.0	0.0

⁵ All differences in the data on emissions of the Metals and Power segments for 2018 and 2019 from the data presented in the reports of previous years are related to the recalculation of data using the updated methodology.

⁶ The data for the Friguia Bauxite and Alumina Complex, that maybe material for consolidated indicators, is excluded, due to the lack of metering systems and relevant requirements in national legislation.

⁷ This category includes all pollutants specified by Russian legislation, with the exception of CO and of those pollutants already presented in this table.

⁸ This category includes all pollutants specified by Russian legislation (including CO), with the exception of those pollutants already presented in this table.

Water

Table 19. GRI 303-3, 303-4, 303-5, SASB EM-MM-140a.1, IF-EU-140a.1 Water withdrawal, discharge⁹ and consumption, 2018-2020, mn m³

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Total water withdrawal, including:	173.0	773.7	177.9	700.6	176.8	705.0
Surface water	102.0	556.4	110.8	493.2	110.1	505.2
Ground water	14.9	38.6	13.7	36.7	20.7	35.2
Public networks	17.1	178.7	17.7	170.7	17.7	164.6
Seawater	25.5	0.0	22.9	0.0	22.8	0.0
Other	13.5	0.0	12.8	0.0	5.4	0.0
Fresh water withdrawal including:	147.5	766.6	155.0	693.5	154.0	698.0
Surface water	102.0	556.4	110.8	493.2	110.1	505.2
Ground water	14.9	31.5	13.7	29.7	20.7	28.2
Public networks	17.1	178.7	17.7	170.7	17.7	164.6
Other	13.5	0.0	12.8	0.0	5.4	0.0
Total water withdrawal from all areas with water stress, including	2.7	4.9	2.2	4.7	0.6	4.5
Surface water	2.5	0.7	2.0	0.7	0.4	0.8
Ground water	0.0	0.0	0.0	0.0	0.0	0.0
Public networks	0.2	4.2	0.1	4.0	0.1	3.6
Seawater	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Fresh water withdrawal from all areas with water stress, including	2.7	4.9	2.2	4.7	0.6	4.5
Surface water	2.5	0.7	2.0	0.7	0.4	0.8
Ground water	0.0	0.0	0.0	0.0	0.0	0.0
Public networks	0.2	4.2	0.1	4.0	0.1	3.6
Seawater	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Percentage of water withdrawal from all areas with water stress, %	1.6	0.6	1.2	0.7	0.3	0.6
Total water consumed	101.1	528.7	112.5	462.9	113.6	461.0
Total water consumption from all areas with water stress	2.7	4.9	0.0	4.7	0.3	4.5
Change in water storage	N/A	0.0	N/A	0.0	N/A	0.0
Percentage of water consumption from all areas with water stress,	2.7%	0.9%	0.0%	1.0%	0.3%	1.0%
Total water discharge, including	56.4	525.7	59.8	479.8	61.6	476.6
Surface water	56.4	515.5	34.7	469.9	34.3	466.3
Ground water	0.0	0.0	0.0	0.0	0.0	0.0
Public networks	0.0	10.2	2.2	9.9	4.5	10.3
Seawater	0.0	0.0	22.9	0.0	22.8	0.0
Fresh water discharge	33.6	525.7	36.9	479.8	38.8	476.5
Total water discharge to all areas with water stress	0.1	0.0	0.1	0.9	0.02	0.7
Fresh water discharge to all areas with water stress	0.1	0.0	0.1	0.9	0.02	0.7

⁹ Water withdrawal and discharge excludes quarry, mine, drainage, storm, and other waters, which are not used in the production process.

Land**Table 20. G4 MM1 Area of disturbed and rehabilitated land from open-cut mines, 2018–2020, hectares**

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Total area of disturbed, but not yet rehabilitated land, from open-cut mines as at 1 January of the reporting year	2,499	9,534	5,129	10,113	6,742	11,588
Total area of disturbed land from open-cut mines	205	244	686	272	1,563	155
Total area of rehabilitated land from open-cut mines for agreed end use	53	0	19	578	48	1
Total area of disturbed, but not yet rehabilitated, land from opencut mines as at 31 December of the reporting year	2,815	9,778	6,099	9,807	8,257	11,742

Waste**Table 21. GRI 306-3 Non-hazardous waste generated by each segment in 2018-2020, excluding overburden (from mining), mt**

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Volume of non-hazardous waste generated	13.7	9.5	13.7	8.5	15.9	8.5
Total volume of non-hazardous waste generated	23.2		22.2		24.4	

Table 22. GRI 306-3 Hazardous waste generated in 2018–2020, kt¹⁰

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Volume of hazardous waste generated	258.0	1.2	307.1	1.4	262.4	2.3
Total volume of hazardous waste generated	259.2		308.5		264.7	

Table 23. GRI 306-4, 306-5 Total volume of hazardous waste managed by disposal method, 2018-2020, kt

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Reused and recycled	157.7	1.2	224.7	1.2	227.9	2.1
Off-site disposal	3.7	0.1	4.1	0.0	5.8	0.0
On-site disposal	50.6	0.0	56.3	0.0	17.3	0.0
On-site accumulation	6.8	0.01	28.5	0.1	15.7	0.2

¹⁰ The increase of hazardous waste generated by the Power segment is associated with the reconstruction of equipment at Irkutsk Electric Grid Company and KRAMZ.

Table 24. GRI 306-4, 306-5 Total volume of non-hazardous waste managed, including overburden, by disposal method, 2018-2020, mt^{11,12}

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Reused and recycled	10.7	130.6	2.9	163.3	2.8	123.9
Off-site disposal	0.1	0.1	0.1	0.1	0.1	0.1
On-site disposal placed on their own facilities	3.6	1.0	3.3	1.0	37.4	0.7
On-site accumulation	28.0	14.3	73.6	13.6	32.4	14.1

Table 25. SASB EM-MM-150a.1, EM-MM-150a.2, IF-EU-150a.1 Waste generation and management, 2018-2020

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Tailings waste ¹³ , kt	12,590.1	7,856.2	12,824.7	6,932.7	14,416.9	7,067.1
Share of tailings waste, recycled, % ¹⁴	10.1	61.3	9.5	59.9	7.4	63.6
Total weight of mineral processing waste, kt	14,041.0	6.4	14,053.3	4.6	16,127.3	4.3
Share of mineral processing waste, recycled, %	14.6	0	14.6	0	13.8	0
Amount of coal combustion residuals (CCR) generated, kt	N/A	1,593.4	N/A	1,518.8	N/A	1,412.9
Share of coal combustion residuals, recycled, %	N/A	58	N/A	57	N/A	80

Table 26. G4 MM3 Overburden, rock, tailings and sludge accumulation and generation, mt

		2018		2019		2020			
		Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment		
Generated	Overburden	53.9	125.6	53.9	159	57.0	118.1		
	Rocks		10.0		9.7		11.0		
	Tailings		0		6.9		5.9	6.4	
	Sludge		12.6		1.0		12.8	1.0	14.4
Accumulated	Overburden	317.6	938.9	480.5	948.3	469.0	402.7		
	Rocks		125.6		284.6		959.1		
	Tailings		0		108.2		110.0	0	111.9
	Sludge		429.0		1.1		470.3	2.1	482.9

¹¹ Hereinafter in the section "Additional information" the data for the Bauxite Company of Guyana, the Bauxite Company of Kindia (Guinea), the Dian-Dian (Guinea), that may be material for consolidated indicators of overburden and rock waste, is excluded, due to the lack of metering systems and relevant requirements in national legislation.

¹² The indicator includes overburden waste, which disposal methods could be recycling associated with backfilling, as well as reprocessing to new materials.

¹³ Tailings waste is not generated in the production processes of Metals segment enterprises, therefore, tailings waste is presented in the form of data on red and nepheline sludge from alumina enterprises generated in the reporting period.

¹⁴ Used as a constructive and anti-filtration element of hydraulic structures in Power segment.

Table 27. SASB IF-EU-150a.2, EM-MM-150a.3 Total number of impoundments, broken down by hazard potential classification and structural integrity assessment in Power segment

	2018	2019	2020
Total number of coal combustion residual (CCR) impoundments, including	15	14	14
High potential hazard	0	0	0
Significant potential hazard	5	5	5
Low potential hazard	10	9	9
Total number of impoundments, including	23	22	22
High potential hazard	2	2	2
Significant potential hazard	5	5	5
Low potential hazard	16	15	15

Employees¹⁵

Table 28. GRI 102-7 Headcount at Russian and international facilities, 2018–2020, %

	2018	2019	2020
Russia	90.8	88.4	88.9
Other countries	9.2	11.6	11.1

Table 29. GRI 401-1 Employee turnover, 2018–2020¹⁶, %

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Employee turnover	13.5	19.1	40.2	19	10.9	15.7
Women	12.6	21.1	33.8	21.0	10.5	16.4
Up to 30	18.4	40.2	40.6	39.6	19.9	26.8
30-50	9.8	16.6	31.4	18.2	9.0	13.5
Over 50	16.4	21.5	36.6	18.5	10.2	18.3
Men	13.7	18.2	42.3	18.2	11.1	15.4
Up to 30	18.3	33.9	48.5	32.3	17.0	26.5
30-50	11.4	15.0	39.0	14.9	9.0	12.6
Over 50	16.6	16.4	46.6	17.6	12.7	15.7
En+ Group		15.4		31.8		12.8

Table 30. GRI 202-2 Share of senior managers recruited from the local population in Russia and other countries, 2018- 2020¹⁷, %

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Russia	99.8	100	99.8	100	99.8	100
Other countries	64.9	100	63.0	100	61.6	100

¹⁵ The figures in the section “Employees” are presented based on HR system data as of 31.12.2020.

¹⁶ Figures were recalculated because of improvement in methodology. The calculation is based on the list number of employees at the end of the year. The high turnover rate for 2019 was caused by the release of staff as a result of the reorganisation of the Engineering and Construction Division.

¹⁷ The geographical definition of ‘local population’ includes a country.

Table 31. Average annual number of training courses per employee in Power segment, courses, 2018–2020¹⁸

	2018	2019	2020
Senior management	2	1	1
Middle management	0	0	1
Specialists	0	0	1
Workers	1	1	0

Table 32. GRI 404-1 Average annual number of training hours per employee in Metals segment, hours, 2020

	2020
Average annual number of training hours per employee	2.3
By gender	
Women	4.2
Men	1.7
By category	
Management	8.5
Specialists	11.9
Workers	0.1

Table 33. GRI 405-1 Workforce gender diversity, 2018–2020, %

	2018	2019	2020
Female, including	25.4	26.5	27.0
Up to 30	12.0	11.7	11.1
30-50	60.8	61.5	62.0
Over 50	27.2	26.8	26.9
Male, including	74.6	73.5	73.0
Up to 30	16.8	16.2	15.2
30-50	59.1	59.7	60.3
Over 50	24.0	24.1	24.5

Table 34. GRI 405-1 Senior management gender diversity, 2018–2020, %

	2018	2019	2020
Female, including	15.5	15.9	17.1
Up to 30	1.4	0.7	0.0
30-50	65.5	75.0	74.3
Over 50	33.1	24.3	25.7
Male, including	84.5	84.1	82.9
Up to 30	1.2	1.1	0.7
30-50	61.8	61.1	62.7
Over 50	37.1	37.8	36.6

Table 35. GRI 405-1 Middle management gender diversity, 2018–2020, %

	2018	2019	2020
Female, including	19.8	20.6	21.3
Up to 30	3.0	2.3	2.3
30-50	64.3	66.5	65.1
Over 50	32.7	31.2	32.6
Male, including	80.2	79.4	78.7
Up to 30	3.6	3.7	3.4
30-50	67.1	66.9	66.6
Over 50	29.3	29.4	30.0

Table 36. GRI 405-1 Specialists gender diversity, 2018–2020, %

	2018	2019	2020
Female, including	55.8	57.2	57.6
Up to 30	15.0	14.3	13.5
30-50	65.4	65.4	66.5
Over 50	19.6	20.3	20.0
Male, including	44.2	42.8	42.4
Up to 30	13.5	13.9	12.5
30-50	62.4	62.8	63.3
Over 50	24.0	23.3	24.2

¹⁸ Represents the Power segment without SMR, KRAMZ and logistic entities.

Table 37. GRI 405-1 Workers gender diversity, 2018–2020, %

	2018	2019	2020
Female, including	19.7	20.6	21.1
Up to 30	11.4	11.4	11.0
30-50	57.6	58.3	58.6
Over 50	31.0	30.4	30.4
Male, including	80.3	79.4	78.9
Up to 30	18.9	18.3	17.2
30-50	57.8	58.4	59.1
Over 50	23.3	23.3	23.6

Table 38. GRI 401-1 New hires, 2018–2020, number

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Total, including	9,712	6,676	9,282	7,570	7,723	4,871
Russia	8,932	6,675	7,373	7,561	6,805	4,870
Other countries	780	1	1,909	9	918	1

Table 39. GRI 401-1 New hires by gender, 2018–2020, %

	2018	2019	2020
Female	26.6	28.1	29.1
Male	73.4	71.9	70.9

Table 40. GRI 401-1 New hires by age, 2018–2020, %

	2018	2019	2020
18-30	36.2	34.9	33.9
30-50	52.7	53.7	55.1
Over 50	11.1	11.4	10.9

Table 41. GRI 102-41, SASB EM-MM-310a.1 Employees covered by collective agreements, 2018–2020, %

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
En+ Group, including	87.7		86.0		87.2	
Russia	90.4	87.6	87.4	90.4	86.9	89.9
Other countries	71.7	-	65.4	-	79.3	-

Table 42. GRI 202-1 Standard entry level wage rate for employees and established minimum wage in key operating countries in the Metals segment¹⁹, 2020

Region	Standard entry level wage rate, Metals segment		Established minimum wage in the region	
	RUB	USD	RUB	USD
Russia	13,000	180	12,130	168
Republic of Armenia	31,287	434	13,719	190
Ukraine	13,365	185	13,365	185
Jamaica	23,875	331	16,228	225
Guinea	5,052	70	3,318	46
Guyana	15,146	210	15,146	210
Nigeria	10,391	150	6,067	84

¹⁹ Calculated based on USD/RUB average exchange rate at 72,14 for 2020

Table 43. GRI 202-1 Standard entry level wage rate for employees and established minimum wage in regions of Russia in the Power segment²⁰, 2020

Region	Standard entry level wage rate, Power segment ²¹		Established minimum wage in the region ²²	
	RUB	USD	RUB	USD
Volgograd region	15,000	208	12,130	168
Moscow	41,368	573	20,195	280
Transbaikal region	20,015	277	20,015	277
Irkutsk region	29,436	408	20,493	284
Krasnodar region	25,000	347	12,130	168
Krasnoyarsk region	25,795	358	19,408	269
Leningrad region	44,792	621	19,000	263
Moscow region	44,792	621	14,200	197
Nizhny Novgorod Region	19,486	270	12,130	168
Republic of Karelia	25,835	358	21,834	303
Tyva Republic	23,353	324	23,047	319
The Republic of Khakassia	24,802	344	19,682	273
Chelyabinsk region	14 628	203	13,950	193
Yaroslavl region	29,036	402	12,130	168

Table 44. GRI 102-8 Full-time employees, 2018–2020, %

	2018		2019		2020	
	Metals segment	Power segment	Metals segment	Power segment	Metals segment	Power segment
Share of full-time employees, including	99.0	99.3	98.8	99.4	98.8	99.3
Female	23.1	30.7	24.2	29.9	24.7	30.5
Male	76.9	69.3	75.8	70.1	75.3	69.5
En+ Group		99.1		99.0		99.0

Table 45. GRI 102-8 Employees with permanent type employment contract, 2018–2020, %

	2018	2019	2020
En+ Group	92.8	91.2	90.9
Power segment, including	90.4	90.3	89.9
Female	30.9	29.4	30.2
Male	69.1	70.6	69.8
Metals segment, including	94.2	91.8	91.5
Russia	96.5	96.2	95.6
Female	23.9	25.8	26.1
Male	76.1	74.2	73.9
Other countries	80.0	73.3	73.2
Female	14.2	14.2	14.3
Male	85.8	85.8	85.7

²⁰ Calculated based on USD/RUB average exchange rate at 72,14 for 2020

²¹ Average values.

²² Average values. Includes Regional coefficient and Northern index.

Health and Safety

Table 46. GRI 403-9, SASB IF-EU-320a.1, EM-MM-320a.1 Key indicators, 2018–2020^{23,24}

	2018	2019	2020
The number of fatalities as a result of work-related injuries	8	5	4
Number of work-related injuries ²⁵	122	131	142
Total man-hours worked, thousands	156,836	141,133	136,038
Employee fatality rate	0.010	0.007	0.006
LTIFR	0.16	0.19	0.21

Table 47. GRI 403-5, SASB IF-EU-320a.1 Health and Safety indicators of Power segment²⁶

	2018	2019	2020
Total rate of incidents recorded (TRIR)	0.121	0.202	0.293
Severe injury rate	0.017	0.025	0.021
The average hours of trainings per employee	28	30	31
The average hours of trainings per employee (contractors)	40	40	40

Table 48. Power segment's Health and Safety expenditures, 2018-2020, mn²⁷

	2018		2019		2020	
	RUB	USD	RUB	USD	RUB	USD
Employee training and maintenance of training systems	31.1	0.4	42.3	0.6	43.3	0.6
Improvement of fire safety	329.7	4.6	357.0	4.9	301.8	4.2
Improvement of technical level and efficiency of production	21.9	0.3	17.1	0.2	17.1	0.2
Improving working conditions and sanitation measures	108.9	1.5	113.2	1.6	232.7	3.2
Improving the quality and effectiveness of personal protective equipment	175.9	2.4	199.1	2.8	298.2	4.1
Total Health and Safety expenditures	667.5	9.3	728.7	10.1	893.2	12.4

²³ Hereinafter in the section "Additional information" the injuries data represent cases registered by the Company and KRAMZ and SMR are included in LTIFR of the Metals segment. Injuries data represent cases registered by the Company.

²⁴ Rates are calculated per 200,000 hours worked.

²⁵ Since the acquisition of the PGLZ in September 2020 until the end of 2020, 4 work-related injuries including 2 high-consequence work-related injuries have occurred at the PGLZ. From 2021, PGLZ will be included in the general statistics of Metals segment.

²⁶ Indicators disclosed by the Power segment only.

²⁷ Calculated based on USD/RUB average exchange rate of USD 72.14 per rouble for 2020.

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5. STAKEHOLDER ENGAGEMENT		
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Collective bargaining agreements	GRI 102-41	Additional information, p. 152
Identifying and selecting stakeholders	GRI 102-42	Stakeholder engagement and material topics, p. 23
Approach to stakeholder engagement	GRI 102-43	Stakeholder engagement and material topics, p. 23 Communities, p. 124
Key topics and concerns raised	GRI 102-44	Stakeholder engagement and material topics, p. 23 Communities, p. 125
6. REPORTING PRACTICE		
Entities included in the consolidated financial statements	GRI 102-45	About the Report, p. 3
Defining report content and topic Boundaries	GRI 102-46	Stakeholder engagement and material topics, p. 26
List of material topics	GRI 102-47	Stakeholder engagement and material topics, p. 26
Restatements of information	GRI 102-48	All restatements in the Report are indicated appropriately in the footnotes. The key reasons for restatements of information in the Report are improvement of the indicators' boundaries and retrospective information.
Changes in reporting	GRI 102-49	The following material topic was added in the Report 2020 in comparison with Report 2019: Human rights
Reporting period	GRI 102-50	About the Report, p. 2
Date of most recent report	GRI 102-51	About the Report, p. 2
Reporting cycle	GRI 102-52	About the Report, p. 2
Contact point for questions regarding the report	GRI 102-53	Contact information, p. 175
Claims of reporting in accordance with the GRI Standards	GRI 102-54	About the Report, p. 2
GRI content index	GRI 102-55	GRI content index, p. 155
External assurance	GRI 102-56	Independent assurance report, p. 173
GRI 103 MANAGEMENT APPROACH		
Explanation of the material topic and its Boundary	GRI 103-1	Stakeholder engagement and material topics, p. 26 Corporate Governance, p. 34 Our values. Ethics and integrity, p. 41 Supply chain, p. 55 Climate Leadership, p. 70, 74 Environmental Stewardship, p. 80, 83, 85, 88, 94 Health and safety, p. 102 Employees, p. 110 Communities, p. 124, 126
The management approach and its components	GRI 103-2	Corporate Governance, p. 34 Our values. Ethics and integrity, p. 41 Risk management and internal controls, p. 43 Supply chain, p. 55, 58 Climate Leadership, p. 70, 72, 74, 75 Environmental Stewardship, p. 80, 83, 85, 88, 94, 99 Health and safety, p. 102 Employees, p. 110, 113 Communities, p. 124, 126
Evaluation of the management approach	GRI 103-3	At a glance, p. 14 Corporate Governance, p. 40 Risk management and internal controls, p. 43 Climate Leadership, p. 74 Environmental Stewardship, p. 82, 88, 95, 99 Health and safety, p. 103 Employees, p. 111 Since in En+ there are no formal mechanisms for evaluating the effectiveness of the supply chain management approach,

		to manage supply chain quality risks we confirm the compliance of suppliers with the requirements set and through the certification. In the result of the evaluation we strive to have 100% of our suppliers to meet the certification requirements. It is regularly conducted in accordance with the requirements of IATF 16949 – Quality management system for organisations in the automotive industry, using the Advanced Product Quality Planning (Production Part Approval Process) approach.
GRI 200 ECONOMIC		
GRI 201 ECONOMIC PERFORMANCE		
Direct economic value generated and distributed	GRI 201-1	Communities, p. 134 Additional information, p. 142
Financial implications and other risks and opportunities due to climate change	GRI 201-2	Climate leadership, p. 76
Financial assistance received from government	GRI 201-4	Additional information, p. 142
GRI 202 MARKET PRESENCE		
Ratios of standard entry level wage by gender compared to local minimum wage	GRI 202-1	Employees, p. 116 Additional information, p. 152, 153
Proportion of senior management hired from the local community	GRI 202-2	Additional information, p. 150
GRI 203 INDIRECT ECONOMIC IMPACTS		
Infrastructure investments and services supported	GRI 203-1	Communities, p. 126, 127, 129, 133
Significant indirect economic impacts	GRI 203-2	Communities, p. 127, 128, 133
GRI 204 PROCUREMENT PRACTICES		
Proportion of spending on local suppliers	GRI 204-1	Supply chain, p. 57 Additional information, p. 143
GRI 205 ANTI-CORRUPTION		
Operations assessed for risks related to corruption	GRI 205-1	Risks associated with corruption are assessed and managed by the Company as part of the overall risk management system.
Communication and training about anti-corruption policies and procedures	GRI 205-2	Our values. Ethics and integrity, p. 42 The information about total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated and total number and percentage of employees that have receive training is excluded due to the existing reporting processes.
GRI 300 ENVIRONMENTAL		
GRI 302 ENERGY		
Energy consumption within the organisation	GRI 302-1	Climate Leadership, p. 74 Additional information, p. 144, 145
Reduction of energy consumption	GRI 302-4	Climate Leadership, p. 75
GRI 303 WATER AND EFFLUENTS		
Interactions with water as a shared resource	GRI 303-1	Environmental Stewardship, p. 86 In Metals segment quantitative and qualitative assessment of the Company's impact on water resources from water consumption and wastewater discharge is carried out annually in accordance with the UC RUSAL Environmental Reporting Regulations. Indicators for reporting are formed on the basis of primary accounting, the results of industrial environmental control carried out at enterprises, and the official statistical reporting of enterprises. The assessment is carried out at all enterprises of the Company that are subject to the Environmental Reporting Regulations.
Management of water discharge-related impacts	GRI 303-2	The water withdrawal and wastewater discharges are carried out by the En+ Group's enterprises in accordance with project design solutions and established legal requirements. Interaction with water bodies is regulated taking into account their properties and the chemical compositions of discharges impacting on bodies of water.
Water withdrawal	GRI 303-3	Environmental Stewardship, p. 85 Additional information, p. 147
Water discharge	GRI 303-4	Environmental Stewardship, p. 85 Additional information, p. 147
Water consumption	GRI 303-5	Environmental Stewardship, p. 85 Additional information, p. 147
GRI 304 BIODIVERSITY		

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Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI 304-1	Environmental Stewardship, p. 95
Habitats protected or restored	GRI 304-3	Environmental Stewardship, p. 91
GRI 305 EMISSIONS		
Direct (Scope 1) GHG emissions	GRI 305-1	Climate Leadership, p. 72
Energy indirect (Scope 2) GHG emissions	GRI 305-2	Climate Leadership, p. 72
GHG emissions intensity	GRI 305-4	Climate Leadership, p. 71 Disclosed for the Metals segment
Reduction of GHG emissions	GRI 305-5	Climate Leadership, p. 73 Disclosed for the Power segment
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	GRI 305-7	Environmental Stewardship, p. 83 Additional information, p. 146
GRI 306 EFFLUENTS AND WASTE (2020)		
Waste generation and significant waste-related impacts	GRI 306-1	En+ Group follows the principles of waste management corresponding to the specifics of waste generation in specific areas of activity, such as mining of coal, bauxite, alumina production, etc. Most significant types of waste in terms of volume are overburden, ash and slag waste.
Management of significant waste-related impacts	GRI 306-2	Environmental Stewardship, p. 89 En+ Group's two main focus areas for waste management are increasing waste recycling and ensuring the safe disposal of waste at disposal facilities. The Company is working on developing a strategy for the complete utilisation of all its generated ash and slag waste and creates new technologies that allow the production of resources from various types of waste, which can then be used within the Company or sold to other organizations. Part of En+ Group's waste is transferred to third parties for either disposal or recycling and reuse.
Waste generated	GRI 306-3	Environmental Stewardship, p. 88, 89, 93 Additional information, p. 148
Waste diverted from disposal	GRI 306-4	Environmental Stewardship, p. 89 Additional information, p. 148, 149
Waste directed to disposal	GRI 306-5	Environmental Stewardship, p. 89 Additional information, p. 148, 149
GRI 307 ENVIRONMENTAL COMPLIANCE		
Non-compliance with environmental laws and regulations	GRI 307-1	Environmental Stewardship, p. 82
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT		
New suppliers that were screened using environmental criteria	GRI 308-1	Supply chain, p. 58, 59
GRI 400 SOCIAL		
GRI 401 EMPLOYMENT		
New employee hires and employee turnover	GRI 401-1	Employees, p. 112, 121 Additional information, p. 150, 152
Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI 401-2	Employees, p. 114
GRI 403 OCCUPATIONAL HEALTH AND SAFETY		
Occupational health and safety management systems	GRI 403-1	Health and safety, p. 103 All employees in each facility of the Group are covered by the OHS management system.
Hazard identification, risk assessment, and incident investigation	GRI 403-2	Health and safety, p. 103, 106 The internal investigation process has also been established by the Group. The process seeks to determine root causes of incidents through in-depth analyses of the risks, using the whole range of advanced methods. The process is regulated by the Regulation for the Reporting, Investigation and Analysis of Occupational Safety Incidents that was amended in 2019. This process covers all fatal cases and injuries with loss of working capacity as a requirement of domestic legislation as well as cases of near miss that could potentially lead to the injury or fatality.
Occupational health services	GRI 403-3	Health and safety, p. 108
Worker participation, consultation, and communication on occupational health and safety	GRI 403-4	Health and safety, p. 103 Employees, p. 115 To assess the OHS management system in 2019, the Group established a regulation of ongoing monitoring of the health and safety conditions, which was improved in 2020. Within the framework of this regulation, the state of the OHS management system at production sites is regularly assessed

		in various key areas. The final review is announced by the manager of the production site at a monthly HS meeting. In 2021, at the Group level, the process of assessment analysis was launched to reveal the causes of deviations and develop corrective actions, as well as to control the quality of self-assessment results. In order to provide the informational exchange among the employees of the Group, the corporate "Health and Safety" resource was organized. In order to extend information interaction, discuss health and safety issues and develop a safety culture the Power segment plans to introduce a unified communication platform with the direct participation of key managers and the CEO of the Group.
Worker training on occupational health and safety	GRI 403-5	Health and safety, p. 104 Additional information, p. 154
Promotion of worker health	GRI 403-6	Employees, p. 114
Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	GRI 403-7	Health and safety, p. 104
Work-related injuries	GRI 403-9	Health and safety, p. 106 Additional information, p. 154 Disclosure includes data only for employees. The H&S data for contractors is planned to be included from 2021.
Work-related ill health	GRI 403-10	Health and safety, p. 107 Disclosure includes data only for employees. The H&S data for contractors is planned to be included from 2021
GRI 404 TRAINING AND EDUCATION		
Average hours of training per year per employee	GRI 404-1	Additional information, p. 151 Disclosed for the Metals segment
Programmes for upgrading employee skills and transition assistance programmes	GRI 404-2	Employees, p. 122
GRI 405 DIVERSITY AND EQUAL OPPORTUNITY		
Diversity of governance bodies and employees	GRI 405-1	Corporate Governance, p. 39 Employees, p. 113 Additional information, p. 143, 151, 152
Ratio of basic salary and remuneration of women to men	GRI 405-2	Employees, p. 113, 117
GRI 406 NON-DISCRIMINATION		
Incidents of discrimination and corrective actions taken	GRI 406-1	In 2020, the Company identified no incidents of discrimination.
GRI 407 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI 407-1	The Company operates in compliance with the laws ensuring freedom of association and rights to collective bargaining. En+ Group has no information about units or suppliers that could be violating these rights.
GRI 408: CHILD LABOUR		
Operations and suppliers at significant risk for incidents of child labour	GRI 408-1	Supply chain, p. 55 In 2020, the Company identified no incidents of child labour.
GRI 409: FORCED OR COMPULSORY LABOUR		
Operations and suppliers at significant risk for incidents of forced or compulsory labour	GRI 409-1	Supply chain, p. 55 In 2020, the Company identified no incidents of forced or compulsory labour.
GRI 411 RIGHTS OF INDIGENOUS PEOPLES		
Incidents of violations involving rights of indigenous peoples	GRI 411-1	In 2020, we did not have any conflicts related to lands or objects that present historical or cultural value for indigenous communities.
GRI 413 LOCAL COMMUNITIES		
Operations with local community engagement, impact assessments, and development programmes	GRI 413-1	Communities, p. 124, 126
GRI 414 SUPPLIER SOCIAL ASSESSMENT		
New suppliers that were screened using social criteria	GRI 414-1	Supply chain, p. 58, 59
GRI 417 MARKETING AND LABELING		
Requirements for product and service information and labeling	GRI 417-1	Finished goods manufactured at the Company's enterprises are automatically labelled in accordance with government requirements. The label contains information about the trademark or name of the manufacturer, the grade of aluminium or alloy, the heat number and other information.

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Incidents of non-compliance concerning product and service information and labeling	GRI 417-2	In 2020, the Company complied with the relevant laws and regulations that have a significant impact on the RUSAL in relation to product labelling, and no significant claims were received in connection with product labelling.
GRI 419 SOCIOECONOMIC COMPLIANCE		
Non-compliance with laws and regulations in the social and economic area	GRI 419-1	There were no significant fines and non-financial penalties for violation of legislation in the social-economic sphere in the reporting period.
GRI EU		
Installed capacity by primary energy source and regulatory regime	EU1	Additional information, p. 144 All energy-generating assets are subject to the legal and regulatory framework adopted in the Russian Federation.
Net energy output by energy source and regulatory regime	EU2	Additional information, p. 144, 145 All energy-generating assets are subject to the legal and regulatory framework adopted in the Russian Federation.
GRI MM		
Amount of land (owned or leased) used for production activities, disturbed, or reclaimed	MM1	Additional information, p. 148
Total amounts of overburden, rock, tailings, and sludge and associated risks	MM3	Additional information, p. 149

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Metals segment

Topic	Code	Accounting metric	Response and reference
Greenhouse Gas Emissions	EM-MM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Climate Leadership, p. 72 According to regulations, European assets of The Group in Ireland and Sweden are subjects to European requirements.
	EM-MM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Leadership, p. 70
Air Quality	EM-MM-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) mercury (Hg), (6) lead (Pb), and (7) volatile organic compounds (VOCs)	Environmental Stewardship, p. 83 Additional information, p. 146 The Company keeps records in accordance with the requirements of the national legislation of the regions where the Company operates and does not collect the data on lead and mercury emissions, in addition, these substances are not characteristic of the main production units of the Company.
Energy Management	EM-MM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Additional information, p. 145 The share of renewable fuels is insignificant.
Water Management	EM-MM-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Environmental Stewardship, p. 85 Additional information, p. 147
	EM-MM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Environmental Stewardship, p. 85, 87
Waste & Hazardous Materials Management	EM-MM-150a.1	Total weight of tailings waste, percentage recycled	Environmental Stewardship, p. 91, 93 Additional information, p. 149
	EM-MM-150a.2	Total weight of mineral processing waste, percentage recycled	Additional information, p. 149
	EM-MM-150a.3	Number of tailings impoundments, broken down by MSHA hazard potential	In the process of extraction and production, the Company generates various types of waste that must be disposed of in a responsible manner. To this end, Metals segment, among other things, operates the following hydraulic engineering facilities: 28 residue storage and 5 ash-disposal areas. For the period 2018-2020 there were no changes. As for broken down by hazard potential, the Company currently doesn't consolidate this type of data for environmental reporting, as it is not related to the Company's strategic environmental goals. In addition, hydraulic engineering facilities

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			classification for waste disposal (ash dumps, sludge tanks, etc.) is performed in accordance with the national requirements of the regions where the Company operates. For Power segment: Appendix, p. 150
Biodiversity Impacts	EM-MM-160a.1	Description of environmental management policies and practices for active sites	Environmental Stewardship, p. 94
	EM-MM-160a.2	Percentage of mine sites where acid rock drainage is: (1) predicted to occur, (2) actively mitigated, and (3) under treatment or remediation	Metal's and Power's segments production facilities do not have acid effluents. The appearance of acidic waters is not typical for nepheline and bauxite developed fields, since these fields do not contain sulphide-containing rocks.
	EM-MM-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	In its biodiversity activities, Metals and Power segments are governed by the requirements of the legislation of the countries of the Company's presence, the provisions of the Company's Environmental Policy, the Regulations on the initial assessment of risks and materiality of impacts on biodiversity for existing enterprises and other regulations and documents. Metals and Power segment implement a comprehensive approach based on an assessment of the risks of potential impacts on biodiversity in the Company's regions of presence, which makes it possible to identify focus areas, minimize and mitigate such impacts as a result of its own production activity, and manage biodiversity conservation issues in a rational manner. Additionally: There are no restrictions related to SPNAs and habitat zones of endangered species (not established) for the mineral deposits being developed by the Company's enterprises.
Security, Human Rights & Rights of Indigenous Peoples	EM-MM-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	To help our clients meet the Dodd-Frank act obligations, we affirm that, in accordance with the Declaration of DRC Conflict Minerals Free manufacturer, none of the Conflict Minerals from the Democratic Republic of the Congo or neighbouring countries (Angola, Republic of Congo, Burgundy, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda or Zambia) is not used in the

			production and products of En+. Also, En+ does not in any way contribute to armed conflicts or violations of human rights in the Conflict Areas and in the High-Risk Areas.
	EM-MM-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	The Company does not operate in areas of in or near indigenous land
	EM-MM-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Communities, p. 124 In the reporting year, there were no cases of human rights violations, including violations of the rights of indigenous and minority peoples.
Community Relations	EM-MM-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Communities, p. 124
	EM-MM-210b.2	Number and duration of non-technical delays	As for the Metals and Power segments, there were no recorded facts of non-technical delays in the reporting year.
Labour Relations	EM-MM-310a.1	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	Additional information, p. 152 Disclosure includes data for all employees.
	EM-MM-310a.2	Number and duration of strikes and lockouts	As for the Metals and Power segments, operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated were not identified in the reporting year. Also, there were no recorded facts of strikes and mass layoffs, despite the difficult period associated with the COVID-19 pandemic.
Workforce Health & Safety	EM-MM-320a.1	(1) MSHA all-incidence rate, disclosed in accordance with national law (2) fatality rate, (3) near miss frequency rate (NMFR) and (4) average hours of health, safety, and emergency response training for (a) full-time employees and (b) contract employees	Additional information, p. 154 Data is disclosed under the requirements of the legislation of the Russian Federation.
Business Ethics & Transparency	EM-MM-510a.1	Description of the management system for prevention of corruption and bribery throughout the value chain	Our values. Ethics and integrity, p. 41
	EM-MM-510a.2	Production in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Company does not have production from activities located in the countries with the 20 lowest rankings in Transparency International's Corruption Perception Index (CPI).
Activity Metrics	EM-MM-000.A	Production of (1) metal ores and (2) finished metal products	Annual report, p. 36
	EM-MM-000.B	Total number of employees, percentage contractors	Employees, p. 112 The Company collects data only on the number of full-time employees and share of permanent contracts. This information represented in the section "Additional information", p. 150

Power segment

Topic	Code	Accounting metric	Response and reference
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Climate Leadership, p. 72 According to regulations, Decree of the President of the Russian Federation No. 666 of 04.11.2020 "On Reducing GHG Emissions" (the national contribution of the Russian Federation as part of the implementation of the Paris Agreement);
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	Company does not disclose this information in the reporting period.
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Climate Leadership, p. 70
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfilment of RPS target by market..	There are no requirements in Russia for the minimal share of renewable energy in the portfolio of generating companies.
Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Environmental Stewardship, p. 83 Additional information, p. 146 This category includes all pollutants specified by Russian legislation.
Water Management	IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Environmental Stewardship, p. 85 Additional information, p. 147
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Environmental Stewardship, p. 85, 87
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	En+ Group implemented measures to exclude water management risk of wastewater discharges into surface water bodies in accordance with the strategic risk management plan.
Coal Ash Management	IF-EU-150a.1	Amount of coal combustion residuals (CCR) generated, percentage recycled	Environmental Stewardship, p. 93 Additional information, p. 149
	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Environmental Stewardship, p. 93 Additional information, p. 150
Energy Affordability	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	The maximum electric rate for the residential customers is set in accordance with the directive of the Federal Antimonopoly Service of Russia.
	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	The maximum electric rate for the residential customers is set in accordance with the directive of the Federal Antimonopoly Service of Russia.
	IF-EU-240a.3	Number of residential customer electric disconnections for nonpayment, percentage reconnected within 30 days	The regulatory framework for disconnecting electricity is provided by Russian Federation Government Resolutions No. 354 and No. 442, which state that the contractor (organisation providing housing and utilities services), if there are legal grounds, terminates or suspends the provision of unpaid services.

			The Company doesn't collect this type of data.
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Energy affordability is mainly determined by regional factors and maximum federal rates that stipulated and controlled by the Federal Antimonopoly Service of Russia.
Workforce Health & Safety	IF-EU-320a.1	1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Additional information, p. 154
End-Use Efficiency & Demand	IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Not applicable
	IF-EU-420a.2	Percentage of electric load served by smart grid technology	0%
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	Company does not implement efficiency measures for electricity savings on the customer's side.
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Not applicable
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Not applicable
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	There were no instances of non-compliance with physical and/or cybersecurity standards applicable to the electricity infrastructure owned or operated by En+ Group.
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	According to the legislation of the Russian Federation, utilities must provide the electricity without interruption. The Company has redundancy infrastructure and backup plans to ensure 24/7/365 availability. The regulatory framework for disconnecting electricity is provided by Russian Federation Government Resolutions No. 354 and No. 442. Information on accidents in power grids and generation is provided by the Ministry of Energy of the Russian Federation.
Activity metrics	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Commercially sensitive information that may not be disclosed.
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Commercially sensitive information that may not be disclosed.
	IF-EU-000.C	Length of transmission and distribution lines	Annual Report 2020, p. 26
	IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	Annual Report 2020, p. 26
	IF-EU-000.E	Total wholesale electricity purchased	Additional information, p. 144

Disclosure of the SECR requirements in the Report

The UK government's Streamlined Energy and Carbon Reporting (SECR) policy was implemented on 1 April 2019, when the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 came into force. SECR extends the reporting requirements for quoted companies and mandates new annual disclosures for large unquoted and limited liability partnerships (LLPs).

Topic	Requirement	Response and reference
GHG emissions	Annual global GHG emissions (global scope 1 and 2 GHG emissions in tonnes of carbon dioxide equivalent including all seven gases included under the Kyoto Protocol) from activities for which the company is responsible, including combustion of fuel and operation of any facility, and the annual emissions from the purchase of electricity, heat, steam or cooling by the company for its own use	The greenhouse gases included in the calculations are listed in the Climate Leadership section of the Report.
	Energy use and GHG emissions figures from previous year (exempt in 1st year)	The indicators are disclosed for 2018-2020.
Intensity measurement	At least one emissions intensity ratio	Climate Leadership, p. 71
Energy use	Underlying global energy use	Climate Leadership, p. 74
Measures taken to improve energy efficiency	Narrative on energy efficiency measures	Climate Leadership, p. 75
Quantification and reporting methodology	Details of methodology used	The indicators on GHG emissions are evaluated in accordance with 2006 IPCC Guidelines and Methodological Guidance on the Quantification of Greenhouse Gas Emissions by Entities Engaging in Business and Other Activities in the Russian Federation (approved by Order No. 300 of the Ministry of Natural Resources and the Environment of Russia dated 30 June 2015).

Compliance of En+ Group's results with required thresholds under the EU Taxonomy

As part of the action plan on financing sustainable growth of the European Commission, an EU classification system for sustainable activities, i.e. an EU Taxonomy, was established. The Taxonomy Technical Report, published in June 2019, provides the basis for the EU Taxonomy, presents a list of economic activities which can make a substantial contribution to climate change mitigation and criteria to do no significant harm to other environmental objectives. For each economic activity there is a threshold. Currently, all En+ Group's smelters average value appears to fit the updated technical screening criteria with a margin.

Name	Specific GHG emissions from electrolysis (Scope 1+2), t CO ₂ eq/t Al
En+ Group's Metals segment, average	<3
EU Taxonomy mitigation benchmark ²⁸	<3
EU Taxonomy adaptation benchmark ²⁹	6

Topic	Metric and Required threshold	Response and reference
Aluminium production	Criterion 1. Direct emissions for primary aluminium production is at or below the value of the related EU-ETS benchmark of 1.514 tCO ₂ e/t.	Direct GHG emissions per tonne in electrolysis operations are 2.04 tCO ₂ e/tAl, evaluated in accordance with an internally approved methodology of determination of direct GHGs from primary aluminium production.
	Criterion 2. Electricity consumption for electrolysis is at or below 15.29 MWh/t (European average emission factor according to International Aluminium Institute, 2017).	Average electricity consumption at aluminium smelters of En+ Group is 14.72. (average for KUBAL (Sweden), Alscop (Nigeria), Boguchansky Aluminium Smelter, Bratsk Aluminium Smelter, Volgograd Aluminium Smelter, Irkutsk Aluminium Smelter, Kandalaksha Aluminium Smelter, Novokuznetsk Aluminium Smelter, Sayanogorsk Aluminium Smelter, Nadvoitsy Aluminium Smelter, Krasnoyarsk Aluminium Smelter).
Production of electricity from hydropower	Any electricity generation technology can be included in the taxonomy if it can be demonstrated, using an ISO 14067 or a GHG Protocol Product Lifecycle Standard-compliant Product Carbon Footprint (PCF) assessment, that the allocated life cycle impacts for producing 1 kWh of electricity are below the declining threshold. Declining threshold: Facilities operating at life cycle emissions lower than 100gCO ₂ e/kWh, declining to 0gCO ₂ e/kWh by 2050, are eligible. <ul style="list-style-type: none"> This threshold will be reduced every 5 years in line with a net-zero CO₂e in 2050 trajectory. Facilities and activities must meet the threshold at the point in time when taxonomy approval is sought. For activities which go beyond 2050, it must be technically feasible to reach net zero emissions.	The Company does not conduct evaluation of greenhouse gas emissions for electricity produced from hydropower in accordance with the standards referenced in the EU Taxonomy. If the greenhouse gas emissions from hydropower plants* evaluated by the Company are divided by the amount of electricity, the indicator negligible and is well below the threshold (4.63*10 ⁻¹² gCO ₂ e/kWh). *The indicator accounts for Scope 1 emissions for 2020. Scope 1 includes CO ₂ , CH ₄ . En+ Group announced its commitment to becoming a net zero Company by 2050. Our detailed pathway to net zero will be published in September 2021.

²⁸ Scope 1 (1.5 t CO₂e/tAl) + Scope 2 (15.5 MWh/t Al * 0.1 t CO₂e/MWh) = 3.05 tCO₂e/tAl = ~ 3 tCO₂e/tAl

²⁹ Scope 1 (1.5 t CO₂e/tAl) + Scope 2 (15.5 MWh/t Al * 0.27 t CO₂e/MWh) = 5.68 tCO₂e/tAl = ~ 6 tCO₂e/tAl

Glossary

Units of measurement

bn	Billion
CO ₂	Carbon dioxide
CO ₂ e	CO ₂ equivalent
CO ₂ e/t Al	CO ₂ equivalent per tonne of aluminium
EUR	Euro
Gcal	Gigacalorie, a unit of measurement for heating energy
GJ	Gigajoules
GW	Gigawatt (one million kilowatts)
GWh	Gigawatt-hour (one million kilowatt-hours)
h	hour
kt	Thousand metric tonnes
kV	Kilovolt
kWh	Kilowatt-hour, a unit of measurement for produced electricity
m ³	Cubic metres
lm	Linear meters
MJ	Megajoules
mn	Million
mt	Million metric tonnes
mtpa	Million tonnes per annum
MW	Megawatt (one thousand kilowatt), a unit of measurement for electrical power capacity
MWh	Megawatt-hour
r.m.	Running meters
RUB	Rouble
t, tonne	One metric tonne (one thousand kilograms)
TWh	Terawatt-hour (one billion kilowatt-hours)
USD	United States dollar
UAH	Ukrainian hryvnia
y-o-y	Year-on-year

Terms and abbreviations

AAL	Aughinish Alumina Ltd, a wholly owned subsidiary of RUSAL incorporated in Ireland
AGK	Achinsk Alumina Refinery, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
Aisori	Data management system
AIST	Japan's National Institute of Advanced Industrial Science and Technology
Al	Aluminium
AmCham	American Chamber of Commerce in Russia
APQP	Advanced Product Quality Planning
ARC	Audit and Risk Committee
ASD	Automatic dispatching system
ASI	Aluminium Stewardship Initiative (ASI)
ASW	Ash and Slag Waste
ATS	Alternative Trading System
Aughinish	Aughinish Alumina Refinery, Aughinish Alumina, or Aughinish Alumina Limited, a wholly owned subsidiary of RUSAL incorporated in Ireland
B20	Business 20
BAT	Best available technologies
BAZ	Bogoslovsky Alumina Refinery, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
BGZ	Boksitogorsk Alumina Refinery, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
BIAC	Business and Industry Advisory Committee to the OECD
BCGI	Bauxite Company of Guyana, founded in December 2004 under an agreement between RUSAL (90%) and the Government of Guyana (10%)
BelAZ	Belarusian automobile plant and one of the world's largest manufacturers of large and especially large dump trucks
Board	Board of Directors of the Company
BrAZ	Bratsk Aluminium Smelter or PJSC RUSAL Bratsk, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
BoAZ	Boguchansky Aluminium Smelter means the aluminium smelter project involving the construction of a 600 thousand tpa greenfield aluminium smelter on a 230 hectare site, located approximately 8 km to the south-east of the settlement of Tayozhny in the Krasnoyarsk region, and approximately 160 km

	(212 km by road) from the Boguchanskaya hydro power plant, as described at pages 23 and 26 of UC RUSAL Annual Report
BPPM	Baikalsk Pulp and Paper Mill
BRICS	Brazil, Russia, India, China and South Africa
BrSU	Bratsk State University
BS	Business System
BS-250	Business System – 250
BT	Bratsk Aluminium Smelter, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
CAC	Capacity Allocation Contracts
CAGR	Compound annual growth rate.
CAPEX	Capital expenditures
CC	Compliance Committee
CCR	Coal Combustion Residual
CCS	Combined Charging System
CDIO	A trademarked initialism for Conceive Design Implement Operate.
CEO	Chief Executive Officer
CERBA	Canada Eurasia Russia Business Association
CEREBA	Chemical materials Evaluation and REsearch Base
CDP	Carbon Disclosure Project
CDR	Carbon Dioxide Removal
CGC	Corporate Governance Committee
CGNC	Corporate Governance and Nominations Committee
CHAdEMO	“CHArge de MOve” is the trade name of a fast charging method for battery electric vehicles
CHP	Combined heat and power plant
CIS	Commonwealth of Independent States
CNIA	The China Nonferrous Metals Industry Association
CPLC	Carbon Pricing Leadership Coalition
CO	Carbon Monoxide
COP26	“Conference of the Parties”. The COP26 summit will bring parties together to accelerate action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change
DC	Direct current power
Directorate for Control	The Directorate for Control and Internal Audit
DMAICR	Define-Measure-Analyse-Improve-Control-Replicate
DML-LP	Drilling machine model
EAB	Environmental Advisory Board
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EESP	Environmental Entrepreneurship School Project
Esh	Excavator model
EN+ GROUP, En+, En+ Group, we, the Company, the Group	EN+ GROUP IPJSC and its subsidiaries, whose results are included in the consolidated financial statements prepared in accordance with the International Financial Reporting Standards
EMERCOM	Emergency Control Ministry
EPD	Environmental product declaration
EPC contracts	Engineering, procurement and construction
ESG	Environmental, social and governance
ETC	Energy Transformation Commission
ETC (RUSAL)	The Engineering and Technology Centre
EU	European Union
EuroSibEnerg	JSC EuroSibEnerg, a 100% subsidiary of En+ Group managing its power facilities
FCPA	US Foreign Corrupt Practices Law
FFI	Fauna & Flora International
FMEA	Failure Mode and Effect Analysis
FSSC 22000	FSSC 22000 contains a complete certification Scheme for Food Safety Management Systems based on existing standards for certification (ISO 22000, ISO 22003 and technical specifications)
FTSE	Financial Times Stock Exchange
GDR	Global depository receipt
GHG	Greenhouse gas
GHGP	Greenhouse gas Protocol
GHG emissions Scope 1	Direct greenhouse gas emissions from sources owned or controlled by the Company, e.g., emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment. Direct CO ₂ emissions from the combustion of biomass are not included in Scope 1, as they are reported separately.
GHG emissions Scope 2	Indirect energy greenhouse gas emissions. Scope 2 accounts for GHG emissions resulting from the generation of purchased heat and electricity consumed by a company. Purchased heat and electricity is defined as electricity that is purchased or otherwise brought into the organisational boundary of the company. Scope 2 emissions physically occur at the facility where heat and electricity are generated
GR	Government Relations
GRI	Global Reporting Initiative
GSEP	The Global Sustainable Electricity Partnership
GSM	General shareholders meeting
GSOD	Global Surface Summary of the Day (GSOD) data provided by the US National Centers for Environmental Information (NCEI) are a valuable source of weather data with global coverage.

APPENDICES

G20	The Group of Twenty
HPP	Hydropower plant
HR	Human resources
HS	Health & Safety
HSE	Health, safety and environment
HSE Committee	The Health, Safety and Environment Committee
IAI	International Aluminium Institute
IATF 16949	IATF 16949 a quality management system for organisations in the automotive industry, using the Advanced Product Quality Planning (Production Part Approval Process) approach.
ICC	International Chamber of Commerce Russia
ICF	The Chemical Fluoride Industries Company
ICS	Internal Control System
IES	Integrated Energy System
IESK	Irkutsk Electric Grid Company
IFRS	International Financial Reporting Standards
IGO	Intergovernmental organisation
IHA	International Hydropower Association
ILM&T	Institute of Light Materials and Technologies
INRTU	Irkutsk National Research Technical University
IUCN	International Union for the Conservation of Nature and Natural Resources
IPCC	Intergovernmental Panel on Climate Change
IPEE RAS	A. N. Severtsov Institute for Ecology and Evolution of the Russian Academy of Sciences
IP	Intellectual property
I-REC	International renewable energy certificates
IRENA	International Renewable Energy Agency
IrGAU	Irkutsk State Agrarian University named after A. A. Yezhevsky
Irkutskenergo	Irkutsk Public Joint Stock Company of Energetics and Electrification, a power generating company controlled by En+ by more than 30% of Irkutskenergo's issued share capital
IrKAZ	Irkutsk Aluminium Smelter, a branch of RUSAL Bratsk in Shelekhov, Russia
ISO 9001	ISO 9001:2015, an international "Quality management systems – Requirements" standard developed by the International Organisation for Standardisation setting the criteria for quality management systems and the only standard in the family that can be certified to
ISO 14001	ISO 14001:2015, an international "Environmental management systems – Requirements with guidance for use" standard developed by the International Organisation for Standardisation setting the criteria for an environmental management system and can be certified to.
ISO 14025	ISO 14025:2006 establishes the principles and specifies the procedures for developing Type III environmental declaration programmes and Type III environmental declarations.
ISO 45001	ISO 45001:2018, an international "Occupational health and safety management systems — Requirements with guidance for use" standard developed by the International Organisation for Standardisation setting the criteria for health and safety management systems and can be certified to
JSC	Joint-stock company
KAZ	Kandalaksha Aluminium Smelter, a branch of RUSAL Ural JSC
KhAZ	Khakas Aluminium Smelters
KPI	Key performance indicator
KrAZ	Krasnoyarsk Aluminium Smelter or JSC RUSAL Krasnoyarsk, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
KUBAL	Kubikenborg Aluminium AB, a wholly owned subsidiary of RUSAL incorporated in Sweden
KYC	Know Your Customer
LCA	Low carbon aluminium
LLC	Limited liability company
LME	London Metal Exchange
LSE	London Stock Exchange
LTIFR	The Lost Time Injury Frequency Rate, calculated by the Group as the sum of fatalities and lost time injuries per 200,000 man-hours
Metals segment	The segment comprising of RUSAL (50.1% owned by En+ Group). RUSAL's power facilities are included into the Metals segment
Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in or on the earth's crust in such form, quality, and quantity, that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral resources are subdivided, in order of increasing geological confidence, into inferred, indicated and measured categories
Management Team	Executive Directors and Officers of the Company
MOEX	Moscow Exchange
MSA	Measurement System Analysis
MSU	Moscow State University
National Examination Board in Occupational Safety and Health (NEBOSH)	A global organisation, which provides health, safety and environmental qualifications
NC	Nominations Committee
Net debt	The sum of loans, borrowings, and bonds outstanding as well as deferred liability for the acquisition of PJSC Irkutskenergo (the Group's subsidiary) shares less total cash and cash equivalents as at the end of the relevant period
NGO	Non-governmental organisations
Norilsk Nickel	PJSC MMC NORILSK NICKEL, incorporated under the laws of the Russian Federation

Net debt	The sum of loans, borrowings, and bonds outstanding as well as deferred liability for the acquisition of PJSC Irkutskenergo (the Group's subsidiary) shares less total cash and cash equivalents as at the end of the relevant period
NGO	Non-governmental organisations
Norilsk Nickel	PJSC MMC NORILSK NICKEL, incorporated under the laws of the Russian Federation
NkAZ	Novokuznetsk Aluminium Smelter or JSC RUSAL Novokuznetsk, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
OECD	The Organisation for Economic Cooperation and Development
OEE	Overall equipment effectiveness
OFAC	The Office of Foreign Assets Control (OFAC) of the US Department of the Treasury
OFAC Sanctions	The designation by OFAC of certain persons and certain companies which are controlled or deemed to be controlled by some of these persons into the Specially Designated Nationals List
OJSC	Open joint-stock company
OHS	Occupational health and safety
OHSAS 18001	Occupational Health and Safety Specification (OHSAS) 18001
Ore Reserves	The economically mineable part of a measured and/or indicated mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social, and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore reserves are sub-divided in order of increasing confidence into probable and proved.
PCB	Polychlorinated biphenyl
PCR	Polymerase chain reaction. PCR is a method widely used to rapidly make millions to billions of copies of a specific DNA sample.
PCT	Patent Cooperation Treaty
PEF	Product environmental footprint
PFC	Perfluorocarbons
PLC	Public limited company
PMV	Volgograd Powder Metallurgy, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
POPs	Persistent Organic Pollutants
Power segment	The segment predominantly comprising of power facilities owned by En+ Group. The Power segment engages in all aspects of the power industry, including electric power generation, power trading, and supply
PPE	Personal protective equipment
PV	Photovoltaic
QAL	Queensland Alumina Limited, a company incorporated in Queensland, Australia, in which RUSAL indirectly holds a 20% equity stake
Q&A	Question and answer
QMS	Quality management system
RA	Rating agencies
RA-550	RA-550 technology is recognised as a model solution in the sphere of aluminium reduction by leading experts in the global aluminium industry.
R&D	Research and Development
RCC	Regulation and Compliance Committee
RemCom	Remuneration Committee
RE100	RE100 is a global initiative bringing together the world's most influential businesses committed to 100% renewable electricity.
RMS	Risk Management System
RPMs	Reactive polyiodide melts
RSPF	Russian Union of Industrialists and Entrepreneurs
RUSAL, the Metals segment	United Company RUSAL Plc, incorporated under the laws of Jersey with limited liability (56.88% owned by En+ Group)
Rusal Silicon Urals	LLC RUSAL Silicon Urals (formerly LLC SU-Silicon), an indirect, non-wholly-owned subsidiary of RUSAL
RusHydro	PJSC RusHydro (Public Joint-Stock Company Federal Hydro-Generating Company – RusHydro), organised under the laws of the Russian Federation, an independent third party
SASB	Sustainability Accounting Standards Board
SAP system	Systems Analysis and Program Development
SAYANAL	JSC RUSAL SAYANAL, a wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
SAZ	Sayanogorsk Aluminium Smelter, JSC "RUSAL Sayanogorsk", a company incorporated under the laws of the Russian Federation, which is a wholly owned subsidiary of the Company.
SBSH250MNA32	Electric drilling machine model
SBTi	Science Based Targets initiative, a joint initiative by CDP, UN Global Compact, World Resources Institute and WWF that was established to drive corporate ambition and help businesses pursue bolder solutions to climate change

APPENDICES

SPP	Solar Power Plant
SUBR	North Urals Bauxite Mine
SWAT	Soil & Water Assessment Tool
TAZ	Taishet aluminium smelter
TCFD	Task Force on Climate-Related Financial Disclosures
Timan Bauxite	Joint Stock Company “Boksit Timana”, a non-wholly owned subsidiary of RUSAL incorporated under the laws of the Russian Federation
TIPS	Theory of Inventive Problem Solving
TPP	Thermal Power Plants
TRACI 2.1	Tool for the Reduction and Assessment of Chemical and Other Environmental Impacts
TRIZ	Theory of the resolution of invention-related tasks
UAZ	Urals Aluminium Smelter, a branch of JSC RUSAL Ural
UN	The United Nations
UNESCO	The United Nations Educational, Scientific and Cultural Organisation
UNFCCC	The United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
UN SDGs	United Nation’s Sustainable Development Goals
USRBC	The U.S. – Russia Business Council
VgAZ	Volgograd Aluminium Smelter, a branch of RUSAL Ural JSC
VAP	Value-added products. Includes wire rod, foundry alloys, billets, slabs, high purity, and others
VNIRO	All-Russian Research Institute of Fisheries and Oceanography
VNR	Voluntary National Review
VOCs	Volatile Organic Compounds
VRT	Variability Reduction Team
WEF	The World Economic Forum
WEM	the Russian Wholesale Electricity Market
WHO	the World Health Organisation
Wholesale electricity and capacity market	Market for the turnover of electric energy and capacity within Russia’s Unified Energy System and unified economic space, with the participation of large electricity producers and consumers that have the status of wholesale market objects, confirmed in full accordance with the Russian Federal Law “On the Electric Power Industry”. The criteria for determining large electricity producers and consumers are also established by the Russian Government
WTO	The World Trade Organisation
Windalco	West Indies Alumina Company, a company incorporated in Jamaica, in which RUSAL indirectly holds a 100% stake
WWF	World Wildlife Fund

Independent practitioner's assurance report

To the Board of Directors of EN+ GROUP IPJSC

Subject matter

We have been engaged by EN+ GROUP IPJSC (hereinafter 'the Company') to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, (herein 'the Engagement'), to report on EN+ GROUP Sustainability Report (hereinafter 'the Report') as of 31 December 2020 or for 2020 (hereinafter 'the reporting period').

Under this engagement, we did not perform any procedures with regard to the following:

- ▶ Forward-looking statements on performance, events or planned activities of the Company;
- ▶ Correspondence between the Report and recommendations of the Sustainability Accounting Standards Board, recommendations of the Task Force on Climate-Related Financial Disclosures, UK government's Streamlined Energy and Carbon Reporting (SECR) policy requirements, thresholds under EU Taxonomy, requirements and recommendations of the London Stock Exchange, compliance with Directive 2014/95/EU, Compliance with Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 n. 1245, Compliance with Aluminium Carbon Footprint Technical Support Document prepared by the International Aluminium Institute;
- ▶ Statements of third parties included in the Report.

Applicable criteria

In preparing the Report the Company applied Global Reporting Initiative Sustainability Reporting Standards (hereinafter 'GRI Standards') in Core option and the sustainability reporting principles of the Company as set forth in the section 'About the report' of the Report and in the notes to the text of the Report (hereinafter 'the Criteria').

The Company's responsibilities

The Company's management is responsible for selecting the Criteria, and for presenting the Report in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Report, such that it is free from material misstatement, whether due to fraud or error.

The Practitioner's responsibilities

Our responsibility is to express a conclusion on the presentation of the Report based on the evidence we have obtained.

We conducted our assurance engagement in accordance with International Standard for Assurance Engagements (revised) *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (hereinafter 'ISAE 3000'). ISAE 3000 requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Report is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality control

We apply International Standard on Quality Control 1 (ISQC 1), and accordingly, we maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Summary of work performed

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within information technology systems.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Report and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Inquiries of the representatives of the Company management and specialists responsible for its sustainability policies, activities, performance and relevant reporting;
- ▶ Analysis of key documents related to Company sustainability policies, activities, performance and relevant reporting;
- ▶ Obtaining understanding of the process used to prepare the information on sustainability performance indicators of the Company;

- ▶ Analysis of the Company stakeholder engagement activities via reviewing the results of the stakeholder survey and participating in stakeholder meetings;
- ▶ Analysis of material sustainability issues identified by the Company;
- ▶ Identification of sustainability issues material for the Company based on the procedures described above and analysis of their reflection in the Report;
- ▶ Review of data samples regarding key human resources, environmental protection, health and safety, and charitable activities indicators for the reporting period, to assess whether these data have been collected, prepared, collated and reported appropriately;
- ▶ Interview with executives responsible for human resources, environmental protection, health and safety at Krasnoyarsk Aluminium Smelter (RUSAL Krasnoyarsk JSC) in the Metals segment of the Company and at Irkutsk Hydropower Plant (EuroSibEnergohydrogeneration LLC) in the Power segment of the Company, and collection of evidence supporting the assertions on the Company's sustainability policies, activities, events, and performance made in the Report;
- ▶ Collection on a sample basis of evidence substantiating other qualitative and quantitative information included in the Report at the Moscow office level;
- ▶ Assessment of compliance of the Report and its preparation process with Company's sustainability reporting principles;
- ▶ Assessment of compliance of information and data disclosures in the Report with the requirements of the Core option of reporting 'in accordance' with the GRI Standards.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Report is not represented fairly, in all material respects, according to the Criteria.



M.S. Khachaturian
Partner
Ernst & Young LLC

19 July 2021

Details of the entity

Name: EN+ GROUP IPJSC
Record made in the State Register of Legal Entities on 9 July 2019 and assigned state registration number 1193926010398.
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Details of the independent practitioner

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Ernst & Young LLC is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". Ernst & Young LLC is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

Contact information

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