

## EN+ ANNOUNCES INTENTION TO DEMERGE HIGH CARBON ASSETS

**19 May 2021** - En+ GROUP IPJSC (the "Company", "En+ Group" or "the Group") (LSE: ENPL; MOEX: ENPG), the world's largest producer of low-carbon aluminium and independent hydropower, warmly welcomes the announcement by its listed subsidiary UC RUSAL of its proposal to demerge its high carbon assets and to change its name to AL+.

UC RUSAL has confirmed in principle the demerger of its metal segment into two companies:

- UC RUSAL (RUSAL's management proposed to change the name of the company to "AL+". The Board of Directors included this item into the RUSAL's annual shareholders meeting agenda, scheduled for June, 24<sup>th</sup>), 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; and
- a newly created entity ("NewCo") (name to be confirmed), consisting of UC RUSAL's higher carbon assets, including 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.

En+ Group's board of directors (the "Board") believes that, in line with recent market precedents, the interests of UC RUSAL's shareholders would be best served by establishing NewCo as a public company in the Russian Federation which is listed on the Moscow Exchange, and for NewCo's shares to be allocated on a pro rata basis to all UC RUSAL shareholders. The Board however understands and welcomes the UC RUSAL's board's intention to consider all available alternatives aimed at maximizing shareholder value.

As UC RUSAL notes in its announcement, the proposed demerger remains subject to approval by regulatory bodies and consultations with key stakeholders. Further details of the demerger plan will be provided in due course.

**Lord Barker, Executive Chairman of En+ Group**, commented:

*"This announcement is another major step in our journey to lead the global aluminium industry into the low carbon economy. AL+ will be a market leader in green aluminium production as measured by carbon footprint and other environmental credentials. However, this demerger additionally secures the future of important assets in Russia that also have a future in a low carbon world but which require a fundamentally different approach to technology and a different investment path to our major international businesses.*

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

*Our view is that strong corporate governance should be enshrined in the demerged company from the start. The En+ Compliance Committee and OFAC have been duly informed of the proposal and will be kept updated as further details are confirmed.*



*Above all I want to assure every one of our 100,000 employees right around the world that this major restructuring is in the best interests of all of the communities in which we operate and after the many challenges of Covid-19, it holds out the prospect of an exciting future for employees and stakeholders everywhere.”*

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**For further information, please contact:**

**For media:**

Tel: +7 (495) 642 7937

Email: [press-center@enplus.ru](mailto:press-center@enplus.ru)

**For investors:**

Tel: +7 (495) 642 7937

Email: [ir@enplus.ru](mailto:ir@enplus.ru)

Andrew Leach

Tel: +44 (0) 20 7796 4133

Email: [ENplus@hudsonsandler.com](mailto:ENplus@hudsonsandler.com)

Hudson Sandler LLP

**About En+ Group**

*En+ Group is a leading international vertically integrated aluminium and hydropower producer. The Company combines power plants with a total installed capacity of 19.5 GW (including 15.1 GW of hydro power assets), and 3.8 Mt of annual aluminium production capacity (through a controlling stake in UC RUSAL plc, the world's largest aluminium producer outside of China in 2020) which is the major consumer of En+ Group's hydroelectricity.*

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