

2.4. Assessment of the suppliers’ sustainability practices: results

In 2024, Nornickel assessed a sample of its largest suppliers of goods, works, and services, accounting for

>35%

of the Group’s total procurement volume

A total of

94%

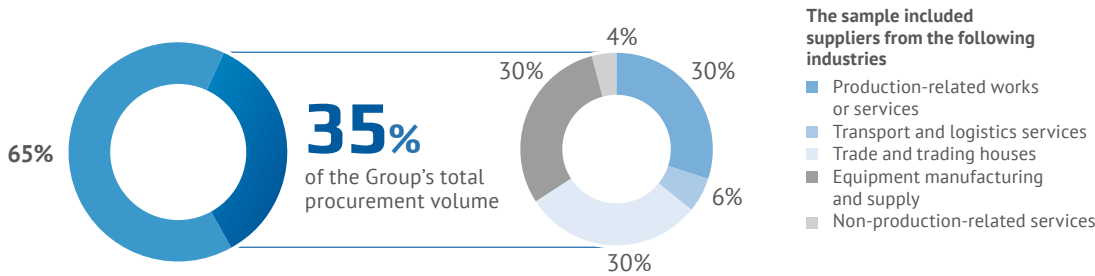
of sample suppliers participated in the survey

Based on the results of the 2024 assessment, the overall compliance rate of the suppliers’ sustainability practices with the Code requirements as set out in the Questionnaire was

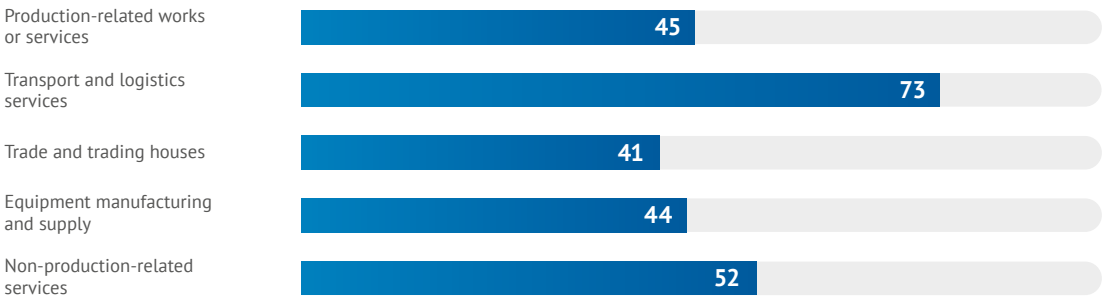
48%¹

¹ In 2023, the overall compliance rate of the suppliers’ sustainability practices was 68%. It is important to note that the results of the 2023 and 2024 surveys are not fully comparable, as the composition of the supplier sample changes from year to year. In addition, the 2024 sample size more than doubled (from 14% of total suppliers in 2023 to 35% in 2024), and both the Questionnaire and the assessment methodology were updated, which influenced trends in certain metrics.

² Peer companies from the 2023 and 2024 samples.



Maturity assessment of sustainability practices by industry, %



Overall sustainability maturity assessment of the supplier sample, %



During the reporting period, the supplier sample included companies that had also participated in the 2023 survey². As a result of the follow-up assessment conducted a year later, changes were observed in the evolution of these suppliers’ sustainability agendas. In particular, environmental performance metrics improved, while scores for the social and governance dimensions saw a slight dip. These trends were driven by changes in the assessment methodology and updates to the Questionnaire, which placed greater emphasis on the actual sustainability practices implemented by suppliers rather than simply verifying the existence of formal policies and codes.

Most of the suppliers surveyed during the reporting period are privately held companies, and therefore the regulatory requirements and stakeholder expectations regarding their non-financial reporting are lower compared to public companies. However, despite the absence of mandatory requirements, the survey results indicate a sufficient level of maturity in the suppliers’ sustainability practices, taking into account their non-public status.

2.5. Plans for further engagement with suppliers of goods, works, and services

Going forward, Nornickel plans to further develop the Questionnaire by refining its structure and questions based on the results of the annual supplier assessment and stakeholder expectations. Next year, the Company plans to conduct another supplier assessment and explore mechanisms that increase supplier engagement in sustainability matters. In addition, Nornickel will continue

to advance educational initiatives aimed at raising supplier awareness of the sustainability agenda and responsible supply chain requirements. Expanded information and methodological support will help suppliers better understand and apply sustainability principles in their operations, promoting transparency and enhancing their own practices.

