



Chairman's letter

Dear shareholders,

The year 2025 was marked by external pressure on Nornickel amid a challenging geopolitical environment. Despite these headwinds, we continued to pursue our moderate growth strategy, with a focus on maximising efficiency and ensuring liquidity across our entire product range.

Nornickel delivered on its production targets and maintained stable profitability across the business. This performance was driven by our diligent efforts to improve the efficiency of every link in the production chain and to digitise work processes. Meanwhile, our OPEX growth remains below inflation. Nornickel's leadership team has invested a huge effort in rebalancing the Company's debt portfolio. In 2026, this is expected to translate into lower interest expenses.

Maintaining a high level of financial stability in turbulent markets remains top of mind for us. In 2025, Nornickel sustained high CAPEX levels at USD 2.6 billion and further advanced its investment programme, focusing on debottlenecking in mining, concentration, and metal production, while consistently addressing environmental challenges. Last year, the Sulphur Project at Nadezhda Metallurgical Plant continued its phased ramp-up to design capacity, with its sulphur dioxide recovery rate confirmed at above 99%.

Transparent corporate governance principles and a commitment to long-term sustainability goals enabled us to deliver on most of our plans last

year, all of which were driven by our shareholder-approved moderate growth strategy. As is our longstanding practice, we paid particular attention to the three core pillars that underpinned Nornickel's sustainable development in 2025.

Environmental and climate projects are our key strategic priorities. The Company is implementing an ambitious, comprehensive environmental programme worth over RUB 71 billion. The launch of an advanced gas cleaning system in Monchegorsk, the completion of CHPP-2 modernisation in Talnakh, and the delivery of the Yenisei fish stocking project all became important elements of the Company's long-term plans to improve oversight of environmental risks, including through the introduction of digital monitoring systems.

Capital projects and social investments: balancing responsibility and efficiency. The Board of Directors provided rigorous oversight for the delivery of key investment programmes, including both social infrastructure development projects and the ambitious RUB 120 billion Norilsk renovation programme, where our role was to create the conditions for effective partnership with the government and to oversee the intended use of funds. We view these investments not so much as a mandatory social spending but rather as a fundamental contribution to the Company's long-term shareholder value creation, including reputational value, through improved quality of life in our host regions and reduced non-financial risks.

The signing of an agreement with the Federal Agency for Ethnic Affairs and the Russian Association of Indigenous Peoples of the North is another strategic initiative approved by the Board of Directors. The document sets out the Company's responsibility to the indigenous peoples of the North and establishes a transparent framework for effective engagement between business and local communities for decades to come. The launch of a new format for charitable programmes, now consolidated under the People of the Territory umbrella brand, will enable Nornickel to manage its corporate social-impact initiatives more effectively and increase employee engagement in community and volunteer projects across the Company's footprint.

We, as a Board, are confident that our chosen governance model has shown its strength throughout this trying period. This model is driven by accountability, transparency, and a balanced consideration of the interests of all stakeholders. Strong governance, team motivation, strategic vision, openness, and transparency are definitely positioning the Company for continued success. Creating sustainable long-term shareholder value through responsible, technology-driven leadership in the industry remains one of our core priorities.

[Chairman of the Board of Directors PJSC MMC Norilsk Nickel](#)



President's letter

Dear shareholders,

Despite the challenging external environment, Nornickel continued to deliver on its strategic priorities in 2025. The Company succeeded in maintaining a high level of financial stability and once again reaffirmed its reputation as one of Russia's industry flagships and a driver of sustainable development across the Arctic regions. We not only strengthened our operational and financial performance but also continued to invest in our technology

leadership while demonstrating an unwavering commitment to meeting our environmental and social obligations and commitments.

The Russian government highly values the Company's contribution to the development of national industry and the country as a whole. This recognition was reflected in 2025, when the Nornickel team was awarded the Order for Valiant Labour, and a significant number of employees received high state honours.

Financial highlights

In 2025, Nornickel's management delivered on most of its plans, primarily in production and sales of finished products. I would also like to highlight our achievements in driving operational efficiency gains and the digital transformation of operations, which allowed us to keep operating expenses at almost half the rate of inflation and maintain EBITDA margin at the previous year's level. As part of debt management, the Company's



leadership team has invested a huge effort in rebalancing the Company's debt portfolio to match its revenue mix. This will enable Nornickel to significantly reduce interest expenses in 2026.

In 2025, CAPEX remained consistently high, supporting equipment renewal and upgrades, long-term production growth, and environmental initiatives.

Innovation

Ensuring technological sovereignty and developing domestic solutions across the entire metals production chain are among our Company's priorities. Nornickel continues on its technology modernisation and digital transformation journey, while also actively investing in own R&D developments and capabilities.

For example, in partnership with BELAZ, we began testing Russia's first load-haul-dump (LHD) machine designed for the extreme conditions of our underground mines. We also successfully tested the country's first SLAM drone for underground mine mapping. New high-tech systems for automating drilling operations are being introduced.

Nornickel has developed MetalGPT-1, the mining and metals industry's first open-source domain-specific language model.

In 2025, the Company joined AI Alliance Russia, which will enable us to contribute directly to the expert review of AI-related legislative initiatives and to help shape the consolidated position of the business community on key regulatory issues.

Nornickel continues to implement projects within the Industrial Competence Centres (ICCs), established to replace foreign software solutions and develop new digital products for Russian businesses. The MAGMA suite of industry solutions designed to automate key mining processes has already received recognition from the professional community at Russia's largest IT forum, Digital Industry of Industrial Russia 2025.

Environmental protection

Last year, the Sulphur Project at Nadezhda Metallurgical Plant continued its phased ramp-up to design capacity, with its sulphur dioxide recovery rate confirmed at above 99%.

The Company is also implementing a number of projects expected to make a meaningful contribution to the advancement of green technologies. In particular, Axioma, a predictive system for emissions monitoring and air pollution forecasting developed by the Ecology ICC, has already been launched in Norilsk. The solution is ready for rollout in other industries as well.

In Monchegorsk, a new gas cleaning system was commissioned at the dust collection section of the refining shop. The first 571 kW solar power plant came online at Bystrinsky GOK. The retrofit of two generating units at CHPP-2 in Talnakh was completed, with investment of approximately RUB 20 billion, improving efficiency and reducing environmental impact. Systematic efforts to restore biological resources in the Norilsk Industrial District also continued, with three million sturgeon juveniles released into the Yenisei over the course of the year.

Social responsibility

In the anniversary year, we expanded employee participation in the Digital Investor programme. Every Nornickel employee, regardless of length of service, was given the opportunity to become a holder of digital financial assets.

Human capital and territorial development have traditionally been the key areas of Nornickel's social investments. In 2025, we delivered a scheduled pay increase, which was aimed not only at retaining our talent base and motivating our workforce but also at recognising the contribution of every employee, whose daily work truly makes an invaluable contribution to Nornickel's success.

The Norilsk renovation programme, with a total budget of RUB 120 billion, reached a new stage: we handed over new residential buildings to the city administration and continued the construction of social infrastructure facilities. We expanded our student support programme by adding new partner educational institutions, and became one of the industrial partners of the international student campus currently being developed in the Trans-Baikal Territory.

All of the Company's social initiatives, charitable activities, and volunteer projects were consolidated under the large-scale People of the Territory programme. As part of this programme, the anniversary Poneslos ("Let's Do It") environmental initiative was held in 2025, engaging more than 1.5 thousand volunteers, and a tripartite agreement was signed with the Federal Agency for Ethnic Affairs and the Association of Indigenous Peoples of the North, setting out our long-term commitments to support the indigenous peoples of Taimyr. In addition, we helped deliver a project to digitise Russian cultural heritage in Shanghai, contributing to the preservation and promotion of Russian cultural values abroad.

All of these achievements were made possible by the coordinated efforts of our team, the support of our shareholders, and our partnership with the government.

As we celebrate our 90th anniversary, we embrace the future while staying true to our core values of innovation, environmental and social responsibility, care for people, and long-term shareholder value creation.

Plans for 2026

Our 2026 budget includes a range of initiatives to streamline operational efficiency, curb inflation-driven cost growth, and optimise working capital. We will continue our operational efficiency programme, which already delivered positive results during the reporting year.

CAPEX planned for 2026 will total close to RUB 240 billion. We are progressing our strategic plans, which include fulfilling our environmental and social commitments, improving equipment reliability, and reconfiguring our production facilities. The import substitution and mining equipment renewal programme will also continue.

The Company reiterates its commitment to fulfilling all of its obligations to employees and the state. Amidst the continued macroeconomic turbulence and high geopolitical risks, our key priorities remain maintaining the Company's financial stability and conservative debt levels.



Vladimir Potanin
President
PJSC MMC NORILSK NICKEL