RUSAL

# UNITED COMPANY RUSAL, INTERNATIONAL PUBLIC JOINT-STOCK COMPANY

*(Incorporated under the laws of Jersey with limited liability and continued in the Russian Federation as an international company)*

**(Stock Code: 486)**

# ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

United Company RUSAL, international public joint-stock company (the "**Company**" or "**UC Rusal**"), together with its subsidiaries (the "**Group**"), hereby announces the consolidated results of the Company for the year ended 31 December 2024, together with the comparative figures for the corresponding periods in 2023 as follows:

## FINANCIAL AND PRODUCTION INDICATORS

| | **2024** | **2023** | **Change year-on-year, %** |
|---|---|---|---|
| *USD million (unless otherwise specified)* | | | |
| Revenue | 12,082 | 12,213 | (1.1%) |
| Adjusted EBITDA | 1,494 | 786 | 90.1% |
| Adjusted EBITDA Margin | 12.4% | 6.4% | NA |
| EBIT | 368 | (79) | NA |
| Share of Profits from Associates and Joint Ventures | 564 | 752 | (25.0%) |
| Pre-Tax Profit | 858 | 244 | 251.6% |
| Profit | 803 | 282 | 184.8% |
| Profit Margin | 6.6% | 2.3% | NA |
| Adjusted Net Profit | 983 | 73 | 1,246.6% |
| Adjusted Net Profit Margin | 8.1% | 0.6% | NA |
| Recurring Net Profit | 1,330 | 702 | 89.5% |
| Basic Earnings Per Share (in USD) | 0.053 | 0.019 | 178.9% |
| Total Assets | 22,201 | 21,464 | 3.4% |
| Equity Attributable to Shareholders of the Company | 11,216 | 11,016 | 1.8% |
| Net Debt | 6,415 | 5,779 | 11.0% |

## Financial and Operating Highlights

| | Six months ended 31 December 2024 *unaudited* | Six months ended 31 December 2023 *unaudited* | Change half-year on half-year, % (2H to 2H) | Six months ended 30 June 2024 *unaudited* | Change half-year on half-year, % (2H to 1H) | Year ended 31 December 2024 | Year ended 31 December 2023 | Change year-on-year, % |
|---|---|---|---|---|---|---|---|---|
| **Key operating data** | | | | | | | | |
| *('000 tonnes)* | | | | | | | | |
| Aluminium | 2,035 | 1,935 | 5.2% | 1,957 | 4.0% | 3,992 | 3,848 | 3.7% |
| Alumina | 3,435 | 2,615 | 31.4% | 2,995 | 14.7% | 6,430 | 5,133 | 25.3% |
| Bauxite | 7,945 | 6,622 | 20.0% | 7,940 | 0.1% | 15,885 | 13,376 | 18.8% |
| **Key pricing and performance data** | | | | | | | | |
| *('000 tonnes)* | | | | | | | | |
| Sales of primary aluminium and alloys | 1,980 | 2,218 | (10.7%) | 1,879 | 5.4% | 3,859 | 4,153 | (7.1%) |
| *(USD per tonne)* | | | | | | | | |
| Production cost per tonne in Aluminium segment[1] | 2,074 | 2,062 | 0.6% | 1,975 | 5.0% | 2,025 | 2,173 | (6.8%) |
| Aluminium price per tonne quoted on the LME[2] | 2,478 | 2,172 | 14.1% | 2,360 | 5.0% | 2,419 | 2,252 | 7.4% |
| Average premiums over LME price[3] | 157 | 175 | (10.3%) | 159 | (1.3%) | 157 | 186 | (15.6%) |
| Average sales price | 2,590 | 2,385 | 8.6% | 2,447 | 5.8% | 2,520 | 2,439 | 3.3% |
| Alumina price per tonne[4] | 604 | 335 | 80.3% | 402 | 50.2% | 503 | 343 | 46.6% |

[1] For any period, "Production cost per tonne in Aluminium segment" is calculated as aluminium segment revenue (excluding sales of third parties' metal and other products sales) less aluminium segment results less amortisation and depreciation (excluding margin on sales of third parties' metal and intersegment margin), divided by sales volume of the aluminium segment (excluding volumes of third parties' aluminium sold).

[2] Aluminium price per tonne quoted on the London Metals Exchange ("**LME**") represents the average of the daily closing official LME prices for each period.

[3] Average premiums over LME realized by the Company based on management accounts.

[4] The average alumina price per tonne provided in this table is based on the daily closing spot prices of alumina according to Non-ferrous Metal Alumina Index FOB Australia USD per tonne.

| | Six months ended 31 December | | Change half-year on half-year, % (2H to 2H) | Six months ended 30 June | Change half-year on half-year, % (2H to 1H) | Year ended 31 December | | Change year-on-year, % |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | | 2024 | | 2024 | 2023 | |
| | *unaudited* | *unaudited* | | *unaudited* | | | | |
| **Key selected data from the consolidated statement of income** | | | | | | | | |
| *(USD million)* | | | | | | | | |
| Revenue | 6,387 | 6,268 | 1.9% | 5,695 | 12.2% | 12,082 | 12,213 | (1.1%) |
| Adjusted EBITDA | 708 | 496 | 42.7% | 786 | (9.9%) | 1,494 | 786 | 90.1% |
| margin (% of revenue) | 11.1% | 7.9% | NA | 13.8% | NA | 12.4% | 6.4% | NA |
| Net Profit/(loss) for the period | 238 | (138) | NA | 565 | (57.9%) | 803 | 282 | 184.8% |
| margin (% of revenue) | 3.7% | (2.2%) | NA | 9.9% | NA | 6.6% | 2.3% | NA |
| Adjusted Net Profit/(Loss) for the period | 537 | (242) | NA | 446 | 20.4% | 983 | 73 | 1,246.6% |
| margin (% of revenue) | 8.4% | (3.9%) | NA | 7.8% | NA | 8.1% | 0.6% | NA |
| Recurring Net Profit for the period | 710 | 175 | 305.7% | 620 | 14.5% | 1,330 | 702 | 89.5% |
| margin (% of revenue) | 11.1% | 2.8% | NA | 10.9% | NA | 11.0% | 5.7% | NA |

## Key selected data from consolidated statement of financial position

| | As at 31 December 2024 | 31 December 2023 | Change year-on-year end, % |
|---|---|---|---|
| *(USD million)* | | | |
| Total assets | 22,201 | 21,464 | 3.4% |
| Total working capital[5] | 4,586 | 3,665 | 25.1% |
| Net Debt[6] | 6,415 | 5,779 | 11.0% |

5 Total working capital is defined as inventories plus trade and other receivables, plus prepayments and input VAT, plus current income tax receivables minus trade and other payables, minus advances received, minus other tax payables.

6 Net Debt is calculated as Total Debt less cash and cash equivalents as at the end of any period. Total Debt refers to UC RUSAL's loans and borrowings and bonds outstanding at the end of any period.

**Key selected data from consolidated statement of cash flows**

| | Year ended 31 December 2024 | 31 December 2023 | Change year-on-year end, % |
|---|---|---|---|
| *(USD million)* | | | |
| Net cash flows generated from operating activities | 483 | 1,760 | (72.6%) |
| Net cash flows used in investing activities | (1,078) | (1,030) | 4.7% |
| of which dividends from Norilsk Nickel | 416 | – | 100.0% |
| of which CAPEX[7] | (1,366) | (1,056) | 29.4% |
| Interest paid | (494) | (422) | 17.1% |

[7] CAPEX is defined as payment for the acquisition of property, plant and equipment and intangible assets.

## OVERVIEW OF TRENDS IN THE ALUMINIUM INDUSTRY AND BUSINESS ENVIRONMENT

### Global aluminium demand[8]

In 2024, the global economy continued to face inflationary pressures, high interest rates, trade wars, strong green sectors demand in China, and a slow recovery in European manufacturing, strong growth in American manufacturing. In addition, the transition to decarbonization accelerates in 2024 amid tighter global emissions standards, growing consumer demand for sustainable products and the growing importance of environmental, social and governance ("**ESG**") criteria.

All these factors led to an increase in demand for aluminium in 2024, which reached 72.6 million tons, which is 3.1% higher than the previous year. In China, aluminium consumption increased to 45.1 million tonnes in 2024, reflecting a 5.0% year-on-year growth. This rise was primarily driven by new government incentives aimed at accelerating economic development, which, in turn, positively impacted aluminium demand. In terms of aluminium demand in the rest of the world ("**RoW**"), there was a slight 0.5% year-on-year growth in 2024, reaching 27.5 million tonnes. Demand was seen in all aluminium consumption areas, but stronger demand growth was seen in construction, packaging and electricity.

The transportation industry remains the largest consumer of aluminium, accounting for 25.6% of total global consumption. Despite a 1.6% decline in overall vehicle production in 2024, aluminium consumption continued to rise, driven by the growing adoption of electric vehicles ("**EV**"). The EV market is expanding due to stricter emissions regulations, government incentives, and advancements in battery technology. Furthermore, the development of charging infrastructure and increase in consumer demand for sustainable transportation are accelerating this growth. According to Rho Motion, a leading EV research firm, global EV sales grew by 25% in 2024, with China leading the charge as sales surged by 36% year-on-year. Plug-in hybrid electric vehicles ("**PHEVs**") dominated China's growth, with an 81% increase, significantly outpacing battery electric vehicles ("**BEVs**"), which grew by 19%. The rising demand for range-extender electric vehicles ("**REEVs**") played a key role in this expansion, although this technology remains relatively uncommon in Western markets.

The second largest consumption sector for aluminium remains to be the construction industry, which accounts for 19.9% of global aluminium consumption. In China, cracks began to appear in the construction industry in 2022 as the sector struggled with reduced investment, stalled projects and weakening property markets, leading to long-term weaker aluminium demand. By 2024, the risk of deflation in China had intensified, prompting policymakers to implement measures aimed at stemming further decline in the construction sector. Despite the government's best efforts, aluminium consumption in China's construction sector fell again by 4.8%. Excluding China, the global picture was more optimistic by the end of the year. The global construction industry showed early signs of recovery in the second half of 2024 as interest rates began to fall, easing borrowing costs and encouraging new investments. This shift helped to stabilize demand for aluminium in regions such as North America and Europe, where infrastructure renewal and sustainable building initiatives gained momentum.

Aluminium consumption in the packaging sector in 2024 amounted to 16.4% of global consumption. This growth was driven by the expansion of production capacity, the launch of new plants, and strong consumer demand. Additionally, increasing environmental awareness among consumers and stricter regulations in the EU, US, and other countries aimed at reducing plastic pollution supported the rise in aluminium use. Premium brands in cosmetics and beverages increasingly use aluminium packaging to enhance their eco-friendly and high-end image.

---

8 Unless otherwise stated, data for the "Global aluminium demand" section is sourced from Bloomberg, CRU, CNIA, IAI and Antaike.

The electrical sector also showed strong growth in 2024. Aluminium consumption in this sector accounted for 16.3% of global consumption. According to Ember analysis published in September 2024, 593 GW of solar panels should be installed worldwide by the end of the year. This is 29% higher than last year, which allows for strong growth despite an 87% increase in 2023. This growth aligns with global investments in energy infrastructure, which exceeded USD2 trillion, according to the International Energy Agency (IEA). For the first time, clean energy investments spanning renewable energy, EV infrastructure, and energy storage doubled the amount allocated to fossil fuels. China led the global clean energy investment race with USD675 billion in spending, followed by Europe (USD370 billion) and the United States (USD315 billion).

**Global aluminium supply**

The worldwide supply of primary aluminium was up by 2.5% year-on-year in 2024 to 72.6 million tonnes. RoW production was up by 1.0% to 29.4 million tonnes due to the production restart and capacity expansions in South America and India.

Aluminium production in China increased by 3.8% year-on-year in 2024 to 43.2 million tonnes. Overall, China has almost reached its capacity ceiling at 45 million tonnes and thus, it is expected to slow down aluminium production growth in 2025 and beyond. By the end of 2024 China had recorded around 1.8 million tonnes of net capacity increase to 43.9 million tonnes of operating capacity, as a result of the restart of previously closed production of 1.87 million tonnes and the commissioning of 0.43 million tonnes of new capacity. By the end of 2024, China had 45.4 million tonnes of installed aluminium capacity (less illegal capacity).

China shipped out a record volume of unwrought aluminium and alloy to the RoW in 2024 as compared to the same period of last year due to strong export arbitrage for export to the RoW. China's exports of unwrought aluminium, alloy and semis rose by 17.2% year-on-year to 6.66 million tonnes in 2024. At the same time, the decision to cancel tax rebates on most of Chinese semis-export stating from 1 December 2024 will further put downward pressure on Chinese semis exports to the RoW. China's imports of unwrought aluminium and alloy also rose significantly during 2024 by 25.2% year-on-year to 3.4 million tonnes. At the same time, cancelation of Chinese tax rebates on semis exports, has significantly increased the negative arbitrage for imports of primary metal into China. Thus, the potential growth of primary metal imports into China for upcoming years will depend on the increasing domestic metal deficit and rising aluminium futures prices at the Shanghai Futures Exchange.

During the second six-month period in the year of 2024, after increasing with high volatility in the first six-month period in the year of 2024, aluminium inventories in the LME displayed a general downward trend until mid-December 2024. Inventories surged by 560 thousand tonnes to 1.128 million tonnes by the end of May 2024 and returned to 635 thousand tonnes by the end of 2024. Metal held outside of LME warehouses (off-warrant reported stocks) wavered during the year and dropped by 111 thousand tonnes to 325 thousand tonnes at the end of November 2024.

Overall, regional aluminium premiums were mostly rising by end of 2024 due to (i) recovered demand in the RoW in the second half of 2024, (ii) possible introduction of US import tariffs, and (iii) China's removal of export tax rebate reduction in Chinese semi-exports in December 2024, which potentially reduced the supply of semi-aluminium to Asian regions in the short-term. In December 2024, premiums for U.S. Midwest rose approximately by 2.2 cent per pound aluminium premium to approximately 23.4 cent per pound, and continued to rise in Europe amid wide contango, possibility of sanctions against Russian aluminium and risks of US import tariffs. By the end of 2024, European P1020 Duty Unpaid premium at warehouse Rotterdam stood at level of approximately USD307 per tonne. Asian premiums also rose sharply in the second half of 2024, Japanese premium rose in December to approximately USD220 per tonne amid rising premiums in other regional markets and concerns about metal shortage.

### Business future developments

Geopolitical tensions, since February 2022, triggered the significant increase in volatility in the commodities and currency markets. In present circumstances, any forecast or outlook made or previously made may rapidly become irrelevant due to swift ongoing developments on the market and therefore the stakeholders should exercise due caution when making their analysis or decision. The management of the Group constantly evaluates the current situation and prepares forecasts taking into account different scenarios of the upcoming developments in relevant events and conditions. The Group is also revising supply and sales chains, ensuring an optimal equity-to-debt ratio, searching for resolutions to logistic difficulties, as well as ways to service its obligations in order to adapt the current economic developments and maintain the continuance of the Group's operations.

## BUSINESS REVIEW

### Aluminium production

- In 2024, aluminium production totaled 3,992 thousand tonnes (+3.7% year-on-year ("**YoY**"));

- In 2024, aluminium sales decreased by 7.1% YoY, totaling 3,859 thousand tonnes. During this period sales of value-added products ("**VAP**"[9]) decreased by 8.1% to 1,422 thousand tonnes. The share of VAP sales in total sales was 37% (38% in 2023).

- In 2024, the average aluminium realised price[10] increased by 3.3% YoY to USD2,520 per tonne. The increase was driven primarily by the increase in LME QP[11] component (4.9% YoY to USD2,363 per tonne) which was partially offset by the decrease in the average realised premium component (-15.6% YoY to USD157 per tonne).

### Alumina production

- In 2024, alumina output totaled 6,430 thousand tonnes (25.3% YoY). The increase in production volume was attributed by the acquisition of a 30% share in China Hebei Wenfeng New Material Co., ltd.

### Bauxite and nepheline ore production

- In 2024, bauxite output totaled 15,885 thousand tonnes (+18.8% YoY). The production volumes were mainly increased due to the implementation of production capacity expansion projects at CBK (Kindia) and Dian-Dian. Nepheline output decreased by 19.2% YoY to 3,650 thousand tonnes.

---

9 VAP includes alloyed ingots, slabs, billets, wire rod and special purity aluminium.

10 The realised price includes three components: LME component, commodity premium and VAP upcharge.

11 QP (quotation period) prices differs from the real time LME quotes due to a time lag between LME quotes and sales recognition and due to contract formula specialty.

## FINANCIAL OVERVIEW

### Revenue

| | Year ended 31 December 2024 | | | Year ended 31 December 2023 | | |
|---|---|---|---|---|---|---|
| | *USD million* | *kt* | *Average sales price (USD/tonne)* | *USD million* | *Kt* | *Average sales price (USD/tonne)* |
| Sales of primary aluminium and alloys | 9,726 | 3,859 | 2,520 | 10,129 | 4,153 | 2,439 |
| Sales of alumina | 453 | 888 | 510 | 340 | 759 | 448 |
| Sales of foil and other aluminium products | 585 | – | – | 550 | – | – |
| Other revenue | 1,318 | – | – | 1,194 | – | – |
| **Total revenue** | **12,082** | | | **12,213** | | |

Total revenue decreased by USD131 million or by 1.1% to USD12,082 million in 2024 compared to USD12,213 million in 2023.

| | Six months ended 31 December | | Change half-year on half-year, % (2H to 2H) | Six months ended 30 June | Change half-year on half-year, % (2H to 1H) | Year ended 31 December | | Change year-on-year, % |
|---|---|---|---|---|---|---|---|---|
| | **2024** *(unaudited)* | **2023** *(unaudited)* | | **2024** *(unaudited)* | | **2024** | **2023** | |
| Sales of primary aluminium and alloys | | | | | | | | |
| USD million | 5,129 | 5,290 | (3.0%) | 4,597 | 11.6% | 9,726 | 10,129 | (4.0%) |
| Kt | 1,980 | 2,218 | (10.7%) | 1,879 | 5.4% | 3,859 | 4,153 | (7.1%) |
| *Average sales price (USD/tonne)* | 2,590 | 2,385 | 8.6% | 2,447 | 5.8% | 2,520 | 2,439 | 3.3% |
| Sales of alumina | | | | | | | | |
| *USD million* | 262 | 159 | 64.8% | 191 | 37.2% | 453 | 340 | 33.2% |
| *Kt* | 470 | 366 | 28.4% | 418 | 12.4% | 888 | 759 | 17.0% |
| *Average sales price (USD/tonne)* | 557 | 434 | 28.3% | 457 | 21.9% | 510 | 448 | 13.8% |
| Sales of foil and other aluminium products *(USD million)* | 300 | 271 | 10.7% | 285 | 5.3% | 585 | 550 | 6.4% |
| Other revenue *(USD million)* | 696 | 548 | 27.0% | 622 | 11.9% | 1,318 | 1,194 | 10.4% |
| **Total revenue *(USD million)*** | **6,387** | **6,268** | **1.9%** | **5,695** | **12.2%** | **12,082** | **12,213** | **(1.1%)** |

Revenue from sales of primary aluminium and alloys decreased by USD403 million, or 4.0%, to USD9,726 million in 2024, as compared to USD10,129 million in 2023, primarily due to a 7.1% decrease in the sales volumes between the comparable periods, which was partially offset by a 3.3% increase in the weighted-average realised aluminium price per tonne (to an average of USD2,520 per tonne in 2024 from USD2,439 per tonne in 2023) driven by an increase in the LME aluminium price (to an average of USD2,419 per tonne in 2024 from USD2,252 per tonne in 2023).

Revenue from sales of alumina increased by 33.2% to USD453 million for the year ended 31 December 2024 from USD340 million for the year ended 31 December 2023, due to an increase in the alumina sales volume by 17.0% as well as an increase in the average sales price by a 13.8%.

Revenue from sales of foil and other aluminium products increased by USD35 million, or 6.4%, to USD585 million in 2024, as compared to USD550 million in 2023, due to an increase in revenue from sales of aluminium wheels by 36.6% between the comparable periods, which was partially offset by a 2.5% decrease in the sales of foil.

Revenue from other sales, including sales of other products, bauxite and energy services increased by 10.4% to USD1,318 million for the year ended 31 December 2024 as compared to USD1,194 million for the previous year, primarily due to an 74.2% increase in revenue from the sale of bauxite, which was partially offset by a decrease in sales of other materials (such as anode blocks by 3.2%, aluminium powder by 6.8% and soda by 19.7%), and also due to a 7.4% decrease in revenue from the sale of services (mainly a 13.6% decrease in revenue from the sale of energy services, which was caused by the weakening of the Russian rouble against the US dollar).

**Cost of sales**

The following table demonstrates the breakdown of the Group's cost of sales for the year ended 31 December 2024 and 2023, respectively:

| | **Year ended 31 December** | | **Change year-on-year, %** | **Share of costs, %** |
|---|---|---|---|---|
| | **2024** | **2023** | | |
| *(USD million)* | | | | |
| Cost of alumina | 2,168 | 2,029 | 6.9% | 23.4% |
| Cost of bauxite | 280 | 235 | 19.1% | 3.0% |
| Cost of other raw materials and other costs | 2,891 | 3,074 | (6.0%) | 31.2% |
| Purchases of primary aluminium from joint ventures | 600 | 656 | (8.5%) | 6.5% |
| Energy costs | 2,277 | 2,288 | (0.5%) | 24.6% |
| Depreciation and amortisation | 508 | 513 | (1.0%) | 5.5% |
| Personnel expenses | 732 | 667 | 9.7% | 7.9% |
| Repairs and maintenance | 484 | 455 | 6.4% | 5.2% |
| Net change in provisions for inventories | (3) | (12) | (75.0%) | 0.0% |
| Change in finished goods | (676) | 540 | NA | (7.3%) |
| **Total cost of sales** | **9,261** | **10,445** | **(11.3%)** | **100.0%** |

Total cost of sales decreased by USD1,184 million, or 11.3%, to USD9,261 million for the year ended 31 December 2024, as compared to USD10,445 million for the year ended 31 December 2023.

The cost of alumina increased by USD139 million, or 6.9%, to USD2,168 million in 2024 as compared to USD2,029 million in 2023 primarily due to the increase in alumina purchase price by 24.0% between the periods which was partially offset by the decrease in alumina purchase volume.

The cost of raw materials (other than alumina and bauxite) and other costs decreased by 6.0% for the year ended 31 December 2024 compared to the same period of 2023, due to a decrease in the raw materials purchase prices (prices for the raw petroleum coke by 13.7%, pitch by 7.8%, anode blocks by 15.9% and caustic soda by 8.9%).

Energy costs were almost flat between the comparable periods, as the increase in the average electricity tariff was partially offset by fluctuations in the Russian rouble exchange rate.

The finished goods mainly consist of primary aluminium and alloys (approximately 97%). The dynamic of change between the reporting periods was driven by the fluctuations of primary aluminium and alloys physical inventory between the reporting dates: a 48.8% increase in 2024 and a 27.7% decrease in 2023.

**Gross profit**

As a result of the foregoing factors, the Group reported a gross profit of USD2,821 million for the year ended 31 December 2024 as compared to USD1,768 million for the year ended 31 December 2023, representing gross margins over the periods of 23.3% and 14.5%, respectively.

**Distribution, administrative and other expenses**

Distribution expenses increased by 12.3% to USD848 million for the year ended 31 December 2024 as compared to USD755 million for the year ended 31 December 2023, primarily due to introduction of new sales chains.

Administrative expenses increased to USD695 million in 2024 as compared to USD603 million in 2023 primarily due to an increase in the personnel costs.

**Adjusted EBITDA and Results from operating activities**

| *(USD million)* | Year ended 31 December 2024 | 2023 | Change year-on-year, % |
|---|---|---|---|
| Reconciliation of Adjusted EBITDA | | | |
| Results from operating activities | 368 | (79) | NA |
| Add: | | | |
| Amortisation and depreciation | 538 | 540 | (0.4%) |
| Impairment of non-current assets | 580 | 321 | 80.7% |
| Loss on disposal of property, plant and equipment | 8 | 4 | 100.0% |
| **Adjusted EBITDA** | **1,494** | **786** | **90.1%** |

Adjusted EBITDA, defined as results from operating activities adjusted for amortisation and depreciation, impairment charges and loss on disposal of property, plant and equipment, increased to USD1,494 million for the year ended 31 December 2024, as compared to USD786 million for the year ended 31 December 2023. The factors that contributed to the increase in Adjusted EBITDA were the same that influenced the operating results of the Company.

**Finance income and expenses**

| *(USD million)* | Year ended 31 December 2024 | 2023 | Change, year-on-year,% |
|---|---|---|---|
| **Finance income** | | | |
| Interest income on third party loans and deposits | 111 | 68 | 63.2% |
| Interest income on loans to related parties | 10 | – | 100.0% |
| Change in fair value of derivative financial instruments, including: | 53 | – | 100.0% |
| *Change in other derivative instruments* | *53* | – | *100.0%* |
| Dividends from other investments | – | 25 | (100.0%) |
| Net foreign exchange gain | 283 | 51 | 454.9% |
| | **457** | **144** | **217.4%** |
| **Finance expenses** | | | |
| Interest expense on bank loans and company loans, bonds and other bank charges, including | (407) | (363) | 12.1% |
| *Interest expense* | *(378)* | *(323)* | *17.0%* |
| *Bank charges* | *(29)* | *(40)* | *(27.5%)* |
| Change in fair value of derivative financial instruments, including: | – | (99) | (100.0%) |
| *Change in other derivative instruments* | – | *(99)* | *(100.0%)* |
| Revaluation of investments measured at fair value through profit and loss, incl. forex effect | (114) | (94) | 21.3% |
| Interest expense on provisions | (5) | (13) | (61.5%) |
| Lease interest cost | (5) | (4) | 25.0% |
| | **(531)** | **(573)** | **(7.3%)** |

Finance income increased by USD313 million, or 217.4%, to USD457 million for the year ended 31 December 2024, as compared to USD144 million for the year ended 31 December 2023, primarily due to an increase in foreign exchange gain in 2024.

Finance expenses decreased by USD42 million, or 7.3%, to USD531 million in 2024, as compared to USD573 million in 2023, primarily due to a gain from the change in fair value of derivative financial instruments in 2024, as compared to a loss from this item in 2023, but was partially offset by an increase in interest expenses.

**Share of profits of associates and joint ventures**

| (USD million) | Year ended 31 December 2024 | 2023 | Change, year-on-year,% |
|---|---|---|---|
| Share of profits of Norilsk Nickel, *with Effective shareholding of* | 347 *26.39%* | 629 *26.39%* | (44.8%) |
| **Share of profits of associates** | **347** | **629** | **(44.8%)** |
| **Share of profits of joint ventures** | **217** | **123** | **76.4%** |

The Company's share in profits of associates for the years ended 31 December 2024 and 2023 amounted to USD347 million and USD629 million, respectively. The share in the results of associates in both periods were primarily attributed by the profit from the Company's investment in Norilsk Nickel.

The market value of the investment in Norilsk Nickel as at 31 December 2024 was USD4,585 million as compared to USD7,273 million as at 31 December 2023.

Share of profits of joint ventures was USD217 million for the year ended 31 December 2024 as compared to USD123 million for the same period in 2023. This represents the Company's share of profits in joint ventures, namely BEMO (the companies comprising the Boguchanskoye Energy and Metals Complex), LLP Bogatyr Komir and Mega Business and Alliance (coal and transportation business in Kazakhstan), Hebei Wenfeng New Materials Co., Ltd (Chinese alumina refinery).

**Profit before income tax**

The Group recorded profit before income tax in the amount of USD858 million for the year ended 31 December 2024, as compared to the profit before income tax in the amount of USD244 million for the year ended 31 December 2023, due to reasons set out above.

**Income tax**

The Group recognised income tax expense in the amount of USD55 million for the year ended 31 December 2024, as compared to an income tax credit in the amount USD38 million for the year ended 31 December 2023.

Current tax expenses decreased by USD12 million, or 9.1%, to USD120 million for the year ended 31 December 2024, as compared to USD132 million for the previous financial year, primarily due to the one-off effect of windfall tax recognised in the year ended 31 December 2023.

The Group deferred income tax credit decreased by USD105 million, or 61.8%, to USD65 million for the year ended 31 December 2024, as compared to USD170 million for the year ended 31 December 2023, primarily due to the tax effect of accruals of certain temporary differences related to foreign exchange differences.

## Profit for the period

As a result of the above, the Group recorded profit in the amount of USD803 million for the year ended 31 December 2024, as compared to USD282 million for the year ended 31 December 2023.

## Adjusted and Recurring Net Profit

| *(USD million)* | Six months ended 31 December 2024 *unaudited* | Six months ended 31 December 2023 *unaudited* | Change half-year on half-year, % (2H to 2H) | Six months ended 30 June 2024 *unaudited* | Change half-year on half-year, % (2H to 1H) | Year ended 31 December 2024 | Year ended 31 December 2023 | Change year-on-year, % |
|---|---|---|---|---|---|---|---|---|
| **Reconciliation of Adjusted Net Profit/(Loss)** | | | | | | | | |
| Net profit/(loss) for the period | 238 | (138) | NA | 565 | (57.9%) | 803 | 282 | 184.8% |
| Adjusted for: | | | | | | | | |
| Share of profits and other gains and losses attributable to Norilsk Nickel, net of tax effect | (173) | (417) | (58.5%) | (174) | (0.6%) | (347) | (629) | (44.8%) |
| Change in the fair value of derivative financial liabilities, net of tax | (12) | 59 | NA | (41) | (70.7%) | (53) | 99 | NA |
| Impairment of non-current assets | 484 | 254 | 90.6% | 96 | 404.2% | 580 | 321 | 80.7% |
| **Adjusted Net Profit/(Loss)** | **537** | **(242)** | **NA** | **446** | **20.4%** | **983** | **73** | **1,246.6%** |
| **Add back:** | | | | | | | | |
| Share of profits of Norilsk Nickel, net of tax | 173 | 417 | (58.5%) | 174 | (0.6%) | 347 | 629 | (44.8%) |
| **Recurring Net Profit** | **710** | **175** | **305.7%** | **620** | **14.5%** | **1,330** | **702** | **89.5%** |

Adjusted Net Profit/(Loss) for any period is defined as the net profit/(loss) adjusted for the net effect of the Company's investment in Norilsk Nickel, the net effect of derivative financial instruments and the net effect of non-current assets impairment. Recurring Net Profit for any period is defined as Adjusted Net Profit/(Loss) plus the Company's net effective share in Norilsk Nickel results.

## Assets and liabilities

The Group's total assets increased by USD737 million, or 3.4%, to USD22,201 million as at 31 December 2024 as compared to USD21,464 million as at 31 December 2023. The increase in total assets was driven primarily by the increase in carrying value of investment in associates and joint ventures, inventories, trade and other receivables, which was partially offset by a decrease in cash and cash equivalents.

Total liabilities increased by USD537 million, or 5.1%, to USD10,985 million as at 31 December 2024 as compared to USD10,448 million as at 31 December 2023, mainly due to an increase in trade and other payables and advances received.

## Cash flows

The Group generated USD483 million net cash from the operating activities for the year ended 31 December 2024, as compared to net cash generated from operating activities in the amount USD1,760 million for the previous year, which was driven by the net increase in working capital and provisions to USD923 million for the year of 2024, as compared to the net decrease in working capital and provisions to USD1,104 million for the previous financial year.

The Group used USD1,078 million net cash in the investing activities for the year ended 31 December 2024, as compared to net cash used in investing activities in the amount USD1,030 million in the previous year. Net cash spent for acquisition of property, plant and equipment and intangible assets was USD1,366 million and USD1,056 million for the years ended 31 December 2024 and 2023, respectively.

The Group generated USD113 million net cash in financing activities for the year ended 31 December 2024, as compared to USD1,747 million net cash used in the financing activities in the previous financial year, primarily due to a decrease in the net repayment of borrowings of USD559 million for the year ended 31 December 2024, as compared to the net repayment of borrowings of USD1,293 million for the preceding year.

## Segment reporting

The Group has four reportable segments, as described in the annual report of the Company, which are the Group's strategic business units: Aluminium, Alumina, Energy and Mining and Metals. These business units are managed separately and results of their operations are reviewed by the General Director of the Company on a regular basis.

The core segments are Aluminium and Alumina.

| | **Year ended 31 December** | | | |
|---|---|---|---|---|
| | **2024** | | **2023** | |
| *(USD million)* | **Aluminium** | **Alumina** | **Aluminium** | **Alumina** |
| Segment revenue | | | | |
| *kt* | *3,757* | *4,649* | *3,972* | *4,340* |
| *USD million* | *9,440* | *1,921* | *9,682* | *1,926* |
| Segment result | 1,480 | (12) | 685 | 34 |
| Segment result margin | 15.7% | (0.6%) | 7.1% | 1.8% |
| Segment EBITDA[12] | 1,830 | 27 | 1,052 | 88 |
| Segment EBITDA margin | 19.4% | 1.4% | 10.9% | 4.6% |
| Total capital expenditure | (873) | (355) | (682) | (249) |

The Company presents two metrics for Aluminium segment: (1) total segment information and (2) information on own aluminium production. The difference between two metrics relates to the intersegment margins, sales of third-parties metal and related costs and other non-production costs and expenses. Segment information for the year ended 31 December 2024 presented above relates to own aluminium production that is different from the relevant segment information presented in the Company's consolidated financial statements for the year ended 31 December 2024.

Key drivers for the increase in margin in the aluminium segment are disclosed in the "Revenue", "Cost of sales" and "Adjusted EBITDA and results from operating activities" sections above. Detailed segment reporting can be found in the consolidated financial statements for the year ended 31 December 2024.

12 Segment EBITDA for any period is defined as segment result adjusted for amortisation and depreciation for the segment.

**Capital expenditure**

The Group recorded a total capital expenditure in the amount of USD1,366 million for the year ended 31 December 2024. The Group's capital expenditure in the year of 2024 was aimed at maintaining existing production facilities.

| *(USD million)* | **Year ended 31 December 2024** | **2023** |
|---|---|---|
| **Development capex** | 568 | 393 |
| **Maintenance** | | |
| Pot rebuilds costs | 185 | 154 |
| Re-equipment | 613 | 509 |
| **Total capital expenditure** | **1,366** | **1,056** |

The BEMO project companies utilise the project financing proceeds to make necessary contributions to the ongoing construction projects and do not require contributions from the joint venture partners at this time.

**Consolidated financial statements**

The following section contains the audited consolidated financial statements of the Group for the year ended 31 December 2024 which were reviewed by the Audit Committee, preliminary reviewed and noted by the Board (the "**Board**") of Directors of the Company (the "**Directors**") of UC RUSAL on 13 March 2025 and recommended for the shareholders' approval.

The full set of audited consolidated financial statements of the Group, together with the report of the independent auditor is available on UC RUSAL's website at: *http://www.rusal.ru/en/investors/financial_stat.aspx*.

| | | Year ended 31 December | |
|---|---|---|---|
| | | **2024** | **2023** |
| | **Note** | **USD million** | **USD million** |
| Revenue | 5 | 12,082 | 12,213 |
| Cost of sales | 6(a) | (9,261) | (10,445) |
| **Gross profit** | | **2,821** | **1,768** |
| Distribution expenses | 6(b) | (848) | (755) |
| Administrative expenses | 6(b) | (695) | (603) |
| Impairment of non-current assets | 6(b), 13 | (580) | (321) |
| Expected credit losses | 6(b), 17(a) | (44) | (1) |
| Net other operating expenses | 6(b) | (286) | (167) |
| **Results from operating activities** | | **368** | **(79)** |
| Finance income | 7 | 457 | 144 |
| Finance expenses | 7 | (531) | (573) |
| Share of profits of associates and joint ventures | 15 | 564 | 752 |
| **Profit before taxation** | | **858** | **244** |
| Current income tax expense | 8 | (120) | (132) |
| Deferred income tax credit | 8 | 65 | 170 |
| **Income tax** | | **(55)** | **38** |
| **Profit for the year** | | **803** | **282** |
| Attributable to Shareholders of the Company | | 803 | 282 |
| **Profit for the year** | | **803** | **282** |
| **Earnings per share** | | | |
| Basic and diluted earnings per share (USD) | 12 | 0.053 | 0.019 |
| Adjusted EBITDA | 4, 6(d) | 1,494 | 786 |



The consolidated statement of income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 23 to 83.

| | Note | Year ended 31 December 2024 USD million | Year ended 31 December 2023 USD million |
|---|---|---|---|
| **Profit for the year** | | **803** | **282** |
| **Other comprehensive income or loss** | | | |
| *Items that will never be reclassified subsequently to profit or loss* | | | |
| Actuarial (loss)/gain on postretirement benefit plans | 20 | (11) | 5 |
| | | **(11)** | **5** |
| *Items that are or may be reclassified subsequently to profit or loss* | | | |
| Foreign currency translation differences for equity-accounted investees | 15 | (496) | (1,007) |
| Foreign currency translation differences on foreign subsidiaries | | (96) | (573) |
| | | **(592)** | **(1,580)** |
| **Other comprehensive loss for the year, net of tax** | | **(603)** | **(1,575)** |
| **Total comprehensive income/(loss) for the year** | | **200** | **(1,293)** |
| *Attributable to:* | | | |
| Shareholders of the Company | | 200 | (1,293) |
| **Total comprehensive income or loss for the year** | | **200** | **(1,293)** |

There was no significant tax effect relating to each component of other comprehensive income or loss.



The consolidated statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 23 to 83.

| | Note | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment and investment property | 13 | 6,005 | 5,806 |
| Intangible assets | 14 | 2,201 | 2,337 |
| Interests in associates and joint ventures | 15 | 4,868 | 4,521 |
| Deferred tax assets | 8 | 328 | 229 |
| Derivative financial assets | 21 | – | 13 |
| Investments in equity securities measured at fair value through profit and loss | 17(g) | 217 | 339 |
| Other non-current assets | 17(f) | 221 | 277 |
| **Total non-current assets** | | **13,840** | **13,522** |
| **Current assets** | | | |
| Inventories | 16 | 4,477 | 3,599 |
| Short-term investments | 17(h) | 112 | 125 |
| Trade and other receivables | 17(a) | 1,470 | 1,154 |
| Prepayments and input VAT | 17(b) | 721 | 538 |
| Current income tax receivables | | 30 | 8 |
| Dividends receivable | | 29 | 412 |
| Derivative financial assets | 21 | 19 | 19 |
| Cash and cash equivalents | 17(e) | 1,503 | 2,087 |
| **Total current assets** | | **8,361** | **7,942** |
| **Total assets** | | **22,201** | **21,464** |
| **Equity and liabilities** | | | |
| **Equity** | 18 | | |
| Share capital | | 152 | 152 |
| Share premium | | 15,786 | 15,786 |
| Other reserves | | 2,856 | 2,689 |
| Currency translation reserve | | (11,205) | (10,613) |
| Retained earnings | | 3,627 | 3,002 |
| **Total equity** | | **11,216** | **11,016** |
| **Non-current liabilities** | | | |
| Loans and borrowings | 19 | 3,398 | 5,900 |
| Provisions | 20 | 243 | 269 |
| Deferred tax liabilities | 8 | 466 | 405 |
| Other non-current liabilities | | 119 | 155 |
| **Total non-current liabilities** | | **4,226** | **6,729** |
| **Current liabilities** | | | |
| Loans and borrowings | 19 | 4,520 | 1,966 |
| Trade and other payables | 17(c) | 1,535 | 1,183 |
| Advances received | 17(d) | 420 | 218 |
| Other tax payable | | 157 | 233 |
| Dividends payable | | 5 | 5 |
| Derivative financial liabilities | 21 | 26 | – |
| Provisions | 20 | 96 | 114 |
| **Total current liabilities** | | **6,759** | **3,719** |
| **Total liabilities** | | **10,985** | **10,448** |
| **Total equity and liabilities** | | **22,201** | **21,464** |
| **Net current assets** | | **1,602** | **4,223** |
| **Total assets less current liabilities** | | **15,442** | **17,745** |

Preliminary reviewed, approved and authorised for issue by the board of directors on 13 March 2025.

**Evgenii V. Nikitin**
General Director



The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 23 to 83.

| | Note | Share capital USD million | Share premium USD million | Other reserves USD million | Currency translation reserve USD million | Retained earnings/ (accumulated losses) USD million | Total equity USD million |
|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2024** | | **152** | **15,786** | **2,689** | **(10,613)** | **3,002** | **11,016** |
| Profit for the year | | – | – | – | – | 803 | **803** |
| Other comprehensive (loss)/income for the year | | – | – | (11) | (592) | – | **(603)** |
| **Total comprehensive (loss)/income for the year** | | **–** | **–** | **(11)** | **(592)** | **803** | **200** |
| Contribution from a shareholder | | – | – | – | – | – | – |
| Other transfers within equity | | – | – | 178 | – | (178) | – |
| **Balance at 31 December 2024** | | **152** | **15,786** | **2,856** | **(11,205)** | **3,627** | **11,216** |
| **Balance at 1 January 2023** | | **152** | **15,786** | **2,682** | **(9,033)** | **2,720** | **12,307** |
| Profit for the year | | – | – | – | – | 282 | **282** |
| Other comprehensive (loss)/income for the year | | – | – | 5 | (1,580) | – | **(1,575)** |
| **Total comprehensive (loss)/income for the year** | | **–** | **–** | **5** | **(1,580)** | **282** | **(1,293)** |
| Contribution from a shareholder | | – | – | 2 | – | – | **2** |
| **Balance at 31 December 2023** | | **152** | **15,786** | **2,689** | **(10,613)** | **3,002** | **11,016** |



The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 23 to 83.

| | Note | Year ended 31 December 2024 USD million | Year ended 31 December 2023 USD million |
|---|---|---|---|
| **Operating activities** | | | |
| **Profit for the year** | | **803** | **282** |
| *Adjustments for:* | | | |
| Depreciation | 6, 13 | 512 | 521 |
| Amortisation | 6, 14 | 26 | 19 |
| Impairment of non-current assets | 6(b) | 580 | 321 |
| Impairment of trade and other receivables | 6(b) | 44 | 1 |
| Partial reversal of provision of inventories to net realisable value | 16 | (3) | (12) |
| Pension provision | 20, 6(c) | 2 | 4 |
| (Reversal of)/provision for legal claims | 20 | (4) | 2 |
| Change in fair value of derivative financial instruments | 7 | (53) | 99 |
| Net foreign exchange gain | 7 | (283) | (51) |
| Loss on disposal of property, plant and equipment | 6(b) | 8 | 4 |
| Interest expense | 7 | 417 | 380 |
| Interest income | 7 | (121) | (68) |
| Income tax expense | 8 | 55 | (38) |
| Dividends from other investments | | – | (25) |
| Revaluation of investments measured at fair value through profit and loss | 17(g) | 114 | 94 |
| Share of profits of associates and joint ventures | 15 | (564) | (752) |
| **Cash from operating activities before changes in working capital and provisions** | | **1,533** | **781** |
| (Increase)/decrease in inventories | | (841) | 923 |
| (Increase)/decrease in trade and other receivables and advances paid | | (551) | 393 |
| Decrease in other assets | | – | 4 |
| Increase/(decrease) in trade and other payables and advances received | | 474 | (208) |
| Decrease in provisions | | (5) | (8) |
| **Cash generated from operations before income tax paid** | | **610** | **1,885** |
| Income tax paid | 8(d) | (127) | (125) |
| **Net cash generated from operating activities** | | **483** | **1,760** |
| **Investing activities** | | | |
| Proceeds from disposal of property, plant and equipment | | 14 | 10 |
| Interest received | | 116 | 61 |
| Acquisition of property, plant and equipment | | (1,332) | (1,022) |
| Acquisition of a joint venture | 15 | (303) | – |
| Prepayment for acquisition of a joint venture | 15 | – | (13) |
| Dividends from associates and joint ventures | | 416 | – |
| Dividends from other investments | | – | 21 |
| Acquisition of intangible assets | | (34) | (34) |
| Cash paid for investments in equity securities measured at fair value through profit and loss | | – | (5) |
| Cash received from/(paid to) other investments | | 45 | (49) |
| Change in restricted cash | | – | 1 |
| **Net cash used in investing activities** | | **(1,078)** | **(1,030)** |
| **Financing activities** | | | |
| Proceeds from borrowings | | 2,628 | 3,521 |
| Repayment of borrowings | | (2,069) | (4,814) |
| Refinancing fees and other expenses | | (15) | (30) |
| Interest paid | | (494) | (422) |
| Settlement of derivative financial instruments | | 63 | (2) |
| **Net cash generated from / (used in) financing activities** | | **113** | **(1,747)** |
| **Net decrease in cash and cash equivalents** | | **(482)** | **(1,017)** |
| Cash and cash equivalents at the beginning of the year | 17(e) | 2,085 | 3,193 |
| Effect of exchange rate fluctuations on cash and cash equivalents | | (102) | (91) |
| **Cash and cash equivalents at the end of the year** | 17(e) | **1,501** | **2,085** |

Restricted cash amounted to USD2 million and USD2 million at 31 December 2024 and 31 December 2023, respectively.



The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 23 to 83.

# 1 Background

## (a) Organisation

United Company RUSAL, international public joint-stock company (United Company RUSAL Plc prior to 25 September 2020) ("UC RUSAL IPJSC", the "Company" or "UC RUSAL") was established by the controlling shareholder of RUSAL Limited ("RUSAL") as a limited liability company under the laws of Jersey on 26 October 2006. On 27 January 2010, the Company successfully completed a placing on the Main Board of The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange") and changed its legal form from a limited liability company to a public limited company.

On 23 March 2015, the shares of the Company were admitted to listing on PJSC Moscow Exchange MICEX-RTS ("Moscow Exchange") in the First Level quotation list. The trading of shares on Moscow Exchange commenced on 30 March 2015. There was no issue of new shares.

The extraordinary general meeting of the Company held on 1 August 2019 approved the application by the Company to the regulatory authorities in Russia for continuance as a company with the status of an International Company established under the laws of Russia (the "Redomiciliation"). On 25 September 2020 UC RUSAL changed its domicile to the Russian Federation as UC RUSAL IPJSC.

The Company's registered office is Oktyabrskaya st. 8, office 410, Kaliningrad, Kaliningrad Region, 236006, Russian.

The Company directly or through its wholly owned subsidiaries controls a number of production and trading entities engaged in the aluminium business and other entities, which together with the Company are referred to as "the Group".

The shareholding structure of the Company as at 31 December 2024 and 2023 was as follows:

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| EN+GROUP IPJSC ("EN+", formerly En+ Group Plc) | 56.88% | 56.88% |
| SUAL PARTNERS ILLC ("SUAL PARTNERS", formerly SUAL Partners Limited) | 25.52% | 25.52% |
| Mr. Oleg V. Deripaska | 0.01% | 0.01% |
| Publicly held | 17.59% | 17.59% |
| **Total** | **100.00%** | **100.00%** |

At 31 December 2024 and 2023 the immediate parent of the Group was EN+ GROUP International public joint-stock company (EN+GROUP IPJSC) with the registered office at Oktyabrskaya st. 8, office 34, Kaliningrad, Kaliningrad Region, 236006, Russian Federation.

Based on the information provided by EN+, at the reporting date there is no individual that has an indirect prevailing ownership interest in EN+ GROUP IPJSC exceeding 50%, who could exercise voting rights in respect of more than 35% of EN+ GROUP IPJSC's issued share capital or has an opportunity to exercise control over EN+ GROUP IPJSC. As at 31 December 2024 and 2023 Mr. Oleg Deripaska beneficially controls and exercises voting rights in respect of 35% of the voting shares of EN+ GROUP IPJSC and cannot exceed his direct or indirect shareholding over 44.95% of the shares of the EN+ GROUP IPJSC.

Related party transactions are disclosed in Note 25.

## (b) Operations

The Group operates in the aluminium industry primarily in the Russian Federation, Guinea, Jamaica, Ireland, Italy and Sweden and is principally engaged in the mining and refining of bauxite and nepheline ore into alumina, the smelting of primary aluminium from alumina and the fabrication of aluminium and aluminium alloys into semi-fabricated and finished products. The Group sells its products primarily in Asia, Russia, other countries of the Commonwealth of Independent States ("CIS") and Europe.

**(c) Business environment in emerging economies**

The Russian Federation, Jamaica and Guinea have been experiencing political and economic changes that have affected, and may continue to affect, the activities of enterprises operating in these environments. Consequently, operations in these countries involve risks that typically do not exist in other markets, including reconsideration of privatisation terms in certain countries where the Group operates following changes in governing political powers.

The imposition of economic sanctions on Russian individuals and legal entities by the European Union, the United States of America, Japan, Canada, Australia and others, as well as counter sanctions imposed by the Russian government, have resulted in increased economic uncertainty including more volatile equity, commodity and currency markets. The longer term effects of implemented sanctions, as well as the threat of additional future sanctions, are difficult to determine.

The consolidated financial statements reflect management's assessment of the impact of the Russian, Jamaican and Guinean business environments on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

**(d) OFAC Sanctions**

On 6 April 2018, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") designated, amongst others, the Company, as a Specially Designated National ("SDN") (the "OFAC Sanctions").

As a result, all property or interests in property of the Company and its subsidiaries located in the United States or in the possession of U.S. Persons were blocked, must have been frozen, and could not be transferred, paid, exported, withdrawn, or otherwise dealt in. Several general licenses were issued at the time of the designation and later on authorizing certain transactions with the Company, its majority shareholder EN+ GROUP IPJSC ("EN+", former En+ Group Plc), and with their respective debt and equity.

On 27 January 2019 OFAC announced removal of the Company and En+ from OFAC's SDN List with immediate effect. The removal was subject to and conditional upon the satisfaction of a number of conditions including, but not limited to, corporate governance changes, including, inter alia, overhauling the composition of the Board to ensure that independent directors constitute the majority of the Board, stepping down of the Chairman of the Board, and ongoing reporting and certifications by the Company to OFAC concerning compliance with the conditions for removal.

**(e) Going concern**

These consolidated financial statements have been prepared assuming that the Group will continue as a going concern. Accordingly, these statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, the amounts and classification of liabilities or any other adjustments that might result from the Group being unable to continue as a going concern.

Continuing geopolitical instability and unpredictability of its further developments, including current and potential sanctions imposed by US, EU and other countries, may cause potential significant limitations for sales channels, availability of production raw materials and possibility to organize supply chain. Availability of future financing, including increased key rate of Central Bank of Russian Federation and volatility of currency, stock commodity and financial markets, potential imposition of export customs duties may affect the Group's business, financial condition, prospects and results of operations.

The facts described above create material uncertainty in the Group's ability to meet its financial obligations on time and continue as a going concern entity. Management constantly evaluates the current situation and prepares forecasts taking into account different scenarios of the events and conditions development. The Group's management expects that prices on the world commodity markets will grow and improve the results of operating activities. The Group is also revising supply and sales chains, ensuring an optimal equity and debt ratio, searching for resolutions of logistic difficulties, as well as the ways to service its obligations in order to adapt to the current economic changes to maintain the continuance of the Group's operations.

## 2 Basis of preparation

### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which, as at the reporting date, were endorsed on the territory of Russian Federation, and the disclosure requirements of the Hong Kong Companies Ordinance.

These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Preparation of these consolidated financial statements is also regulated by Russian Federal Law 208-FZ dated 27 July 2010 *On Consolidated Financial Statements* and Russian Federal Law 290-FZ dated 3 August 2018 *On International Companies and International Funds*.

Certain reclassifications have been made to the prior periods' consolidated financial statements to conform to the current year presentation. Such reclassifications affect the presentation of certain items in the notes to the consolidated financial statements and have no impact on net income or equity.

### (b) Standards issued but not effective

The new and amended standards and interpretations that were issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- *Lack of Exchangeability* – Amendments to IAS 21 (effective on or after 1 January 2025);
- *Amendments to the Classification and Measurement of Financial Instruments* – Amendments to IFRS 9 and IFRS 7 (effective on or after 1 January 2026);
- *Contracts Referencing Nature-dependent Electricity* – Amendments to IFRS 9 and IFRS 7 (effective on or after 1 January 2026);
- *Annual improvements to IFRS Accounting Standards – Volume 11* (effective on or after 1 January 2026):
    - *Cost method* (Amendments to IAS 7);
    - *Derecognition of lease liabilities* (Amendments to IFRS 9);
    - *Determination of a 'de facto agent'* (Amendments to IFRS 10);
    - *Disclosure of deferred difference between fair value and transaction price* (Amendments to Guidance on Implementing IFRS 7);
    - *Gain or loss on derecognition* (Amendments to IFRS 7);
    - *Hedge accounting by a first-time adopter* (Amendments to IFRS 1);
    - *Introduction* (Amendments to Guidance on implementing IFRS 7);
    - *Credit risk disclosures* (Amendments to Guidance on Implementing IFRS 7);
    - *Transaction price* (Amendments to IFRS 9);
- IFRS 18 *Presentation and Disclosure in Financial Statements* (effective on or after 1 January 2027);
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (effective from 1 January 2027).

The Group is currently assessing the impact the amendments and new standards will have on current practice, when they become effective.

## 3 Significant accounting policies

### (a) New and amended standards and interpretations adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2023, except for the adoption of amendments to the existing standards effective as of 1 January 2024:

- *Amendments to IAS 1 Presentation of Financial Statements named Classification of Liabilities as Current or Non-current*. The amendments clarify requirements for classifying liabilities as current or non-current;
- *Amendments to IFRS 16 Leases related to lease liability in a sale and leaseback*. The amendments require from the seller-lessee to measure lease liability arising from leaseback in such a way, that no profit or loss is recognized in respect of the right-of-use retained;
- *Amendments to IAS 1 Presentation of Financial Statements named Non-current Liabilities with Covenants.* The amendments presume that liability is classified as non-current if the Group has a substantial right to defer settlement for at least 12 months after the reporting date. The amendments clarify the criteria of classification (included that "future" covenants as well as management intentions do not affect classification as of the reporting date) and require certain additional disclosures;
- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures named Supplier Finance Arrangements*. The amendments clarify the influence of supplier finance arrangements on liabilities, cash flows, exposure to liquidity risk and risk management. Also the amendments presume certain additional disclosures.

The amendments mentioned above did not have a significant impact on the consolidated financial statements of the Group.

### (b) Basis of measurement

The consolidated financial statements have been prepared in accordance with the historical cost basis except as set out in the significant accounting policies in the related notes below.

### (c) Functional and presentation currency

The Company's functional currency is the United States Dollar ("USD") because it reflects the economic substance of the underlying events and circumstances of the Company. The functional currencies of the Group's significant subsidiaries are the currencies of the primary economic environment and key business processes of these subsidiaries and include USD, Russian Roubles ("RUB"), Chinese Yuan ("CNY") and Euros ("EUR"). The consolidated financial statements are presented in USD, rounded to the nearest million, except as otherwise stated herein.

The functional currencies of investments in associates and joint ventures are RUB, CNY, Kazakhstani tenge and Australian dollar.

### (d) Use of judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards require management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported revenue and costs during the relevant period.

Management bases its judgements and estimates on historical experience and various other factors that are believed to be appropriate and reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year relate to:

- Measurement of recoverable amount of property, plant and equipment (Note 13) and goodwill (Note 14);
- Measurement of net realizable value of inventories (Note 16);
- Measurement of recoverable amount of investments in associates and joint ventures (Note 15);
- Measurement of recoverable amount of deferred tax assets (Note 8);
- Estimates in respect of legal proceedings, restoration and exploration, taxation and pension reserve (Note 20);
- Measurement of fair value of derivative financial instruments (Note 21);
- Measurement of expected credit losses on financial assets (Note 17).

## (e) Basis of consolidation

### *(i) Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

When the group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

### *(ii) Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## (f) Foreign currencies

### *(i) Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary items in a foreign currency are measured based on historical cost and translated using the exchange rate at the date of transaction. Foreign currency differences arising on retranslation are recognised in the statement of income, except for differences arising on the retranslation of qualifying cash flow hedges to the extent the hedge is effective, which is recognised in the other comprehensive income.

### *(ii) Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated from their functional currencies to USD at the exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated to USD at exchange rates approximating exchange rates at the dates of the transactions.

Foreign currency differences arising on translation are recognised in the statement of comprehensive income and presented in the currency translation reserve in equity. For the purposes of foreign currency translation, the net investment in a foreign operation includes foreign currency intra-group balances for which settlement is neither planned nor likely in the foreseeable future and foreign currency differences arising from such a monetary item are recognised as part of other comprehensive income in the statement of comprehensive income.

When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount of the currency translation reserve is transferred to the statement of income as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to the statement of income.

## 4 Segment reporting

### (a) Reportable segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information or statements are available.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group has four reportable segments, as described below, which are the Group's strategic business units. These business units are managed separately and the results of their operations are reviewed by the CEO on a regular basis.

*Aluminium.* The Aluminium segment is involved in the production and sale of primary aluminium and related products.

*Alumina.* The Alumina segment is involved in the mining and refining of bauxite into alumina and the sale of alumina. The segment also includes the Group's equity investment in Hebei Wenfeng New Materials Co., Ltd starting from April 2024 (Note 15).

*Energy.* The Energy segment includes the Group companies and projects engaged in the mining and sale of coal and the generation and transmission of electricity produced from various sources. Where the generating facility is solely a part of an alumina or aluminium production facility it is included in the respective reportable segment.

*Mining and Metals.* The Mining and Metals segment includes the equity investment in PJSC MMC Norilsk Nickel ("Norilsk Nickel").

Other operations include manufacturing of semi-finished products from primary aluminium for the transportation, packaging, building and construction, consumer goods and technology industries; and the activities of the Group's administrative centres. None of these segments meet any of the quantitative thresholds for determining reportable segments in 2024 and 2023.

The Aluminium and Alumina segments are vertically integrated whereby the Alumina segment supplies alumina to the Aluminium segment for further refining and smelting with limited sales of alumina outside the Group. Integration between the Aluminium, Alumina and Energy segments also includes shared servicing and distribution.

## (b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of income tax assets and corporate assets. Segment liabilities include trade and other payables attributable to the production and sales activities of the individual segments. Loans and borrowings are not allocated to individual segments as they are centrally managed by the head office.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments excluding impairment.

Reporting segment results are calculated by adjusting profit before taxation for items not specifically attributed to individual segments, such as finance income, costs of loans and borrowings and other head office or corporate administration costs. The segment profit or loss is included in the internal management reports that are reviewed by the Group's CEO. Segment profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), the carrying value of investments and share of profits/(losses) of associates and joint ventures, depreciation, amortisation, impairment and additions of non-current segment assets used by the segments in their operations. Inter-segment pricing is determined on a consistent basis using market benchmarks.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets other than goodwill.

### *(i) Reportable segments*

*Year ended 31 December 2024*

| | Aluminium USD million | Alumina USD million | Energy USD million | Mining and Metals USD million | Total segment result USD million |
|---|---|---|---|---|---|
| Revenue from external customers | 10,009 | 1,213 | – | – | **11,222** |
| Inter-segment revenue | 282 | 4,094 | – | – | **4,376** |
| **Total segment revenue** | **10,291** | **5,307** | **–** | **–** | **15,598** |
| **Segment EBITDA** | **1,185** | **626** | **–** | **–** | **1,811** |
| Depreciation/amortisation | (384) | (92) | – | – | **(476)** |
| Share of profits of associates and joint ventures | – | 137 | 80 | 347 | **564** |
| **Segment profit** | **801** | **671** | **80** | **347** | **1,899** |
| Impairment of non-current assets | (423) | (145) | – | – | **(568)** |
| Non-cash income/(expense) other than depreciation | 3 | (11) | – | – | **(8)** |
| Capital expenditure | (873) | (355) | – | – | **(1,228)** |
| Non-cash additions to non-current segment assets related to site restoration | (3) | 20 | – | – | **17** |
| Segment assets | 9,189 | 2,106 | – | – | **11,295** |
| Interests in associates and joint ventures | – | 434 | 816 | 3,616 | **4,866** |
| **Total segment assets** | | | | | **16,161** |
| Segment liabilities | (1,556) | (630) | (18) | – | **(2,204)** |
| **Total segment liabilities** | | | | | **(2,204)** |

*Year ended 31 December 2023*

| | Aluminium USD million | Alumina USD million | Energy USD million | Mining and Metals USD million | Total segment result USD million |
|---|---|---|---|---|---|
| Revenue from external customers | 10,419 | 998 | – | – | **11,417** |
| Inter-segment revenue | 297 | 3,528 | – | – | **3,825** |
| **Total segment revenue** | **10,716** | **4,526** | **–** | **–** | **15,242** |
| **Segment EBITDA** | **919** | **240** | **–** | **–** | **1,159** |
| Depreciation/amortisation | (395) | (111) | – | – | **(506)** |
| Share of profits of associates and joint ventures | – | – | 123 | 629 | **752** |
| **Segment profit** | **524** | **129** | **123** | **629** | **1,405** |
| Impairment of non-current assets | (191) | (158) | – | – | **(349)** |
| Non-cash expense other than depreciation | (1) | (11) | – | – | **(12)** |
| Capital expenditure | (682) | (249) | – | – | **(931)** |
| Non-cash additions to non-current segment assets related to site restoration | (8) | 1 | – | – | **(7)** |
| Segment assets | 8,984 | 2,085 | – | – | **11,069** |
| Interests in associates and joint ventures | – | – | 850 | 3,670 | **4,520** |
| **Total segment assets** | | | | | **15,589** |
| Segment liabilities | (952) | (603) | (17) | – | **(1,572)** |
| **Total segment liabilities** | | | | | **(1,572)** |

### *(ii) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities*

| | Year ended 31 December 2024 USD million | Year ended 31 December 2023 USD million |
|---|---|---|
| **Revenue** | | |
| Reportable segment revenue | 15,598 | 15,242 |
| Elimination of inter-segment revenue | (4,376) | (3,825) |
| Unallocated revenue | 860 | 796 |
| **Consolidated revenue** | **12,082** | **12,213** |

| | Year ended 31 December 2024 USD million | Year ended 31 December 2023 USD million |
|---|---|---|
| **Profit** | | |
| Reportable segment profit | 1,899 | 1,405 |
| Impairment of non-current assets | (580) | (321) |
| Loss on disposal of property, plant and equipment | (8) | (4) |
| Finance income | 457 | 144 |
| Finance expenses | (531) | (573) |
| Unallocated profit/(loss) | (379) | (407) |
| **Consolidated profit before taxation** | **858** | **244** |

| | Year ended 31 December 2024 USD million | Year ended 31 December 2023 USD million |
|---|---|---|
| **Adjusted EBITDA** | | |
| Reportable segment EBITDA | 1,811 | 1,159 |
| Unallocated depreciation | 62 | 34 |
| Unallocated profit/(loss) | (379) | (407) |
| **Consolidated adjusted EBITDA** | **1,494** | **786** |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| | USD million | USD million |
| **Assets** | | |
| Reportable segment assets | 16,161 | 15,589 |
| Unallocated assets | 6,040 | 5,875 |
| **Consolidated total assets** | **22,201** | **21,464** |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| | USD million | USD million |
| **Liabilities** | | |
| Reportable segment liabilities | (2,204) | (1,572) |
| Unallocated liabilities | (8,781) | (8,876) |
| **Consolidated total liabilities** | **(10,985)** | **(10,448)** |

### *(iii) Geographic information*

The Group's operating segments are managed on a worldwide basis, but operate in five principal geographical areas: the CIS, Europe, Africa, Asia and the Americas. In the CIS, production facilities operate in Russia. In Europe, production facilities are located in Italy, Ireland and Sweden. African production facilities are represented by bauxite mines and an alumina refinery in Guinea. In the Americas the Group operates one production facility in Jamaica.

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets and interests in associates and joint ventures ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset. Unallocated specified non-current assets comprise mainly goodwill.

| | Revenue from external customers | |
|---|---|---|
| | Year ended 31 December | |
| | 2024 | 2023 |
| | USD million | USD million |
| Russia | 3,736 | 3,486 |
| China | 3,706 | 2,855 |
| South Korea | 856 | 1,191 |
| Turkey | 856 | 1,182 |
| Spain | 306 | 236 |
| Italy | 219 | 194 |
| Belorussia | 179 | 208 |
| Germany | 173 | 257 |
| France | 170 | 129 |
| Greece | 169 | 341 |
| Taiwan | 151 | 70 |
| Poland | 139 | 222 |
| Uzbekistan | 131 | 128 |
| Netherlands | 124 | 256 |
| Ireland | 115 | 115 |
| India | 113 | 133 |
| Other countries | 939 | 1,210 |
| | **12,082** | **12,213** |

| | Specified non-current assets | |
|---|---|---|
| | **31 December 2024** | **31 December 2023** |
| | **USD million** | **USD million** |
| Russia | 9,783 | 9,718 |
| China | 435 | – |
| Ireland | 85 | 89 |
| Guinea | 278 | 234 |
| Unallocated | 3,259 | 3,481 |
| | **13,840** | **13,522** |

## 5 Revenue

### Accounting policies

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

The details of significant accounting policies in relation to the Group's various goods and services are set out below:

***Sales of goods:*** comprise sale of primary aluminium, alloys, alumina, bauxite and other products. Customers obtain control of the goods supplied when the goods are delivered to the point when risks are transferred based on Incoterms delivery terms stated in the contract, legal title to the asset and physical possession of the asset is transferred. Invoices are generated and revenue is recognised at that point in time. Invoices are usually payable in advance or with deferral up to 90 days.

***Rendering of transportation services:*** as part of sales of goods the Group also performs transportation to the customer under contract terms. In certain cases the control for goods delivered is transferred to customer at earlier point than the transportation is completed. In these cases rendering of transportation services from when the control of goods has transferred is considered as a separate performance obligation.

***Rendering of electricity supply services:*** The Group is involved in sales of energy to 3rd and related parties. Invoices are issued once a month at the end of month and paid within 30 days. Revenue is recognised over time during the month of energy supply.

### Disclosures

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| **Revenue from contracts with customers** | **12,082** | **12,213** |
| **Sales of products** | **11,819** | **11,929** |
| Sales of primary aluminium and alloys | 9,726 | 10,129 |
| Sales of alumina and bauxite | 754 | 513 |
| Sales of foil and other aluminium products | 586 | 550 |
| Sales of other products | 753 | 737 |
| **Provision of services** | **263** | **284** |
| Supply of energy | 170 | 196 |
| Provision of transportation services | 20 | 30 |
| Provision of other services | 73 | 58 |
| **Total revenue by types of customers** | **12,082** | **12,213** |
| Third parties | 11,105 | 11,260 |
| Related parties – companies capable of exerting significant influence | 242 | 278 |
| Related parties – companies related through parent company | 196 | 211 |
| Related parties – associates and joint ventures | 539 | 464 |
| **Total revenue by primary regions** | **12,082** | **12,213** |
| Asia | 5,189 | 4,689 |
| CIS | 4,107 | 3,891 |
| Europe | 2,554 | 3,397 |
| America | 173 | 176 |
| Other | 59 | 60 |

Revenue from sale of primary aluminium and alloys relates to aluminium segment (Note 4). Revenue from sales of alumina and bauxite relates to alumina segment which also includes sale of other products. Revenue from sale of foil and other aluminium products and other products and services relates mostly to the revenue of non-reportable segments.

## 6 Cost of sales and operating expenses

### (a) Cost of sales

| | Year ended 31 December | |
|---|---|---|
| | 2024 | 2023 |
| | USD million | USD million |
| **Cost of alumina, bauxite and other materials** | **(5,041)** | **(4,921)** |
| Third parties | (4,443) | (4,860) |
| Related parties – companies capable of exerting significant influence | (81) | (51) |
| Related parties – companies related through parent company | (12) | (10) |
| Related parties – associates and joint ventures | (505) | – |
| **Purchases of primary aluminium** | **(652)** | **(819)** |
| Third parties | (52) | (163) |
| Related parties – companies related through parent company | – | – |
| Related parties – associates and joint ventures | (600) | (656) |
| **Energy costs** | **(2,277)** | **(2,288)** |
| Third parties | (1,154) | (1,298) |
| Related parties – companies capable of exerting significant influence | (42) | (45) |
| Related parties – companies related through parent company | (1,048) | (905) |
| Related parties – associates and joint ventures | (33) | (40) |
| **Personnel costs** | **(732)** | **(667)** |
| **Depreciation and amortisation** | **(508)** | **(513)** |
| **Change in finished goods** | **676** | **(540)** |
| **Other costs** | **(727)** | **(697)** |
| Third parties | (720) | (680) |
| Related parties – companies related through parent company | (7) | (17) |
| | **(9,261)** | **(10,445)** |

### (b) Distribution, administrative and other operating expenses, impairment of non-current assets

| | Year ended 31 December | |
|---|---|---|
| | 2024 | 2023 |
| | USD million | USD million |
| Transportation expenses | (630) | (558) |
| Impairment of non-current assets | (580) | (321) |
| Personnel costs | (359) | (288) |
| Consulting and legal expenses | (102) | (80) |
| Packaging materials | (79) | (54) |
| Repair and other services | (62) | (44) |
| Customs duties | (59) | (97) |
| Security | (53) | (49) |
| Social expenses | (50) | (48) |
| Taxes other than on income | (49) | (45) |
| Charitable donations | (47) | (33) |
| Expected credit losses | (44) | (1) |
| Depreciation and amortization | (30) | (27) |
| Cargo insurance | (17) | (15) |
| Traveling expenses | (15) | (12) |
| Loss on disposal of property, plant and equipment | (8) | (4) |
| Short-term lease and variable lease payments | (6) | (7) |
| Auditors' remuneration | (3) | (5) |
| Provision for legal claims | 4 | (2) |
| Other expenses | (264) | (157) |
| | **(2,453)** | **(1,847)** |

### (c) Personnel costs

**Accounting policies**

Personnel costs comprise salaries, annual bonuses, annual leave, cost of non-monetary benefits and social contributions. Salaries, annual bonuses, paid annual leave and cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The employees of the Group are also members of retirement schemes operated by local authorities. The Group is required to contribute a certain percentage of their payroll to these schemes to fund the benefits. The Group's total contribution to those schemes charged to the statement of income during the years presented is shown below.

The Group's net obligation in respect of defined benefit pension and other post-retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Where there is a change in actuarial assumptions, the resulting actuarial gains and losses are recognised directly in other comprehensive income.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in the statement of income on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately.

The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The gain or loss on curtailment comprises any resulting change in the fair value of plan assets, any change in the present value of the defined benefit obligation, any related actuarial gains and losses.

**Disclosures**

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| Contributions to defined contribution retirement plans | 229 | 203 |
| Contributions to defined benefit retirement plans | 2 | 3 |
| **Total retirement costs** | **231** | **206** |
| Wages and salaries | 860 | 750 |
| | **1 091** | **956** |

### (d) EBITDA and operating effectiveness measures

Adjusted EBITDA is the key non-IFRS financial measure used by the Group as reference for assessing operating effectiveness.

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| Results from operating activities | 368 | (79) |
| *Add:* | | |
| Amortisation and depreciation | 538 | 540 |
| Impairment of non-current assets | 580 | 321 |
| Loss on disposal of property, plant and equipment | 8 | 4 |
| **Adjusted EBITDA** | **1,494** | **786** |

## 7 Finance income and expenses

### Accounting policies

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses and changes in the fair value of investments measured at fair value through profit or loss, derivative financial instruments. All borrowing costs are recognised in the statement of income using the effective interest method, except for borrowing costs related to the acquisition, construction and production of qualifying assets which are recognised as part of the cost of such assets.

Foreign currency gains and losses are reported on a net basis. Foreign exchange gain on loans and borrowing for the year ended 31 December 2024 equalled to USD370 million (31 December 2023: gain in the amount of USD226 million).

### Disclosures

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| **Finance income** | | |
| Interest income on third party loans and deposits | 111 | 68 |
| Interest income on loans to related parties | 10 | – |
| Dividends from other investments | – | 25 |
| Net foreign exchange gain | 283 | 51 |
| Change in fair value of derivative financial instruments (refer to Note 21) | 53 | – |
| | **457** | **144** |
| **Finance expenses** | | |
| Interest expense on bank loans, bonds and other bank charges | (407) | (363) |
| Interest expense on provisions | (5) | (13) |
| Revaluation of investments measured at fair value through profit and loss, incl. forex effect | (114) | (94) |
| Change in fair value of derivative financial instruments (refer to Note 21) | – | (99) |
| Leases interest costs | (5) | (4) |
| | **(531)** | **(573)** |

## 8 Income tax

### Accounting policies

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of income and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements deferred tax liabilities are not recognized where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill (for taxable differences); the initial recognition of assets or liabilities in a transaction that a) is not a business combination, b) affects neither accounting nor taxable profit, c) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liability. Such changes to tax liabilities will impact tax expenses in the period that such a determination is made. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group has both the right and the intention to settle its current tax assets and liabilities on a net or simultaneous basis.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Withholding taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividends is recognised.

**Disclosures**

**(a) Income tax expense/(credit)**

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| **Current tax** | | |
| Current tax for the year | 120 | 93 |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | (65) | (170) |
| *Including effect of change in the tax rate in Russian Federation from 1 January 2025* | *(35)* | – |
| Windfall tax | – | 39 |
| **Actual tax expense/(credit)** | **55** | **(38)** |

The Company is considered a Russian tax resident with an applicable corporate tax rate of 20%, for dividend income of the Company tax rate is 0% and 10%. Subsidiaries pay income taxes in accordance with the legislative requirements of their respective tax jurisdictions. For subsidiaries domiciled in Russia, the applicable tax rate is 20%; Guinea of 0% to 35%; China of 25%; Kazakhstan of 20%; Australia of 30%; Jamaica of 25%; Ireland of 12.5%; Sweden of 20.6% and Italy of 26.93%, Switzerland of 9.08% and 11.85% and United Arab Emirates of 0% and 9%. For the Group's significant trading companies, the applicable tax rates range from 0% to 25%. The applicable tax rates for the year ended 31 December 2024 were the same as for the year ended 31 December 2023 except for tax rates for subsidiaries domiciled in Switzerland which amounted to 9.07% and 11.82%.

Management continues to monitor and evaluate the domestic implementation by relevant countries of the Organisation for Economic Co-operation and Development's (OECD) Pillar Two which seeks to apply a 15% global minimum tax. In order to be implemented, the Pillar Two rules must be adopted at the national tax legislation level of each respective country. Management estimates the exposure to additional taxation under Pillar Two as of the date of authorization of these consolidated financial statements for issue as immaterial for the Group. The Group applies the IAS 12 *Income Tax* temporary mandatory exception from deferred tax accounting for Pillar Two.

### Increase in the income tax rate in Russian Federation

On 12 July 2024, Federal Law No. 176-FZ *On Amendments to Parts One and Two of the Tax Code of the Russian Federation, Certain Legislative Acts of the Russian Federation, and the Annulment of Certain Provisions of Legislative Acts of the Russian Federation* was adopted. Among other things, the Law introduced an increase in the income tax rate from 20% to 25%. Thus, income tax for 2024 shall be paid at the rate of 20% and the new rate of 25% will apply from 2025 onwards. The Law is effective from 1 January 2025.

The Group accrued additional deferred tax liabilities and deferred tax assets to account for the increase in the income tax rate from 1 January 2025.

| | Year ended 31 December | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | USD million | % | USD million | % |
| **Profit before taxation** | **858** | **100** | **244** | **100** |
| Income tax at tax rate applicable to the tax residence of the Company | 172 | 20 | 49 | 20 |
| Effect of different income tax rates | (87) | (10) | (194) | (80) |
| Effect of changes in investment in Norilsk Nickel | (69) | (8) | (126) | (52) |
| Change in unrecognised deferred tax assets | (6) | (1) | 151 | 62 |
| Effect of reversal/accrual of impairment | 12 | 1 | 43 | 18 |
| Effect of windfall tax | – | – | 39 | 16 |
| Effect of the change in the tax rate in Russian Federation from 1 January 2025 | (35) | (4) | – | – |
| Other non-taxable income and non-deductible expenses, net | 68 | 8 | – | – |
| **Actual tax (credit)/expense** | **55** | **6** | **(38)** | **(16)** |

### (b) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following temporary differences:

| | Assets | | Liabilities | | Net | |
|---|---|---|---|---|---|---|
| USD million | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 |
| Property, plant and equipment | 121 | 100 | (723) | (603) | **(602)** | **(503)** |
| Inventories | 79 | 62 | (50) | (42) | **29** | **20** |
| Trade and other receivables | 104 | 77 | (77) | (59) | **27** | **18** |
| Trade and other payables and advances received | 30 | 27 | – | – | **30** | **27** |
| Tax loss carry-forwards | 78 | 60 | – | – | **78** | **60** |
| Others | 431 | 315 | (131) | (113) | **300** | **202** |
| **Deferred tax assets/ (liabilities)** | **843** | **641** | **(981)** | **(817)** | **(138)** | **(176)** |
| Set-off of deferred taxation | (515) | (412) | 515 | 412 | – | – |
| **Net deferred tax assets/ (liabilities)** | **328** | **229** | **(466)** | **(405)** | **(138)** | **(176)** |

Movement in deferred tax assets/(liabilities) during the year

| USD million | 1 January 2023 | Recognised in profit or loss | Foreign currency translation | 31 December 2023 |
|---|---|---|---|---|
| Property, plant and equipment | (482) | (44) | 23 | (503) |
| Inventories | 1 | 19 | – | 20 |
| Trade and other receivables | 20 | (2) | – | 18 |
| Trade and other payables and advances received | 18 | 9 | – | 27 |
| Tax loss carry-forwards | 129 | (69) | – | 60 |
| Others | (55) | 257 | – | 202 |
| **Total** | **(369)** | **170** | **23** | **(176)** |

| USD million | 1 January 2024 | Recognised in profit or loss | Foreign currency translation | 31 December 2024 |
|---|---|---|---|---|
| Property, plant and equipment | (503) | (72) | (27) | (602) |
| Inventories | 20 | 9 | – | 29 |
| Trade and other receivables | 18 | 9 | – | 27 |
| Trade and other payables and advances received | 27 | 3 | – | 30 |
| Tax loss carry-forwards | 60 | 18 | – | 78 |
| Others | 202 | 98 | – | 300 |
| **Total** | **(176)** | **65** | **(27)** | **(138)** |

Others comprise mostly deferred tax assets/(liabilities) arising on foreign exchange differences attributable to various financial instruments.

Recognised deferred tax assets for tax losses expire in the following years:

| Year of expiry | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Without expiry | 78 | 60 |
| | **78** | **60** |

## (c) Unrecognised deferred tax

At 31 December 2024 and 2023 the Group has not recognized deferred tax in respect to taxable temporary differences associated with investments in subsidiaries as the Group is able to control the timing of reversal of those investments and does not intend to reverse them in the foreseeable future.

At 31 December 2024 and 2023 the Group has not recognized deferred tax in respect to taxable temporary differences associated with investments in associates and joint ventures as both distribution of dividends and profit on sales are non-taxable.

Deferred tax assets have not been recognised in respect of the following items:

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Deductible temporary differences | 1,109 | 1,046 |
| Tax loss carry-forwards | 620 | 549 |
| | **1,729** | **1,595** |

Should the income tax rate in Russian Federation remained at the level of 20% starting from 1 January 2025, the amount of unrecognised deferred tax assets related to deductible temporary differences would have comprised USD996 million and the amount of tax loss carry-forwards would have comprised USD563 million.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom. Tax losses expire in the following years:

| Year of expiry | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Without expiry | 616 | 549 |
| From 6 to 10 years | 4 | – |
| | **620** | **549** |

## (d) Current taxation in the consolidated statement of financial position represents

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| **Net income tax (payable)/receivable at the beginning of the year** | **(18)** | **42** |
| Income tax for the year (including windfall tax in 2023) | (120) | (132) |
| Income tax paid (including windfall tax in 2023) | 127 | 125 |
| Tax provision | 4 | – |
| Translation difference | (1) | (53) |
| | **(8)** | **(18)** |
| *Represented by:* | | |
| Current tax liabilities (Note 17(c)) | (38) | (26) |
| Prepaid income tax | 30 | 8 |
| Windfall tax liability | – | (39) |
| Windfall tax prepaid | – | 39 |
| **Net income tax (payable)/receivable** | **(8)** | **(18)** |

## (e) Windfall tax

On 4 August 2023, Federal Law No. 414-FZ *On Windfall Tax* was adopted. The Law establishes the procedure for determining and paying a one-off tax on excess (windfall) profits.

The tax base for windfall tax is determined as the amount by which the arithmetic mean of profits for 2021-2022 exceeds that for 2018-2019. The tax rate is 10%. The tax is payable before 28 January 2024.

The Law also provides for the option of an early security payment to be made between 1 October and 30 November 2023. The security payment will form a tax credit that the taxpayer can use to reduce the tax. The amount of such tax credit cannot exceed ½ of the amount of tax payable. The tax credit is assumed to be zero if the advance payment is refunded (in full or in part) upon the taxpayer's claim. This effectively allows reducing the tax rate to 5%.

The Group has applied the option of reducing the tax amount by making an early security payment. Therefore, in these consolidated financial statements, the Group recognized a windfall tax liability in the amount of USD39 million within both current income tax expense and current tax liability, which has been settled at the reporting date.

## 9 Directors' remuneration

Directors' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of Directors) Regulations are as follows:

*Year ended 31 December 2024*

| | Directors' fees | Salaries, allowances, benefits in kind | Discretionary bonuses | Total |
|---|---|---|---|---|
| | USD thousand | USD thousand | USD thousand | USD thousand |
| **Executive Directors** | | | | |
| Evgenii Nikitin | – | 1,858 | 1,417 | **3,275** |
| Natalia Albrekht (a) | – | 325 | 62 | **387** |
| Elena Ivanova (a) | – | 44 | – | **44** |
| Evgenii Vavilov (b) | – | 21 | 4 | **25** |
| Evgeny Kuryanov (b) | – | 159 | 200 | **359** |
| **Non-executive Directors** | | | | |
| Vladimir Kolmogorov | 233 | – | – | **233** |
| Semen Mironov (c) | 301 | – | – | **301** |
| Aleksander Danilov (d) | 124 | – | – | **124** |
| Mikhail Khardikov (b) | 142 | – | – | **142** |
| **Independent Non-executive Directors** | | | | |
| Bernard Zonneveld (Chairman) | 1,671 | – | – | **1,671** |
| Christopher Burnham | 300 | – | – | **300** |
| Kevin Parker | 298 | – | – | **298** |
| Evgeny Svarts | 290 | – | – | **290** |
| Randolph Reynolds (e) | 102 | – | – | **102** |
| Anna Vasilenko | 290 | – | – | **290** |
| Lyudmila Galenskaya | 252 | – | – | **252** |
| | **4,003** | **2,407** | **1,683** | **8,093** |

*Year ended 31 December 2023*

| | Directors' fees | Salaries, allowances, benefits in kind | Discretionary bonuses | Total |
|---|---|---|---|---|
| | USD thousand | USD thousand | USD thousand | USD thousand |
| **Executive Directors** | | | | |
| Evgenii Nikitin | – | 1,792 | 1,293 | **3,085** |
| Evgenii Vavilov (b) | – | 41 | 7 | **48** |
| Evgeny Kuryanov (b) | – | 306 | 202 | **508** |
| **Non-executive Directors** | | | | |
| Marco Musetti (g) | 142 | – | – | **142** |
| Vladimir Kolmogorov | 238 | – | – | **238** |
| Mikhail Khardikov (b) | 298 | – | – | **298** |
| Semen Mironov (c) | 149 | – | – | **149** |
| **Independent Non-executive Directors** | | | | |
| Bernard Zonneveld (Chairman) | 1,669 | – | – | **1,669** |
| Christopher Burnham | 298 | – | – | **298** |
| Kevin Parker | 299 | – | – | **299** |
| Evgeny Svarts | 280 | – | – | **280** |
| Randolph Reynolds (f) | 272 | – | – | **272** |
| Anna Vasilenko | 280 | – | – | **280** |
| Lyudmila Galenskaya | 252 | – | – | **252** |
| | **4,177** | **2,139** | **1,502** | **7,818** |

a. Natalia Albrekht and Elena Ivanova were appointed as Executive Directors in June 2024.

b. Evgenii Vavilov, Evgeny Kuryanov and Mikhail Khardikov were not re-elected at Annual General Meeting in June 2024.

c. Semen Mironov was appointed as Non-executive Director in June 2023.

d. Aleksander Danilov was appointed as Non-executive Director in June 2024.

e. Randolph Reynolds ceased to be a Director in May 2024;

f. Marco Musetti resigned from his position as Non-executive Director in June 2023.

The remuneration of the executive directors disclosed above includes compensation received starting from the date of the appointment and/or for the period until their termination as a member of the Board of Directors.

Executive directors' remuneration for the year ended 31 December 2024 includes contributions to the state pension funds in the following amounts: Mr. Nikitin – USD437 thousand, Mrs. Albrekht – USD27 thousand, Mrs. Ivanova – USD6 thousand, Mr. Vavilov – USD6 thousand, Mr. Kuryanov – USD50 thousand. Executive directors' remuneration for the year ended 31 December 2023 includes contributions to the state pension funds in the following amounts: Mr. Nikitin – USD417 thousand, Mr. Vavilov – USD9 thousand, Mr. Kuryanov – USD70 thousand.

## 10 Individuals with highest emoluments

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **USD thousand** | **USD thousand** |
| Salaries | 8,879 | 11,639 |
| Discretionary bonuses | 9,645 | 11,792 |
| Retirement scheme contributions | 1,696 | 3,006 |
| | **20,220** | **26,437** |

The emoluments of individuals with the highest emoluments are within the following bands:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| | **Number of individuals** | **Number of individuals** |
| HK$23,500,001-HK$24,000,000 (USD3,000,001 – USD3,070,000) | – | 1 |
| HK$24,000,001-HK$24,500,000 (USD3,070,001 – USD3,140,000) | – | 1 |
| HK$24,500,001-HK$25,000,000 (USD3,140,001 – USD3,210,000) | 1 | – |
| HK$25,500,001-HK$26,000,000 (USD3,270,001 – USD3,340,000) | 1 | – |
| HK$26,500,001-HK$27,000,000 (USD3,400,001 – USD3,470,000) | 1 | – |
| HK$35,500,001-HK$36,000,000 (USD4,540,001 – USD4,610,000) | 1 | 1 |
| HK$41,000,001-HK$41,500,000 (USD5,200,001 – USD5,270,000) | – | 1 |
| HK$44,500,001-HK$45,000,000 (USD5,700,001 – USD5,770,000) | 1 | – |
| HK$82,000,001-HK$82,500,000 (USD10,450,001 – USD10,520,000) | – | 1 |

No emoluments have been paid to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years presented.

The remuneration for the years ended 31 December 2024 and 31 December 2023 includes contributions to the state pension funds.

## 11 Dividends

No dividends were declared and paid by the Company during the years ended 31 December 2024 and 31 December 2023 respectively.

The Company is subject to external capital requirements (refer to Note 22(f)).

## 12 Earnings per share

The calculation of earnings per share is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average number of shares in issue during the years ended 31 December 2024 and 31 December 2023. Weighted average number of shares:

| | Year ended 31 December | |
|---|---|---|
| | **2024** | **2023** |
| Issued ordinary shares at beginning of the year | 15,193,014,862 | 15,193,014,862 |
| Effect of treasury shares | – | – |
| **Weighted average number of shares at end of the year** | **15,193,014,862** | **15,193,014,862** |
| Profit for the year, USD million | 803 | 282 |
| **Basic and diluted earnings per share, USD** | **0.053** | **0.019** |

There were no outstanding dilutive instruments during the years ended 31 December 2024 and 2023.

## 13 Property, plant and equipment and investment properties

### Accounting policies

***Property, plant and equipment***

### *(i) Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of periodic relining of electrolysers is capitalised and depreciated over the expected production period.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within gain/(loss) on disposal of property, plant and equipment in the statement of income.

### *(ii) Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of income as incurred.

### *(iii) Exploration and evaluation assets*

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activities include:

- Researching and analysing historical exploration data;
- Gathering exploration data through topographical, geochemical and geophysical studies;
- Exploratory drilling, trenching and sampling;
- Determining and examining the volume and grade of the resource;
- Surveying transportation and infrastructure requirements; and
- Conducting market and finance studies.

Administration costs that are not directly attributable to a specific exploration area are charged to the statement of income.

License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Exploration and evaluation expenditure is capitalised as exploration and evaluation assets when it is expected that expenditure related to an area of interest will be recouped by future exploitation, sale, or, at the reporting date, the exploration and evaluation activities have not reached a stage that permits a reasonable assessment of the existence of commercially recoverable ore reserves. Capitalised exploration and evaluation expenditure is recorded as a component of property, plant and equipment at cost less impairment losses. As the asset is not available for use, it is not depreciated. All capitalised exploration and evaluation expenditure is monitored for indications of impairment. Where there are indicators of potential impairment, an assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash-generating unit) to which the exploration is attributed. Exploration areas at which reserves have been discovered but which require major capital expenditure before production can begin are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway or planned. To the extent that capitalised expenditure is not expected to be recovered it is charged to the statement of income.

Exploration and evaluation assets are transferred to mining property, plant and equipment or intangible assets when development is sanctioned.

***(iv) Stripping costs***

Expenditure relating to the stripping of overburden layers of ore, including estimated site restoration costs, is included in the cost of production in the period in which it is incurred.

However, to the extent the benefit is improved access to ore, the Group recognises these costs as a non-current asset, if only: (a) it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity; (b) the entity can identify the component of the ore body for which access has been improved; and (c) the costs relating to the stripping activity associated with that component can be measured reliably.

***(v) Mining assets***

Mining assets are recorded as construction in progress and transferred to mining property, plant and equipment when a new mine reaches commercial production.

Mining assets include expenditure incurred for:

- Acquiring mineral and development rights;
- Developing new mining operations.

Mining assets include interest capitalised during the construction period, when financed by borrowings.

***(vi) Depreciation***

The carrying amounts of property, plant and equipment (including initial and any subsequent capital expenditure) are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of the associated mine or mineral lease, if shorter. Estimates of residual values and useful lives are reassessed annually and any change in estimate is taken into account in the determination of remaining depreciation charges. Leased assets are depreciated over the shorter of the lease term and their useful lives. Freehold land is not depreciated.

The property, plant and equipment is depreciated on a straight-line or units of production basis over the respective estimated useful lives as follows:

| | |
|---|---|
| • Buildings | 30 to 50 years; |
| • Plant, machinery and equipment | 5 to 40 years; |
| • Electrolysers | 4 to 15 years; |
| • Mining assets | Units of production on proven and probable reserves; |
| • Other (except for exploration and evaluation assets) | 1 to 20 years. |

In 2024 and 2023, the Group revised the residual useful lives for certain items of property, plant and equipment. For the movables (machinery and equipment, other fixed assets), the useful lives were extended by an average of 2.5 years, for the immovables (buildings) – by an average of 5.5 years. In this regard, depreciation expenses for 2024 decreased by USD6 million, or by USD5 million for movables and USD1 million for immovables.

In 2023, the Group revised the residual useful lives for certain items of property, plant and equipment. For the movables (machinery and equipment, other fixed assets), the useful lives were extended by an average of 2.5 years, for the immovables (buildings) – by an average of 5.5 years. In this regard, depreciation expenses for 2023 decreased by USD17 million, or by USD15 million for movables and USD2 million for immovables.

***Investment properties***

Investment property is property held by the Group to earn rental income or for capital appreciation, or both, and is not occupied by the Group. Investment properties is measured initially at cost, including transaction costs. Subsequently investment property is measured at historical cost less accumulated depreciation and impairment. If any indication exists that investment property may be impaired, the Group estimates the recoverable amount as the higher of value in use and fair value less costs to sell. The carrying amount of investment property is written down to its recoverable amount through a charge to profit or loss for the period. An impairment loss recognized in prior periods is reversed if there has been a subsequent change in the estimates used to determine the asset's recoverable amount. If an investment property becomes owner-occupied, it is reclassified to land and buildings.

## Disclosures

| USD million | Land and buildings | Machinery and equipment | Electro-lysers | Other | Mining assets | Construc-tion in progress | Total |
|---|---|---|---|---|---|---|---|
| **Cost / deemed cost** | | | | | | | |
| **Balance at 1 January 2023** | **4,152** | **7,499** | **3,298** | **191** | **436** | **3,047** | **18,623** |
| Additions | 18 | 63 | – | 12 | 45 | 983 | **1,121** |
| Acquired through business combination | – | 5 | – | – | – | – | **5** |
| Disposals | (221) | (355) | (1,938) | (5) | (40) | (65) | **(2,624)** |
| Transfers | 172 | 372 | 179 | 9 | 19 | (751) | **–** |
| Foreign currency translation | (167) | (186) | (31) | (2) | (66) | (159) | **(611)** |
| **Balance at 31 December 2023** | **3,954** | **7,398** | **1,508** | **205** | **394** | **3,055** | **16,514** |
| **Balance at 1 January 2024** | **3,954** | **7,398** | **1,508** | **205** | **394** | **3,055** | **16,514** |
| Additions | 14 | 120 | 1 | 3 | 27 | 1338 | **1,503** |
| Acquired through business combination | – | – | – | – | – | – | **–** |
| Disposals | (13) | (84) | (137) | (1) | (47) | (8) | **(290)** |
| Transfers | 523 | 528 | 490 | 40 | – | (1,581) | **–** |
| Foreign currency translation | (99) | (124) | (23) | (3) | (33) | (104) | **(386)** |
| **Balance at 31 December 2024** | **4,379** | **7,838** | **1,839** | **244** | **341** | **2,700** | **17,341** |
| **Accumulated depreciation and impairment losses** | | | | | | | |
| **Balance at 1 January 2023** | **2,496** | **6,194** | **2,814** | **160** | **420** | **710** | **12,794** |
| Depreciation charge | 105 | 250 | 175 | 7 | 5 | – | **542** |
| Impairment loss/(reversal) of impairment loss | (9) | 74 | 22 | 3 | 25 | 149 | **264** |
| Disposals | (211) | (339) | (1,938) | (3) | (6) | (46) | **(2,543)** |
| Transfers | – | – | – | – | – | – | **–** |
| Foreign currency translation | (77) | (131) | (26) | 1 | (65) | (51) | **(349)** |
| **Balance at 31 December 2023** | **2,304** | **6,048** | **1,047** | **168** | **379** | **762** | **10,708** |
| **Balance at 1 January 2024** | **2,304** | **6,048** | **1,047** | **168** | **379** | **762** | **10,708** |
| Depreciation charge | 129 | 239 | 188 | 6 | (6) | – | **556** |
| Impairment loss/(reversal) of impairment loss | 55 | 188 | 93 | 4 | (18) | 218 | **540** |
| Disposals | (5) | (74) | (137) | (2) | – | – | **(218)** |
| Transfers | – | – | – | – | – | – | **–** |
| Foreign currency translation | (57) | (107) | (20) | – | (32) | (34) | **(250)** |
| **Balance at 31 December 2024** | **2,426** | **6,294** | **1,171** | **176** | **323** | **946** | **11,336** |
| **Net book value** | | | | | | | |
| **At 31 December 2023** | **1,650** | **1,350** | **461** | **37** | **15** | **2,293** | **5,806** |
| **At 31 December 2024** | **1,953** | **1,544** | **668** | **68** | **18** | **1,754** | **6,005** |

In 2023 and 2024 the Group wrote off several fully depreciated objects of property, plant and equipment.

Depreciation expense of USD482 million (2023: USD494 million) has been charged to cost of goods sold, USD6 million (2023: USD3 million) to distribution expenses and USD24 million (2023: USD24 million) to administrative expenses.

The Group acquired property, plant and equipment in the total amount of USD1,503 million for the year ended 31 December 2024 (USD1,121 million for the year ended 31 December 2023). The carrying amount of property, plant and equipment disposed during the year ended 31 December 2024 comprised USD72 million (USD81 million for the year ended 31 December 2023).

During the year ended 31 December 2024 interest expense of USD89 million was capitalised in the course of active construction at several projects. The average capitalisation rate was 8.6% (2023: USD56 million; 7.25%).

Included into land and buildings as at 31 December 2024 is the investment property in the amount of USD47 million. The amount as at 31 December 2023 was USD55 million.

Included into construction in progress as at 31 December 2024 and 2023 are advances to suppliers of property, plant and equipment in the amount of USD300 million and USD211 million, respectively.

The carrying value of property, plant and equipment subject to lien under loan agreements was USD3 million as at 31 December 2024 (31 December 2023: USD3 million), refer to Note 19.

### *(vii) Impairment*

In accordance with the Group's accounting policies, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (ie an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Group generally determines fair value of the asset or cash generating unit as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal.

Value in use is also generally determined as the present value of the estimated future cash flows, but only those expected to arise from the continued use of the asset in its present form and its eventual disposal. Present values are determined using a risk-adjusted pre-tax discount rate appropriate to the risks inherent in the asset. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), bauxite reserve estimate, operating costs, restoration and rehabilitation costs and future capital expenditure.

Bauxite reserves are estimates of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. The Group determines ore reserves under the Australasian Code for Reporting of Mineral Resources and Ore Reserves September 1999, known as the JORC Code. The JORC Code requires the use of reasonable investment assumptions to calculate reserves.

Management identified that significant increase of aluminium prices as a result of LME appreciation indicated that for a number of Group's cash-generating units previously recognised impairment loss may require reversal. At the same time due to significant increase of oil and gas prices and overall market instability impairment loss may be recognised for a number of cash-generating units. For alumina cash generating units, major influence was from unfavourable dynamics in prices of energy resources being a significant part of cash cost.

Based on results of impairment testing as at 31 December 2024, management has concluded that a reversal of previously recognised impairment loss relating to property, plant and equipment should be recognised in these consolidated financial statements in respect of PGLZ, RUSAL BAZ and RUSAL UAZ in the amount of USD47 million. Additionally management concluded that at the same date an impairment loss relating to property, plant and equipment of Taishet Aluminium Smelter, UC RUSAL Anode Plant, RUSAL KAZ and RUSAL Sayanal in the amount of USD402 million should be recognised in these consolidated financial statements.

Based on results of impairment testing as at 31 December 2023, management has concluded that a reversal of previously recognised impairment loss relating to property, plant and equipment should be recognised in these consolidated financial statements in respect of RUSAL Sayanal, Kremny and Rusal Silicon Ural in the amount of USD117 million. Additionally management concluded that at the same date an impairment loss relating to property, plant and equipment of Kubikenborg Aluminium (Kubal) and Taishet Aluminium Smelter in the amount of USD270 million should be recognised in these consolidated financial statements.

Additionally, management identified specific items of property, plant and equipment that are no longer in use and therefore are not considered to be recoverable amounting to USD173 million as at 31 December 2024 (2023: USD111 million). These assets have been impaired in full. No further impairment of property, plant and equipment or reversal of previously recorded impairment was identified by management.

For the purposes of impairment testing the recoverable amount of each cash generating unit was determined by discounting expected future net cash flows of the cash generating unit. Assumptions used to determine the recoverable amount of the cash generating units are the same as disclosed in Note 14(vi). Values assigned to key assumptions and estimates used to measure the units' recoverable amount was based on external sources of information and historic data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The pre-tax discount rates applied to the above mentioned cash generating units, estimated in nominal terms based on an industry weighted average cost of capital, are presented in the table below.

| | **Year ended 31 December** | |
|---|---|---|
| | **2024** | **2023** |
| Taishet Aluminium Smelter and UC Rusal Anode Plant | 19.8% | 18.7% |
| RUSAL KAZ | 21.6% | 20.1% |
| RUSAL Sayanal | 24.5% | 21.9% |
| PGLZ | 25.9% | 16.6% |
| Kremny | 21.1% | 19.7% |
| RUSAL Silicon Ural | 21.1% | 19.8% |
| Kubikenborg Aluminium (Kubal) | 14.3% | 14.5% |

The recoverable amount of a number of the cash generating units tested for impairment are particularly sensitive to changes in forecast aluminium and alumina prices, foreign exchange rates and applicable discount rates.

The results of impairment testing of Taishet Aluminium Smelter and UC Rusal Anode Plant are particularly sensitive to the following key assumptions:

- Five percent reduction in the projected aluminium price level will result in a decrease in the recoverable amount of Taishet Aluminium Smelter and UC Rusal Anode Plant and will lead to an additional impairment in the total amount of USD743 million;

- One percent increase in the discount rate applied will result in a decrease in the recoverable amount of Taishet Aluminium Smelter and UC Rusal Anode Plant and will lead to an additional impairment in the total amount of USD478 million.

***(viii) Leases***

The Group assesses whether a contract is or contains a lease based on whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment or modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for the leases of properties in which Group acts as a lessee, the Group does not separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group applies judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options, the assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

In determining the enforceable period (i.e. the maximum lease term), the Group considers whether both it and the lessor has a right to terminate the lease without permission from the other party and, if so, whether that termination would result in more than an insignificant penalty. If a more than insignificant penalty exists, then the enforceable period extends until the point at which a no more than an insignificant penalty exists.

The Group leases many assets, including land, properties and production equipment. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability as required by IFRS 16.

The cost comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group presents right-of-use assets as part of property plant and equipment, the same line item as it presents underlying assets of the same nature that it owns. Additions to right-of-use assets were in the amount of USD16 million during the year ended 31 December 2024 (31 December 2023: USD20 million). The carrying amounts of right-of-use assets are presented below.

| | **Property, plant and equipment** | | |
|---|---|---|---|
| **USD million** | **Land and buildings** | **Machinery and equipment** | **Total** |
| Balance at 1 January 2024 | 19 | 12 | **31** |
| **Balance at 31 December 2024** | **18** | **27** | **45** |

Total depreciation charges related to the right-of-use assets for the year ended 31 December 2024 amount to USD14 million (31 December 2023: USD15 million).

There was no impairment of right-of-use assets during the year ended 31 December 2024 (31 December 2023: USD3 million impaired). The Group's total cash outflow for leases was in the amount of USD23 million for the year ended 31 December 2024 (31 December 2023: USD20 million).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

In accordance with IFRS 16 variable payments which do not depend on index or rate, e.g. which do not reflect changes in market rental rates, should not be included in the measurement of lease liability. In respect of municipal or federal land leases where lease payments are based on cadastral value of the land plot and do not change until the next revision of that value or the applicable rates (or both) by the authorities, the Group has determined that, under the current revision mechanism, the land lease payments cannot be considered as either variable that depend on index or rate or in-substance fixed, and therefore these payments are not included in the measurement of the lease liability. Future cash outflows to which the Group is potentially exposed that are not recognised in right-to-use assets and are not reflected in the measurement of lease liabilities and which arise from variable lease payments not linked to index or rate are in the amount of USD66 million as at 31 December 2024 (31 December 2023: USD37 million).

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group presents lease liabilities as part of other payables and other non-current liabilities in the statement of financial position depending on the period to which future lease payments relate. Total non-current part of lease liabilities as at 31 December 2024 amounted to USD42 million (31 December 2023: USD30 million).

Total interest costs on leases recognised for the year ended 31 December 2024 amount to USD5 million (31 December 2023: USD4 million).

The Group does not recognise right-of-use assets and lease liabilities for some leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The expense relating to short-term and low-value leases in the amount of USD15 million is included in cost of sales or administrative expenses depending on type of underlying asset for the year ended 31 December 2024 (31 December 2023: USD19 million).

When the Group is an intermediate lessor the sub-leases are classified with reference to the right-of the use asset arising from the head lease, not with reference to the underlying asset.

## 14 Intangible assets

### Accounting policies

### *(i) Goodwill*

On the acquisition of a subsidiary, an interest in a joint venture or an associate or an interest in a joint arrangement that comprises a business, the identifiable assets, liabilities and contingent liabilities of the acquired business (or interest in a business) are recognised at their fair values. Where the fair values of assumed contingent liabilities cannot be measured reliably, no liability is recognised but the contingent liability is disclosed in the same manner as for other contingent liabilities.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If concentration test is met the acquired set of activities and assets is not a business.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Goodwill arises when the cost of acquisition exceeds the Group's interest in the net fair value of identifiable net assets acquired. The Group measures goodwill at the acquisition date as the fair value of the consideration transferred plus the recognised amount of any non-controlling interests in the acquiree less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill is not amortised but is tested for impairment annually. For this purpose, goodwill arising on a business combination is allocated to the cash-generating units expected to benefit from the acquisition and any impairment loss recognised is not reversed even where circumstances indicate a recovery in value.

When the Group's share in the fair value of identifiable net assets acquired exceeds the cost of acquisition, the difference is recognised immediately in the statement of income.

In respect of associates or joint ventures, the carrying amount of goodwill is included in the carrying amount of the interest in the associate and joint venture and the investment as a whole is tested for impairment whenever there is objective evidence of impairment. Any impairment loss is allocated to the carrying amount of the interest in the associate and joint venture.

***(ii) Research and development***

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of income when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use and capitalised borrowing costs. Other development expenditure is recognised in the statement of income when incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

***(iii) Other intangible assets***

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

***(iv) Subsequent expenditure***

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of income when incurred.

***(v) Amortisation***

Amortisation is recognised in the statement of income on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives are as follows:

- Software 5 years;
- Other 2-8 years.

The amortisation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

**Disclosures**

| | Goodwill USD million | Other intangible assets USD million | Total USD million |
|---|---|---|---|
| **Cost** | | | |
| **Balance at 1 January 2023** | **2,883** | **631** | **3,514** |
| Additions | 6 | 34 | **40** |
| Disposals | – | (7) | **(7)** |
| Foreign currency translation | (236) | (14) | **(250)** |
| **Balance at 31 December 2023** | **2,653** | **644** | **3,297** |
| **Balance at 1 January 2024** | **2,653** | **644** | **3,297** |
| Additions | – | 34 | **34** |
| Disposals | – | (9) | **(9)** |
| Foreign currency translation | (91) | (7) | **(98)** |
| **Balance at 31 December 2024** | **2,562** | **662** | **3,224** |
| **Amortisation and impairment losses** | | | |
| **Balance at 1 January 2023** | **(449)** | **(460)** | **(909)** |
| Amortisation charge | – | (19) | **(19)** |
| Disposals | – | 7 | **7** |
| Impairment loss | (48) | 3 | **(45)** |
| Foreign currency translation | – | 6 | **6** |
| **Balance at 31 December 2023** | **(497)** | **(463)** | **(960)** |
| **Balance at 1 January 2024** | **(497)** | **(463)** | **(960)** |
| Amortisation charge | – | (26) | **(26)** |
| Disposals | – | 9 | **9** |
| Impairment loss | (51) | 1 | **(50)** |
| Foreign currency translation | – | 4 | **4** |
| **Balance at 31 December 2024** | **(548)** | **(475)** | **(1,023)** |
| **Net book value** | | | |
| **At 31 December 2023** | **2,156** | **181** | **2,337** |
| **At 31 December 2024** | **2,014** | **187** | **2,201** |

The amortisation charge is included in cost of sales in the consolidated statement of income.

Goodwill recognised in these consolidated financial statements as at 31 December 2024 initially arose on the formation of the Group in 2000-2003. The amount of goodwill was principally increased in 2007 as a result of the acquisition of certain businesses of SUAL Partners and Glencore.

### *(vi) Impairment*

For the purposes of impairment testing, the entire amount of goodwill is allocated to the aluminium segment of the Group's operations. The aluminium segment represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. The recoverable amount represents value in use as determined by discounting the future cash flows generated from the continuing use of the plants within the Group's aluminium segment.

Similar considerations to those described above in respect of assessing the recoverable amount of property, plant and equipment apply to goodwill.

At 31 December 2024, management analysed changes in the economic environment and developments in the aluminium industry and the Group's operations since 31 December 2023 and performed an impairment test for goodwill at 31 December 2024 using the following assumptions to determine the recoverable amount of the segment:

- Total production was estimated based on average sustainable production levels of 3.8 million metric tonnes of primary aluminium, of 5.5 million metric tonnes of alumina and of 19 million metric tonnes of bauxite. Bauxite and alumina will be used primarily internally for production of primary aluminium;

- The aluminium and alumina prices were based on the long-term aluminium and alumina price outlook derived from available industry and market sources and were as follows:

| | **2025** | **2026** | **2027** | **2028** | **2029** |
|---|---|---|---|---|---|
| Aluminium sales prices, based on the long-term aluminium price outlook, USD per tonne | 2,566 | 2,583 | 2,586 | 2,620 | 2,657 |
| Alumina sales prices, based on the long-term alumina price outlook, USD per tonne | 530 | 418 | 409 | 415 | 430 |
| Nominal foreign currency exchange rates, RUB per 1USD | 102.52 | 106.36 | 109.26 | 114.04 | 117.90 |
| Inflation in RUB | 10.38% | 8.91% | 7.46% | 6.46% | 5.46% |
| Inflation in USD | 2.41% | 2.36% | 2.39% | 2.0% | 2.0% |

- Operating costs were projected based on the historical performance adjusted for inflation. Nominal foreign currency exchange rates applied to convert operating costs of the Group denominated in RUB into USD and inflation in RUB and USD assumed in determining recoverable amounts were as above;
- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital basis and was 21.72%;
- A terminal value was derived following the forecast period assuming a 2.0% annual growth rate.

Values assigned to key assumptions and estimates used to measure the units' recoverable amount were based on external sources of information and historic data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results were particularly sensitive to the following key assumptions:

- A 5% reduction in the projected aluminium and alumina price levels would result in a decrease in the recoverable amount by 13% but would not lead to an impairment;
- A 5% increase in the projected level of electricity costs in the aluminium production would have resulted in a 5% decrease in the recoverable amount but would not lead to an impairment;
- A 1% increase in the discount rate would have resulted in a 6% decrease in the recoverable amount but would not lead to an impairment.

Based on results of impairment testing of goodwill, management concluded that no impairment should be recorded in the consolidated financial statements as at 31 December 2024.

At 31 December 2023, management analysed changes in the economic environment and developments in the aluminium industry and the Group's operations since 31 December 2022 and performed an impairment test for goodwill at 31 December 2023 using the following assumptions to determine the recoverable amount of the segment:

- Total production was estimated based on average sustainable production levels of 4 million metric tonnes of primary aluminium, of 5.6 million metric tonnes of alumina and of 16.2 million metric tonnes of bauxite. Bauxite and alumina will be used primarily internally for production of primary aluminium;
- The aluminium and alumina prices were based on the long-term aluminium and alumina price outlook derived from available industry and market sources and were as follows:

| | **2024** | **2025** | **2026** | **2027** | **2028** |
|---|---|---|---|---|---|
| Aluminium sales prices, based on the long-term aluminium price outlook, USD per tonne | 2,283 | 2,434 | 2,538 | 2,575 | 2,529 |
| Alumina sales prices, based on the long-term alumina price outlook, USD per tonne | 343 | 345 | 353 | 364 | 370 |
| Nominal foreign currency exchange rates, RUB per 1USD | 91.12 | 92.36 | 93.98 | 94.56 | 95.14 |
| Inflation in RUB | 7.0% | 5.3% | 4.7% | 4.2% | 4.0% |
| Inflation in USD | 2.8% | 2.3% | 2.3% | 2.0% | 2.0% |

- Operating costs were projected based on the historical performance adjusted for inflation. Nominal foreign currency exchange rates applied to convert operating costs of the Group denominated in RUB into USD and inflation in RUB and USD assumed in determining recoverable amounts were as above;

- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital basis and was 20.28%;
- A terminal value was derived following the forecast period assuming a 2.0% annual growth rate.

Values assigned to key assumptions and estimates used to measure the units' recoverable amount were based on external sources of information and historic data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results were particularly sensitive to the following key assumptions:

- A 5% reduction in the projected aluminium and alumina price levels would result in a decrease in the recoverable amount by 18% but would not lead to an impairment;
- A 5% increase in the projected level of electricity costs in the aluminium production would have resulted in a 8% decrease in the recoverable amount but would not lead to an impairment;
- A 1% increase in the discount rate would have resulted in a 8% decrease in the recoverable amount but would not lead to an impairment.
- Based on results of impairment testing of goodwill, management concluded that no impairment should be recorded in the consolidated financial statements as at 31 December 2023.

## 15 Interests in associates and joint ventures

### Accounting policies

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of income, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the other comprehensive income, the Group's share of the post-acquisition results of the investee recorded directly in the statement of changes in equity is recognized in the consolidated statement of changes in equity as the share of other changes in equity of associate.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In accordance with the Group's accounting policies, each investment in an associate or joint venture is evaluated every reporting period to determine whether there are any indications of impairment after application of the equity method of accounting. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an investment in an associate or joint venture is measured at the higher of fair value less costs to sell and value in use.

Similar considerations to those described above in respect of assessing the recoverable amount of property, plant and equipment apply to investments in associates or joint venture. In addition to the considerations described above the Group may also assess the estimated future cash flows expected to arise from dividends to be received from the investment, if such information is available and considered reliable.

**Disclosures**

| | 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | | | 2023 | | |
| | USD million | | | USD million | | |
| | Investments in joint ventures | Investments in associates | Total | Investments in joint ventures | Investments in associates | Total |
| **Balance at the beginning of the year** | **850** | **3,671** | **4,521** | **888** | **4,286** | **5,174** |
| Acquisition of Hebei Wenfeng New Materials Co., Ltd | 316 | – | **316** | – | – | **–** |
| Group's share of profits | 217 | 347 | **564** | 123 | 629 | **752** |
| Dividends | (34) | – | **(34)** | – | (398) | **(398)** |
| Foreign currency translation | (94) | (402) | **(496)** | (161) | (846) | **(1,007)** |
| Unrealised profit or (loss) | (3) | – | **(3)** | – | – | **–** |
| **Balance at the end of the year** | **1,252** | **3,616** | **4,868** | **850** | **3,671** | **4,521** |
| Goodwill included in interests in associates / joint ventures | 84 | 1,801 | **1,885** | – | 1,982 | **1,982** |

The following list contains only the particulars of associates and joint ventures, all of which are corporate entities, which principally affected the results or assets of the Group.

| Name of associate / joint venture | Place of incorporation and operation | Particulars of issued and paid up capital | Ownership interest: Group's effective interest | Ownership interest: Group's nominal interest | Principal activity |
|---|---|---|---|---|---|
| PJSC MMC Norilsk Nickel | Russian Federation | 15,286,339,700 shares, RUB1 par value | 26.39% | 26.39% | Nickel and other metals production |
| Queensland Alumina Limited | Australia | 2,212,000 shares, AUD2 par value | 20% | 20% | Production of alumina under a tolling agreement |
| BEMO project | Cyprus, Russian Federation | BOGES Limited, BALP Limited – 10,000 shares EUR1.71 each | 50% | 50% | Energy / Aluminium production |
| Hebei Wenfeng New Materials Co., Ltd | China | Total registered share capital of RMB 5,521,000,000 | 30% | 30% | Alumina production |

The summary of the consolidated financial statements of associates and joint ventures for the year ended 31 December 2024 is presented below:

| | Non-current assets | | Current assets | | Non-current liabilities | | Current liabilities | | Net assets | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Group share | 100% | Group share | 100% | Group share | 100% | Group share | 100% | Group share | 100% |
| PJSC MMC Norilsk Nickel | 5,788 | 16,325 | 1,806 | 6,845 | (2,416) | (9,154) | (1,562) | (5,919) | 3,616 | 8,097 |
| Queensland Alumina Limited | 177 | 650 | 29 | 143 | (70) | (312) | (136) | (684) | – | (203) |
| BEMO project | 1,177 | 2,240 | 321 | 662 | (638) | (1,277) | (208) | (417) | 652 | 1,208 |
| Hebei Wenfeng New Materials Co., Ltd | 451 | 1,220 | 297 | 990 | (225) | (751) | (89) | (296) | 434 | 1,163 |
| Other joint ventures | 206 | 411 | 97 | 194 | (30) | (60) | (104) | (207) | 169 | 338 |

| | Revenue | | Profit/(loss) from continuing operations | | Other comprehensive income | | Total comprehensive income/(loss) | |
|---|---|---|---|---|---|---|---|---|
| | Group share | 100% | Group share | 100% | Group share | 100% | Group share | 100% |
| PJSC MMC Norilsk Nickel | 3,308 | 12,535 | 347 | 1,815 | (402) | (1,020) | (55) | 795 |
| Queensland Alumina Limited | 120 | 601 | – | (250) | – | 11 | – | (239) |
| BEMO project | 500 | 1,000 | 93 | 240 | (85) | (171) | 8 | 69 |
| Hebei Wenfeng New Materials Co., Ltd | 577 | 2,441 | 138 | 558 | 2 | (15) | 140 | 543 |
| Other joint ventures | 159 | 318 | (14) | (27) | (11) | (25) | (25) | (52) |

The summary of the consolidated financial statements of associates and joint ventures for the year ended 31 December 2023 is presented below

| | Non-current assets | | Current assets | | Non-current liabilities | | Current liabilities | | Net assets | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Group share** | **100%** | **Group share** | **100%** | **Group share** | **100%** | **Group share** | **100%** | **Group share** | **100%** |
| PJSC MMC Norilsk Nickel | 5,952 | 16,238 | 1,938 | 7,342 | (1,888) | (7,154) | (2,331) | (8,831) | 3,671 | 7,595 |
| Queensland Alumina Limited | 189 | 971 | 29 | 146 | (80) | (388) | (138) | (693) | – | 36 |
| BEMO project | 1,228 | 2,287 | 158 | 304 | (676) | (1,352) | (50) | (101) | 660 | 1,138 |
| Other joint ventures | 230 | 460 | 106 | 222 | (98) | (196) | (48) | (96) | 190 | 390 |

| | Revenue | | Profit/(loss) from continuing operations | | Other comprehensive income | | Total comprehensive income/(loss) | |
|---|---|---|---|---|---|---|---|---|
| | **Group share** | **100%** | **Group share** | **100%** | **Group share** | **100%** | **Group share** | **100%** |
| PJSC MMC Norilsk Nickel | 3,803 | 14,409 | 629 | 2,870 | (846) | (1,856) | (217) | 1,014 |
| Queensland Alumina Limited | 118 | 592 | – | (20) | – | – | – | (20) |
| BEMO project | 516 | 1,031 | 93 | 193 | (162) | (324) | (69) | (131) |
| Other joint ventures | 157 | 313 | 30 | 61 | 1 | (3) | 31 | 58 |

### *(i) PJSC MMC Norilsk Nickel*

The Group's investment in Norilsk Nickel is accounted for using equity method and the carrying value as at 31 December 2024 and 31 December 2023 amounted USD3,616 million and USD3,671 million, respectively. The Group's share of profit of Norilsk Nickel was USD347 million, the foreign currency translation loss was USD402 million for the year ended 31 December 2024.

The Group's share of profit of Norilsk Nickel was USD629 million, the foreign currency translation loss was USD846 million for the year ended 31 December 2023.

The fair value of the investment amounted USD4,585 million and USD7,273 million as at 31 December 2024 and 31 December 2023, respectively, and is determined by multiplying the quoted bid price per share on the Moscow Exchange on the year-end date by the number of shares held by the Group.

### *(ii) Queensland Alumina Limited ("QAL")*

The carrying value of the Group's investment in Queensland Alumina Limited as at both 31 December 2024 and 31 December 2023 amounted to USD nil million. At 31 December 2024 management has not identified any impairment reversal indicators relating to the Group's investment in QAL and as a result no detailed impairment testing was performed in relation to this investment.

### *(iii) BEMO project*

The carrying value of the Group's investment in BEMO project as at 31 December 2024 and 31 December 2023 amounted USD652 million and USD660 million, respectively.

For the purposes of impairment testing, the BEMO project was separated into two cash generating units – the Boguchansky Aluminium Smelter ("BoAZ') and the Boguchansky Hydro Power Plant ("BoGES"). The recoverable amount was determined by discounting the expected future net cash flows of each cash generating unit.

At 31 December 2024 management has not identified any impairment indicators relating to the Group's investment in BoGES as well as any impairment reversal indicators relating to investments in BoAZ and as a result no detailed impairment testing was performed in relation to this investment.

At 31 December 2024, accumulated losses of USD43 million (2023: USD57 million) related to BoAZ have not been recognised because the Group's investment has already been fully written down to USD nil million.

Summary of the additional financial information of the Group's effective interest in BEMO project for the year ended 31 December 2024 and 31 December 2023 is presented below (all in USD million):

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| | **USD million** | **USD million** |
| Cash and cash equivalents | 69 | 43 |
| Current financial liabilities | (2) | (1) |
| Non-current financial liabilities | (509) | (548) |
| Depreciation and amortisation | (44) | (54) |
| Interest income | 7 | 3 |
| Interest expense | – | – |
| Income tax expense | (24) | (29) |

***(iv) Investment in Hebei Wenfeng New Materials Co., Ltd ("HWNM")***

In October 2023 the Group entered into a share-purchase agreement to acquire 30% interest in the share capital of Hebei Wenfeng New Materials Co., Ltd. – the alumina production plant, located in China. All rights attached to the interest acquired were transferred to the Group in April 2024, therefore the Group recognized the investment in its consolidated financial statements for the year ended 31 December 2024. The initial consideration paid comprised USD 264 million and was further adjusted to USD 316 million in accordance with the certain conditions of the share purchase agreement.

The Group finalized the valuation process of the fair value of the Group's share in the investment's net assets as of the date of acquisition of the investment, which amounted to USD238 million. Accordingly, the goodwill which arose on the acquisition of the investment amounted to USD78 million and was included in the carrying amount of the investment in Hebei Wenfeng New Materials Co., Ltd. in accordance with IAS 28 *Investments in Associates and Joint Ventures*.

Most significant decisions on relevant activities of the investment shall be made by resolution approved unanimously by all Board members or all shareholders. Accordingly, the Group concluded that it has joint control over the Hebei Wenfeng New Materials Co., Ltd. Based on analysis of the relevant facts the management of the Group concluded that, in substance, the arrangement gives the investors rights to its net assets. Therefore it has determined that the Group's investment in Hebei Wenfeng New Materials Co., Ltd. should be accounted for as a joint venture rather than a joint operation.

Simultaneously, the Group entered into several put and call option agreements with the seller of the investment with the aim to protect the Group's or the seller's interests in the investment. Mostly, exercise of these options are subject to occurrence of specific corporate events, which are not under the Group's control and are hard to predict. These options did not affect the classification of the investment as a joint venture.

## 16 Inventories

### Accounting policies

Inventories are measured at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is determined under the weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

The production costs include mining and concentrating costs, smelting, treatment and refining costs, other cash costs and depreciation and amortisation of operating assets.

The Group recognises write-downs of inventories based on an assessment of the net realisable value of the inventories. A write-down is applied to the inventories where events or changes in circumstances indicate that the net realisable value is less than cost. The determination of net realisable value requires the use of judgement and estimates. Where the expectation is different from the original estimates, such difference will impact the carrying value of the inventories and the write-down of inventories charged to the statement of income in the periods in which such estimate has been changed.

**Disclosures**

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Raw materials and consumables | 1,447 | 1,333 |
| Work in progress | 848 | 766 |
| Finished goods and goods held for resale | 2,182 | 1,500 |
| | **4,477** | **3,599** |

Inventories as at 31 December 2024 and 31 December 2023 are stated at the lower of cost and net realizable value.

There were no inventories pledged as at 31 December 2024 and 31 December 2023.

The analysis of the amount of inventories recognised as an expense is as follows:

| | Year ended 31 December | |
|---|---|---|
| | 2024 USD million | 2023 USD million |
| Carrying amount of inventories sold | 9,205 | 9,208 |
| Partial reversal of provision of inventories to net realisable value) | 3 | 12 |
| | **9,208** | **9,220** |

## 17 Non-derivative financial instruments

### Accounting policies

Non-derivative financial instruments comprise investments in securities, trade and other receivables (excluding prepayments and tax assets), cash and cash equivalents, loans and borrowings and trade and other payables (excluding advances received and tax liabilities).

Non-derivative financial instruments except for trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Trade and other receivables are recognised at transaction price.

### *(i) Non-derivative financial assets*

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### *(ii) Non-derivative financial liabilities*

The Group initially recognises debt securities issued and liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

IFRS 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The details of significant accounting policies are set out below.

**Classification and measurement of financial assets and financial liabilities**

IFRS 9 contains such classification and measurement approach for financial assets that reflects their cash flow characteristics and the business model in which assets are managed.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on its contractual cash flow characteristics and on the business model in which a financial asset is managed. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The Group's financial assets mostly fall within category of financial assets measured at amortised cost. The only exception is derivative financial assets measured at fair value through profit or loss (Note 21), cash flow hedges accounted through other comprehensive income (Note 21) and other investments measured at fair value through profit or loss (Note 17(g)). The Group's financial liabilities fall within category of financial assets measured at amortised cost.

**Disclosures**

As 31 December 2024 the Group presented non-derivative financial and non-financial assets and liabilities separately. Balances for 31 December 2023 were presented respectively for comparative purposes.

**(a) Trade and other receivables**

| | 31 December 2024<br>USD million | 31 December 2023<br>USD million |
|---|---|---|
| Trade receivables from third parties | 916 | 927 |
| Impairment loss on trade receivables | (92) | (68) |
| **Net trade receivables from third parties** | **824** | **859** |
| **Trade receivables from related parties, including:** | **429** | **116** |
| *Related parties – companies capable of exerting significant influence* | *25* | *33* |
| *Related parties – companies related through parent company* | *52* | *76* |
| *Related parties – associates and joint ventures* | *352* | *7* |
| Other receivables from third parties | 218 | 180 |
| Impairment loss on other receivables | (7) | (8) |
| **Net other receivables from third parties** | **211** | **172** |
| **Other receivables from related parties, including:** | **6** | **7** |
| *Related parties – companies related through parent company* | *35* | *32* |
| *Impairment loss on other receivables from related parties – companies related through parent company* | *(30)* | *(25)* |
| Net other receivables to related parties – companies related through parent company | 5 | 7 |
| *Related parties – associates and joint ventures* | *1* | *–* |
| | **1,470** | **1,154** |

All of the trade and other receivables are expected to be settled within one year or are repayable on demand.

### *(i) Ageing analysis*

Included in trade and other receivables are trade receivables (net of loss allowance for expected credit losses) with the following ageing analysis as of the reporting dates:

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| | **USD million** | **USD million** |
| **Current (not past due)** | **1,198** | **880** |
| 1-30 days past due | 9 | 29 |
| 31-60 days past due | 1 | 1 |
| 61-90 days past due | 1 | – |
| More than 90 days past due | 44 | 65 |
| **Amounts past due** | **55** | **95** |
| | **1,253** | **975** |

Ageing analysis is performed based on number of days receivable is overdue. Trade receivables are on average due within 90 days from the date of billing. The receivables that are neither past due nor impaired (i.e. current) relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. The Group does not hold any collateral over these balances. Further details of the Group's credit policy are set out in Note 22(e).

### *(ii) Impairment of trade receivables*

Under IFRS 9, loss allowances are measured on either of the following bases:

- *12-month ECLs:* these are ECLs that result from possible default events within the 12 months after the reporting date; and
- *Lifetime ECLs:* these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for bank balances and loans and borrowings for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition. The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due, but additional analysis is conducted for each such receivable and assessment is updated accordingly.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset in case of long-term assets.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The following analysis provides further detail about the calculation of ECLs related to trade receivables. The Group uses an allowance matrix to measure the ECLs of trade receivables from the customers. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. The ECLs were calculated based on actual credit loss experience over the past two years. The Group performed the calculation of ECL rates separately for the customers of each key trading company of the Group. Exposures within each trading company were not further segmented except for individually significant customers which bear specific credit risk depending on the repayment history of the customer and relationship with the Group.

The following table provides information about determined ECLs rates for trade receivables both as at 31 December 2023 and 31 December 2024.

| | **Weighted-average loss rate** | | |
|---|---|---|---|
| | **31 December 2024** | **31 December 2023** | **Credit-impaired** |
| Current (not past due) | 4% | 1% | No |
| 1-30 days past due | 25% | 21% | No |
| 31-60 days past due | 68% | 73% | No |
| 61-90 days past due | 59% | 93% | No |
| More than 90 days past due | 66% | 47% | Yes |

The group directly reduces the gross carrying amount of trade receivable when there is no reasonable expectations of recovering a financial assets in its entirety or a portion thereof.

The movement in the allowance for credit losses during the period is as follows:

| | **Year ended 31 December** | |
|---|---|---|
| | **2024** | **2023** |
| | **USD million** | **USD million** |
| **Balance at the beginning of the year** | **(68)** | **(75)** |
| (Impairment loss) recognised / reversal of impairment | (28) | 7 |
| Uncollectible amounts written off | 4 | – |
| **Balance at the end of the year** | **(92)** | **(68)** |

## (b) Prepayments and input VAT

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| | **USD million** | **USD million** |
| VAT recoverable | 468 | 352 |
| Impairment loss on VAT recoverable | (43) | (39) |
| **Net VAT recoverable** | **425** | **313** |
| Advances paid to third parties | 227 | 198 |
| Impairment loss on advances paid | (8) | (9) |
| **Net advances paid to third parties** | **219** | **189** |
| **Advances paid to related parties, including:** | **47** | **1** |
| *Related parties – companies related through parent company* | *1* | *1* |
| *Related parties – associates and joint ventures* | *133* | *87* |
| *Impairment loss on advances paid from related parties – associates and joint ventures* | *(87)* | *(87)* |
| Net advances paid to related parties – associates and joint ventures | 46 | – |
| **Prepaid expenses** | **11** | **6** |
| **Prepaid other taxes** | **19** | **29** |
| | **721** | **538** |

## (c) Trade and other payables

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| **Accounts payable to third parties** | **943** | **715** |
| **Accounts payable to related parties, including:** | **335** | **233** |
| *Related parties – companies capable of exerting significant influence* | *5* | *7* |
| *Related parties – companies related through parent company* | *65* | *73* |
| *Related parties – associates and joint ventures* | *265* | *153* |
| **Other payables and accrued liabilities to third parties** | **217** | **206** |
| **Other payables and accrued liabilities to related parties, including:** | **2** | **3** |
| *Related parties – companies related through parent company* | *2* | *3* |
| **Current tax liabilities** | **38** | **26** |
| | **1,535** | **1,183** |

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

Included in trade and other payables are trade payables with the following ageing analysis as at the reporting date. Ageing analysis is performed based on number of days payable overdue.

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| **Current** | **903** | **820** |
| Past due 0-90 days | 305 | 88 |
| Past due 91-120 days | 21 | 1 |
| Past due over 120 days | 50 | 39 |
| **Amounts past due** | **376** | **128** |
| | **1,279** | **948** |

Lease liabilities that are expected to be settled within one year for the amount of USD16 million are included in other payables and accrued liabilities as at 31 December 2024 (31 December 2023: USD19 million).

## (d) Advances received

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| **Advances received** | **420** | **217** |
| **Advances received from related parties, including:** | **–** | **1** |
| *Related parties – companies related through parent company* | *–* | *1* |
| | **420** | **218** |

Advances received represent contract liabilities to perform obligations under contracts with customers. Advances received are short-term and revenue in respect of the contract liabilities recognized as at the reporting date is fully recognized during next twelve months.

### (e) Cash and cash equivalents

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Bank balances, USD | 40 | 165 |
| Bank balances, RUB | 173 | 481 |
| Bank balances, EUR | 51 | 162 |
| Bank balances, CNY | 814 | 791 |
| Bank balances, AED | 122 | – |
| Bank balances, other currencies | 31 | 30 |
| Cash in transit | 56 | – |
| Short-term bank deposits, USD | 155 | 335 |
| Short-term bank deposits, RUB | 27 | 13 |
| Short-term bank deposits, EUR | 32 | 103 |
| Other cash equivalents | – | 5 |
| **Cash and cash equivalents in the consolidated statement of cash flows** | **1,501** | **2,085** |
| Restricted cash | 2 | 2 |
| | **1,503** | **2,087** |

### (f) Other non-current assets

| | 31 December 2024 USD million | 31 December 2023 USD million |
|---|---|---|
| Long-term deposits | 120 | 121 |
| Prepayment for acquisition of joint venture (Note 15) | – | 13 |
| Other non-current assets | 101 | 143 |
| | **221** | **277** |

### (g) Investments in equity securities measured at fair value through profit and loss

As at the 31 December 2024 the Group had an investment in RusHydro of 42,754,785,466 shares or effective 9.7% (nominal 9.6%). Investment is treated as equity securities measured at fair value through profit or loss. There were no acquisitions/disposals of the equity securities of RusHydro during 2024.

Fair value is estimated in accordance with Level 1 of the fair value hierarchy. The market value was determined by multiplying the quoted bid price per share on the Moscow Exchange on reporting date by the number of shares held by the Group.

### (h) Short-term investments

Primarily consist of short-term bank deposits and promissory notes of the company under common control.

### (i) Fair value measurement

The information about fair value measurement of financial assets and liabilities is disclosed in Note 22 (a).

## 18 Equity

### (a) Share capital

| | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | USD | Number of shares | USD | Number of shares |
| Ordinary shares at the end of the year, authorised | 200 million | 20 billion | 200 million | 20 billion |
| Ordinary shares at 1 January | 151,930,148 | 15,193,014,862 | 151,930,148 | 15,193,014,862 |
| **Ordinary shares at the end of the year of USD0.01 each, issued and paid** | **151,930,148** | **15,193,014,862** | **151,930,148** | **15,193,014,862** |

### (b) Other reserves

Other reserves include the amounts related to: effect of transaction of reorganization under common control, cumulative unrealised actuarial gains and losses on the Group's defined post retirement benefit plans, the effective portion of the cumulative net changes in fair value of cash flow hedges and the Group's share of other comprehensive income of associates.

### (c) Distributions

Following Company's redomiciliation in September 2020 (Note 1(a)), the Company may distribute dividends from retained earnings and profit for the reporting period in compliance with the current legislation of the Russian Federation and the provisions of its Charter.

### (d) Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries and equity accounted investees. The reserve is dealt with in accordance with the accounting policies set out in Note 3(f).

### (e) Movement in components of equity within the Company

| USD million | Share capital | Reserves | Total |
|---|---|---|---|
| **Balance at 1 January 2023** | **152** | **18,263** | **18,415** |
| Loss for the year | – | (375) | **(375)** |
| Contribution from a shareholder | – | 2 | **2** |
| **Balance at 31 December 2023** | **152** | **17,890** | **18,042** |
| **Balance at 1 January 2024** | **152** | **17,890** | **18,042** |
| Loss for the year | – | (922) | **(922)** |
| **Balance at 31 December 2024** | **152** | **16,968** | **17,120** |

## 19 Loans and borrowings

This note provides information about the contractual terms of the Group's loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk refer to Notes 22(c)(ii) and 22(c)(iii), respectively.

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| | **USD million** | **USD million** |
| **Non-current liabilities** | | |
| Secured bank loans | 1,446 | 1,810 |
| Unsecured bank loans | 1,009 | 1,258 |
| Unsecured company loans from related parties | 36 | – |
| Bonds | 907 | 2,832 |
| | **3,398** | **5,900** |
| **Current liabilities** | | |
| Secured bank loans | 568 | 933 |
| Unsecured bank loans | 1,113 | 382 |
| Unsecured company loans from related parties | 69 | – |
| Bonds | 2,713 | 615 |
| Interest payable on loans and bonds | 57 | 36 |
| | **4,520** | **1,966** |

### (a) Loans and borrowings

*Terms and debt repayment schedule as at 31 December 2024*

| | Total | 2025 | 2026 | 2027 | 2028 | 2029 | 2030-2035 |
|---|---|---|---|---|---|---|---|
| | USD million | USD million | USD million | USD million | USD million | USD million | USD million |
| ***Secured bank loans*** | | | | | | | |
| **Variable** | | | | | | | |
| RUB KeyRate + 2.2% | **98** | 26 | 36 | **36** | – | – | – |
| RUB KeyRate + 3.15% | **218** | 4 | 4 | **5** | **10** | **13** | **182** |
| RUB KeyRate + 5.95% | **133** | 15 | 59 | **59** | – | – | – |
| USD – Term SOFR + Spread + 2.1% | **1** | 1 | – | – | – | – | – |
| **Fixed** | | | | | | | |
| CNY 4.75% | **1,564** | 522 | 521 | 521 | – | – | – |
| | **2,014** | **568** | **620** | **621** | **10** | **13** | **182** |
| ***Unsecured bank loans*** | | | | | | | |
| **Variable** | | | | | | | |
| CNY LPR1Y + 3.1% | **333** | – | 333 | – | – | – | – |
| RUB KeyRate + 2% | **339** | 339 | – | – | – | – | – |
| RUB KeyRate + 2.45% | **492** | – | – | 164 | 164 | 164 | – |
| RUB KeyRate + 2.5% | **1** | 1 | – | – | – | – | – |
| RUB KeyRate + 3% | **97** | 6 | 19 | – | 72 | – | – |
| RUB KeyRate + 3.15% | **29** | – | – | – | – | 3 | 26 |
| EUR – 6M Euribor + (0.45%-0.67%) | **26** | 6 | 6 | 5 | 5 | 2 | 2 |
| **Fixed** | | | | | | | |
| CNY 4.7% | **47** | 7 | 15 | 14 | 11 | – | – |
| CNY 5.25% | **729** | 729 | – | – | – | – | – |
| RUB 13.5% | **25** | 25 | – | – | – | – | – |
| RUB other | **4** | – | 4 | – | – | – | – |
| | **2,122** | **1,113** | **377** | **183** | **252** | **169** | **28** |
| ***Unsecured company loans from related parties*** | | | | | | | |
| RUB/KZT other | **105** | 69 | – | 36 | – | – | – |
| **Total** | **4,241** | **1,750** | **997** | **840** | **262** | **182** | **210** |
| Interest payable on loans and bonds | **57** | 57 | – | – | – | – | – |
| **Total** | **4,298** | **1,807** | **997** | **840** | **262** | **182** | **210** |

As at 31 December 2024 and 31 December 2023 the secured bank loans are secured by certain pledges of shares of a number of Group subsidiaries, 25% +1 share of Norilsk Nickel (Group's associate) and property, plant and equipment with a carrying amount of USD3 million and USD3 million, respectively.

The nominal value of the Group's loans and borrowings was USD4,287 million at 31 December 2024 (31 December 2023: USD4,447 million).

As at 31 December 2024, the amount of interest payable on unsecured bank loans, secured bank loans and unsecured company loans was USD20 million, USD4 million and USD12 million, respectively (31 December 2023: USD6 million, USD7 million and nil, respectively).

As at 31 December 2024 and 31 December 2023, the Group had a number of borrowings, classified as non-current, with the carrying values of USD2,451 million and USD3,064 million respectively arising from credit facility arrangements with covenants to be tested within twelve months after the reporting date. Such covenants include the requirement to maintain several ratios at a certain level. If there is a covenant breach, the lender has the right to demand immediate repayment of the entire loan. As at 31 December 2024, 31 December 2023 and earlier dates, the Group was in compliance with covenants under all such credit facility and borrowings.

The Group assesses as unlikely a breach of the covenants for the borrowings listed above within twelve months after the reporting date.

*Terms and debt repayment schedule as at 31 December 2023*

| | Total | 2024 | 2025 | 2026 | 2027 | 2028 | 2029-2035 |
|---|---|---|---|---|---|---|---|
| | USD million | USD million | USD million | USD million | USD million | USD million | USD million |
| ***Secured bank loans*** | | | | | | | |
| **Variable** | | | | | | | |
| USD – Term SOFR + Spread + 2.1% | **339** | 339 | – | – | – | – | – |
| USD – Term SOFR + Spread + 1.7% | **25** | 25 | – | – | – | – | – |
| RUB KeyRate + 3.15% | **164** | 16 | 4 | 3 | 5 | 9 | 127 |
| **Fixed** | | | | | | | |
| CNY 4.75% | **2,215** | 553 | 554 | 554 | 554 | – | – |
| | **2,743** | **933** | **558** | **557** | **559** | **9** | **127** |
| ***Unsecured bank loans*** | | | | | | | |
| **Variable** | | | | | | | |
| CNY LPR1Y + 1.6% | **354** | – | – | 354 | – | – | – |
| CNY LPR1Y + 2.75% | **374** | 374 | – | – | – | – | – |
| RUB KeyRate + 3% | **48** | – | 7 | 19 | – | 22 | – |
| EUR – 6M Euribor + (0.45%-0.67%) | **35** | 7 | 7 | 6 | 5 | 5 | 5 |
| **Fixed** | | | | | | | |
| CNY 3.75% | **774** | – | 774 | – | – | – | – |
| CNY 4.7% | **50** | – | 8 | 15 | 15 | 12 | – |
| RUB other | **5** | 1 | – | 4 | – | – | – |
| | **1,640** | **382** | **796** | **398** | **20** | **39** | **5** |
| **Total** | **4,383** | **1,315** | **1,354** | **955** | **579** | **48** | **132** |
| Interest payable on loans and bonds | **36** | 36 | – | – | – | – | – |
| **Total** | **4,419** | **1,351** | **1,354** | **955** | **579** | **48** | **132** |

**(b) Bonds**

As at 31 December 2024 the Group had outstanding (traded in the market) bonds nominated in roubles, Chinese yuan, United Arab Emirates Dirhams, eurobonds nominated in US dollars.

| Type | Series | The number of bonds traded in the market | Nominal value, USD million | Nominal interest rate | Put-option date | Maturity date |
|---|---|---|---|---|---|---|
| Bond | BO-01 | 30,263 | – | 0.01% | – | 07.04.2026 |
| Bond | BO-001P-04 | 370,000 | 101 | 5.95% | – | 05.09.2025 |
| Eurobond | – | 21,300 | 21 | 5.3% | – | 03.05.2023 |
| Eurobond | – | 20,469 | 21 | 4.85% | – | 01.02.2023 |
| Bond | BO-05 | 467,750 | 62 | 8.50% | 04.08.2025 | 28.07.2027 |
| Bond | BO-06 | 117,940 | 16 | 8.50% | 04.08.2025 | 28.07.2027 |
| Bond | BO-001P-01 | 6,000,000 | 792 | 3.75% | – | 24.04.2025 |
| Bond | BO-001P-02 | 1,000,000 | 132 | 3.95% | – | 23.12.2025 |
| Bond | BO-001P-03 | 3,000,000 | 396 | LPR1Y + 0.2% | – | 24.12.2025 |
| Bond | 001PC-01 | 2,379,660 | 314 | 3.75% | – | 07.03.2025 |
| Bond | 001PC-02 | 2,352,869 | 311 | 3.75% | – | 07.03.2025 |
| Bond | 001PC-03 | 2,367,763 | 313 | 3.75% | – | 07.03.2025 |
| Bond | 001PC-04 | 1,778,060 | 235 | 3.75% | – | 07.03.2025 |
| Bond | BO-001P-05 | 600,000 | 79 | 6.70% | – | 08.05.2026 |
| Bond | BO-001P-06 | 1,000,000 | 132 | 7.20% | - | 05.08.2026 |
| Bond | BO-001P-07 | 900,000 | 119 | 7.90% | - | 09.10.2026 |
| Bond | BO-001P-08 | 850,000 | 85 | 9.25% | - | 01.08.2027 |
| Bond | BO-001P-09 | 30,000,000 | 295 | KeyRate + 2.2% | - | 17.06.2027 |
| Bond | BO-001P-10 | 10,000,000 | 98 | KeyRate + 2.25% | - | 06.03.2027 |
| Bond | BO-001P-11 | 10,000,000 | 98 | KeyRate + 2.5% | - | 22.08.2029 |

On 7 February 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-06 in the total amount of CNY1,000 million with a coupon – 7.20%. The maturity of the bonds is 2.5 years.

On 12 April 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-07 in the total amount of CNY900 million with a coupon – 7.90%. The maturity of the bonds is 2.5 years.

On 2 July 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-09 in the total amount of RUB30 billion with a coupon – Key Rate + 2.2%. The maturity of the bonds is 3 years.

On 30 July 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-08 in the total amount of USD85 million with a coupon – 9.25%. The maturity of the bonds is 3 years.

On 5 August 2024 the Company repurchased bonds series BO-05 nominated in Chinese yuan in the amount of CNY1.5 billion. The balance in the amount of CNY467,8 million is in the market, the coupon rate is 8.5%, maturity – 1 year.

On 5 August 2024 the Company repurchased bonds series BO-06 nominated in Chinese yuan in the amount of CNY1.8 billion. The balance in the amount of CNY117.9 million is in the market, the coupon rate is 8.5%, maturity – 1 year.

On 17 September 2024 the Company placed on the Moscow Stock Exchange exchange-traded non-documentary interest-bearing non-convertible bonds series BO-001P-10 and BO-001P-11 in the total amount of RUB10 billion with a coupon – Key Rate + 2.25% and in the total amount of RUB10 billion with a coupon – Key Rate + 2.5%. The maturity of the bonds is 2.5 years and 5 years, respectively.

As at 31 December 2024, the amount of interest payable on bonds was USD21 million (31 December 2023: USD23 million).

## 20 Provisions

### Accounting policies

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

### Disclosures

| USD million | Pension liabilities | Site restoration | Provisions for legal claims | Total |
|---|---|---|---|---|
| **Balance at 1 January 2023** | **60** | **331** | **12** | **403** |
| Provisions made during the year | 9 | – | 2 | **11** |
| Provisions reversed during the year | (5) | – | – | **(5)** |
| Actuarial gain | (5) | – | | **(5)** |
| Provisions utilised during the year | (4) | – | (2) | **(6)** |
| Foreign currency translation | (8) | (9) | – | **(17)** |
| The effect of the passage of time | – | 11 | – | **11** |
| Change in inflation rate | – | (2) | – | **(2)** |
| Discount rate change | – | (7) | – | **(7)** |
| **Balance at 31 December 2023** | **47** | **324** | **12** | **383** |
| *Non-current* | *43* | *226* | *–* | ***269*** |
| *Current* | *4* | *98* | *12* | ***114*** |
| **Balance at 1 January 2024** | **47** | **324** | **12** | **383** |
| Provisions made during the year | 7 | – | – | **7** |
| Provisions reversed during the year | – | – | (4) | **(4)** |
| Actuarial loss | 11 | – | – | **11** |
| Provisions utilised during the year | (4) | – | – | **(4)** |
| Foreign currency translation | (8) | (13) | – | **(21)** |
| The effect of the passage of time | – | (2) | – | **(2)** |
| Change in inflation rate | – | (4) | – | **(4)** |
| Discount rate change | – | (27) | – | **(27)** |
| **Balance at 31 December 2024** | **53** | **278** | **8** | **339** |
| *Non-current* | *49* | *194* | *–* | ***243*** |
| *Current* | *4* | *84* | *8* | ***96*** |

## (a) Pension liabilities

*Group subsidiaries in the Russian Federation*

The Group voluntarily provides long-term and post-employment benefits to its former and existing employees including death-in-service, jubilee, lump sum upon retirement, material support for pensioners and death-in-pension benefits. Furthermore, the Group provides regular social support payments to some of its veterans of World War II.

The above employee benefit programs are of a defined benefit nature. The Group finances these programs on a pay-as-you-go basis, so plan assets are equal to zero.

*Group subsidiaries outside the Russian Federation*

At its Guinean entities the Group provides a death-in-service benefit and lump-sum benefits upon disability and old-age retirement.

At its Guyana subsidiary, the Group provides a death-in-service benefit.

At its Italian subsidiary (Eurallumina) the Group only provides lump sum benefits upon retirement, which relate to service up to 1 January 2007.

In Sweden (Kubikenborg Aluminium AB), the Group provides defined benefit lifelong and temporary pension benefits. The lifelong benefits are dependent on the past service and average salary level of the employee, with an accrual rate that depends on the salary bracket the employee is in. The liability relates only to benefits accrued before 1 January 2004.

The number of employees in all jurisdictions eligible for the plans as at 31 December 2024 and 2023 was 49,900 and 49,493, respectively. The number of pensioners in all jurisdictions as at 31 December 2024 and 2023 was 27,722 and 28,762 respectively.

The Group expects to pay under the defined benefit retirement plans an amount of USD4,0 million during the 12 month period beginning on 1 January 2025.

*Actuarial valuation of pension liabilities*

The actuarial valuation of the Group's pension liabilities was completed by a qualified actuary, Konstantin Kozlov, as at 31 December 2024, using the projected unit credit method as stipulated by IAS 19.

The key actuarial assumptions (weighted average, weighted by DBO) are as follows:

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| | **% per annum** | **% per annum** |
| Discount rate | 14.3 | 11.4 |
| Future salary increases | 14.2 | 8.5 |
| Future pension increases | 1.8 | 1.7 |
| Staff turnover | 4.9 | 4.9 |
| Mortality | USSR population table for 1985 | USSR population table for 1985 |
| Disability | 70% Munich Re for Russia | 70% Munich Re for Russia |

As at 31 December 2024 and 31 December 2023 the Group's obligations were fully uncovered as the Group has only wholly unfunded plans.

## (b) Site restoration

The mining, refining and smelting activities of the Group can give rise to obligations for site restoration and rehabilitation. Restoration and rehabilitation works can include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation, and site restoration. The extent of work required and the associated costs are dependent on the requirements of law and the interpretations of the relevant authorities.

The Group provides for site restoration obligations when there is a specific legal or constructive obligation for mine reclamation, landfill closure (primarily comprising red mud basin disposal sites) or specific lease restoration requirements. The Group does not record any obligations with respect to decommissioning of its refining or smelting facilities and restoration and rehabilitation of the surrounding areas unless there is a specific plan to discontinue operations at a facility. This is because any significant costs in connection with decommissioning of refining or smelting facilities and restoration and rehabilitation of the surrounding areas would be incurred no earlier than when the facility is closed and the facilities are currently expected to operate over a term in excess of 50-100 years due to the perpetual nature of the refineries and smelters and continuous maintenance and upgrade programs resulting in the fair values of any such liabilities being negligible.

Costs included in the provision encompass obligated and reasonably estimable restoration and rehabilitation activities expected to occur progressively over the life of the operation and at the time of closure in connection with disturbances at the reporting date. Routine operating costs that may impact the ultimate restoration and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognised as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation.

Restoration and rehabilitation provisions are measured at the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring for each operation. Discount rates used are specific to the country in which the operation is located. Significant judgements and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements.

When provisions for restoration and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of restoration and rehabilitation activities is amortised over the estimated economic life of the operation on a units of production or straight-line basis. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognised as part of finance expenses.

Restoration and rehabilitation provisions are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalised cost, except where a reduction in the provision is greater than the unamortised capitalised cost of the whole asset, to which the provision relates, in which case the capitalised cost is reduced to nil and the remaining adjustment is recognised in the statement of income. Changes to the capitalised cost result in an adjustment to future amortisation charges. Adjustments to the estimated amount and timing of future restoration and rehabilitation cash flows are a normal occurrence in light of the significant judgements and estimates involved. Factors influencing those changes include revisions to estimated reserves, resources and lives of operations; developments in technology; regulatory requirements and environmental management strategies; changes in the estimated costs of anticipated activities, including the effects of inflation and movements in foreign exchange rates; and movements in general interest rates affecting the discount rate applied.

The site restoration provision recorded in these consolidated financial statements relates primarily to mine reclamation and red mud basin disposal sites at alumina refineries and is estimated by discounting the risk-adjusted expected expenditure to its present value based on the following key assumptions:

| | **31 December 2024** | **31 December 2023** |
|---|---|---|
| Timing of inflated cash outflows | 2025: USD84 million<br>2026-2030: USD49 million<br>2031-2040: USD94 million<br>after 2040: USD302 million | 2024: USD98 million<br>2025-2029: USD63 million<br>2030-2039: USD86 million<br>after 2039: USD304 million |
| Risk free discount rate after adjusting for inflation[(a)] | 4.39% | 3.55% |

*(a) The risk free rate for the year 2023-2024 represents an effective rate, which comprises rates differentiated by years of obligation settlement and by currencies in which the provisions were calculated.*

At each reporting date the Directors have assessed the provisions for site restoration and environmental matters and concluded that the provisions and disclosures are adequate.

### (c) Provisions for legal claims

In the normal course of business the Group may be involved in legal proceedings. Where management considers that it is more likely than not that proceedings will result in the Group compensating third parties a provision is recognised for the best estimate of the amount expected to be paid. Where management considers that it is more likely than not that proceedings will not result in the Group compensating third parties or where, in rare circumstances, it is not considered possible to provide a sufficiently reliable estimate of the amount expected to be paid, no provision is made for any potential liability under the litigation but the circumstances and uncertainties involved are disclosed as contingent liabilities. The assessment of the likely outcome of legal proceedings and the amount of any potential liability involves significant judgement. As law and regulations in many of the countries in which the Group operates are continuing to evolve, particularly in the areas of taxation, sub-soil rights and protection of the environment, uncertainties regarding litigation and regulation are greater than those typically found in countries with more developed legal and regulatory frameworks.

The Group's subsidiaries are subject to a variety of lawsuits and claims in the ordinary course of its business. As at 31 December 2024, there were several claims filed against the Group's subsidiaries contesting breaches of contract terms and non-payment of existing obligations. Management has reviewed the circumstances and estimated that the amount of probable outflow related to these claims should not exceed USD8 million (31 December 2023: USD12 million). The amount of claims, where management assesses outflow as possible approximates USD24 million (31 December 2023: USD25 million).

At each reporting date the Directors have assessed the provisions for litigation and claims and concluded that the provisions and disclosures are adequate.

### (d) Tax provisions

The Group's accounting policy for taxation requires management's judgement in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the statement of financial position. Deferred tax assets, including those arising from carried forward tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless repatriation of retained earnings can be controlled and is not expected to occur in the foreseeable future.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, reserves, operating costs, restoration and rehabilitation costs, capital expenditure, dividends and other capital management transactions. Assumptions are also required about the application of income tax legislation. These estimates and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amount of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the statement of income.

The Group generally provides for current tax based on positions taken (or expected to be taken) in its tax returns. Where it is more likely than not that upon examination by the tax authorities of the positions taken by the Group additional tax will be payable, the Group provides for its best estimate of the amount expected to be paid (including any interest and/or penalties) as part of the tax charge.

At the reporting date management has assessed the provisions for taxation and concluded that the provisions and disclosures are adequate.

## 21 Derivative financial assets/liabilities

### Accounting policies

The Group enters, from time to time, into various derivative financial instruments to manage its exposure to commodity price risk, foreign currency risk and interest rate risk.

Derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the statement of income when incurred. Subsequent to initial recognition, derivatives are measured at fair value.

The measurement of fair value of derivative financial instruments is based on quoted market prices. Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, fair value is estimated based on the Group's views on relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates.

Changes in the fair value of derivative financial instruments are recognised immediately in the statement of income.

**Disclosures**

| | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | USD million | | USD million | |
| | Derivative assets | Derivative liabilities | Derivative assets | Derivative liabilities |
| Forward contracts for aluminium and other instruments | 19 | – | 32 | – |
| Cross-currency interest SWAPs | – | 26 | – | – |
| **Total** | **19** | **26** | **32** | **–** |
| *Non-current* | – | – | *13* | – |
| *Current* | *19* | *26* | *19* | – |

Derivative financial instruments are recorded at their fair value at each reporting date. Fair value is estimated in accordance with Level 3 of the fair value hierarchy based on management estimates and consensus economic forecasts of relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer. The movement in the balance of Level 3 fair value measurements of derivatives is as follows:

| | 31 December | |
|---|---|---|
| | 2024 | 2023 |
| | USD million | USD million |
| **Balance at the beginning of the year** | **32** | **168** |
| Unrealised changes in fair value recognised in statement of income (finance (expense)/income) during the period | 53 | (99) |
| Realised portion of electricity, coke and raw material contracts and cross currency swap | (92) | (37) |
| **Balance at the end of the year** | **(7)** | **32** |

During the year 2024 there have been no changes in valuation techniques used to calculate the derivative financial instruments compared to prior year.

Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results for the derivative instruments are not particularly sensitive to any factors other than the assumptions disclosed above.

The Group sells products to various third parties at prices that are influenced by changes in London Metal Exchange aluminium prices and Shanghai Futures Exchange (SHFE) aluminium prices. From time to time the Group enters into forward sales and purchase contracts for a portion of its anticipated primary aluminium sales and purchases to reduce the risk of prices fluctuations on these sales and purchases. The results are accounted for as profit or loss from derivative financial instruments, and do not adjust revenue or purchases. During the year ended 31 December 2024 the Group recognised a total net gain of USD53 million, as revaluation of derivative financial instruments (31 December 2023: loss of USD99 million).

## 22 Financial risk management and fair values

### (a) Fair values

Management believes that the fair values of short-term financial assets and liabilities approximate their carrying amounts.

The methods used to estimate the fair values of the financial instruments are as follows:

***Trade and other receivables, cash and cash equivalents, short-term investments, current loans and borrowings and trade and other payables:*** the carrying amounts approximate fair value because of the short maturity period of the instruments.

***Investments in equity securities:*** measured at fair value through profit and loss, so, its carrying amount is equal to its fair value.

***Long-term loans and borrowings:*** the fair values of Eurobonds, RUSAL Bratsk bonds and IPJSC bonds issued are approximate their carrying value. The fair value of the loans and borrowings with fixed and floating interest rate as at 31 December 2024 and 31 December 2023 was calculated based on the present value of future principal and interest cash flows, using discount interest rate that take into account the currency of the debt, expected maturity dates and credit risks associated with the Group that existed at the reporting date.

***Derivatives:*** the fair value of derivative financial instruments is based on quoted market prices. Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, fair value is estimated based on the Group's views on relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The derivative financial instruments are recorded at their fair value at each reporting date.

The following table presents the fair value of Group's financial instruments measured at the end of the reporting period on a recurring basis, as well as for instruments for which fair value is disclosed, categorised into the three-level fair value hierarchy as defined by IFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: fair value measured using significant unobservable inputs.

*The Group as at 31 December 2024*

| | | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Note | Derivatives USD million | Loans and receivables USD million | Other financial assets/ (liabilities) USD million | Total USD million | Level 1 USD million | Level 2 USD million | Level 3 USD million | Total USD million |
| **Financial assets measured at fair value** | | | | | | | | | |
| Forward contracts for aluminium and other instruments | 21 | 19 | – | – | **19** | – | – | 19 | **19** |
| Investments in equity securities | 17 | – | – | 217 | **217** | 217 | – | – | **217** |
| | | **19** | **–** | **217** | **236** | **217** | **–** | **19** | **236** |
| **Financial assets not measured at fair value*** | | | | | | | | | |
| Trade and other receivables | 17 | – | 1,470 | – | **1,470** | – | 1,470 | – | **1,470** |
| Other non-current assets | 17 | – | – | 221 | **221** | – | 221 | – | **221** |
| Short-term investments | | – | 112 | – | **112** | – | 112 | – | **112** |
| Cash and cash equivalents | 17 | – | 1,503 | – | **1,503** | – | 1,503 | – | **1,503** |
| | | **–** | **3,085** | **221** | **3,306** | **–** | **3,306** | **–** | **3,306** |
| **Financial liabilities measured at fair value** | | | | | | | | | |
| Forward contracts for aluminium and other instruments | 21 | 26 | – | – | **26** | – | – | 26 | **26** |
| | | **26** | **–** | **–** | **26** | **–** | **–** | **26** | **26** |
| **Financial liabilities not measured at fair value*** | | | | | | | | | |
| Secured bank loans and company loans | 19 | – | – | (2,050) | **(2,050)** | – | (1,889) | – | **(1,889)** |
| Unsecured bank loans | 19 | – | – | (2,122) | **(2,122)** | – | (2,070) | – | **(2,070)** |
| Unsecured company loans from related parties | 19 | – | – | (105) | **(105)** | – | (93) | | **(93)** |
| Unsecured bond issue | 19 | – | – | (3,641) | **(3,641)** | (1,168) | (2,414) | – | **(3,582)** |
| Trade and other payables | 17 | – | – | (1,497) | **(1,497)** | – | (1,497) | – | **(1,497)** |
| | | **–** | **–** | **(9,415)** | **(9,415)** | **(1,168)** | **(7,963)** | **–** | **(9,131)** |

* *The Group considers that the carrying amounts of short-term trade receivables and payables are a reasonable approximation of fair values.*

*The Group as at 31 December 2023*

| | | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Note | Derivatives USD million | Loans and receivables USD million | Other financial liabilities USD million | Total USD million | Level 1 USD million | Level 2 USD million | Level 3 USD million | Total USD million |
| **Financial assets measured at fair value** | | | | | | | | | |
| Forward contracts for aluminium and other instruments | 21 | 32 | – | – | **32** | – | – | 32 | **32** |
| Investments in equity securities | 17 | – | – | 339 | **339** | 339 | – | – | **339** |
| | | **32** | **–** | **339** | **371** | **339** | **–** | **32** | **371** |
| **Financial assets not measured at fair value*** | | | | | | | | | |
| Trade and other receivables | 17 | – | 1,154 | – | **1,154** | – | 1,154 | – | **1,154** |
| Other non-current assets | 17 | – | – | 277 | **277** | – | 277 | – | **277** |
| Short-term investments | | – | 125 | – | **125** | – | 125 | – | **125** |
| Cash and cash equivalents | 17 | – | 2,087 | – | **2,087** | – | 2,087 | – | **2,087** |
| | | **–** | **3,366** | **277** | **3,643** | **–** | **3,643** | **–** | **3,643** |
| **Financial liabilities not measured at fair value*** | | | | | | | | | |
| Secured bank loans and company loans | 19 | – | – | (2,758) | **(2,758)** | – | (2,684) | – | **(2,684)** |
| Unsecured bank loans | 19 | – | – | (1,640) | **(1,640)** | – | (1,599) | – | **(1,599)** |
| Unsecured bond issue | 19 | – | – | (3,468) | **(3,468)** | (1,698) | (1,670) | – | **(3,368)** |
| Trade and other payables | 17 | – | – | (1,157) | **(1,157)** | – | (1,157) | – | **(1,157)** |
| | | **–** | **–** | **(9,023)** | **(9,023)** | **(1,698)** | **(7,110)** | **–** | **(8,808)** |

* *The Group considers that the carrying amounts of short-term trade receivables and payables are a reasonable approximation of fair values.*

**(b) Financial risk management objectives and policies**

The Group's principal financial instruments comprise bank loans, bonds and trade payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established a risk management group within its Department of Internal Control, which is responsible for developing and monitoring the Group's risk management policies. The Department reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by the Group's Internal Audit function which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

**(c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

***(i) Commodity price risk***

During the years ended 31 December 2024 and 2023, the Group has entered into certain long term electricity contracts and other commodity derivatives contracts in order to manage its exposure of commodity price risks. Details of the contracts are disclosed in Notes 21 and 25(c).

***(ii) Interest rate risk***

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates (refer to Note 19). The Group's policy is to manage its interest costs by monitoring changes in interest rates with respect to its borrowings.

The following table details the interest rate profile of the Group's borrowings at the reporting date.

| | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|
| | Effective interest rate, % | USD million | Effective interest rate, % | USD million |
| **Fixed rate loans and borrowings** | | | | |
| Loans and borrowings | 0%-16.75% | 5,202 | 0.01%-8.50% | 6,067 |
| | | **5,202** | | **6,067** |
| **Variable rate loans and borrowings** | | | | |
| Loans and borrowings | 3.02%-26.95% | 2,659 | 3.65%-16.13% | 1,763 |
| | | **2,659** | | **1,763** |
| | | **7,861** | | **7,830** |

The following table demonstrates the sensitivity to cash flows from interest rate risk arising from floating rate non-derivative instruments held by the Group at the reporting date in respect of a reasonably possible change in interest rates, with all other variables held constant. The impact on the Group's profit before taxation and equity and retained profits/accumulated losses is estimated as an annualised input on interest expense or income of such a change in interest rates. The analysis has been performed on the same basis for all years presented.

| | Increase/ decrease in basis points | Effect on profit before taxation for the year USD million | Effect on equity for the year, net of income tax USD million |
|---|---|---|---|
| **As at 31 December 2024** | | | |
| Basis percentage points | +300 | (80) | (64) |
| Basis percentage points | -300 | 80 | 64 |
| **As at 31 December 2023** | | | |
| Basis percentage points | +100 | (18) | (14) |
| Basis percentage points | -100 | 18 | 14 |

### *(iii) Foreign currency risk*

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of group entities, primarily USD but also the Russian Rouble, CNY and Euros. The currencies in which these transactions primarily are denominated are RUB, USD, CNY and EUR.

Borrowings are primarily denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily USD but also RUB, CNY and EUR. This provides an economic hedge.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances or entering into currency swap arrangements.

The Group's exposure at the reporting date to foreign currency risk arising from recognised assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate is set out in the table below. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are ignored.

| | USD-denominated vs. RUB functional currency | | RUB-denominated vs. USD functional currency | | EUR-denominated vs. USD functional currency | | CNY-denominated vs. USD functional currency | | Denominated in other currencies vs. USD functional currency | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
| **As at 31 December** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** | **USD million** |
| Non-current assets | – | – | 41 | 57 | 18 | 19 | – | 13 | – | – |
| Trade and other receivables | – | 50 | 663 | 296 | 149 | 168 | 211 | 4 | 9 | 19 |
| Cash and cash equivalents | – | – | 138 | 465 | 72 | 253 | 814 | 712 | 202 | 29 |
| Loans and borrowings | – | – | (1,402) | (193) | (17) | (22) | (2,674) | (3,768) | (29) | – |
| Non-current liabilities | – | – | (3) | (51) | (2) | (2) | – | – | (1) | (1) |
| Bonds | – | – | (492) | (1) | – | – | (2,900) | (3,292) | (101) | (101) |
| Trade and other payables | (1) | (1) | (614) | (364) | (54) | (53) | (100) | (36) | (17) | (62) |
| **Net exposure arising from recognised assets and liabilities** | **(1)** | **49** | **(1,669)** | **209** | **166** | **363** | **(4,649)** | **(6,367)** | **63** | **(116)** |

*Foreign currency sensitivity analysis*

The following tables indicate the instantaneous change in the Group's profit before taxation (and accumulated losses) and other comprehensive income that could arise if foreign exchange rates to which the Group has significant exposure at the reporting date had changed at that date, assuming all other risk variables remained constant.

| | **Year ended 31 December 2024** | | |
|---|---|---|---|
| | **Change in exchange rates** | **Effect on profit before taxation for the year USD million** | **Effect on equity for the year USD million** |
| Depreciation of USD vs. RUB | 15% | (251) | (251) |
| Depreciation of USD vs. EUR | 10% | 16 | 16 |
| Depreciation of USD vs. CNY | 5% | (233) | (233) |
| Depreciation of USD vs. other currencies | 5% | 3 | 3 |

| | **Year ended 31 December 2023** | | |
|---|---|---|---|
| | **Change in exchange rates** | **Effect on profit before taxation for the year USD million** | **Effect on equity for the year USD million** |
| Depreciation of USD vs. RUB | 15% | 24 | 24 |
| Depreciation of USD vs. EUR | 10% | 36 | 36 |
| Depreciation of USD vs. CNY | 5% | (318) | (318) |
| Depreciation of USD vs. other currencies | 5% | (6) | (6) |

Results of the analysis as presented in the above tables represent an aggregation of the instantaneous effects on the Group entities' profit before taxation and other comprehensive income measured in the respective functional currencies, translated into USD at the exchange rates ruling at the reporting date for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the reporting date. The analysis excludes differences that would result from the translation of financial statements of foreign operations into the Group's presentation currency. The analysis has been performed on the same basis for all years presented.

## (d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The group policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its operating and financial commitments.

The following tables show the remaining contractual maturities at the reporting date of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payment computed using contractual rates, or if floating, based on rates current at the reporting date) and the earliest the Group can be required to pay.

| | **31 December 2024 Contractual undiscounted cash outflow** | | | | | |
|---|---|---|---|---|---|---|
| | **Within 1 year or on demand USD million** | **More than 1 year but less than 2 years USD million** | **More than 2 years but less than 5 years USD million** | **More than 5 years USD million** | **Total USD million** | **Carrying amount USD million** |
| Trade and other payables to third parties | 1,160 | – | – | – | **1,160** | 1,160 |
| Trade and other payables to related parties | 337 | – | – | – | **337** | 337 |
| Bonds, including interest payable | 2,859 | 472 | 541 | 137 | **4,009** | 3,641 |
| Loans and borrowings, including interest payable | 2,153 | 1,267 | 999 | 1,039 | **5,458** | 4,277 |
| Other contractual obligations | 32 | 51 | – | – | **83** | – |
| | **6,541** | **1,790** | **1,540** | **1,176** | **11,047** | **9,415** |

| | 31 December 2023 Contractual undiscounted cash outflow | | | | | |
|---|---|---|---|---|---|---|
| | Within 1 year or on demand | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | Total | Carrying amount |
| | USD million | USD million | USD million | USD million | USD million | USD million |
| Trade and other payables to third parties | 921 | – | – | – | **921** | 921 |
| Trade and other payables to related parties | 236 | – | – | – | **236** | 236 |
| Bonds, including interest payable | 726 | 2,811 | 87 | – | **3,624** | 3,447 |
| Loans and borrowings, including interest payable | 1,511 | 1,488 | 1,732 | 267 | **4,998** | 4,419 |
| Other contractual obligations | 36 | 58 | – | – | **94** | – |
| | **3,430** | **4,357** | **1,819** | **267** | **9,873** | **9,023** |

At 31 December 2024 and 31 December 2023 the Group's contractual undertaking to provide loans under the loan agreement between the Group, PJSC RusHydro and BoAZ is included at maximum exposure for the Group in the liquidity risk disclosure above.

## (e) Credit risk

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The majority of the Group's third party trade receivables represent balances with the world's leading international corporations operating in the metals industry. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit loss is not significant. Goods are normally sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables. The details of impairment of trade and other receivables are disclosed in Note 17. The extent of the Group's credit exposure is represented by the aggregate balance of financial assets and financial guarantees and loan commitments given.

At 31 December 2024 and 2023, the Group has certain concentration of credit risk as 43.2% and 10.5% of the total trade receivables were due from the Group's five largest customers. With respect to credit risk arising from guarantees, the Group's policy is to provide financial guarantees only to wholly-owned subsidiaries, associates and joint ventures.

## (f) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the Group's approach to capital management during the year.

The Company and its subsidiaries were subject to externally imposed capital requirements in the both years presented in these consolidated financial statements.

### (g) Master netting or similar agreements

The Group may enter into sales and purchase agreements with the same counterparty in the normal course of business. The related amount receivable and payable do not always meet the criteria for offsetting in the statement of financial position. This is because the Group may not have any currently legally enforceable right to offset recognised amounts, because the right to offset may be enforceable only on the occurrence of future events.

There are no financial instruments that meet the offsetting criteria in the statement of financial position for the year ended 31 December 2024 and 31 December 2023.

## 23 Commitments

### (a) Capital commitments

The Group has entered into contracts that result in contractual obligations primarily relating to various construction and capital repair works. The commitments at 31 December 2024 and 31 December 2023 approximated USD677 million and USD562 million, including VAT respectively. These commitments are due over a number of years.

### (b) Purchase commitments

Commitments with third parties for purchases of alumina, bauxite, other raw materials and other purchases in 2025-2044 under supply agreements are estimated from USD5,060 million to USD6,473 million at 31 December 2024 (31 December 2023: USD3,552 million to USD4,480 million) depending on the actual purchase volumes and applicable prices.

Commitments with related parties for purchases of alumina, bauxite, other raw materials and other purchases in 2025-2034 under supply agreements are estimated from USD7,632 million to USD8,208 million at 31 December 2024 depending on the actual purchase volumes and applicable prices.

Commitments with related parties for purchases of primary aluminium, alloys and other purchases in 2025-2030 under supply agreements are estimated from USD4,330 million to USD5,746 million at 31 December 2024 (31 December 2023: USD4,469 million to USD6,029 million) depending on the actual purchase volumes and applicable prices. Electricity purchase commitments are disclosed in Note 25.

### (c) Sale commitments

Commitments with third parties for sales of alumina and other raw materials in 2025-2044 are estimated from USD740 million to USD919 million at 31 December 2024 (31 December 2023: from USD560 million to USD691 million) and will be settled at market prices at the date of delivery.

Commitments with related parties for sales of alumina and other raw materials in 2025-2033 are estimated from USD3,384 million to USD3,849 million at 31 December 2024 and will be settled at market prices at the date of delivery.

Commitments with third parties for sales of primary aluminium and alloys in 2025-2029 are estimated to range from USD6,327 million to USD7,153 million at 31 December 2024 (31 December 2023: from USD5,269 million to USD5,901 million).

Commitments with related parties for sales of primary aluminium and alloys in 2025 are estimated from USD166 million to USD250 million at 31 December 2024 (31 December 2023: from USD374 million to USD501 million).

### (d) Social commitments

The Group contributes to the maintenance and upkeep of the local infrastructure and the welfare of its employees, including contributions toward the development and maintenance of housing, hospitals, transport services, recreation and other social needs of the regions of the Russian Federation where the Group's production entities are located. The funding of such assistance is periodically determined by management and is appropriately capitalised or expensed as incurred.

## 24 Contingencies

### (a) Taxation

Russian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activities of the Group may be challenged by the relevant local, regional and federal authorities. Notably recent developments in the Russian environment suggest that the authorities in this country are becoming more active in seeking to enforce, through the Russian court system, interpretations of the tax legislation, in particular in relation to the use of certain commercial trading structures, which may be selective for particular tax payers and different to the authorities' previous interpretations or practices. Different and selective interpretations of tax regulations by various government authorities and inconsistent enforcement create further uncertainties in the taxation environment in the Russian Federation.

Both as at 31 December 2024 and 31 December 2023 management considers that there are no tax positions taken by the Group where it is reasonably possible (though less than 50% likely) that additional tax may be payable upon examination by the tax authorities or in connection with ongoing disputes with tax authorities.

### (b) Environmental contingencies

The Group and its predecessor entities have operated in the Russian Federation, Jamaica, Guyana, the Republic of Guinea and the European Union for many years and certain environmental problems have developed. Governmental authorities are continually considering environmental regulations and their enforcement and the Group periodically evaluates its obligations related thereto. As obligations are determined, they are recognised immediately. The outcome of environmental liabilities under proposed or any future legislation, or as a result of stricter enforcement of existing legislation, cannot reasonably be estimated. Under current levels of enforcement of existing legislation, management believes there are no possible liabilities, which will have a material adverse effect on the financial position or the operating results of the Group. However, the Group anticipates undertaking significant capital projects to improve its future environmental performance and to bring it into full compliance with current legislation.

### (c) Legal contingencies

The Group's business activities expose it to a variety of lawsuits and claims which are monitored, assessed and contested on the ongoing basis. Where management believes that a lawsuit or another claim would result in the outflow of the economic benefits for the Group, a best estimate of such outflow is included in provisions in the consolidated financial statements (refer to Note 20). As at 31 December 2024 the amount of claims, where management assesses outflow as possible approximates USD24 million (31 December 2023: USD25 million).

### (d) Other contingent liabilities

In September 2013 the Group and PJSC RusHydro entered into an agreement with BoAZ to provide loans, if the latter is unable to fulfil its obligations under its credit facilities. The aggregate exposure under the agreement is limited to RUB16.8 billion (31 December 2024 and 2023 USD166 million and USD188 million, respectively) and is split between the Group and PJSC RusHydro in equal proportion. Based on management's estimates, the arising financial guarantees related to this arrangement are not significant to the consolidated financial statements.

## 25 Related party transactions

### (a) Transactions with management and its close family members

***Management remuneration***

Key management received the following remuneration, which is included in personnel costs (refer to Note 6(c)):

| | Year ended 31 December | |
|---|---|---|
| | 2024 | 2023 |
| | USD million | USD million |
| Salaries and bonuses | 49 | 50 |
| | **49** | **50** |

### (b) Transactions with associates and joint ventures

Sales to associates and joint ventures are disclosed in Note 5, purchases from associates and joint ventures are disclosed in Note 6, accounts receivable from associates and joint ventures as well as accounts payable to associates and joint ventures are disclosed in Note 17.

### (c) Transactions with other related parties

The Group transacts with other related parties, the majority of which are companies related through parent company or under the control of SUAL Partners Limited or its controlling shareholders.

Sales to related parties for the year are disclosed in Note 5, purchases from related parties are disclosed in Note 6, accounts receivable from related parties as well as accounts payable to related parties are disclosed in Note 17, commitments with related parties are disclosed in Note 23, directors remuneration in Notes 9 and 10 and dividends attributed to shareholders are disclosed in Note 11.

*Electricity contracts*

In November 2016, the Group entered into the new long-term electricity contracts to supply several Group's smelters from En+ subsidiaries over the years 2016-2026. Purchases will be made under a price formula close to market prices. The volumes committed under the long-term electricity contracts are as follows:

| Year | 2025 | 2026 |
|---|---|---|
| Mln kWh | 37,598 | 25,194 |
| Mln USD | 463 | 299 |

### (d) Related parties balances

At 31 December 2024, included in non-current liabilities are balances with related parties – associates and joint ventures in the amount of USD18 million (31 December 2023: USD17 million).

At 31 December 2024, there are no balances of related parties included in current assets (31 December 2023: companies related through parent company of USD49 million).

### (e) Pricing policies

Prices for transactions with related parties are determined on a case by case basis but are not necessarily at arm's length.

The Group has entered into three categories of related-party transactions: (i) those entered into on an arm's length basis, (ii) those entered into on non-arm's length terms but as part of a wider deal resulting from arms' length negotiations with unrelated third parties, and (iii) transactions unique to the Group and the counterparty.

## (f) Connected transactions

Not all the related party transactions and balances disclosed above meet the definition of connected transactions as per Chapter 14A of the Listing Rules of Hong Kong Stock Exchange. For particulars of the continuing connected transactions please refer to the Director's Report section of the Annual Report of the Company for the year ended 31 December 2024.

## 26 Particulars of subsidiaries

As at 31 December 2023 and 2023, the Company has direct and indirect interests in the following subsidiaries, which principally affected the results, assets and liabilities of the Group:

| Name | Place of incorporation and operation | Date of incorporation | Particulars of issued and paid up capital | Attributable equity interest | Principal activities |
|---|---|---|---|---|---|
| Compagnie Des Bauxites De Kindia S.A. | Guinea | 29 November 2000 | 2,000 shares of GNF25,000 each | 100.0% | Bauxite mining |
| Friguia SA | Guinea | 9 February 1957 | 758,966,200,000 GNF | 100.0% | Alumina |
| JSC RUSAL Achinsk | Russian Federation | 20 April 1994 | 4,188,531 shares of RUB1 each | 100.0% | Alumina |
| JSC RUSAL Boxitogorsk Alumina | Russian Federation | 27 October 1992 | 1,012,350 shares of RUB1 each | 100.0% | Alumina |
| Eurallumina SpA | Italy | 21 March 2002 | 10,000,000 shares of EUR1.55 each | 100.0% | Alumina |
| PJSC RUSAL Bratsk | Russian Federation | 26 November 1992 | 5,505,305 shares of RUB0.2 each | 100.0% | Smelting |
| JSC RUSAL Krasnoyarsk | Russian Federation | 16 November 1992 | 85,478,536 shares of RUB20 each | 100.0% | Smelting |
| JSC RUSAL Novokuznetsk | Russian Federation | 26 June 1996 | 53,997,170 shares of RUB0.1 each | 100.0% | Smelting |
| JSC RUSAL Sayanogorsk | Russian Federation | 29 July 1999 | 208,102,580,438 shares of RUB0.068 each | 100.0% | Smelting |
| RUSAL RESAL LLC | Russian Federation | 15 November 1994 | charter fund of RUB67,706,217.29 | 100.0% | Processing |
| JSC RUSAL SAYANAL | Russian Federation | 29 December 2001 | 59,902,661,099 shares of RUB0.006 each | 100.0% | Foil |
| CJSC RUSAL ARMENAL | Armenia | 17 May 2000 | 36,699,295 shares of AMD1,000 each | 100.0% | Foil |
| RUS-Engineering LLC | Russian Federation | 18 August 2005 | charter fund of RUB1,751,832,184 | 100.0% | Repairs and maintenance |
| JSC Russian Aluminium | Russian Federation | 25 December 2000 | 23,124,000,000 shares of RUB1 each | 100.0% | Holding company |
| Rusal Global Management B.V. | Netherlands | 8 March 2001 | charter fund of EUR25,000 | 100.0% | Management company |
| JSC United Company RUSAL Trading House | Russian Federation | 15 March 2000 | 163,660 shares of RUB100 each | 100.0% | Trading |
| Alumina & Bauxite Company Limited | British Virgin Islands | 3 March 2004 | 231,179,727 shares of USD1 each | 100.0% | Trading |
| JSC Bauxite-Timana | Russian Federation | 29 December 1992 | 44,500,000 shares of RUB10 each | 100.0% | Bauxite mining |
| JSC Severo-Uralsky Bauxite Mine | Russian Federation | 24 October 1996 | 10,506,609 shares of RUB275.85 each | 100.0% | Bauxite mining |
| JSC RUSAL Ural | Russian Federation | 26 September 1996 | 2,542,941,932 shares of RUB1 each | 100.0% | Primary aluminum and alumina production |
| SUAL-PM LLC | Russian Federation | 20 October 1998 | charter fund of RUB56,300,959 | 100.0% | Aluminum powders production |
| JSC Kremniy | Russian Federation | 3 August 1998 | 320,644 shares of RUB1,000 each | 100.0% | Silicon production |

| Name | Place of incorporation and operation | Date of incorporation | Particulars of issued and paid up capital | Attributable equity interest | Principal activities |
|---|---|---|---|---|---|
| RUSAL-Kremniy-Ural LLC | Russian Federation | 1 March 1999 | Charter fund of RUB8,763,098 | 100.0% | Silicon production |
| UC RUSAL Alumina Jamaica Limited | Jamaica | 26 April 2001 | 1,000,000 shares of JMD1 each | 100.0% | Alumina |
| Kubikenborg Aluminium AB | Sweden | 26 January 1934 | 25,000 shares of SEK1,000 each | 100.0% | Smelting |
| RFCL Limited (RFCL S.ar.l prior to 28 August 2020) | Cyprus | 13 March 2013 | RUB90,000,000 | 100.0% | Finance services |
| International LLC AKTIVIUM (Aktivium B.V. prior to 6 December 2019) | Russian Federation | 28 December 2010 | 215,458,134,321 shares of RUB1 each | 100.0% | Holding and investment company |
| Aughinish Alumina Ltd | Ireland | 22 September 1977 | 1,000 shares of EUR2 each | 100.0% | Alumina |
| LLC RUSAL Energo | Russian Federation | 26 December 2005 | RUB715,000,000 | 100.0% | Electric power |
| Limerick Alumina Refining Ltd. | Ireland | 30 March 1995 | 54,019,819 shares of USD1 each | 100.0% | Alumina |
| JSC RUSAL Management | Russian Federation | 26 December 2018 | 1,000,000 shares of RUB1 each | 100.0% | Management company |
| RUSAL Taishet LLC | Russian Federation | 11 September 2006 | Charter fund of RUB12,158,878,747.58 | 100.0% | Smelting |
| UC RUSAL Anode Plant LLC | Russian Federation | 9 April 2008 | Charter fund of RUB1,064,280,000 | 100.0% | Anodes |
| RUSAL Products GmbH | Switzerland | 27 December 2017 | Charter fund of CHF20,000 | 100.0% | Trading |
| Casting and mechanical plant “SKAD” Ltd. | Russian Federation | 29 August 2002 | Charter fund of RUB468,458,663.94 | 75.0% | Other aluminum production |
| “PGLZ” LLC | Russian Federation | 4 April 2016 | Charter fund of RUB119,500,000 | 99.9% | Alumina |
| AL PLUS GLOBAL DMCC | UAE | 18 January 2023 | 50,000 AED (50 ordinary shares of 1,000 AED each) | 100.0% | Trading |
| AL PLUS TRADING DMCC | UAE | 13 December 2023 | 50,000 AED (50 ordinary shares of 1,000 AED each) | 100.0% | Trading |
| Beijing Rusal Trade Company Limited | China | 10 March 2020 | Charter fund of CNY40,000,000 | 100.0% | Trading |
| RUSAL SHANGHAI ECONOMIC AND TRADE COMPANY LIMITED | China | 8 July 2022 | Charter fund of CNY250,000,000 | 100.0% | Trading |

Trading entities are engaged in the sale of products to and from the production entities.

## 27 Statement of Financial Position of the Company as at 31 December 2024

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| | USD million | USD million |
| **Assets** | | |
| **Non-current assets** | | |
| Investments in subsidiaries | 16,755 | 17,492 |
| Investments in associates and joint ventures | 316 | – |
| Other investments | 97 | 152 |
| Other non-current assets | 10 | 69 |
| **Total non-current assets** | **17,178** | **17,713** |
| **Current assets** | | |
| Loans to related parties | 5,159 | 4,820 |
| Other receivables | 402 | 836 |
| Cash and cash equivalents | 6 | 160 |
| **Total current assets** | **5,567** | **5,816** |
| **Total assets** | **22,745** | **23,529** |
| **Equity and liabilities** | | |
| **Equity** | | |
| Share capital | 152 | 152 |
| Reserves | 16,968 | 17,890 |
| **Total equity** | **17,120** | **18,042** |
| **Non-current liabilities** | | |
| Loans and borrowings | 1,732 | 3,960 |
| Other financial liabilities | 30 | – |
| **Total non-current liabilities** | **1,762** | **3,960** |
| **Current liabilities** | | |
| Loans and borrowings | 3,793 | 1,374 |
| Trade and other payables | 70 | 153 |
| **Total current liabilities** | **3,863** | **1,527** |
| **Total liabilities** | **5,625** | **5,487** |
| **Total equity and liabilities** | **22,745** | **23,529** |
| **Net current assets** | **1,704** | **4,289** |
| **Total assets less current liabilities** | **18,882** | **22,002** |

## 28 Events subsequent to the reporting date

On 24 February 2025 the European Union adopted the 16th Russia sanctions package. Among others, the package contains a prohibition on the import of primary aluminium of Russian origin. A quota is stipulated allowing 275,000 tons to be imported until 25 February 2026 and 50,000 tons during the rest of 2026. The Group's management estimates the effect of these sanctions as not significant to the Group.

In March 2025, the Company placed commercial non-documentary non-convertible interest-bearing bonds series 001PC-05 in the amount of RUB30 billion, with a coupon rate equal to the rate of the Central Bank of the Russian Federation plus margin.

In March 2025, a subsidiary of the Group has drawn down the funds under an existing credit facility agreement with a Russian bank for a total amount of RUB42.6 billion. At the same time, a subsidiary of the Group entered into a cross-currency interest rate swap transaction from RUB to CNY in the amount of CNY3.5 billion.

The funds under both transactions were used for partial refinancing of the existing issue of commercial bonds.

## EXTRACT OF INDEPENDENT AUDITOR'S REPORT

Below is an extract of the report by the auditor of the Company, regarding the consolidated financial statements of the Group for the year ended 31 December 2024.

### Opinion

We have audited the consolidated financial statements of IPJSC UC RUSAL and its subsidiaries (the "**Group**"), which comprise the consolidated statement of income, consolidated statement of comprehensive income for the year ended 31 December 2024, consolidated statement of financial position as at 31 December 2024, and the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements as of 31 December 2024, which indicates that the geopolitical tensions and sanctions imposed by a range of countries, accompanied by the volatility of commodity, stock and currency markets, may significantly affect operational, investing and financing activity of the Group. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 of the consolidated financial statements, indicate that material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Purchase, sale or redemption of UC Rusal's listed securities

Save as the repurchase of bonds as disclosed in note 19(b) to the consolidated financial statements, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of their securities during the financial year ended 31 December 2024.

## Code of Corporate Governance Practices

The Directors adopted a corporate governance code which is based on the Code on Corporate Governance Practices ("**HKSE CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Hong Kong Listing Rules**"). The Directors consider that save for code provision C.1.6 (attendance of independent non-executive Directors and other non-executive Directors at general meetings), for reasons set out below and also on page 93 of UC RUSAL's interim report for the six months ended 30 June 2024, UC RUSAL has complied with the HKSE CG Code during the period from 1 January 2024 to 31 December 2024.

C.1.6 of the HKSE CG Code provides that generally independent non-executive Directors and other non-executive Directors should attend the general meetings of shareholders of the Company. Certain executive Directors, non-executive Directors and independent non-executive Directors were unable to attend the Company's annual general meeting of shareholders and Company's extraordinary general meetings of shareholders held in the year of 2024 due to conflicting business schedules.

The Board endeavoured throughout the twelve-month period ended 31 December 2024 to ensure that it did not deal with business by way of written resolution where a substantial shareholder of the Company or a Director had disclosed an interest in a matter to be considered by the Board which the Board determined to be material. As a result, there were no occurrences (out of the 22 instances of absentee voting of the Board during the period) where urgent business was dealt with by the Board by way of written resolution where a material interest of a Director was stated to have been disclosed.

Of the 7 Board meetings held in the twelve-month period ended 31 December 2024 where one or more Directors had disclosed a material interest, all the independent non-executive Directors were present at all 7 of the Board meetings held.

Of the 33 Board meetings held, there were 7 occasions where non-executive Directors might have a material interest in the relevant transaction. On such occurrences, those non-executive Directors abstained from voting and the resolutions approving entry into such transactions were passed by the requisite majority excluding those non-executive Directors who might have a material interest.

## Audit Committee

The Board established an Audit Committee to assist the Board in providing an independent view of the effectiveness of the Company's financial reporting process, risk management and internal control systems, and internal audit function, to oversee the audit process and to perform other duties and responsibilities as are assigned to the Audit Committee by the Board. The Audit Committee is assisted by the Company's internal audit function which undertakes both regular and ad hoc reviews of risk management, internal controls and procedures, the results of which are reported to the Audit Committee. The Audit Committee consists of independent non-executive Directors. The members are as follows: Mr. Kevin Parker (chairman of the committee, independent non-executive Director), Ms. Anna Vasilenko (independent non-executive Director), and Mr. Bernard Zonneveld (independent non-executive Director).

On 12 March 2025, the Audit Committee has reviewed the financial results of the Company for the year ended 31 December 2024.

**Material events since the end of the year**

| | |
|---|---|
| 16 January 2025 | RUSAL Produces Primary Aluminium with Low Heavy Metals Content. |
| 20 January 2025 | 'Russkiy Radiator' Hits Record Sales in 2024 |
| 21 January 2025 | RUSAL Registers First in Russia Carbon Capture Climate Project. |
| 30 January 2025 | RUSAL Increases Powder and Paste Production Capacity. |
| 10 February 2025 | RUSAL Receives Highest ESG Ranking from China's Leading Agency. |
| 17 February 2025 | RUSAL Expands Scrap Aluminium Recycling Programme at Its Smelters |

**Compliance**

The Directors confirm that the information contained in this announcement does not contain any false statements, misleading representations or material omissions, and all of them jointly and severally accept responsibility as to the truthfulness, accuracy and completeness of the content of this announcement.

**Forward-looking statements**

This announcement contains statements about future events, projections, forecasts and expectations that are forward-looking statements. Any statement in this announcement that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause UC RUSAL's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include those discussed or identified in the prospectus for UC RUSAL. In addition, past performance of UC RUSAL cannot be relied on as a guide to future performance. UC RUSAL makes no representation on the accuracy and completeness of any of the forward-looking statements, and, except as may be required by applicable law, assumes no obligations to supplement, amend, update or revise any such statements or any opinion expressed to reflect actual results, changes in assumptions or in UC RUSAL's expectations or changes in factors affecting these statements. Accordingly, any reliance you place on such forward-looking statements will be at your sole risk.

For and on behalf of
**United Company RUSAL,**
**international public joint-stock company**
**Evgenii Nikitin**
*General Director, Executive Director*

14 March 2025

*As at the date of this announcement, the members of the Board of Directors are the following: the executive Directors are Mr. Evgenii Nikitin, Ms. Natalia Albrekht and Ms. Elena Ivanova; the non-executive Directors are Mr. Vladimir Kolmogorov, Mr. Semen Mironov and Mr. Aleksander Danilov and the independent non-executive Directors are Mr. Christopher Burnham, Ms. Liudmila Galenskaia, Mr. Kevin Parker, Dr. Evgeny Shvarts, Ms. Anna Vasilenko, and Mr. Bernard Zonneveld (Chairman).*

*All announcements published by the Company are available on its website under the links http://www.rusal.ru/en/investors/info.aspx and http://rusal.ru/investors/info/moex/, respectively.*